



CODE OF CONDUCT AND ETHICS

STAFF GUIDING PRINCIPLES

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INTRODUCTION

Background

Inuka Africa Ltd is a non-deposit taking microfinance institution registered and operating in Kenya since 2011 to providing training, capacity building and financing to micro and small enterprises, small holder farmers and agribusiness sectors.

Inuka Africa, like other financial institutions, operates in a complex, dynamic, highly competitive and regulated environment and must create and defend its internal and external customers. This calls for the practice of good corporate governance by:

- Board of Directors
- All Employees
- Consultants
- All other stakeholders

Good corporate governance is only possible if all IA staff and other stakeholders adheres to a specific Code of Conduct and Ethics. The policy provides a platform on which the employees are expected to perform their duties prudently and diligently on behalf of the Executives to whom they stand accountable and responsible.

It gives guidelines on the conduct expected from employees during their service at the company. The MD and HR offices shall ensure that all employees are aware and adhere to the prescribed Code of Conduct and Ethics.

Policy Statement

The ethos of the INUKA AFRICA Staff is to offer services to its members and support successive Executives with loyalty, impartiality, honesty and integrity to facilitate the achievement of the organization's Vision and Mission and to ensure that the requirements of the regulators, policies and procedures are met and maintained.

As a result of this, it is important to adopt specific principles of good corporate governance to help guide the organization in the fulfillment of its objectives and responsibilities to the members, employees and the community in general. Hence, the need for this Code of Conduct and Ethics intended to establish standards of ethical conduct and behavior of the employee. In so doing, good pillars of corporate

governance, which defines the economic might of a business, is established and maintained.

The code derives its legal basis from Employment Acts 2007, Cap 226 and Code of Conduct and Ethics Public Staff Ethics Act, 2003 and other approved internal procedures.

INUKA AFRICA staff shall adhere to this code so as not to bring the company into disrepute.

Vision

To provide differentiated financial services experience to our clients, a rewarding employment experience to our staff and a positive impact in the community we serve.

Mission

To be the financing partner of choice in the markets where we operate

Core Values

- Integrity
- Accountability
- Service Excellence
- Innovation
- Team Work
- Value to all stakeholders.

PART II

2.1 ANTI-BRIBERY & CORRUPTION

Statement

It is IA policy to conduct all of its business in an honest and ethical manner.

Inuka Africa will take a zero-tolerance approach to bribery and corruption and it is committed to acting professionally, fairly and with integrity in all its business dealing and relationships.

It is the goal of Inuka to avoid acts which might reflect adversely upon the integrity and reputation of the company as much as possible.

Individuals who will be involved in corrupt activities may or will be fined, or sentenced to imprisonment.

Further if IA or any of its employees or associated person (e.g contractors, agents, Inuka clients, suppliers, business contacts or consultants) is found to have taken part in corruption, IA could face an unlimited fine, and it could face serious damage to its reputation both in the public markets and its territory. IA therefore takes its legal responsibilities very seriously.

Objectives of the policy:

- *Set out the responsibilities of IA, and all individuals who work for IA, in observing and upholding the company's position on bribery and corruptions*
- *Provide information and guidance to those individuals working for IA on how to recognize and deal with bribery and corruptions issues.*
- *Consequences of those who are found to have committed corruption and bribery.*

Application

The policy applies to all directors, employees, consultants, Inuka clients and other stakeholders. Compliance with this policy constitutes;

1. *Terms and service for each director*
2. *Terms and Conditions of employment for each employee*
3. *Condition for providing services to IA for each consultant and contractor.*
4. *The policy extends across all of the company's business dealings and in all regions in which it operates.*

Forms of Bribery

A **bribe** is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.

- An **inducement** – *is something which helps to bring about an action or desired result*
- A **business advantage** *means that IA is placed in a better position (financially, economically, or reputational, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.*
- **Kickbacks** *are payment of any portion of a contract made to employees of another contracting party or the utilization of other techniques, such as subcontract, purchase orders or consulting agreements, to channel; payment to other offices*
- **Extortion** – *Means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.*

Inuka Anti-Bribery and corruption Standards

It is prohibited for IA or its director, employees, consultants or contractors to give,

- *Give, promise to give, or offer, a payment, gift or hospitality to a 3rd party or otherwise engage in or permit a bribe offence to occur, with the expectation or hope that an advantage will be received, or to reward a business advantage already given.*

- *Give, promise to give, or offer, a payment, gift or hospitality to a third to "facilitate" or expedite a route procedure.*
- *Accept a payment, gift or hospitality from a 3rd party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by IA in return.*
- *Threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this policy or IA whistleblowing policy.*
- *Engage in any activity that might lead to a breach of this policy.*
- *Non – compliance with the policy may result criminal or civil penalties which will vary according to the offence. An employee acting in contravention of the policy will also face disciplinary action up to and including Summary dismissal.*

Red Flags

The following are some of "red flags" that may indicate the possible existence of corrupt practices and should be kept in mind by all those subject to this policy among others:

- Use of an agent/service provider with a poor reputation or with links to a foreign government.
- Unusually large commission payments or commission payments where the agent/consultant does not appear to have provided significant services.
- Cash payments, or payments made without a paper trail or without compliance with normal Inuka internal controls.
- Unusual payments to personnel or consultants for which there is little supporting documentation.
- Payments to be made through 3rd party countries or to offshore accounts.
- Private meetings requested by service providers (companies) to tender for contracts.
- Not following the laid down procedure-abusing the decision-making process.
- Unexplained preferences for certain sub-contractors and continuous subcontracting without changing.

- Invoices rendered or paid in excess of contractual amounts.
- Overfunding of Inuka clients procedurally.

Employee should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided.

One should always ask for a receipt which details the reason for the payment, always raise queries with the supervisor if doubting prior to taking any action.

Any person who breached this policy will face disciplinary action, which could result in dismissal for gross misconduct. Inuka reserves it right to terminate its contractual relationship with other persons if they breach this policy.

2.2 WHISTLEBLOWING

Policy statement and background

IA is committed to conducting its business with honesty and integrity. We expect all staff to maintain high standards in accordance to our policies and procedures. However, all organizations face the risk of things going wrong from time to time, or of unknowingly harboring illegal or unethical conduct. The guidance shall follow the prescriptions of the Inuka Africa whistleblowing policy.

A culture of openness and accountability is essential in order to prevent such situation occurring or to address them when they do occur.

Objective of this policy:

To encourage staff to report suspected wrongdoing as soon as possible in the knowledge that their concerns will be taken seriously and investigated as appropriate and that their confidentiality will be respected.

To encourage provide staff with guidance as to how to realize those concerns.

To reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

Whistle blowing is the disclosure of information which relates to suspected wrongdoing (generally a breach of a legal, statutory or regulatory requirement or unethical, immoral behavior).

This includes:

- Breach of legal requirement e.g healthy and safety obligations owed by the firm and/or an individual.
- General malpractice-such as immoral, illegal or unethical conduct.
- Gross misconduct.
- Potential breach of the requirements in, or made under, the IA credit policy, HR policy, finance policy or internal audit risk framework.
- Breach of code of conduct.
- Money laundering or bribery

If any staff has any genuine concerns related to any of the above, he/she should report it under this policy.

Potential Disclosure

A “protected disclosure” is any disclosure of information which in the reasonable belief of the individual making the disclosure-tends to show that one or more of the following has been committed, is being committed or is likely to be committed.

The disclosure must be made in accordance with certain conditions:

- a) a criminal offence affecting IA
- b) a failure to comply with any legal obligation
- c) a miscarriage of justice
- d) the putting of someone's health or safety in danger
- e) Deliberate concealment of information relating to any of the above.

Raising a whistleblowing concern

All whistleblowing disclosures will be treated as confidential and will be reported though to the Inuka Africa Internal Audit section. Reports, complaints or

allegations which require anonymity for the sake of whistle-blower policy should be made through:

- a) **Email:** whistleblower@inukafrica.com.
- b) **Phone Number:** **+254 703 395301** (Whether through anonymous text or call)
- c) **In circumstances where this is not possible or appropriate, the whistleblower may fill an online whistleblower form on the link:**
<https://forms.gle/MBVWfCTziKPacFA97>

The staff should make it clear that he/she is making the disclosure within the terms of the firms Whistleblowing policy. This will ensure the recipient (Internal Audit) of the disclosure realizes this and takes the necessary action to investigate the disclosure and to protect the whistleblower's identity.

The Internal Audit will then get in touch (where necessary) to discuss the raised concern. The investigating authority will aim to keep the staff informed of the progress of the investigation and its likely timescale.

However, sometimes the need for confidentiality may prevent the investigating section/personnel giving the specific details of the investigation or any disciplinary action taken as a result.

Information about the investigation will be treated with high confidence. While IA cannot always guarantee the outcome the staff is seeking, the management will try to deal with the concern fairly and in an appropriate way.

Confidentiality

We hope the staff will feel able to voice concerns openly under this policy.

However, if you want to realize your concern confidentially, we will make every effort to keep your identity secret.

It is necessary for anyone investigating your concern to know your identity, we will discuss this with you.

We do not encourage staff to raise concerns anonymously. Proper investigation may be more difficult or impossible if we cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible.

Protection and support for whistleblowers.

It is understandable that whistleblowers are sometimes worried about possible repercussions. We aim to encourage openness and will support staff members that raise genuine concerns under this policy, even if they turn out to be mistaken.

2.3 DRESS CODE AND PERSONAL GROOMING

- IA seeks to uphold the self-esteem of the employees and create a positive employee brand and image of the organization to its clientele.
- Whereas IA appreciates that individuals have diverse tastes and preferences in dressing, it is expected that moderation in dressing and avoiding exposure is good for the work environment. IA has an official dress code that all staff are expected to comply with.
- Line managers are expected to ensure the employees under their charge are meeting expectations and desired standards of etiquette and to intervene where extremes are noted.

Inuka Africa dress code should be as follows:

Monday – Friday: Business Formal or Business Casual defined as below

For women:

- Business suit (dress, skirt or trouser)
- Reasonable length skirt
- Trouser of a non-jeans material
- Top (such as a dress shirt, polo, or sweater)
- Formal or semi-formal dress
- Close toe shoes

For men:

- Business suit with or without tie
- Collared shirt (such as a dress shirt or polo shirt)
- Cotton trousers (such as khakis or blue, green, brown, or black trousers)
- Blazer or business jacket
- Modest shoes (such as loafers)

EXCLUDES: *Jeans, tee shirts, sweatshirts, shorts, mini-skirts, sneakers and open toe shoes.*

Saturday: *Business Casual or Casual*

In this case casual includes jeans, tee shirts, sweatshirt, capri pants (not shorts), sneakers and open toe shoes.

You as client facing staffs are the image of the company and as such you are require portraying a professional and ethical image of Inuka Africa. In case a staff is spotted dressed in a manner that doesn't reflect Inuka Africa dress code, disciplinary action will be taken.

- Employees required to wear uniforms shall be provided with uniforms without cost to themselves. They shall initially be provided with three pairs and thereafter two sets every year.

2.4 WORKPLACE ROMANCE

Background

Inuka Africa Limited appreciates the need to anticipate, minimize and effectively manage the negative consequences of workplace romance. For this purpose, the organization has drawn up this policy with the aim of effectively dealing with romance or sexual relationships in the workplace.

Inuka Africa adopts the definition of workplace romance as a consensual and mutually welcomed relationship that goes beyond the purely professional relationship which includes physical attraction, intimate emotion and sexual behavior.

This may take diverse forms amongst employees, with interns, staff on secondment and with proteges in mentorship, in dimensions that may be lateral (between peers), hierarchical (between employees of different ranks).

Workplace romances where one or both employees are married persons are considered purely unethical and shall lead to immediate termination of service for the participants.

Inuka Africa Limited considers workplace romance to be a likely consequence of interactions at the workplace and acknowledges it as behavior that may subsist without necessarily becoming obvious or evident.

Workplace romance may impact workplace outcomes such as *productivity loss, favoritism, sexual harassment claims, confidentiality and privacy breaches and workplace violence all of which increase productivity and legal risks and liability.* The organization therefore categorizes it as potentially dysfunctional work-related behavior while allowing individuals the space to make their own life decisions.

Objective

The objective of this policy is to enable employees and managers to respond to workplace romances in a proactive yet pragmatic manner, and to forestall potential negative consequences by effectively responding to and managing any emerging incidences of workplace romances.

Rationale

The organization wishes to forestall the following undesirable outcomes amongst others that are likely to emanate from participants in workplace romance:

- a. Inappropriately sharing of confidential or sensitive information especially when the involved employees work in different areas of the organization.
- b. Engaging in inappropriate or explicit sexual behavior in the workplace.
- c. Spending unwarranted amounts of time together instead of attending to work assignments.
- d. Disruption of participants' and co-workers' work, operating environment and performance when relations go awry. Potential to transmute failed relations into sexual harassment claims and thorny disciplinary process.
- e. Potential for abuse of position or taking undue advantage against the lower ranked employee.
- f. Latent unfair influence in work-related outcomes such as promotion and pay decisions.
- g. Potential to open the door to gender and discrimination issues.
- h. Impaired professional conduct or judgment by employees engaging in workplace romance.
- i. Negative consequences for the reputation of the organization.

Actions in dealing with Workplace Romance

Appreciating that the organization may not unequivocally ban employees from dating, it is intended that the relationships fitting in the category of workplace romance shall not be sustained in the workplace and it is important to declare that the following obligations and actions are part of the policy of the organization on workplace romance.

- a) Employee involved in a workplace romance shall be duty bound to report to the manager or the Human Resource department. The HR department shall engage with and advise the employees involved in a workplace romance about the actions to be taken to determine the service of the elected participant.
- b) Whenever workplace romance cases occur, the affected employees shall make a decision on who between them will exit the organization. Such exit shall be effective from not later than three months of the reporting of the workplace romance.
- c) The termination of service arising from a report made at the initiative of a participant in a workplace romance shall be treated as a conformance with provisions of the contract of employment and organization policy and not as a termination for breach of contract.
- d) The management shall terminate one or both participants of a workplace romance if the relationship is discovered while having subsisted without being duly reported by the participants.
- e) Employees shall be made aware of the provisions of this policy during orientation and policy communications.
- f) The organization shall not allow inappropriate sharing of confidential information between the workplace romance partners or any other breach of confidentiality in handling of workplace romance cases.
- g) The organization shall encourage and support ethical reporting of workplace romances with the understanding that some employees are more uncommunicative than others to voluntarily report a relationship. The organization advocates reporting and early intervention and maintains the standpoint that keeping the romance secret shall not make it acceptable workplace behavior.

- h) Where required, the affected employees may be availed social support or counseling to aid them in dealing with transition and termination under this policy.

PART III

3.0 GENERAL GUIDELINES TO WORK ETHICS

3.1 Performance of Duties

Inuka Africa employee shall to the best of his/her ability, carry out his/her duties and ensure that the services that he/she provides are provided efficiently and honestly.

Rule of Law

A Staff shall carry out his/her duties in accordance with the law of the land. In carrying out his/her duties, a Staff shall not violate the rights and freedoms of any person as stipulated in the constitution.

3.2 Professionalism

A Staff shall: -

- a) *Carry out his/her duties in a way that maintains IA members/public confidence in the integrity of his/her office.*
- b) *Treat IA members/public and his fellow employees with courtesy and respect. Abusive language shall not be used.*
- c) *To the extent appropriate to his/her office, seek to improve the standards of performance and level of professionalism in the organization*
- d) *If a member of a professional body, observe the ethical and professional requirements of that body.*
- e) *Observe official working hours and not be absent from duty without proper authorization or reasonable cause.*
- f) *Maintain an appropriate standard of dress and personal hygiene.*
- g) *Discharge any professional responsibilities in a professional manner.*
- h) *Give honest and impartial advice without fear or favour.*
- i) *Submit any declaration or clarification required to be submitted or made by him/her to the MD or his authorized Staff.*
- j) *Not knowingly give false or misleading information to members, public or to other Staffs.*

- k) *Not leave his office without making adequate and appropriate arrangements for some other Staff to carry out his duties/functions during his absence.*
- l) *Not solicit inducement when providing services in the company.*
- m) *Not bribe to get services in the company.*
- n) *Not use intoxicating substance while on duty.*

3.3 Public Communication and confidentiality

- a) All Staffs shall exercise the greatest caution and confidentiality in handling information and documents that come into their possession in the course of their duties.
- b) All external communication shall be done in the name of INUKA AFRICA Limited by an authorized Staff. This includes use of Company Logo and letter head.
- c) No employee of IA shall, under any circumstances, publish or release by way of interview with the press or in any other manner, matters relating to the business of the IA without express authority of the CEO. Whereas this is not intended to deny the employees freedom of speech or expression, any lack of discretion on the employee's part, likely to embarrass the IA may result in disciplinary action being taken against him. This covers all manner of communication by an employee to unauthorized persons.
- d) A staff member shall not without permission of his/her immediate supervisor or CEO remove, erase or make copies of any official or confidential documents except for official purpose. Disclosure of confidential information concerning members and fellow employees is prohibited. Breach of this may result in termination of employment.
- e) A Staff shall report any suspected or known disloyalty, fraud or concealed practice that is contrary to the interests of INUKA AFRICA Limited. Such information shall be treated as confidential, but may have to be substantiated by evidence.

3.4 Honesty and Ethical Conduct

The employees shall act with integrity and maintain the highest standards of honesty and ethical conduct.

- a) Employees shall at all-time act with integrity in their official duties, avoiding any behavior that would reflect adversely on the employees or on the company.
- b) Employees shall behave in cordial and respectable manner towards fellow employees without harassment or physical or verbal abuse. They shall avoid creating an atmosphere of hostility or intimidation in any way.
- c) Employees shall neither solicit nor accept gifts, favors or anything of monetary
- d) value as an inducement or reward for doing or refraining from doing anything in their official capacity or showing favor to any person in their official capacity.
- e) Employees shall discharge their functions under the sole authority of the MD and other authorized senior officers.
- f) They shall respect the office of the Executives and maintain their independence by not accepting any instructions relating to the performance of their official duties from any other sources external to the MD.
- g) Employees shall at all times act within their scope of authority. They shall remain accountable for the tasks they delegate to others and shall be expected to exercise adequate control and supervision over matters for which they are responsible.
- h) Employees must not absent themselves from duty without leave for an excuse that is unacceptable to the Company. Absconding duty will lead to their salary being deducted for any period of absenteeism. Late return from leave shall be dealt with on the same basis. The deduction of pay is not a punishment and appropriate disciplinary action shall be taken against the offender.
- i) Employees must act with tolerance, sensitivity, respect and impartiality towards other persons' cultures and backgrounds.
- j) Employees shall be careful to ensure the expression of their personal views and convictions do not compromise or appear to compromise the performance of their official duties or interests of the company. Their official conduct must be characterized by objectivity and professionalism and must

never allow personal relationships or considerations to influence the performance of their official duties.

3.5 Conflict of interest.

- a) A Staff shall use his best efforts to avoid being in a position in which his/her personal interest conflict with his/her official duties.
- b) A Staff whose personal interests' conflicts with his/her official duties shall: -
 - ✓ Declare the personal interests to his superior or other authorized person and comply with any directives to avoid the conflict.
 - ✓ Refrain from participating in any deliberations with respect to the matter.
- c) Notwithstanding any directives to the contrary under subsection 5.3 (a), above an Staff shall not amend a contract, or influence the amendment of a contract to:-
 - ✓ Himself/Herself
 - ✓ A spouse, child or relative
 - ✓ A business Associate
 - ✓ A corporation, partnership or other body in which the Staff has an interest.
- d) An employee shall not engage in a business that competes with the core business of the employer e.g. shylocking or money laundering.
- e) In this regard Personal interest' includes the interest of a spouse, child. Relative or business associate.

Other Employment

Employees shall not, during the time of their employment with IA be directly employed in any capacity by any other firm or get engaged in business that is in conflict with that of IA.

Disclosure

Employees must disclose to the employer, any direct or indirect interest held by them in:

- a) Any company, firm or business, which carries out similar business to that of employer.
- b) Any subsidiary or associated companies of the employer.
- c) Any customer or client or beneficiary of the employer

4.6 Improper enrichment.

An Employee shall not use his/her office to improperly enrich him/her or others.

- a) Consequently a Staff shall NOT accept or request gifts or favour from a person who:-
 - ✓ *Has an interest that may be affected by the carrying out, or not carrying out, of the Staffs' duties*
 - ✓ *Carries on regulated activities with respect to which Inuka has a role.*
 - ✓ *Has a contractual or similar relationship with Inuka Africa.*
- b) Improperly use his/her office to acquire property for himself or another person.
- c) For the personal benefit of himself or another, use or allow the use of information that is acquired in connection with the Staff's duties and that is not public.

4.7 Nepotism

A Staff shall not practice nepotism or favouritism.

A Staff charged with the responsibility of recruitment of staff shall practice and promote the principle that Staffs should be selected on the basis of integrity, competence and suitability.

4.8 Conduct of Private Affairs.

- a) A Staff shall conduct his/her private affairs in a way that maintains public confidence in the integrity of his/her office.
- b) An employee shall not evade taxes
- c) Inuka Africa employee shall not neglect his/her financial obligations or neglect to settle them.

4.9 Sexual Harassment

A Staff shall not sexually harass Inuka client, the public or a fellow Staff subject to the sexual harassment policy.

In subsection 'Sexually harass' includes doing any of the following, if the person doing it knows or ought to know that it is unwelcome: -

- a) Making a request or exerting pressure for sexual activity or favour.
- b) Making intentional or careless physical contact that is sexual in nature.
- c) Making gestures, noises, jokes or comments including innuendoes, regarding another person's sexuality.

4.10 Collections and Harambees.

An Employee shall not: -

- a) Use his/her office or place of work as a venue for soliciting or collecting harambees.
- b) Either as a collector or promoter of a Public Collection obtains money or other property from a person by using his/her official position in any way to exert pressure.

4.11 Political Neutrality

- a) A Staff shall not, in or in connection with the performance of his/her
- b) Duties as such, act as an agent for, or so as to further the interest of a Political party.
- c) A Staff shall not engage in political activity that may compromise or be seen to compromise the political neutrality of his/her office.

4.12 Acting through Others

An employee contravenes the Code of Conduct and Ethics if: -

- a) He/she causes anything to be done through another Staff that would, if the Staff did it, be a contravention of the Code of Conduct and Ethics.
- b) He/she allows or directs a person under his/her supervision or control to do anything that is a contravention of the Code of Conduct and Ethics.

Subsection 13.1 (b) above does not apply with respect to anything done without the senior Staffs knowledge or consent if the senior Staff took reasonable steps to prevent it.

4.13 Acting for Foreigners

No Staff shall, in a manner that may be detrimental to the security interests of Kenya, be an agent for or further the interests of a foreign Government, organization or individual.

For the purpose of this section: -

- a) An individual is foreign if the individual is not a citizen of Kenya.
- b) An organization is foreign if it is established outside Kenya or if it is owned or controlled by foreign governments, organizations or individuals.

4.13 Care of Inuka Property.

A Staff shall take all reasonable steps to ensure that company's property that is entrusted to his/her care is adequately protected and not misused or misappropriated.

A person who contravenes subsection 15.1 above shall be personally liable for losses or damages resulting from the contravention and may be surcharged for such loss or damage

4.14 Safety and Health

Every employee shall, while at the work place.

- a) Ensure his own Safety and Health and that of other persons who may be affected by his acts or omissions.
- b) At all times wear or use any protective equipment or clothing provided by the employer for the purpose of preventing risks to his safety and health.
- c) Comply with the safety and health procedures, requirements and instructions given by a person having authority over him for his own or any other person's safety.
- d) Report to the Supervisor any situation which he has reason to believe would present a hazard and which he can not correct.
- e) Report to his Supervisor any accident or injury that arises in the course of or in connection with his work.

4.15 Absence from duty

4.15.1 Without permission

An employee who absents himself/herself from duty without permission or reasonable cause shall be deemed to have deserted employment and may be liable to summary dismissal on grounds of gross misconduct or desertion. He shall have his salary deducted for the period of his absence. The deduction from pay for unauthorized absence is not a punishment and appropriate disciplinary action shall be taken against the offender.

4.15.2 On grounds of illness

An employee who falls sick and is unable to report on duty shall have his sickness reported to the supervisor within twenty four (24) hours of its occurrence. Any absence on grounds of illness shall have to be supported by a medical certificate from a recognized hospital or approved medical practitioner. Where an employee fails to establish a case of absence on health grounds, he shall forfeit his salary equivalent to the days of absence and shall be warned in writing. However, if the number of days of absence exceeds five (5) more severe disciplinary action shall be preferred.

4.16 Insider Loans

Employees shall not use their positions to further their personal interests except in the ordinary course of business, and at normal terms applicable to arms-length transactions.

The IA shall not therefore grant or permit to be granted any advances, loans or credit facilities to any of its employees or their associates on terms more favorable than those available to ordinary Inuka clients.

Staff shall strictly utilize the staff loans products approved from time to time by the management

1.17 Pecuniary embarrassment

Pecuniary embarrassment from whatever cause shall be deemed to affect the efficiency and productivity of an employee and may result in termination of service.

1.18 Cases of criminal nature

An employee who is involved in a case of criminal nature other than minor offences e.g. traffic offences, shall immediately be suspended in the event of any reported

arrest and suspended from duty after conviction pending the decision of the Executive.

1.19 Lobbying

An employee shall not seek the influence or intervention on his behalf or induce a member of the Board and/or any committee of the IA or any other person for advancement or other advantage in the service .Any such approach shall be regarded as misconduct and will render the employee subject to disciplinary action.

1.20 Courtesy towards members of the public

Employees must treat members of the public in general and the IA clients in particular with courtesy and attend to them promptly. Any complaints of incivility or inattention if proved beyond doubt will be viewed seriously and an appropriate disciplinary action taken against the concerned employee.

1.25 Penalties

When a Staff of the IA is assessed by the executive and the HR office and found to be unfit and not proper to work for the IA(including for reasons of failing to observe this code of conduct and the corporate governance principles as a whole) the IA shall dispense with the services of such an Staff forthwith. Other disciplinary actions which may be undertaken are as follows:

a) *Stoppage of annual increment:*

This is a financial penalty whereby an increment is stopped on the due dates, the offender having been informed in writing. Restoration of such stopped increment will only be effected with the authority of the MD and HR office and in any case cannot be paid in arrears.

b) *Demotion*

This is the most severe disciplinary action short of dismissal. Demotion will apply only to employees at or above supervisory level. An Staff demoted in rank takes seniority below his current grade and will be precluded from acting in a higher

grade for at least 12 months. Demotion can only be approved by the Board of Directors on recommendation from the CEO.

4.28 Chain of Command

All employees shall follow the laid down chain of command when communicating with the Inuka MD. An employee, who is aggrieved by a disciplinary action taken against him, shall have the right to appeal to the head of his section/department and if still not satisfied to the MD. Such appeals must be made through the proper channels and in writing. All problems however, should as far as possible be solved at HR Office or lower levels.

4.31 Improper use of IA property

Any loss or damage to IA funds or property arising from negligence or default of an employee may lead to severe disciplinary action against the person concerned. Such action may include recovery of all or part of the loss or summary dismissal depending on the magnitude of the case, as determined by the HR office or MD

4.31 Internet & Email Policy

Email and Internet usage assigned to an employee's computer and/or telephone are solely for the purpose of conducting company business. IA disallows use of internet and mail assigned to the employee for any of the following:

- a) Use that creates the possibility of contamination to IA system through viruses or spyware
- b) Obtain, view or reach any pornographic or otherwise immoral, unethical or non-business-related internet sites.
- c) Emails that discriminate against employees by virtue of any protected classification including race, gender, nationality, religion.

IA has the right to access communication sent via email and/or that is stored on company equipment at any time. Employees should not consider their electronic communication, storage or access to be private if it is created or stored at work or on IA equipment.

4.32 Intellectual Property

Copyright, registered and unregistered design rights and any other intellectual property rights in any materials in any medium produced by staff during the course of their employment shall belong to the employer and staff must return all such materials and copies in their possession to the employer on request.

PART IV

4.0 REVIEW AND ADOPTION

4.1 REVIEW

A review of this Code of Conduct and Ethics for staff shall be conducted regularly with any new changes in law or internal procedures as necessary and presented to the Board of Directors through the Managing Director for approval.

4.2 ADOPTION

This Code of Conduct and Ethics for staff has been adopted as the official Code of Conduct and Ethics for staff of IA and approved by the Board on

Dated 2nd January 2024