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CODE OF BUSINESS CONDUCT and ETHICS

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## Glossary of Terms

The Glossary defines some of the terms used in the Code of Business Conduct. If these definitions or other words or phrases used in the Code are still unclear, please consult the Ethics Committee.

**Bribe** – Giving or offering to give or receive anything of value to any other person to influence a discretionary decision. Local law may impose a broader definition in some jurisdictions.

**Company assets** – Includes, among other things, the Company’s money or product, employees’ time at work and work product, computer systems and software, telephones, wireless communication devices, photocopiers, tickets to concerts and sporting events, Company vehicles, proprietary information and Company trademarks.

**Competitor** – For the purposes of the Conflicts of Interest and Competitive Intelligence provisions only, “competitor” means any business or entity, other than Kenya Airways or its subsidiaries, that carries on the business of air travel or any business or entity that is actively considering such activity.

**Customer** – Any business or entity to which Kenya Airways or its subsidiaries sells air travel services

**Discretionary authority in dealing with a company** – The authority to influence the Company’s selection of a supplier or to influence significantly the Company’s relationship with an existing customer or supplier.

**Ethics Line** – The Company’s reporting service, administered by a third party, through which employees and others can ask questions or raise concerns about the Code of Business Conduct or other ethics and compliance matters.

**Ethics Committee** – A committee comprised of senior leaders representing corporate governance functions and operations, responsible for administration of the Code of Business Conduct.

**Gift register** – a gift register shall be maintained by the Personal Assistants to all Directors, and will be used as a record of gifts received and accepted by staff under Chapter One 2 (b). It shall describe the giver, the receiver, the value, the date and the reason for offer and shall be duly signed by the recipient.

**Government officials** – Employees of any government anywhere in the world, even low-ranking employees or employees of government-controlled entities. The term also includes political parties and party officials, candidates for political office, and employees of public international organizations, such as the United Nations.

**Material nonpublic information** – Nonpublic information that would be reasonably likely to affect an investor’s decision to buy, sell or hold the securities of a company. Examples include a significant merger or acquisition involving the Company, the Company’s earnings or volume results before they are announced, and a change in control of senior management of the Company. Many other matters may be material. If you are uncertain whether nonpublic information of which you are aware is material, consult the legal counsel.

**Nonpublic information** – Any information that the Company has not disclosed or made generally available to the public, which may include information related to employees, inventions, contracts, strategic and business plans, major management changes, new product launches, mergers and acquisitions, technical specifications, pricing, proposals, financial data and product costs.

**Relative** – A spouse, parent, sibling, grandparent, child, grandchild, mother- or father-in-law, or same or opposite sex domestic partner, as well as any other family member who lives with you or who is otherwise financially dependent on you, or on whom you are financially dependent.

**Supplier** – Any vendor of product or services to the Company, including consultants, contractors and agents. The definition also includes any supplier that the Company is actively considering using, even if no business ultimately is awarded.

**PREAMBLE**

Dear Colleagues,

Our Company is founded on our commitment to uphold the highest ethical principles and standards.

We value honesty and integrity above all else. Upholding these commitments is essential to our continued success as it influences how consumers feel about our products/ services, and how shareowners perceive us as an investment.

Acting with integrity is about more than our Company’s image and reputation, or avoiding legal issues. It is about sustaining a place where we are all proud to work. Ultimately, it is about each of us knowing that we have done the right thing. This means acting honestly and treating each other and our customers, partners, suppliers and the environment fairly, and with dignity.

The law and the ethical principles and standards that comprise this Code of Business Conduct and Ethics must guide our actions. This Code is, of course, broadly stated. Its guidelines are not intended to be a complete listing of detailed instructions for every conceivable situation. Instead, it is intended to help you develop a working knowledge of the laws and regulations that affect your job.

Adhering to this Code is essential. **You are encouraged** to take time to study it carefully.

Ultimately, our most valuable asset is our reputation. Complying with the principles and standards contained in this Code is the starting point for protecting and enhancing that reputation. Thank you for your commitment!

(HR Policy Manual 2.4.1) Employees shall conduct themselves in an ethical manner at all times as per the employee code of ethics and conduct.

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*Please note that this Code is not an employment contract and does not modify the employment relationship between us and you, nor does it modify or replace the policies established in the Kenya Airways HR Policy Manual or in any contractual arrangement you may have with us or that you may benefit from. You are encouraged to read the various Company policies and procedures manuals in addition to this Code.*

## **CHAPTER ONE: PERSONAL INTEGRITY**

### ***1. Conflict of Interest***

**You should ALWAYS** act in the best interest of Kenya Airways while performing your job for the Company. A conflict of interest arises when your personal activities and relationships interfere, or appear to interfere, with your ability to act in the best interest of the Company.

Take particular care if you are responsible for selecting or dealing with a supplier on behalf of the Company. Your personal interests and relationships must not interfere, or appear to interfere, with your ability to make decisions in the best interest of the Company. When selecting suppliers, always follow applicable Company procurement guidelines.

#### a) Outside Investments/ Personal Investments

Avoid investments that could affect, or appear to affect, your decision making on behalf of the Company. Specific guidelines apply to ownership of stock of a customer, supplier or competitor of the airline.

- If you have discretionary authority in dealing with a company as part of your job you may not have any financial interest in that company without prior written approval from the Group Human Resources Director, **or the Chairman in the case of the GMD/CEO..**
- If you do not have discretionary authority in dealing with a company as part of your job, you may own upto 1% of the stock of the company.
- You may own more than 1% of the stock of any customer (travel agents, General Sales Agents), supplier or competitor only with the prior written approval of the Group Human Resources Director, **or the Chairman in the case of the GMD/CEO.**
- You must renew this approval annually if you continue to own the stock.

#### b) Outside Employment, Speeches and Presentations

Sometimes our employees desire to take additional part-time jobs or do other work after hours, such as consulting or other fee-earning services. This kind of work does not in and of itself violate our Code. However, the second job must be strictly separated from your job with us, and must not interfere with your ability to devote the time and effort needed to fulfill your duties to us as our employee. Refer also to local employment policies and contracts, which may impose additional restrictions.

You may not be employed by, or otherwise provide services for or receive payment from, any customer, supplier or competitor of the Company without prior written approval from the Group Human Resources Director, **or Chairman in the case of the GMD/CEO.** You must renew this approval annually.

You must have prior written approval from the Group Human Resources Director before accepting reimbursement for expenses, or any other payment, for speeches or presentations outside of Kenya Airways, if:

- You are giving the speech or presentation as part of your job with the Company;
- The speech or presentation describes your work with the Company; or
- You are formally identified at the speech or presentation as an employee of the Company.

**Such payments should be presented to the Company to be used for a charity of your choice.**

#### c) Outside Service as an Officer or Director

In general, you may serve as an officer or member of the board of directors of another for-profit business only with prior written approval of the Board Staff and Remuneration Committee **(for direct reports of the**

**GMD/CEO)**, or that of the Group Managing Director/CEO if you are not his direct report. You must renew this approval annually.

The Group Human Resource Director's approval is not required for:

- Service as an officer or director of another company at the request of Kenya Airways (other approvals may be necessary in such a case, however); or
- Service as an officer or director of a charitable or other non-profit institution or trade organization, or for service as an officer or director of a family-owned business, unless the business is a customer (travel agents, General Sales Agents, etc), supplier or competitor of the Company, **in which case approval of the Group Human Resources Director is required.**

d) Business Opportunities

Business opportunities relating to the kinds of products and services we usually sell or the activities we typically pursue that arise during the course of your employment or through the use of our property or information belong to Kenya Airways. Similarly, other business opportunities that fit into our strategic plans or satisfy our commercial objectives that arise under similar conditions also belong to the Company. You may not direct these kinds of business opportunities to our competitors, to other third parties or to other businesses that you own or are affiliated with.

e) Relatives and Friends

Many employees have relatives who are employed by or invest in customers or suppliers of Kenya Airways. These financial interests do not create a conflict under the Code unless:

- You have discretionary authority in dealing with any of these companies as part of your job with Kenya Airways; or
- Your relative deals with Kenya Airways on behalf of the other company.

In either of these situations, this should be declared to the Group Human Resources Director.

If your relative is employed by a competitor of the Company, this should also be declared to the Group Human Resources Director **in writing.**

You may have friends who are employed by, or have ownership interests in, customers or suppliers of Kenya Airways. If you deal with such a customer or supplier, take care to ensure that your friendship does not affect, or appear to affect, your ability to act in the best interest of the Company. If you are uncertain whether your friendship may create an issue, consult your Line Manager, HR Relationship Manager or the Ethics Committee.

In addition, personal relationships at work must not influence your ability to act in the best interest of the Company, and must not affect any employment relationship. Employment-related decisions should be based on suitability for the role - qualifications, performance, skills and experience.

Spouses should be declared and Management will take a decision on whether either one should change department so that they are not working in the same department.

(HR Policy manual 3.5.2) Interview panel members shall disqualify themselves from participating in Short listing or interviewing applicants who are their friends or relatives as defined under employment of relative's policy.

(HR Policy manual 3.10.1) All employees and prospective employees shall declare any relatives they have

working for the Company.

## ***2. Gifts, Meals and Entertainment***

We are dedicated to treating fairly and impartially all persons and firms with whom we do business. The giving and receiving of gifts and entertainment have a role to play in building business relationships and generating goodwill. However, they should never create improper influence or obligate the recipient. We should not provide or accept excessive or inappropriate entertainment and must only ever offer or accept gifts occasionally and that are of modest value.

Reasonable business-related entertainment that is conducted in the interests of Kenya Airways can be provided or accepted if it is occasional. You are required to obtain your line manager's prior approval before accepting or offering any entertainment that could be regarded as excessive.

Gifts that we give should be of modest value and preferably display a Kenya Airways Brand. The Company discourages the acceptance of gifts by employees, except where this is clearly related to a business purpose. We must never offer or accept gifts of cash or cash equivalents such as gift certificates, loans, stock, or stock options.

### a) Gifts

- i) Do not accept gifts, meals or entertainment, or any other favor, from customers or suppliers if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interest of the company.
- ii) Do not accept gifts in exchange for doing, or promising to do, anything for a customer or supplier.
- iii) Do not ask for gifts from a customer or supplier.
- iv) Do not accept gifts of cash or cash equivalents, such as gift cards.
- v) Do not accept gifts of more than modest value. Examples of acceptable gifts include a logo pen or t-shirt, or a small gift basket at holiday time (the gift basket must however be declared). Kenya Airways does not consider as gifts nominal value items such as low-cost pens, key rings, or mouse pads, which are given occasionally.
- vi) Any gifts received, valued at greater than Kes 5,000 or USD 50 (equivalent) must in the first instance be declared to the Group Human Resources Director's office. The Ethics Committee will make a decision on how such a gift will be disposed/ utilised. They can either donate the item to charity, or distribute or raffle the item among a large group of employees.
- vii) Gifts of symbolic value, such as trophies and statues that are inscribed in recognition of a business relationship, may be accepted.
- viii) Gifts or discounts offered to a large group of employees as part of an agreement between the Company and a customer or supplier may be accepted and used as intended by the customer or supplier.
- ix) We each have a responsibility to keep a record of the gifts and entertainment that we give to or receive from external parties as well as offers we have made which have been declined.
- x) Under no circumstances can any bribe, kickback, or illegal payment or gift of cash or cash equivalents be made.
- xi) Seek advice from the Ethics Committee or Legal team if you are in doubt as to whether something is considered a gift or entertainment.
- xii) Particular caution should be applied in any dealings with government or military officials. No gifts or entertainment (unless it is in line with the normal course of business and which on

judgement should not be excessive) may be offered, given to, or paid for on behalf of, any government or military official, without the prior approval in writing of the Legal team.

Gifts & Entertainment Registers should be reviewed regularly by line managers to ensure they are up to date and accurate.

b) Meals and Entertainment

- Do not accept meals or entertainment in exchange for doing, or promising to do, anything for a customer or supplier.
- Do not ask for meals or entertainment from a customer or supplier.
- You may accept occasional meals and entertainment from customers and suppliers if the event is attended by the customer or supplier, and the costs involved are in line with local custom for business-related meals and entertainment.

Travel and Premium Events

If you are invited by a customer or supplier to an event involving out-of-town travel or overnight stay, or to a premium event such as the Olympics, World Cup, supplier fair, or such other major event, consult the **Group Human Resources Director** to determine if there is adequate business rationale for your attendance. If there is, Kenya Airways should pay for your travel and attendance at the event.

Refusing Gifts, Meals and Entertainment

If you are offered a gift, meal or entertainment that exceeds the limits noted above, politely decline and explain the Company's rules. If returning a gift would offend the giver, or the circumstances under which it was given preclude its return, you may accept the gift, but should notify your Line Manager and the HR Relationship Manager by completing the Gift declaration form in the Gifts Register (see attached template). The Ethics Committee will either donate the item to charity, or distribute or raffle the item among a large group of employees, and proceeds donated to charity.

Gifts, Meals and Entertainment for Customers and Suppliers

Gifts, meals and entertainment for customers and suppliers must support the legitimate business interests of the Company and should be reasonable and appropriate under the circumstances. Always be sensitive to our customers' and suppliers' own rules on receiving gifts, meals and entertainment.

Do not give Company stock as a gift on behalf of the Company under any circumstances.

**3. *Community and charitable activities***

**Fundraising for** charitable activities shall not take place in Company premises or be promoted in the Company noticeboards or other channels of communication without the prior approval of the Group Human Resources Director. Where such activities take place, the organizers must ensure that requisite legal provisions are complied with before the commencement of such functions. **Fundraising and** charitable activities conducted within one's community or outside company premises will not be in the

name of the Company, unless under special circumstances where prior clearance will have been obtained in writing from the Group Managing Director/CEO.

#### ***4. KQ Insider Trading***

Trading in stocks or securities based on material nonpublic information, or providing material nonpublic information to others so that they may trade, is illegal and may result in prosecution. Refer to the *Insider Trading Policy* for additional information.

## **CHAPTER TWO: EMPLOYMENT**

#### ***5. Health safety and security***

We are all expected to adopt a proactive, co-operative attitude towards the health, safety and security of all Kenya Airways staff, customers and suppliers, and others working at or visiting Kenya Airways' premises. All our operations must be conducted in compliance with applicable health and safety laws and regulations, company standards and best practice in workplace health, safety and security.

- Each of us should be aware of applicable Kenya Airways safety programmes and safety and health regulations and be appropriately trained for our role, in order to conduct our activities in a safe, healthy and responsible manner.
- We will act to mitigate risks which arise from deliberate or accidental breaches in our physical security or threats to our people.
- Promptly report accidents, incidents, near misses, non-compliance with regulations or anything else posing a risk to health, safety and security.
- Understand the hazards associated with our own job and those associated with our colleagues' jobs.
- Manage the risks responsibly and ensure any required health and safety training has been completed.
- Any licensed staff member, who requires medical fitness certification for safe operation in his/her area of work, has a duty to ensure that he/she operates within the privileges of the license. Any serious illness or condition that may render the staff member unsafe to operate must be reported to the licensing authority and the Company.
- Integrate health, safety and security consideration into our day-to-day working activities.
- Make sure we know what to do in case an emergency occurs at our place of work.
- Challenge unsafe behavior by others in a timely manner to demonstrate that unsafe behavior is unacceptable.

(HR Policy Manual 7.2.1) The Company shall provide a safe working environment for all employees. As far as possible, it shall safeguard health and safety in all its premises. Employees shall be to make good use of Kenya Airways facilities.

#### ***6. Discrimination and harassment***

In all aspects of employment, we will treat individuals justly, solely according to their abilities to meet the requirements and standards of their job.

- This should be done without regard to factors such as race, religion, colour, ethnic or national origin, disability, sexual orientation, gender, age or marital status. Reasonable job-related

accommodation will be made for any employee with a disability when notified that this is required.

- Physical, sexual, racial, psychological, verbal, or any other form of harassment or abuse will not be tolerated and any staff who engages in such conduct will be liable to disciplinary action.
- The Company recognizes the diverse skills and contributions of our workforce and will ensure that individuals are justly and fairly remunerated for their contributions to the company.
- We acknowledge and promote a healthy balance between employees' working and home life and respect the commitments they have outside of the work environment.

(HR Policy Manual 2.2.1) The Company shall ensure that no staff member is discriminated against in any manner for the reason of gender, marital status, ethnicity, religion, race and/or colour.

(HR Policy Manual 2.3.1) Sexual harassment by a staff member to another staff member can create an offensive, insecure, hostile, oppressive environment at work. Any staff member who engages in such conduct shall be liable to disciplinary action.

Ref. Sexual Harassment Policy

## ***7. Alcohol and Drugs***

Each staff member shall ensure that he/she is free from spirituous or intoxicating liquors or any drugs to an extent that can incapacitate him/her in the performance of his/her duties at the time that he/she reports for duty.

Spirituous/intoxicating liquors or drugs as described above shall not be consumed when staff is on duty. Possession of any intoxicating substances during working hours is therefore strictly prohibited except where the same are on doctors' prescription.

When attending company functions, staff members must refrain from taking spirituous and intoxicating substances to a level which can incapacitate them and affect their performance of duties if they are expected to report back on duty immediately after attending such functions. In any such company function, such substances need to be taken in measures that uphold the respect and dignity of the function and other staff members and visitors attending the function. Any misbehavior witnessed as a result of intoxication shall be deemed unacceptable and will be handled as a disciplinary issue.

HR Policy Manual

9.4.1 Kenya Airways shall maintain a business and workplace environment that is drug and alcohol abuse free.

9.4.2 Staff shall not work under the influence of drugs and/or alcohol or any other psychoactive substances

(stimulants).

The Company shall summarily dismiss an employee if it is satisfied that he has committed any of the following:-

7.13.5 If during working hours the employee is found to have drunk spirituous or intoxicating liquors or taken or used prohibited drugs to such an extent of incapacitating the employee from properly performing his duties.

### ***8. Physical violence***

Inkeeping with the laws of the land and staff regulations, physical violence of any nature by one member of staff against another is strictly prohibited. Differences between staff are expected to be resolved amicably with the respect that each deserves.

## **CHAPTER THREE: COMMERCIAL INTEGRITY**

### ***9. Compliance with Laws and Regulations***

First and foremost, our policy is to behave in an ethical manner and comply with all laws, rules and government regulations that apply to our business. Although we address several important legal topics in this Code, we cannot anticipate every possible situation or cover every topic in detail. It is your responsibility to know and follow the law and conduct yourself in an ethical manner. It is also your responsibility to report any violations of the law or this Code.

#### **a) Competition and anti-trust**

Kenya Airways operates within the laws and regulations of each country in which we operate. This means that we must comply with all anti-trust and competition laws which apply to our business. These laws which regulate dealings with competitors, customers, suppliers and other third parties are different around the world. Depending on where you work, the laws that apply to you may vary.

It is important to be aware that these laws can cover conduct outside the country. For example, some competition laws, such as the US and EU anti-trust laws, can apply even when the conduct occurs outside the borders of the relevant country or countries.

The penalties for breaching competition and anti-trust laws can be severe with large fines and potentially prison sentences for those convicted of anti-competitive behaviour. Some of the main principles are summarised here. However, you must familiarise yourself with and always follow the guidelines on competition and anti-trust laws for your particular market. In addition, we should always deal honestly and fairly with all our consumers, suppliers, employees, competitors and other stakeholders. We should not misrepresent material facts or use deceptive practices to gain unfairly.

b) Competitors

*Take care in dealing with competitors, and gathering information about competitors. Various laws govern these sensitive relationships.*

Competition laws around the world prohibit agreements with or soliciting of agreements with a competitor to fix prices, set any terms of sale, production levels, divide up markets, customers or territories, or to boycott any customer. Such communication with competitors through intermediaries (customers, suppliers or consultants) is also prohibited.

- Contact with competitors in the context of social engagements, trade associations or industry advertising codes must not involve discussion of the areas highlighted above.
- Unlawful agreements need not be written. They can be based on informal discussions or the mere exchange of information with a competitor. If you believe that a conversation with a competitor enters an inappropriate area, end the conversation at once.
- Trade associations must never be used as a forum to agree a common approach to a customer or devise an ‘industry solution’ to a commercial issue such as pricing, discounts or promotions.
- In gathering competitive information, always comply with applicable laws.
- Do not seek or accept confidential information from competitors. You must not use deception, misrepresentation, or inducement to encourage customers, suppliers or former employees of competitors to provide information that they should keep confidential.
- Any agreements with possible antitrust implications should be made only with the prior approval of our Head of Legal Services.

c) Customers

Many countries prohibit any attempt to agree resale prices, fix a minimum price or incentivize customers to follow pricing recommendations. In addition, certain countries prohibit or limit a supplier from imposing conditions of sale that can exclude competitive products or limit a customer’s scope of resale.

You must follow the Kenya Airways Competition & Anti-trust Policy, relevant regional anti-trust guidelines and the advice of the Legal team to ensure you understand what practices are acceptable.

Membership in trade associations (this does not include labor unions) can raise special issues and requires additional consideration.

Whenever any question arises as to application of antitrust laws, you should consult with our Legal Department.

***10. Anticorruption, Bribery and Improper Payments***

Kenya Airways does not condone, under any conditions, the offering or receiving of bribes or any other form of improper payments, including what are known as ‘facilitating payments’.

- You should exercise particular care in dealings with government officials to ensure there can be no suggestion of impropriety.
- You should not give or promise anything, for example, money, services, gifts, excessive entertainment or loans that are or could be construed as intending to influence the decision of customers, suppliers, government officials or political representatives.
- Kenya Airways will not permit the use of intermediaries, agents, subsidiaries or joint venture companies to give, or promise to give anything to such people on behalf of Kenya Airways or yourself.

- Particular caution should be applied in any dealings with government or military officials. No gifts or entertainment (unless it is in line with the normal course of business and which on judgement should not be excessive) may be offered, given to, or paid for on behalf of, any government or military official, without the prior approval in writing of the Legal team.
- We must never offer gifts of cash or cash equivalents, such as gift certificates, loans, stock, or stock options to anyone.
- Most countries have laws which make it illegal to engage in bribery and corruption.
- Kenya Airways operations across the world are subject to the various legislations that make it illegal to pay or accept bribes in the public or private sectors, with the bribery of a foreign public official being a specific offence. This includes ‘facilitating’ or ‘grease’ payments. These are small payments or gifts given to a government official in order to get the official to do something legal.
- Kenya Airways and its staff should also take all necessary action to prevent bribery.
- It is important to recognise that any improper activity or suggestion of improper activity in any country in which Kenya Airways operates can have implications for Kenya Airways globally.
- If you are in any doubt as to the appropriateness of a payment, or transfer of anything of value, which you are considering making or authorising you should contact the Legal team before acting.

### ***11. Money Laundering***

Money laundering is the criminal practice of filtering money which has come from illegal activities through a series of transactions in order to ‘clean’ it and give it the appearance of being from legitimate sources.

Each business unit must have ‘Know your Customer’ procedures to determine the identity and legitimate operations of customers, and maintain procedures to prevent acceptance of suspicious payments. Knowing your customer is a continual process and, as a minimum, customer data must be reviewed once a year.

We all need to be vigilant of circumstances that may indicate improper transactions or what are referred to as ‘red flags’. These would include occasions when a customer is unwilling to provide personal or business background information, wishes to receive or disburse funds into or from multiple accounts, wishes to pay with large amounts of cash or appears unconcerned with price, commissions or other transaction costs.

- It is Kenya Airways’ policy for staff not to handle sales cash and instead has contracted the cashiering services.
- Similarly, it is also Kenya Airways’ policy that any payment by Kenya Airways to a vendor, supplier or other third party must be made to a bank account titled in the name of the contracted vendor, supplier or other third party.

Any exceptions to these policies must be pre-approved in writing by either the Legal team or the Chairman of the Ethics Committee.

It is the responsibility of local management to ensure that Kenya Airways conducts business in accordance with all local legal requirements, including compliance with any currency reporting requirements.

### ***12. Accurate reporting and account***

Any member of staff whose responsibilities include report writing and presentation, will be expected to display the highest level of accuracy in their reporting. This includes all types of reports eg. Financial, audit, technical assessments, Cost/benefit analyses, investigations reports, etc. Any intentional misreporting will be handled as a disciplinary case.

## **CHAPTER FOUR: COMPANY ASSETS**

### ***13. Use of Company Resources***

*Protect the Company's assets, and use those assets in the manner intended.*

- i) Do not use Company assets for your personal benefit or the benefit of anyone other than the Company, unless allowed contractually..
- ii) Use common sense. For example, the occasional personal phone call or e-mail from your workplace is acceptable. Excessive personal calls or e-mail is a misuse of assets.
- iii) Company policy may allow additional personal use of certain assets, such as a Company car or wireless communication device. Always check relevant local policies to ensure that you are using Company assets as intended.
- iv) Theft of Company assets—whether physical theft such as unauthorized removal of Company assets, equipment or information, or theft through embezzlement or intentional misreporting of time or expenses—may result in termination and criminal prosecution. The Company treats workplace theft of assets belonging to other employees the same way it treats theft of Company assets.
- v) The use of Company assets outside of your Company responsibilities— such as using your Company work product in an outside venture, or using Company materials or equipment to support personal interests—requires prior written approval from your HR Relationship manager. You must have this approval renewed annually if you continue to use the asset outside of work.
- vi) Do not engage in personal activities during work hours that interfere with or prevent you from fulfilling your job responsibilities.
- vii) Do not take for yourself any opportunity for financial gain that you learn about because of your position at the Company, or through the use of Company property or information.
- viii) Company Ground Equipment such as motor vehicles, tractors and other ramp equipment shall not be operated by any staff member who is not authorized by the Company to operate the same. The said equipment shall also not be put to any unauthorized use by any staff member.

HR Manual 7.20 Use of telephone, telex and faxes

HR manual 7.21 Company software, E-Mail/Internet access

### ***14. Confidential Company Information***

Use of Information

*Safeguard the Company's nonpublic information, which includes everything from contracts and pricing information to marketing plans, technical specifications and employee information.*

Nonpublic Information

- Do not disclose nonpublic information to anyone outside the Company, including to family and friends, except when disclosure is required for business purposes. Even then, take appropriate steps, such as execution of a confidentiality agreement, to prevent misuse of the information.

- Do not disclose nonpublic information to others inside the Company unless they have a business reason to know, and communications have been classified according to the *IS Information Protection Policy*.
- Employees are obligated to protect the Company's nonpublic information at all times, including outside of the workplace and working hours, and even after employment ends.
- Retain or discard Company records in accordance with the Company's record retention policies. Company legal counsel occasionally may issue notices regarding retention of records in the case of actual or threatened litigation or government investigation. Employees must abide by the directions contained in these notices, as failure to do so could subject the Company and employees to serious legal risks.
- Refer to the *IS Information Protection Policy* for additional guidance and tips for safeguarding information.

### ***15. Information Security***

Lack of diligence by an individual can lead to a breach of our information security affecting the whole company. Everyone who uses the Kenya Airways digital systems – employees, contractors, consultants and other people with temporary access – must ensure that these resources are used appropriately and in line with our Kenya Airways' Information Security Policies.

The Company's digital resources, including systems, software, office equipment, telephone and email services are intended to be used for conducting Kenya Airways' business. Incidental or occasional personal use of such assets is acceptable so long as it does not interfere with you performing your job.

However, you should not expect privacy if you conduct personal business using company resources, subject to legal consideration. Kenya Airways may monitor the use of its telephones, computers and email systems and see the information that you create or exchange with others.

We must all follow the guidance provided in the Kenya Airways' Information Security Policy related to computer usage, password and access codes, security measures and information handling.

- Never share your username or password.
- Ensure you do not access, download, create or forward email, documents or images that may cause offence or distress to other persons.
- Ensure you do not instal or use, hardware or software on any Company system that has not been specifically approved by the IS team.
- Never send information to anyone who contacts you claiming to be a Kenya Airways employee but asks for information to be sent to a non-Kenya Airways email address. You should also notify Information Security Department.
- Always save important data on the network based drives for reasons of data security and data recovery.
- Ensure that all our personal data maintained in Kenya Airways' systems, such as the Microsoft Outlook, the ERP system is current and accurate.

### ***16. Records management***

*Ensure the accuracy of all Company business and financial records. These include not only financial accounts, but other records such as quality reports, time records, expense reports and submissions such as benefits claim forms and resumes.*

- Ensuring accurate and complete business and financial records is everyone's responsibility, not just a role for accounting and finance personnel. Accurate recordkeeping and reporting reflects on the Company's reputation and credibility, and ensures that the Company meets its legal and regulatory obligations.
- Always record and classify transactions in the proper accounting period and in the appropriate account and department. Do not delay or accelerate the recording of revenue or expenses to meet budgetary goals.
- Estimates and accruals must be supported by appropriate documentation and be based on your best judgment.
- Ensure that all reports to regulatory authorities are full, fair, accurate, timely and understandable.
- Never falsify any document.
- Do not distort the true nature of any transaction.
- Never enable another person's efforts to evade taxes or subvert local currency laws. For this reason, payments generally should be made only to the person or firm that actually provided the goods or services. Payments should be made in the supplier's home country, where it does business, or where the goods were sold or services provided, unless the supplier legitimately has assigned payment or sold its accounts receivable to another entity. Exceptions must be approved by the Ethics Committee.

Employees must strive to be accurate when preparing any information for the Company, but honest mistakes occasionally will happen. Only intentional efforts to misrepresent or improperly record transactions, or otherwise to falsify a Company business record, are Code violations.

### ***17. Data Privacy***

The Company respects the privacy of all its employees, business partners and consumers. We must handle personal data responsibly and in compliance with all applicable privacy laws. Employees who handle the personal data of others must:

- Act in accordance with applicable law;
- Act in accordance with any relevant contractual obligations;
- Collect, use and process such information only for legitimate business purposes;
- Limit access to the information to those who have a legitimate business purpose for seeing the information; and
- Take care to prevent unauthorized disclosure.

## **CHAPTER FIVE: EXTERNAL ACTIVITY**

### ***18. External communications***

Kenya Airways' day-to-day contact with the media, government, NGOs, communities and employees is managed by the Corporate Communications Department – globally and in the markets.

Investor interaction is managed by **the Group Finance Director**.

- Refer all media enquiries to the appropriate authorised person heading the Corporate Communications team.
- Avoid speaking to the media unless specifically authorised to do so by a member of the Corporate Communications team.
- Avoid acting as a spokesperson for Kenya Airways, its people, brand or performance, without first consulting a member of the Corporate Communications team.

- Ensure all media announcements and press releases are approved in advance by an appropriate member of the Corporate Communications team.
- Refer any approach by an investor or financial analyst to your Departmental Director or the Chairman of the Ethics Committee.

### ***19. Political activity***

As part of doing business, Kenya Airways engages with governments, public interest groups, industry associations and a broad range of other similar bodies around the world. In doing so, we must ensure we comply with all laws governing political activity.

. The Company recognises each employee's right to participate as an individual in political activities. However, these activities must be kept separate from the workplace.

In particular, Kenya Airways disassociates itself from any political or religious activity that incites extremism or undermines our commitment to cultural diversity and equal opportunity.

- - i) If one intends to provide gifts or entertainment to government or political organisations or individuals, they need to follow the guidance set out in the Gifts & Entertainment section of this Code.
  - ii) The Company will not reimburse employees for personal political activity.
  - iii) Personal political views should not be voiced at work or interfere with a persons delivery at work.
  - iv) The Company's reputation or assets, including time at work should not be used to further ones political activities or interests.
  - v) If a staff plans to seek or accept a public office, through engagement in electioneering politics or by appointment, they should resign from employment before pursuing such interests.

### ***20. Attention to People and Environment***

#### **a) Environment**

In keeping with its *Environmental Policy*, the Company is committed to conducting its business in a manner that protects the environment, conserves resources, reduces its environmental footprint and ensures sustainable development. The Company continuously seeks to improve its environmental performance by setting, reviewing and updating environmental goals.

- The Company shall comply with the spirit as well as the letter of applicable environmental laws and regulations with regards to the environment. Where none exist, the Company shall set for itself appropriate high standards.
- Throughout our operations and in every major business decision, the environmental implications will be considered. This is to ensure that the Company supports environmental sustainability and biodiversity.
- The Company is committed to driving down the environmental impact of its operations through the efficient use of resources, the reduction of waste and emissions and the careful handling of hazardous substances.
- Staff will be educated and motivated to conduct activities in an environmentally responsible manner and business partners, suppliers and contractors encouraged to do the same.

- The Company will engage all its key stakeholders, including employees and communities, in dialogue on its environmental programmes and monitor its performance against best practice to ensure continuous improvement.
- The Company's environmental standards apply to all locations and aspects of its business.
- Non-employees in visiting teams from schools or other institutions can only visit Company premises through prior authorization of the respective departmental Director of the area they would like to visit. Other visitors to offices will be required to be subjected to normal Security vetting procedures in order to be cleared to enter the premises. The safety and security of visitors to any Company premises will be the responsibility of the person/department being visited.

b) People

- The Company respect the right of employees to join or not to join trade unions, and generally to join together for the purpose of promoting common goals. Where the right to freedom of association and collective bargaining is restricted under law, the Company will support the development of parallel means of consultation and of independent and free association.
- All employees have the right to expect that their basic human identity and dignity are fully respected in the workplace and there will be no form of discrimination.
- The Company does not and will not tolerate any form of harassment, bullying or abuse.

(HR Policy Manual 7.8.1.) Employees who are in unionisable roles, except where they have been exempted by the Industrial Relations Charter and subject to labour regulations in countries of operation, are entitled to Union representation. This representation shall be as specified in the Recognition Agreement between the Airline and the union(s).

**21. Human rights**

- Kenya Airways recognises its responsibility under the Universal Declaration of Human Rights to use its influence to promote and protect human rights and to ensure that its business operations do not contribute directly or indirectly to human rights abuses.
- The Company does not make use of, nor will it have partners who make use of any form of forced or compulsory labour. The Company will employ people under the age of 18 only in compliance with local law and UN Global Compact guidelines and will not employ children under the age of 16. For any employee under the age of 18, we will pay particular attention to their vocational training and development needs.
- Staff should always respect the human rights of those with whom they work and come into contact with. All laws with respect to the respect of human rights as enshrined in the Constitution of Kenya and in all other jurisdictions in which the Company operates, will be upheld to the letter.

(HR Policy Manual 3.12.1) No person below the age of eighteen (18) years of age shall be employed or permitted to work for Kenya Airways.

**GROUP MANAGING DIRECTOR/CEO**

## Administration of the Code

*The Code of Business Conduct is designed to ensure consistency in how employees conduct themselves within the Company, and in their dealings outside of the Company. The procedures for handling potential violations of the Code have been developed to ensure consistency in the process across the organization.*

No set of rules can cover all circumstances. These guidelines may be varied as necessary to conform to local law or contract.

### Responsibility

- The responsibility for administering the Code rests with the Ethics Committee, with oversight by the Chief Operating Officer, Group Human Resources Director, Head of Legal and the Audit Committee of the Board of Directors. **It is appointed by the Audit Committee and should report twice a year to the Board.**
- The Ethics Committee is comprised of senior leaders representing corporate governance functions as well as operations. **It will be chaired by the Chief Operating Officer.**

### Investigation of Potential Code Violations

- The Company takes all reports of potential Code violations seriously and is committed to confidentiality and a full investigation of all allegations.
- The Company's HR, Audit, Finance, Legal and Security personnel may conduct or manage Code investigations.
- Employees who are being investigated for a potential Code violation will have an opportunity to be heard prior to any final determination.
- The Company follows local grievance procedures in locations where such procedures apply.

### Decisions

- The Ethics Committee makes all decisions about Code violations and discipline, but may delegate certain categories of decision to local management.
- Those found to have violated the Code can seek reconsideration of the violation and disciplinary action decisions.

### Disciplinary Actions

- The Company strives to impose discipline that fits the nature and circumstances of each Code violation.
- The Company uses a system of progressive discipline, issuing letters of reprimand for less significant, first-time offenses.
- Violations of a more serious nature may result in suspension without pay; loss or reduction of merit increase, or bonus; or termination of employment.
- When an employee is found to have violated the Code, notation of the final decision, and a copy of any letter of reprimand, will be placed in the employee's personnel file as part of the employee's permanent record.

#### Reporting of Code Decisions and Investigations

- The Ethics Committee periodically reports all pending Code investigations and final Code decisions, including disciplinary actions taken, to senior management of the Company and to the Audit & Risk Management Committee of the Board of Directors.
- The Ethics Committee will also post a representative sample of Code violations, with personal identifying characteristics removed, on the Company intranet site for the education of employees.
- The Ethics Committee will also establish and communicate an Ethics Line (Compliance hot line) The hot line will be managed and maintained by an outsourced party.

#### Signature and Acknowledgement

- All employees will be required to make similar acknowledgements on an annual basis by signing an Annual Certificate of Compliance within the first month of every financial year
- All new employees must sign an acknowledgement form confirming that they have read and understood the Code of Business Conduct, and agree to abide by its provisions.
- Failure to read the Code or sign the acknowledgement form does not excuse an employee from compliance with the Code.

#### Waivers

Waivers of any provisions of this Code for officers of the Company must be approved by the Board of Directors or its designated committee and will be disclosed promptly to the extent required by law.

**GROUP MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER**

**‘ANNUAL CERTIFICATE OF COMPLIANCE’ (ACC) FORM**

*(To be signed by All Staff on joining and annual renewal through the system)*

I .....S/N ..... Certify that I have received, read and understood the Company Code of Conduct and Ethics. I shall comply with the provisions of this Code in the performance of my duties with the Company and ensure that staff members in my area are aware of the existence of, and comply with, the provisions of this Code.

\*I also hereby attach any disclosures expected of me in line with the rules of the Code.

\*\* I have no disclosures to make in line with the rules of the Code.

*(please cancel one of these 2 statements above).*

I will communicate any violations of this Code which I become aware of to the Group Human Resources Director or to any other person in authority.

Signature .....

Job Title .....

Department .....

Section .....

Date .....

