



# **CODE OF ETHICS & CONDUCT**

**JUNE 2019**

## **TO ALL EMPLOYEES OF UNGA HOLDINGS LIMITED**

Unga Holdings Limited (UHL) is a holding entity majority owned by Unga Group Plc in partnership with Seaboard Corporation. Its subsidiaries include Unga Limited, Unga Farm Care (EA) Limited, Ennsvalley Bakery Limited and Unga Millers (U) Limited.

Our Code of Ethics & Conduct (the Code) articulates the values that guide us in our behavior and how we conduct our business. These embrace self-responsibility, trust, respect, integrity, innovation, continual improvement and teamwork

### **Our Vision**

Nutrition for Life

Our Vision directs our Company's future growth towards a portfolio of diversified value-added products in Eastern Africa and beyond.

### **Our Mission**

To achieve and maintain market share leadership in the provision of superior human nutrition, animal nutrition and health products and services for the benefit of all stakeholders within Eastern Africa.

### **Our Core Values**

Unga Holdings Limited is an equal opportunity employer.

We are committed to creating an environment that supports calculated risk taking, experimentation and the free expression of ideas. We are an organization that delivers on the expectations of our customers and other stakeholders by living our core values of:

1. **Self-Responsibility**

Every one of us is a leader. We take pride, set the right example and hold ourselves accountable for achieving our individual and collective goals. We take responsibility for our success and setbacks. We celebrate success and see setbacks as an opportunity for growth.

2. **Trust**

We build trust and honour our commitments to one another by communicating actively and openly.

3. **Respect**

We treat each and every person with respect and value the diversity they bring to the company.

4. **Integrity**

We are fair and honest in all our interactions with one another, we earn our reputation by adhering to the highest moral and ethical standards.

5. **Innovation**

We are a learning organization, constantly looking for ways to improve. We embrace creativity, change and opportunity, deliver innovative solutions to the market place and will take informed, responsible risks.

6. **Continual Improvement**

We develop in our people the ability to continually improve our processes, products and services through living PaTaMu.

## 7. Teamwork

Our success is dependent on the collective energy, expertise and intellect of our team members. We foster collaboration while maintaining individual accountability. We strive to create a work environment where motivated team members can flourish and succeed to their highest potential.

## OUR RESPONSIBILITY

At Unga we attach great importance and care in quality products and service to our customers (both internal and external) in order to expand our share of the market; have greater productivity and lower costs; and maximize our profits. In doing this we would like all our employees to inculcate positive attitudes, honesty and integrity in all business dealings and to bear responsibility for all their actions.

Our purpose for authoring a publication on ethics and professional conduct is to emphasize the expectation of our employees and customers to be treated fairly. This policy will serve to guide our behavior and ensure ethical conduct. However the Code is not meant to replace considered judgment of Management, especially in areas where there is no codification.

This policy applies to directors, employees, partners, consultants, outsourced labour and other workers at Unga Holdings Limited, including all personnel affiliated with third parties.

Unga reinforces the importance of the integrity message and that the tone starts at the top. Every employee, supervisor, manager and leader needs to consistently maintain an ethical stance and support ethical behavior. Employees at Unga should encourage open dialogue, solicit and receive honest feedback and treat everyone fairly, with honesty and objectivity.

The Board are committed to this Code and believe it is an important guide to every employee's behavior and responsibilities to the Company.

Sincerely,

| Name                   | Unga Group Plc | Unga Holdings Ltd | Designation | Signature  |
|------------------------|----------------|-------------------|-------------|--|
| Isabella Ochola-Wilson | ✓              | ✓                 | Chairman    |  |
| Andrew S.M. Ndegwa     | ✓              | ✓                 | Director    |  |
| David Dannov           | -              | ✓                 | Director    |  |
| Johannes Combrink      | -              | ✓                 | Director    |  |
| Alan McKittrick        | ✓              | ✓                 | Director    |  |
| Nicholas Hutchinson    | ✓              | ✓                 | Director    |  |
| Shilpa Haria           | ✓              | -                 | Director    |  |
| Patrick Obath          | ✓              | -                 | Director    |  |
| Vitalis Ojode          | ✓              | -                 | Director    |  |
| Jinaro Kibet           | ✓              | -                 | Director    |  |

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## **Policy Introduction**

This policy outlines the conduct and behavior that all Unga representatives including its Directors, employees, casual workers, consultants, contractors, suppliers and customers will be expected to portray and adhere to while associated with any of its companies. It also helps to establish a culture of openness, trust and integrity in our business practices. It should be read in conjunction with other company policies and procedures governing its operations

Ethics is about moral choices. It is about the values that lie behind them, the reasons people give for them, and the language they use to describe them. It is about the dilemmas of life, death, sex, violence and money. Much of ethics is about integrity. It is about applying basic values to the decision making process and therefore living in a way that allows your personality to be expressed in what you do.

All employees shall at all times observe absolute integrity, honesty and ethical behavior in the discharge of their duties or in the exercise of their powers while in our employment. Employees holding supervisory roles or any other employees who are placed in positions of authority over other employees shall take all reasonable steps or precautions to ensure the integrity and devotion to duty of all employees, for the time being under their control, at Unga Holdings Limited.

We are committed to protecting employees, partners, clients, vendors and the Company from illegal or damaging actions by individuals, either knowingly or unknowingly. The Company will take the appropriate measures and act quickly in correcting the issue if the ethical code is broken. Any infractions of this code of ethics will not be tolerated.

We are committed to effectively managing all kinds of risks that threaten the ability of individual institutions or functions, or the group as a whole, to achieve their objectives, including risks to the safety, health and welfare of staff and others. Enterprise Risk Management is an integral part of Unga's processes and the effective management of risk is fundamental to the achievement of our Vision, Mission and Core Values. Risk management is the responsibility of the staff at all levels of the organization.

Unga will promote a trustworthy and honest atmosphere to reinforce the vision of ethics within the Company. Promotion of ethical conduct within interpersonal communications of employees is encouraged at all times.

## **Board of Directors Commitment**

The Company's Board of Directors are committed to inculcating and sustaining a culture of ethical behavior and commitment to the right way of doing things in all our operations and dealings. They fully support the Code and will always ensure full compliance starting from their level and throughout the Company.

## **Management Commitment**

The Management Team at Unga are required to set a prime example in any business practice; maintaining honesty and integrity must be their top priority. They will practice an open door policy and welcome suggestions and concerns from employees. This allows employees to feel comfortable discussing any issues and will alert them to concerns within the work force. They commit to disclose any conflict of interests regard their position within the Company.

Management's commitment and responsibility includes:

- Overseeing the administration of the Code in the Company.
- Interpreting the policies and responding to requests for approval or delegating these duties to other persons.
- Retaining written copies of advice or approval given to employees in their personal file.
- Investigating and remedying, if necessary, any reported reprisal taken against employees who provide information.
- Be objective and constructive when giving advice or guidance in their professional capability.
- Accept accountability for the action of their subordinates as well as for their own.
- Never maliciously injure the professional reputation or career prospects of others nor the business of others.
- Be aware of and sensitive to the cultural environment within which they are working.
- Strive to minimize misunderstanding and promote good relations between all who work in the organization and ensure that all their subordinates are aware of their duties and responsibilities especially in relation to those of others.
- Seeking interpretation of these policies from the Human Resources Leadership.

## **Employee Commitment**

Unga employees will treat everyone fairly, have mutual respect, promote a team environment and avoid the intent and appearance of unethical or compromising practices. Every employee needs to apply effort and intelligence in maintaining ethics value. They must disclose any conflict of interests regarding their position within the Company.

Employees will help the Company to increase customer satisfaction by providing quality service and timely response to inquiries. As per common law requirements of employment relationships, it is the duty of employees to, at all times, render services to the Company and to promote the best interests of the Company. Employees are obliged to disclose forthwith to the Company any of the following:

- Any mental health or any medical deficiencies, including alcohol and or drug dependencies, medical conditions or any such circumstances which could detrimentally affect or in any way influence their employment or the fulfillment thereof with the Company, as soon as you become aware of the same;
- Any criminal offence, specified in the Kenyan Constitution, the Penal Code or any amendments or variations thereof from time to time, that they may have been convicted of.

In particular, employees shall be expected to exercise tact and discretion in their dealings with members of the public, public officials, fellow members of staff and any impropriety or intolerance, however provoked, must be avoided. Employees shall perform their duties in accordance with the general instructions handed down by the Company from time to time.

All employees will be responsible for:

- Following the Code
- Obtaining necessary approvals from their supervisor.
- Reporting conflicts of interest or failures to follow these policies to their supervisor.

Any discussions an employee may have with their supervisor about possible violations of this Code will be treated as confidential. No reprisal will be taken against any employee who provides information about possible violations but should they have deliberately violated the standards set herein, disciplinary action will be taken against them as laid out in the Disciplinary Policy.

Upon recruitment and subsequently annually, all employees are required to complete the Code of Ethics and Conduct Form to acknowledge having read and understood the Code and undertaking to comply with it.

Any infractions of this Code will not be tolerated and Unga will act quickly in correcting the issue if the ethical code is broken. Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

If you have any questions upon reading this Code or about any supplemental policies, you should discuss these with your Line Manager or the Human Resources personnel in your company. Any request for waivers to this Code must be forwarded to the Group Managing Director, who will in turn disclose this to the Board Human Resource Committee.

### **Supplier Commitment**

All suppliers (companies and persons) who intend to do any business with Unga, are expected to adhere to this Code. A copy of the Code will be given to all potential suppliers, who will be required to read and acknowledge that they will comply with it through signing the acknowledgement form as part of the contracting process through the Procurement function.

In addition to complying with the Code, all suppliers will be responsible to ensure that they receive and adhere to all other relevant Policies e.g. Procurement/Supply, maintaining the terms and conditions of their relationship with Unga confidential (unless disclosure has been approved in writing by the relevant authority in the Company) and ensuring that all Unga employees/contractors/consultants with whom they interact are treated with respect in a non-discriminatory and non-threatening manner.

Suppliers are also expected to read and understand Unga's Whistle Blower Policy. At no time should suppliers offer or pay bribes to any of Unga's employees/contractors/consultants. In the event that a supplier is asked by an employee/contractor/consultant to pay a bribe or to provide a facilitating gesture, the supplier is expected to promptly inform the Company using the mechanisms described in the whistle blower policy/guidelines.

## **1. PERSONAL CONDUCT**

Our collective personal conduct portrays the corporate image of Unga. We need to fill our minds with thoughts of peace, courage, health, hard work and hope to win. Our life is what our thoughts make it. These are the positive attitudes that we should reflect within and outside Unga to build our image. As part of your employment responsibilities, you are expected to maintain a good relationship with co-workers and those doing business with the company. Honesty is expected.

Our physical appearance and grooming should be smart and decent always befitting the occasion. We should avoid the company of persons with questionable integrity and desist from habits that are offensive to our customers e.g. smoking while attending to customers, or talking and ignoring a waiting customer.

### **Criteria for Dress Code**

There are three key criteria which the Company will use to establish a dress code for a particular working area:

#### ✓ **Safety and Quality**

The employee's clothing, hair style and jewelry should not be the type which could interfere with the safe performance of his/her duties and the quality of our products. This rule is for the benefit of the employee.

#### ✓ **Customer Contact**

Our customers judge the Company not only by the quality of the products and services we provide, but also by the appearance of the people with whom they deal. Employees whose duties involve such contact must maintain a suitable appearance.

#### ✓ **General Contact**

Our image with vendors and the general public is important as our customer image. Employees who deal with the general public must also be aware of the fact that their dress and actions reflect upon the Company.

The direct Manager/Supervisor has the primary responsibility to see that employees conform to the policies issued for dress code. When an employee is not following the guidelines the manager/supervisor should first try and resolve the problem through an informal discussion with the employee involved. If the employee continues to disregard instructions then they receive a written warning. If this continues then it should be referred to the Human Resources Leadership for final warning.

## **2. UNETHICAL BEHAVIOR**

- Unga will avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications at all times.
- Unga will not tolerate harassment or discrimination among its employees.
- Unauthorized use of Company trade secrets and marketing, operational, personnel, financial, & technical information integral to the success of our Company will not be tolerated.
- Unga will not permit impropriety at any time and we will act ethically and responsibly in accordance with the Law of the countries in which we operate.
- Unga employees will not use Company assets or business relationships for personal use or gain.
- Employees should not submit false or fraudulent reports or statements, including, without limitation, claims for any refund, credit, rebate, incentive, allowance, discount, reimbursement or other payment by the Company.
- Unga employees will not come to work under the influence of any intoxicating substance, be it legal or otherwise, whilst on duty. When intoxicated employees are instructed to leave their place of work and that day will be regarded as unpaid leave. Such employees will further be liable for disciplinary action which may result in their dismissal at the first instance.
- Employees found in possession of any illegal substances will be detained by Management and the Kenyan Police will be summoned to press criminal charges.
- Employees hereby acknowledge that, should any suspicion arise that they are under the influence of any intoxicating substances, they hereby consent to being subjected to any testing that may determine the extent of the intoxication, if any.
- Fighting and/or brawls will not be tolerated on Company premises at any time for any reason. Those found guilty following investigation will be subject to disciplinary action, up to and including dismissal.

## **3. PLEDGING OF CREDIT**

Employees shall not at any time pledge the Company's credit or in any way render the Company liable for the payment of any monies to any person or firm whatsoever, except payments which are necessary and incidental to the carrying out of their duties and which have been checked and authorized by the Company.

Employees shall duly and promptly account for any money received in the course of their duties within thirty (30) days of receipt and pay over the same to the Company or its agents/Bankers at such times and in such manner as the Company shall direct, retaining only such sums as they are specifically authorized by the Company to retain for the immediate requirements of their duties.

## **4. POLYGRAPH TESTING**

Unga seeks to assess the quality of employees in certain critical and sensitive roles. Employees hereby acknowledge that the Company's business is vulnerable to numerous and various forms of dishonest and unlawful acts which, while extremely difficult to detect, are capable of prejudicing the viability of the business and the employment security of all employees. In light of the afore-going, they expressly agree to:

- Be subjected to camera, recording, electronic and/or other in-house surveillance by any person designated by the Company, whenever it is deemed necessary.
- Submit themselves to polygraph examinations to be conducted by a qualified person(s) designated by the Company, whenever it is deemed necessary. A refusal to undertake the

polygraph test would allow the Company to draw a negative inference and will amount to a material breach of their contract of employment which will result in disciplinary action, which may include dismissal.

Employees hereby acknowledge that the Company's operational requirements are such that it is necessary that, if they work with valuable Company assets, stock and/or money, they are fully trusted by the Company. Should they, if subjected to a polygraph examination, not pass the examination to the satisfaction of a person properly qualified to conduct such examination, they shall forthwith be deemed to be incapable of continuing to work with valuable Company assets, stock and/or money.

## **5. INSUBORDINATION**

Refusal to obey a legitimate instruction or the use of obscene or otherwise objectionable language to a supervisor or manager is insubordination. It undermines the discipline and authority needed in the work place and cannot go unchallenged. Insubordination will result in discipline up to and including dismissal. Employees should follow any instructions given by a manager or supervisor unless it is unsafe, may result in death or serious injury or has no job related connection, or if they have reason to believe it is criminal or fraudulent.

Incitement of others resulting in unruly behavior will lead to dismissal. Similarly, hurtful and abusive language to others will be punishable by summary dismissal.

## **6. THEFT**

Theft of any Company property including office supplies and equipment, finished products inventory, tools and embezzlement of funds will be dealt with severely. Any employee found to have stolen Company property, embezzled Company funds or assisted others in such activities is subject to immediate dismissal. In addition, criminal proceedings will be instituted and the individuals' photograph placed in the local daily newspaper.

All employees are expected to remain alert to the possibility of theft and report any suspected activities to their supervisor/manager or HR Office. Your confidentiality will be respected.

## **7. PROPERTY INSPECTION**

The Company has the right to inspect all lockers, desks, packages etc. brought into or off the premises. Employees refusing to allow a Company representative (including appointed security firm) to conduct an inspection shall be subject to termination of employment. Company property may not be taken off premises without a written property pass signed by the employee's supervisor/manager or the manager responsible for security.

Negligence in the care and use of Company property will be cause for disciplinary action. Company property issued to employees, including software, manuals and proprietary information, must be returned if employment with the Company is terminated either voluntarily or involuntarily. If Company property is not returned, the employee will be responsible for the value of the property.

Removal or attempting to remove Company property without proper permission will result in discipline up to and including dismissal. Any Company property being removed from the work premises should have a signed gate pass.

Examples of property:

- Materials, equipment and tools;
- Personal property owned by other employees;
- Confidential literature including technical, sales and quality control documents;
- Computer disks, tape and other storage media; and
- Information designated as trade secret.

## **8. ACCESS TO OFFICIAL PREMISES**

### **Company Visitors/External Contractors**

All visitors/contractors are required to register, obtain and wear a pass at the site reception area before they enter any Company premises. This policy is necessary to protect confidential information, to ensure the security of all employees as well as Company property, and to minimize disruption of business activities.

### **Visits by Sales Personnel**

Persons calling upon the Company for purposes of sales should be directed to arrange for appointments in advance, through the procurement team, on the day or days and hours set aside for sales visits. Authorized visitors should be accompanied while they are on Company premises and not allowed to wander off on their own.

### **Access by Former Employees**

Former or suspended employees of the Company, even if employed by a firm doing business with the Company, may not enter the Company offices without the specific approval of the manager of the process they wish to contact. Any questions on this area should be referred to the Human Resources leadership, who is responsible for monitoring this subject.

## **9. SERVICE TO OUR CUSTOMERS**

Our objective is to attract and keep customers delighted. We are committed to giving quality products and service to all our customers. We count on all employees to support this commitment by preventing errors and doing things right the first time.

All employees represent Unga to our customers and potential customers. When you respond to a customer, you create impressions that build and affect our relationships with the people we value. The quality and safety of the company's products, their fair and accurate representation to the customer or consumer, are key elements in this relationship.

Customer satisfaction (for both internal and external customers) exists when there is a good fit between what customers expect and the services that employees deliver. Our guidelines to good customer service include:

- Responsiveness – demonstrate a willingness to help and provide prompt value added service;
- Assurance – be courteous and honest in order to inspire trust;
- Empathy – show that you value and respect customers. Treat customers as you would expect to be treated;
- Tangible evidence of a commitment to service – project a positive, professional image on the telephone, in face to face communication, in dress and in maintenance of the work place and its equipment.
- Employees must seek to establish and develop with customers and suppliers a continuing and satisfactory relationship leading to mutual confidence.

Unga will assure the continuity of its customer and consumer relationships on mutually satisfactory terms by:

- ✓ Providing products that meet applicable government quality and safety standards, or such higher standards as may be adopted by the company; and
- ✓ By assuring the accuracy and propriety of any representations made concerning the quality, ingredients, and nutritional and other characteristics of products.

## **10. CONFLICTS OF INTEREST**

To maintain the confidence of our customers, avoid conflicts of interest. A conflict of interest is a situation where your private or outside economic interest;

- Interferes with your duties and responsibilities to Unga; or
- Raises a reasonable question about such interference (the “appearance” of a conflict of interest may be damaging to customer confidence as an “actual” conflict of interest). For example, family relationship ties to members of your household whether or not you are related but share external investments such as businesses, these businesses might have conflict of interest with our customers and/or suppliers.

### **Sources of Conflict**

Common conflicts of interest generally arise when an employee:

- Accept gifts of more than token value or nominal value from an actual or potential customer, supplier or competitor.
- Has a significant direct or indirect financial interest in, or relationship with, an actual or potential customer, supplier or competitor; It is important that all employees do not transact any business as suppliers of service or materials for financial gain with Unga or its direct competitors.

## **11. CONFIDENTIAL INFORMATION**

Unga is committed to conducting business in an open and ethical manner. As a part of the commitment, we inform our stakeholders and other concerned groups about our operations through annual reports and the news media.

As a competitive business, Unga is strict about the disclosure of information about the Company and its business. Information that is not public is considered proprietary information, that is, information that is the property of Unga. This includes: trade secrets; confidential information regarding Unga business

such as the Company's financial performance (if it has not been publicly announced); customers; employees; products and services; systems plans and information; passwords; computer programs; business plans; marketing plans; policies; strategies and costs.

While working at Unga employees must not:

- Reveal any confidential information about the Company or its employees, customers or suppliers to anyone except properly designated employees or agencies.
- Use any proprietary or confidential information they have acquired at Unga for the benefit of another company; and
- Seek to profit from confidential information on business opportunities that are available to them as a result of their position with the Company.

When employees leave Unga employment, they will not:

- Use any proprietary information for their own or another's gain; or
- Keep any original documents or copies of note books, drawings, reports, proposals, materials, tools, equipment or property belonging to the Company.

### **Press Relations**

Unga Holdings Limited is majority owned by Unga Group Plc, a Public Company, and will be the source of many news stories. It is our policy to work with members of the news media to tell the stories. Some subjects however, cannot be discussed with reporters. To ensure that proprietary or confidential information is not released to the press, and to prevent inaccuracies and misstatements, all media contact must be coordinated by the operating company General Managers (GM) or Group Managing Director (GMD). If an employee receives a call or request for an interview from a news organization, they should make a note of the questions or subject and offer to have someone get back to the reporter promptly. They must then relay the information to the appropriate GM or GMD.

### **Privacy**

Every employee is responsible for strictly guarding the privacy of records and other information concerning employees and customers. They may not use this information for personal advantage or reveal it to anyone outside or within the Company. Sharing information at the wrong levels is prohibited and is subject to disciplinary action against the offender.

### **Company Communications**

#### **Communication**

The acceptable language of communication within Unga is either English or Kiswahili. External communication may go beyond the two basic languages provided that the external customer may appropriately communicate in "that" other language.

Notices relating to Company business will be communicated through the official email communication channel and may be posted on bulletin boards at locations designated for that purpose. Managers are responsible for ensuring that bulletin boards located in their work areas are in compliance with this policy and for notifying the Human Resources leadership should any action be necessary.

### **Information Technology**

All employees will be bound by the ICT policy governing use of e-mail and password. Employees are required to familiarize themselves with the detailed ICT policy available from Human Resources and the intranet. New employees will be authorized to use e-mail/internet via approval of the Authorization Form available from the HR or ICT Office.

### **Literature**

No one may distribute literature or post notices on Company premises without written permission from the Group HR Manager. All requests for such activities will be in accordance with these standards:

- Whether the activity will interfere with work performance or be offensive to other employees.
- Whether the activity is governed or prohibited by law;
- The relevance of the activity to employees as a whole; and
- Whether the activity will affect the impression received by customers and visitors.

The decision by Management as to whether literature will be allowed to be distributed will be final and binding. Employees who violate this policy will be subject to discipline up to and including dismissal.

### **Record Retention or Destruction**

Unga's records are important corporate assets which must be protected. They include, but are not limited to, financial statements and reports, general ledgers or other books of accounts, documentation of transactions, tax returns, computer software and other employee-created documentation whether computer generated or otherwise. Consistent with applicable law, company records shall be retained for varying periods of time (some of which are for essentially unlimited duration), depending on the type of record, the applicable legal obligation as well as specific Unga requirements.

Employees must ensure the retention of Unga records for requisite retention periods and that such records are subject to timely destruction when the specified retention period expires. "Records" for this purposes include "hard copies" of documents, records on computers, electronic systems, microfiche or microfilm.

Each Unga employee is responsible for compliance with Unga's Record Retention/Destruction Standards. Questions concerning the foregoing should be referred to the Group Finance Director for consideration and advice before any contemplated action is taken. An employee may not use for his/her own financial gain or disclose for the use of others, any inside information about the Group and/or Company obtained through his/her employment in the Group or Company.

## **12. RESTRICTIONS ON RELATIONSHIPS**

Unga Management will respect every individual employee and have concern for their merit, dignity and decency.

The work environment will be characterized by employees upholding the following virtues; honesty, temperance (not being drunk during office hours and being moderate in temper control); and prudence.

Personal relationships between employees that are romantic in nature must be declared.

### **13. DISCRIMINATION AND HARASSMENT**

Discrimination is the unfair treatment of an employee whereas harassment is behavior that makes someone feel intimidated, offended, excluded or isolated. The offending behavior may occur as a single, serious incident, or repeated incidents over a period of time. Harassment may be either personal or sexual or both. Examples of personal harassment are:

- spreading malicious rumors about someone
- treating someone unfairly
- picking on someone
- undermining someone

Discrimination and harassment on grounds of race, colour, sex, language, religion, political or other opinion, nationality, ethnic or social origin, disability, pregnancy, mental status or HIV status is illegal and therefore gross misconduct.

### **14. SEXUAL HARASSMENT**

Sexual harassment has been defined to include unwelcome sexual advances, requests for sexual favors and other verbal, electronic or physical conduct of sexual nature when:-

- Submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Unga forbids sexual harassment in all of its manifestations and will not tolerate its occurrence in the workplace. Sex should not be used as a means of seeking favors or advancement in the office.

Supervisors/Managers are required to be knowledgeable on the issue of sexual harassment so that they can correct any situation which creates an intimidating, offensive or hostile work environment, and which has the purpose or effect of unreasonably interfering with any employees work performance.

### **15. EMPLOYEE SUPPORT**

#### **HIV/AIDS Treatment**

Unga does not discriminate any employees who may be affected or infected by HIV/AIDS. We encourage them to adhere to the medical treatment and nutritional guidelines provided to them. We provide employees with medical support for their treatment through our comprehensive employee medical cover.

#### **Substance Abuse**

Unga prohibits the use, possession, distribution, purchase or sale of illegal drugs, narcotics, inhalants or other unlawful substances and materials, as well as the unauthorized use of alcohol on Company premises or while Unga employees are engaged in Company business.

In event of identified dependency, the Company will provide support to a limited extent, where an employee is willing to undergo treatment and rehabilitation.

## **16. RESTRICTIONS ON BUSINESS OPPORTUNITIES**

### **Taking Advantage of a Corporate Opportunity**

Employees may not take advantage of opportunities which rightly belong to the Company. For example, they may not acquire property they know the Company is interested in purchasing, divert business from the Company, or demand the same for procuring business for the Company.

### **Unga Property and Facilities**

Company property, facilities and official stationery may be used only for job related purposes. Theft or intentional damage of Company property or other employee's property will be taken as a violation and treated within the penalties specified in the HR Manual.

### **Employment of Family Members**

Employees of the same family may be employed by Unga provided they declare at the time of signing Acceptance of the Code. However:

- One family member may not directly supervise another;
- One family member may not process, review or audit the work of another, whether in the same or different units;
- Employment of family members requires prior written authority by the Group HR Manager.

For purpose of these standards, "family" is usually defined as:

- Spouse, children, grandchildren, parents, grandparents, brothers, sisters, uncles, aunts, cousins, nephews, nieces, in-laws and dependents, whether or not living in the same household;
- Any individual or organization which represents or acts as an agent for those listed above; or
- Any other individuals or organizations through which those listed above may receive a personal benefit.
- Any such "family" relations will be declared in the Personal History Form at commencement of employment.

## **17. RESTRICTIONS ON GIFTS AND HOSPITALITY**

Gifts and hospitality must not influence or appear to influence the recipient's judgment in a business decision. "Hospitality" includes: meals, refreshments; entertainment; and comforts provided in the normal course of business meetings and business related events. "Gifts" include anything of value other than hospitality.

Within the guidelines stated above, the following are the specific company guidelines for giving or accepting gifts and hospitality;

- Cash gifts are prohibited;
- No employee may receive benefits, gifts or commissions from a supplier in return for advice or purchases by any company in the Unga Holdings Limited group, or for any other activity for the supplier;
- Employees may accept seasonal gifts (Easter/Christmas) valued to a maximum of KES 5,000.00 (USD 50); any gifts of value above this amount must be declared to their respective Supervisor/Manager or Human Resources leadership.
- No employee may accept any discount on any personal purchase of the supplier's product if the discount can be construed as being offered to influence business decisions.

- Employees must avoid entering into any arrangements which inhibit the process of open competition;
- Hospitality may be accepted if it does not exceed the hospitality that could be returned in the normal course of business expense if a customer did not pay for it (e.g. your manager would approve the expense if you submitted a claim for reimbursement);
- Customer or supplier offers of expense paid trips to customer or vendor sites, seminars, exhibitions or other outings should be reviewed with your General Manager or supervisor before the offer is accepted. You may not participate in situations which may influence or appear to influence your judgment in dealing with customers or suppliers who may transact business with the company; and
- Illegal payments or bribes to any government official are prohibited.
- Any social support given by the Company must be specific and approved by the General Manager and/or Group Managing Director.

### **Solicitations**

Solicitations of money for 'harambee' is discouraged because they often prove embarrassing to employees who cannot or do not wish to contribute.

### **Procedure**

- a) Request for permission to solicit within company premises must be made through the Human Resources leadership, after prior approval by the immediate supervisor.
- b) No employee should ever be pressured to make a contribution.
- c) Solicitation by employees is prohibited during working time or in customer or supplier service areas.
- d) Any fund contributions must be approved by the respective unit manager and deducted through the month's payroll.
- e) Employees are encouraged to join the existing Welfare and SACCOs that support this initiative, with contributions being managed through the payroll process.

## **18. RESTRICTIONS ON OUTSIDE EMPLOYMENT**

Employees are expected to devote their full time employment to Unga's interest during regular working hours and during any additional time that is required. The Company discourages outside employment. However community or charity work may be approved by the Company/Function Head provided it does not:

- Involve a business activity that competes with Unga;
- Involve the use of Unga's equipment, supplies or facilities;
- Require sponsorship from Unga;

### **Compensation and Honorariums**

If they receive approval for charity or community work, employees may keep any payment they receive for service unless the approval states otherwise. Employees may also keep honorariums or monetary compensation received for publications, public guest speaking appearances and teaching, unless their approval states otherwise.

### **Directorships with profit making organizations**

Where employees want to serve as director(s) of other profit making organization(s), they must get approval from the Group Managing Director. Normally the approval will be based on whether Unga will benefit from the association, according to these criteria:

- The experience and perspective one will gain will make them more effective at Unga;
- There is little risk of disrupting current or potential business relationships with other customers;
- The company is prestigious in its community and a leader in its operational area;
- One's experience and expertise will make significant contribution to the other company;
- One's directorship will not interfere with their job at Unga; and
- Service as director will reflect positively on Unga.

If a directorship is approved, employees may not participate in, approve or control any transaction between Unga and the other organization. Employees may be asked to resign their position in Unga if their Company/Function head determines that a conflict of job responsibilities or interests has developed.

#### **Director or Trustee positions with non-profit making organizations**

If employees are seeking elected office, they must notify their Company/Function Head for permission to do so. Likewise they must notify their General Manager and/or the Group Managing Director when they are elected a Director or Trustee of a non-profit making organization. A non-profit making organization includes trade or professional organizations and Non-Governmental Organizations.

#### **Political Activities**

Although the Company encourages active interest in the political and governmental process, employees may not:

- Represent the Company in political matters; or
- Use the Company's name or address in mailed material, fund collection or any political advertisement or literature.

When an employee wants to contest a civic or parliamentary post under the sponsorship of any political party, then, they must resign from their position in Unga.

#### **Serving on political parties committees**

Employees who want to serve on committees of political campaigns, will be responsible for ensuring that:

- Their individual participation is not represented as an endorsement by the Company;
- Their duties to the committee do not interfere with their job performance; and
- They will avoid any conflict of interest or the appearance of conflict of interest.

## **19. INSIDER TRADING**

In the course of their employment with Unga, employees frequently come into possession of confidential and highly sensitive information concerning the Company, its customers, suppliers or other companies with which the Company has contractual relationships or may be negotiating transactions. Much of this information has a potential for affecting the market price of securities (shares) issued by the corporations involved.

The Capital Markets Authority Act (Part VI) provides clear direction on insider trading as demonstrated by the following extracts:-

- It is a criminal offence for any director, officer or employee of a company or its subsidiary or company to deal on the Exchange in the securities of that company if:

1. He/she holds information concerning that company which he/she knows is unpublished price sensitive information and which he/she holds by being connected with that company which it would be reasonable to expect he/she would not divulge except in the proper performance of his/her duties; and
2. He/she deals in the securities of that company with a view to making a profit or avoiding loss.

For this purpose “unpublished price sensitive information” is information about specific matters, directly or indirectly of concern to the company which is not generally known to those likely to deal in the securities of that company, but which would, if known, be likely to materially affect the price of those securities.

- These provisions also apply to the securities of another company where a person connected with one company (company A) is in possession of unpublished price sensitive information about another company (company B) concerning any transaction, actual or contemplated, which involves both company A and company B or involves one of them and the securities of the other. Information that such a transaction is no longer contemplated is also covered by these provisions. An obvious example in this category is for an insider to buy shares in company B knowing that company A (his/her employer) proposes to make a bid for company B.
- The prohibitions on dealing in securities with a view to making a profit or avoiding loss described in the first paragraph above apply also to anyone who receives unpublished price sensitive information from insider if the recipient knew it was such and he/she knew or reasonably believed it should not have been disclosed by the insider.
- It is also an offence for an insider to decide or procure anyone to deal in the securities of any company, with a view to making a profit or avoiding loss, when the insider him/herself is prohibited from so dealing and for an insider to pass on unpublished price sensitive information for the purposes of dealing in those securities to which the information relates, or advising or procuring some other person to deal where the dealing is done with a view of making profit or avoiding loss.
- A person who contravenes this shall be guilty of an offence and shall be liable to:
  - ✓ A fine not exceeding five million shillings or imprisonment for a term not exceeding five years or to both for a corporate body and any other person respectively on a first offence.
  - ✓ A fine not exceeding ten million shillings and a fine not exceeding five million shillings or to imprisonment for a term not exceeding seven years or to both for a corporate body and any other person respectively on any subsequent conviction.

All employees are encouraged to read and be familiar with the contents of the Code of Conduct for Prevention of Insider Trading, available on the Unga website.

## **20. FRAUD, BRIBERY AND CORRUPTION**

Unga Holdings Limited is committed to upholding the highest ethical, honest and professional standards while conducting business by implementing and enforcing systems that ensure fraud, bribery and corruption are prevented. The Company has zero-tolerance approach to fraud, bribery and corruption activities and is committed to acting professionally, fairly, and with integrity in all business dealings and relationships in every country where we operate.

UHL will constantly uphold all applicable laws and regulations relating to anti-fraud, anti-bribery and anti-corruption in all the jurisdictions in which we operate; whether locally or abroad.

Any involvement in fraud, bribery or corruption is not only gross misconduct warranting disciplinary action up to and including termination, but also a criminal offence under Kenyan Law. For more information on this please refer to the Anti-fraud, Bribery and Corruption Policy.

## **21. ANTI-MONEY LAUNDERING**

Unga Holdings Limited is committed to the prevention, detection and reporting of money laundering activities; including any activity that promotes money laundering or systems or persons that fund criminal or terrorist activities. The Company will ensure that it is compliant with applicable laws in this regard and expects its business partners, customers, suppliers, contractors, consultants and employees to adhere to these laws. For more information on this please refer to the Anti-money Laundering Policy.

Additionally, by virtue of its affiliation to Seaboard Corporation (an entity listed on the New York Stock Exchange), Unga Holdings Limited subscribes to the United States Foreign Corrupt Practices Act (FCPA) and the rules and Regulations of the Office of Foreign Assets Control (OFAC), a division of the US Treasury.

## **22. INTERNAL MANAGEMENT, FINANCIAL RESPONSIBILITY AND ACCOUNTING CONTROLS**

Internal control is a process that is carried out by the Company's Board of Directors, Management and other personnel for the purpose of gaining reasonable assurance of achieving objectives related to effectiveness and efficiency of operations, integrity in financial reporting and compliance with pertinent laws and regulations. Within these broad categories are a number of specific objectives formulated to address the size and scope of activities, management philosophy, the business environment and the culture of the Company.

The Company's current expectation relative to internal control goes well beyond financial reporting to include all controls which are critical in managing the business. Each employee has a role in the control process in order to form an effective control network. Of particular importance in establishing and monitoring the system are the Company's Board of Directors, Group Managing Director, General Managers, Finance Manager, Head of Internal Audit, Head of Risk & Compliance and external Auditors. With respect to internal accounting control, complete and accurate accounting for all transactions is essential to Unga's control of its affairs and reliability of its financial reporting. Therefore, to assure the integrity of all data reflected in Unga records and reports and also to impede and detect the improper use of Unga funds and other assets, an Unga Financial Accounting and Internal Controls Policy and pursuant thereto, internal control guidelines will be established. As virtually every employee contributes in some way to the records of the Company and plays a role in achieving Company objectives, all employees have a responsibility to assure that they comply with established procedures and that all documentation provides a complete and accurate record of the relevant activities and transactions.

Falsifying any corporate book, record or account is a violation of the law. Unga Management will continue to evaluate the adequacy of Unga's internal accounting controls and requirements on a regular basis with such evaluations encompassing the following considerations:

- Evaluation of the overall control environment;
- Translation of the broad objectives of internal control into specific control objectives applicable to the particular business, organizational and other characteristics of the company;
- Consideration of the specific control procedures and individual environment factors which should contribute to achievement of the specific control objectives;
- Monitoring of control procedures and consideration of whether they are functioning as intended; and
- Consideration of the benefits and costs of additional or alternative controls.

To assist Unga Management in evaluating the adequacy of Unga’s internal control systems, the Finance Managers have a responsibility for originating and maintaining up-to-date documentation which adequately describe and reflect company internal control systems. Control guidelines are issued periodically and internal and external auditors will continue their annual examination of the controls. However, as responsibility for the adequacy and ongoing monitoring of such controls rests with the Management, responsible members of Management will annually be required to certify compliance with company directives relating to internal controls as outlined in this publication.

### **Internal Auditing**

Consistent with Unga internal controls and internal audit requirements. Unga’s internal auditors conduct objective, independent examinations, taking into account the high level of business ethics, integrity and honest dealing required of Unga and its employees. A strong audit effort helps assure compliance with established policies, procedures and controls and assists in identifying potential deficiencies so that they may be promptly corrected. False or misleading statements to auditors, whether internal or external, are totally unacceptable since full co-operation with the auditors is the responsibility of all employees. No member of Management or other employee may interfere with or hinder the audit process.

Any employee having information or knowledge of any unrecorded fund, asset or transaction or any similar irregular act shall promptly report such matter, through internal audit channels, to the appropriate operating company General Manager or the Group Managing Director.

### **23. WHISTLE BLOWING**

The Board of Directors, management and employees are committed to high ethical standards as provided in this Code of Ethics and Conduct. We seek to inculcate transparency, ethical behavior and accountability in all our businesses and processes and to foster an ethical culture.

The Company is committed to taking action on any reports relating to malpractices, illegal acts or omissions by its employees or external partners. The Company also commits to protecting anyone who makes reports of such violations.

Channels for reporting any misconduct are:

1. [reportviolationsunga@seaboardcorp.com](mailto:reportviolationsunga@seaboardcorp.com)
2. [unga@tip-offs.com](mailto:unga@tip-offs.com)
3. Toll free numbers
  - a. Kenya 0800 722 626
  - b. Tanzania 0800 780 026
  - c. Uganda 0800 100 255

For more information and other numbers please refer to the Whistle Blowing Policy.

**APPENDIX I: ACKNOWLEDGMENT AND ACCEPTANCE FORM**

My personal commitment to Unga Holdings Limited and its subsidiaries, and to its beneficial owners Unga Group Plc and Seaboard Corporation.

I ..... (Name of Employee/Supplier), Staff/ID Number ..... of ..... (Name of Operating Company/Supplier Company)

Confirm that I have read and understood the Unga Code of Ethics & Conduct and acknowledge my obligations as an employee/supplier (cross-out not relevant) to comply with the principles, policies and laws outlined in the Code, including any supplemental amendments made by the Company. I also have been informed that the Code is available on the company’s website.

I understand that my agreement to comply with the Code neither constitutes nor should be constructed to constitute either a contract of employment/supply (cross-out not relevant) for a definite term or guarantee of continued employment/supply (cross-out not-relevant) with/to the Company.

I undertake to adhere to the requirements of this policy at all times during my employment with/supply to (cross out not-relevant) Unga. If I contravene any of the sections, I give Unga express consent to take any action deemed fit as outlined in the Code of Ethics and Conduct document, subject to the contract provisions or provisions of the Collective Bargaining Agreement (if applicable).

**Declarations**

The following are the declarations that I would like to make in accordance with the Code of Ethics and Conduct:

Signature ..... Date .....

Witnessed by (Name) ..... Signature .....

**Process Owner**

I ..... (Name of Process Owner) have discussed with my staff member/supplier named above, read the acknowledgement and acceptance for the Code of Ethics and Conduct from him/her/supplier. I declare that to the best of my knowledge, it represents the true position, and I have no knowledge of facts about him/her/the supplier that contravenes the Code of Ethics and Conduct.

Name .....

Signature ..... Date .....

A copy of the signed form must be returned to the Human Resources/Procurement Office within five (5) days of receiving this Code of Ethics and Conduct booklet. Failure to do so will not however affect the applicability of this Code to you.

## **APPENDIX II: GLOSSARY**

### **A LIST AND MEANINGS OF VIRTUES USED IN THE TEXT**

#### **Generosity**

A generous person acts unselfishly and cheerfully for the benefit of others, conscious of the value of his or her help and despite the fact that it may cost him or her an effort.

#### **Fortitude**

In situations which make it difficult to improve, a courageous person resists harmful influences, withstands difficulties and strives to act positively to overcome obstacles and undertake great deeds.

#### **Optimism**

An optimist has confidence, based on reason, in his or her own abilities, in the help which he or she can obtain from others and in the abilities of others, thus in every situation, he or she can identify, first of all the positive elements and the opportunities for improvement which it offers and, secondly, the difficulties and obstacles in the way of such improvement, he or she takes advantage of everything favorable and faces up to the rest in a sportsmanlike manner.

#### **Perseverance**

Once his or her decision is made, a persevering person takes the steps necessary to achieve the goal that he or she has set for himself for herself, in spite of internal or external difficulties, and despite anything which might weaken his or her resolved in the course of time.

#### **Orderliness**

An orderly person follows a logical procedure which is essential for the achievement of any goal he/she sets himself – in organizing his things, using his/her time, carrying out his/her activities on his/her own initiative, without having to be constantly reminded or monitored.

#### **Respect for Others**

A person who has respect for others acts or refrains from acting so as not to harm, and indeed so as to benefit, himself/herself and others according to their rights, status and circumstances.

#### **Sincerity**

A sincere person makes full disclosure, where appropriate, to the right person and at the right time, of anything he/she has done, seen, thought or felt with regard to his/her own or another's situation.

#### **Modesty**

A modest person recognizes the value of his/her privacy and respects that of others. He/she protects his/her privacy from the gaze of others; he/she rejects anything which might encroach upon it and relaxes this practice only in circumstances which can be of benefit to him/her or others.

#### **Moderation**

A person who is moderate distinguishes between what is reasonable and what is self-indulgent and make reasonable use of senses, his/her time, his/her money, his/her efforts and so on, in accordance with true and upright principles.

**Flexibility**

A person who is flexible adapts his/her behavior readily to the particular circumstances of each individual or situation, but without hereby abandoning his/her own personal principles of behavior.

**Loyalty**

A loyal person accepts the bonds implicit in his/her relationship with others – friends, relatives, superiors, his/her country, institutions, etc. so that, as he/she goes on, he/she defends and reinforces the system of values which these represent.

**Industriousness**

An industrious person does diligently those things especially essential to the achievement of supernatural and natural maturity, and helps others do the same, in everyday work and fulfillment of one's other duties.

**Patience**

A patient person bears present difficulties calmly, in a situation where he/she senses some difficulty or some good which is difficult to achieve.

**Justice**

A just person strives constantly to give others what is their due, so that they can fulfill their duties and exercise their duties and exercise their rights as persons (the right to life, to cultural and moral goods, to material goods), as parents, as children, as citizens, as workers, as rulers etc. – and he/she also tries to see that others do likewise.

**Obedience**

An obedient person accepts as his/her own decisions those which come from whoever holds and expresses authority, provided they do not go against justice, and he/she carries out promptly what has been decided, striving faithfully to interpret the will of him/her who commands.

**Prudence**

In his/her work and in his dealings with other people the prudent person gathers information which he/she assesses in the light of right standards: he/she weighs the favorable and unfavorable consequences for himself/herself and others prior to taking a decision and then he/she acts or refrains from acting, in keeping with the decision he/she has made.

**Audacity**

An audacious person sets out and completes courses of action which may appear imprudent, convinced – after calm assessment of the facts and taking account of possible risks – that he/she can achieve a genuine good.

**Humility**

A humble person recognizes his/her own inadequacy, qualities and abilities and presses them into service, doing good without attracting attention and expecting the applause of others.

**Simplicity**

A simple person ensures that his/her normal ways of acting – his/her speech, the way he/she dresses, behaves – is consistent with what his/her real motives are; he/she allows other people to know him/her accurately; he/she is what he/she seems.

**Sociability**

The sociable person makes good use of and discovers ways of getting together with different people; he/she manages to communicate with them through the genuine interest he/she shows in them, in what they say, in what they think and feel.

**Friendship**

Through friendship a person, who already knows certain other people through shared interests in work or leisure, has regular personal contact with them which stems from natural rapport – each interesting himself/herself in the other person and his/her improvement.

**Understanding**

An understanding person recognizes the various factors which influence feelings or behavior; he/she studies each of these factors and how they relate to one another (and encourages other people to do the same), and in his/her behaviors he/she takes these factors into account.

**Patriotism**

A patriotic person recognizes what his/her country has given him/her and is giving him/her. He/she pays it due honor and service, thereby supporting and defending the values it stands for, while also making his/her own the noble aspirations of every country in the world.

*Ref: David Isaacs; Character Building. 1976*