



## **CODE OF CONDUCT**

### **Ownership:**

This document belongs to Family Bank Limited (FBL). No changes may be made to this document, nor avail copies to any party external to the Bank without the Bank's written approval.

### **Copyright:**

This document contains proprietary information that is protected by copyright. All rights are reserved. No part of this document may be photocopied, reproduced or included in any published document, circular or statement nor published in any way or translated into another language without the prior written approval of Family Bank Limited. © Family Bank.

## TABLE OF CONTENTS

DEFINITION OF TERMS AND PHRASES .....	4
1 PREAMBLE .....	5
2 PURPOSE .....	5
3 OBJECTIVES .....	5
4 SCOPE .....	5
5 PHILOSOPHY AND CORE VALUES .....	5
5.1 PHILOSOPHY .....	5
5.2 CORE VALUES .....	6
6 LEGAL AND REGULATORY REQUIREMENTS.....	6
7 RESPONSIBILITY.....	6
8 COMMUNICATION .....	6
9 POLICY GUIDELINES.....	6
9.1 POLICY STATEMENT .....	6
9.2 RESPONSIBILITIES TO THE BANK.....	6
9.3 FAIR EMPLOYMENT PRACTICES.....	6
9.4 DISCRIMINATION AND HARASSMENT .....	7
9.5 DRUG-FREE WORKPLACE.....	7
9.6 REPRESENTING FAMILY BANK TO CUSTOMERS AND STAKEHOLDERS .....	7
9.7 PRIVACY & CONFIDENTIALITY.....	8
9.8 SOCIAL RESPONSIBILITY AND COMMITMENT TO THE ENVIRONMENT .....	8
9.9 HEALTH, SAFETY AND ENVIRONMENT .....	9
9.10 ANTI-MONEY LAUNDERING COMPLIANCE (AML)/KNOW YOUR CUSTOMER (KYC).....	9
9.11 CONFLICTS OF INTERESTS .....	9
9.12 OTHER BUSINESS AND EMPLOYMENT INTEREST .....	9
9.13 GOVERNANCE, RISK & COMPLIANCE .....	10
9.14 OFFICIAL LANGUAGE .....	10
9.15 COMPLIANCE .....	10
9.16 SECURITY .....	10
9.17 ANTI-BRIBERY AND ANTI-CORRUPTION .....	10
9.18 INTELLECTUAL PROPERTY .....	10
10 POLICY REVIEW .....	11
11 APPENDICES .....	12
APPENDIX 1: EMPLOYEE PERSONAL COMMITMENT TO THE FAMILY BANK CODE OF CONDUCT .....	12

## Definition of Terms and Phrases

Term	Definition
Code of Conduct	A central guide and reference to assist day-to-day decision making. It is meant to clarify an organization’s mission, values and principles, linking them with standards of professional conduct.
Conflict of Interest	A person has a conflict of interest when the person is in a position of trust which requires him/her to exercise judgment on behalf of others (people, institutions, etc.) and also has interests or obligations of the sort that might interfere with the exercise of her judgment, and which the person is required to either avoid or openly acknowledge
Disciplinary Action	Measures taken by the Bank in relation to unsatisfactory performance, misconduct or serious misconduct
Discrimination	The unjust or prejudicial treatment of different categories of people, especially on the grounds of race, age, or sex
Reputational Risk	Potential for harm resulting from the loss of stakeholder trust
The Bank	In this policy, the bank will mean Family Bank Limited
Values	The core beliefs we hold regarding what is right and fair in terms of our actions and our interactions with others

## **1 PREAMBLE**

This Code of Conduct outlines the principles and policies that govern the activities of the Bank, and to which the staff and others who work with FBL or represent the Bank directly or indirectly, must adhere to.

The purpose of the Code is to provide guidance in ethical decision making. The Code encompasses standards of behavior set forth in other Family Bank's policies.

All employees of the Bank are required to read and adhere to this Code of Conduct. The Bank expects all of its representatives to act in accordance with the highest standards of personal and professional integrity in all aspects of their activities and to comply with all applicable laws, regulations and bank policies and procedures.

## **2 PURPOSE**

The purpose of this policy document is to promote the expected employee discipline, protect the bank's reputation by upholding high moral and ethical discipline and promote cooperation among employees as well as ensuring that family Bank maintains its vision, mission and core values.

## **3 OBJECTIVES**

The specific objective of this Code of conduct is:

- a) To define acceptable behaviours
- b) To promote high ethical and moral standards of practice in professional dealings,
- c) To provide a benchmark for staff members to use in self-evaluation,
- d) To establish a framework for professional behaviours and responsibilities,
- e) To act as a vehicle of occupational identity.

## **4 SCOPE**

The Code of Conduct applies to all Family Bank representatives, including its directors, employees, temporary workers, independent contractors and consultants. It shall be read in conjunction with the policies and procedures governing all activities across the bank's operations. Questions on these or any supplemental policies shall be discussed with Line Managers or the Head of Human Resources. This policy supplements the Bank's Human Resources (HR) Manual.

## **5 PHILOSOPHY AND CORE VALUES**

### **5.1 Philosophy**

Family Bank Ltd is committed to maintaining high ethical standard in undertaking its mandate while living its core values and the same is expected from its employees and its representatives to promote integrity and professionalism.

## 5.2 Core Values

The following core values, principles and perspectives underpin the development and delivery of services as well as support to customers at FBL:

- i) Winning together - within ourselves and with our customers, we work together and we win together.
- ii) Self-Belief- in ours and our customers' ability to change the world.
- iii) Transparency- our customers will trust and reward us for it.
- iv) Humility- it's not about us, it's about our customers- respect and courtesy within ourselves and our customers.

## 6 LEGAL AND REGULATORY REQUIREMENTS

All FBL staff must adhere to all applicable laws and regulations of the country.

## 7 RESPONSIBILITY

The bank must be responsive to its customers' needs, innovative in its product range and offer superior quality service. The Management and staff must commit to adhere to this Code of Conduct.

## 8 COMMUNICATION

The CHRO shall ensure that all FBL employees are aware of this Policy through staff training, constant staff updates and permanent post on the bank's intranet which is accessible to all employees.

## 9 POLICY GUIDELINES

### 9.1 Policy Statement

Family bank expects each Employee to be accountable for their conduct and to support the values, principles and standards upon which FBL's business reputation rests.

The objective is to emphasize the importance of understanding the ethical implications of staff's actions and to encourage individuals acting on the bank's behalf to do the "right thing."

In the event a staff is unsure about the proper course of action, they shall escalate the concern to their line manager.

### 9.2 Responsibilities to the Bank

Maintaining ethical standards, including appropriate accounting and internal accounting controls is the responsibility of every staff member of the bank. Early identification and resolution of ethical issues that may arise are critical to maintaining the bank's commitment to integrity and Professionalism.

### 9.3 Fair Employment Practices

Family Bank seeks to recruit, develop and retain the best talented people. Recruitment of new employees through a rigorous selection process is based on qualification, Skills, experience and suitability. Advancement at the bank is based on talent, performance, and individual potential to grow. Other processes that support the organization structure include job evaluation and placement,

succession planning and reward management. The bank is fully committed to equal employment opportunities.

#### **9.4 Discrimination and Harassment**

FBL staff must respect the rights, culture and dignity of all individuals and adhere to the principles of equity and non-discrimination when dealing with employees, customers, suppliers and others.

Family bank prohibits discrimination on the basis of race, colour, sex, language, religion, political or other opinion, nationality, ethnic or social origin, disability, pregnancy, marital status or any other kind of discrimination, harassment or intimidation, whether committed by or against a supervisor, co-worker, customer, vendor or visitor is prohibited.

Complaints on discrimination shall be lodged with Head of Human Resources, or to the Bank CEO, which allegations of harassment or discrimination will be investigated and appropriate action taken to the extent permitted by the law. Retaliation against individuals for raising claims of discrimination or harassment is prohibited.

#### **9.5 Drug-Free Workplace**

To meet the bank's responsibilities to employees, customers and investors, we must maintain a healthy and productive work environment. Consumption of alcohol and/or banned substances within the workplace is prohibited. Staff members shall not report to work while intoxicated.

#### **9.6 Representing Family Bank to Customers and Stakeholders**

##### **9.6.1 Fair Treatment and treating each other with respect.**

Family Bank is committed to dealing fairly with its customers, employees, suppliers, stakeholders and competitors. Each employee is entitled to basic human rights and should not be subjected to physical/verbal/sexual/mental abuse at work.

Family Bank strives to provide highly efficient and impartial service to its customers and employees should therefore refrain from, associating themselves by act or word, with abusive language and quarrels during working hours or otherwise.

##### **9.6.2 Media, Publishing and Public Appearances**

All inquiries from the media relating to Family Bank must be referred to the Corporate Communications Department. Staff members shall seek approval from the CEO before making any publications or speeches and/or interviews on matters relating to the Bank.

Opinions to external interests on matters not related to the bank shall remain strictly personal.

##### **9.6.3 Gifts and Entertainment**

Soliciting for gifts by members of staff from customers is prohibited. If a gift could be seen as engaging in bribery or a consideration for an official or business favor, it must be declined.

In case of doubt on whether to accept a gift or invitation to treat, the member of staff shall discuss the matter with their line manager or the Head of Human Resources.

Under no circumstances may employees offer or accept anything of value to/or from a government official for the purpose of influencing the recipient to take or refrain from taking any official action, or to induce the recipient to conduct business with the bank.

#### **9.6.4 Use of Family Bank Products and Services**

To avoid potential conflicts of interest, employees shall not use FBL products, services, internal tools, or information in a way that improperly benefits the staff or third parties or in a way that create the impression that the staff have an unfair advantage over users outside FBL. Employees are prohibited from approving accounts, services, or credits for themselves, friends or family members. Employees may also not use the tools, information or other facilities provided by the Bank for use in the course of employment to participate in or to generate a financial benefit for themselves. Any employee who finds themselves in a position of possible conflict of interest regarding the use of FBL's products, services, tools, or information should seek clarification and/or clearance from their Line Manager or from the Risk & Compliance or Human Resources departments.

### **9.7 Privacy & Confidentiality**

#### **9.7.1 Proprietary and Confidential Information**

All employees must protect the confidentiality of non-public information obtained or created in connection with activities of the bank. Employees must not disclose proprietary or confidential information about the bank, or its employees, or confidential information about a customer, supplier or distributor, to anyone who is not authorized to receive it or has no need to know the information.

The only exceptions are when such disclosure is authorized by the customer, supplier or distributor, or by applicable law or appropriate legal process.

Employees must take precautionary measures to prevent unauthorized disclosure of proprietary and confidential information.

#### **9.7.2 Privacy of Employee Information**

Family Bank recognizes and protects the privacy and confidentiality of employee medical and personnel records. Such records must not be shared or discussed outside the bank, except as authorized by the employee or as required by law or regulation.

The processing of Personal Data should be done in strict compliance with the Bank's Data Protection Policy.

### **9.8 Social Responsibility and Commitment to the Environment**

Family Bank is committed to running its business in an environmentally sensitive manner. Environmental risks or opportunities that may arise out of its operations should be identified and managed in accordance with laws and regulations.

The bank policy is to ensure that its activities meet and exceed the social, economic and environmental expectations of its stakeholders. Although the bank social responsibility initiatives primarily target education through Family Group Foundation, it will continually realign this important activity to create a unified team, strategy and business plan that connects our sustainability work and actions.



## **9.9 Health, Safety and Environment**

FBL is committed to protecting the environment and aims to do business in an environmentally responsible and sustainable manner. FBL will ensure that the applicable workplace health, safety and environmental legislation is treated as a minimum standard in all areas where it conducts business.

## **9.10 Anti-Money Laundering Compliance (AML)/Know Your Customer (KYC)**

The bank takes seriously its obligation to join with governments, international organizations and other members of the financial services industry to help close off the channels that money launderer's use. As an employee of Family Bank, one must follow the existing Proceeds of Crime & Anti-Money Laundering (POCAMLA) Act plus the bank's internal Anti-Money Laundering policies and procedures.

## **9.11 Conflicts of Interests**

Employees should not engage directly or indirectly in any business activity that competes or conflicts with Family bank's interests.

## **9.12 Other Business and Employment Interest**

It is considered a conflict of interest if an employee conducts business other than the Family bank's business during office hours. **Corporate Directorships**

Employees should not serve as Directors of other corporations directly in competition with the Bank, Nevertheless, employees may serve as directors of non-profit public service corporations, such as religious, educational, cultural, social, welfare, churches, philanthropic or charitable institutions or other organizations that are not in direct competition with the Bank.

### **9.12.1 Business Opportunities**

Employees should not take business opportunities for themselves that are discovered in their duties for the bank. In addition, they should not use bank property, information or their position at the bank for personal gain.

If an employee is presented with a business opportunity through the use of Family bank property or information or because of his/her position with the bank, and if such opportunity is within the bank's lines of business, then such an employee must first disclose the business opportunity to the bank before pursuing it as an individual for consent.

Family bank will not make contributions or payment or otherwise give any endorsement, directly or indirectly, to political parties or committees or to individual politicians. Employees are not permitted to make any political contribution on behalf of the Family bank or through the use of bank funds or resources, neither shall they hold political office while employed by the Bank.

### **9.12.2 Disclosure of Conflicts of Interest**

Family bank requires that employees disclose situations or transactions that reasonably would be expected to give rise to a conflict of interest. If an employee suspects that he or she is involved in a transaction or any other arrangement that presents a conflict of interest, or something that others could reasonably perceive as a conflict of interest, he or she must report this to the Head of Human Resource or the CEO for consent.

### **9.13 Governance, Risk & Compliance**

All employees are responsible for managing risks within their areas of responsibility and complying with the bank's Risk Management Policies and Procedures. Governance activities ensure that critical management information reaching the executive team is sufficiently complete, accurate and timely to enable appropriate management decision making, and provide the control mechanisms to ensure that strategies, directions and instructions from management are carried out systematically and effectively.

### **9.14 Official Language**

The official language for communication between staff is English and Kiswahili while at the work place. Local languages are however allowed while outside of work place or while assisting customers who do not understand either Kiswahili or English or prefer using their local languages to the official languages.

### **9.15 Compliance**

Every staff is expected to be familiar and comply with this Code of conduct in the performance of their duties. They are also expected to understand their obligations under all other FBL policies and procedures. All employees shall sign an Acknowledgement this code of conduct policy on joining the organization. The Head of Human Resources should ensure that all employees sign this code of conduct.

### **9.16 Security**

All employees shall not knowingly engage in any business activity encompassing a security risk that cannot be properly managed and reasonably mitigated nor will they do business with any security provider that does not meet or adhere to our principles relating to security standards and human rights.

### **9.17 Anti-Bribery and Anti-Corruption**

Family Bank is committed to conducting business with integrity and prohibits corruption and bribery in all of its forms. FBL staff must not, directly or indirectly, accept, request, offer, promise, grant or authorize a bribe, kickback, payment or anything that can be considered as such (gifts, entertainment, employment, contracts or benefits of any kind) to or from any third party that may or appear to influence action, inaction or a decision, with the intent to obtain an improper advantage, retain business or obtain undue influence over the third party's actions.

### **9.18 Intellectual Property**

Copyrights, trademarks, designs, names, logos, photos, videos and any other form of intellectual property created or modified during the course of our duties with Family Bank will remain the exclusive property of Family Bank Limited.

Copying, taking or destroying of the Bank's intellectual property upon the cessation of the contractual engagement is prohibited. Moreover, Family Bank strictly forbids the unauthorized use, theft or misappropriation of intellectual property belonging to third parties.

## **10 POLICY REVIEW**

This policy shall be reviewed every two years or earlier upon change of regulations or the bank's operating conditions.

## 11 APPENDICES

### Appendix 1: Employee Personal Commitment to the Family Bank Code of Conduct

#### For All Employees:

I acknowledge that I have read the Family Bank Code of Conduct and understand my obligations as an employee to comply with the principles, policies and laws outlined in the Code including any amendments made from time to time. I understand that a current copy of the Code of Conduct is posted in the Family Bank Intranet.

Please sign here: ..... Date:.....

Name:..... Staff Number:.....

*A copy of the signed and completed form must be returned to Human Resources within 15 days of receiving this booklet. Failure to do so will however not affect the applicability of this Code of Conduct or any of its provisions to them.*