

Standards of Business Conduct

Introduction

It is a fundamental policy of Safaricom Plc that the company and all its employees observe and comply with the policies, laws and regulations applicable to its business and that they act with high standards of business integrity. All employees are expected to know, understand and follow these Standards which shall always be read and interpreted alongside all other existing Company policies and procedures.

No manager has the authority to order or approve any action that is contrary to any policies, laws or regulations, or to the relevant Standards, and employees should not compromise the Standards for the sake of results under any circumstances.

Conflicts of Interest Standard

Safaricom employees should avoid situations where their personal interests might be or might appear to conflict with the interests of the Company. The guiding principle is that an Employee or Director / Chief Officer must disclose to senior management or the Board of Management respectively, any conflict or potential conflict of interest. The obligation of disclosure and of avoiding conflicts of interest applies not only to situations directly involving an employee or director/chief but also to situations involving any spouse, partner or other member of his or her immediate family which would have to be disclosed if they involved the employee or director directly.

Disclosures must be made by an employee:

- having a personal or financial interest in any business that has transactions or dealings with Safaricom where the employee can influence decisions about the dealings with that business;
- obtaining a personal financial gain or advantage (other than normal remuneration) in business transactions or dealings involving any company that does business with Safaricom.

Anti-Bribery and Anti-Corruption Standard

Corruption is a punishable offence under the Anti-Corruption and Economic Crimes Act, Laws of Kenya. It is defined as the abuse of authority for personal advantage or for the advantage of another person or group. It includes bribery, theft, embezzlement, fraud and evasion of payment of government revenue and taxes.

Safaricom Plc, its employees and agents will ensure that:

- they do not, directly or indirectly, offer, promise or give any gift, payment or other benefit to any person for the purposes of securing any business or other advantage;
- they do not, directly or indirectly, solicit, accept or receive any gift, payment or other advantage or favor from any person in return for providing any improper business or other advantage and
- their activities do not otherwise contravene any applicable anti-corruption measures.

Safaricom's employees and agents are prohibited from giving or receiving bribes (directly or indirectly) and any attempts to influence or induce favors by way of bribes should be reported to the office of the Chief Corporate Security Officer or Head of Ethics & Compliance by email to reportfraud@safaricom.co.ke.

Entertainment and Gifts Standard

A gift is a Valuable item offered without obligation to selected recipients by a firm's representative, as an expression of appreciation or goodwill. They do not include merchandising items.

It is Safaricom's policy that all staff should not accept gifts or favors from a customer, potential customer, supplier or potential supplier of goods or services to the company irrespective of the value of the gift.

Safaricom staff should politely decline the receipt of any gift. Where it is impractical, inappropriate, or insulting to refuse to accept the gift then the item must be declared to the Chief Corporate Security Officer and handed over to Safaricom Foundation. Here it will be raffled within the business. If the gift is non-transferable, i.e. cannot be passed on to someone else the gift should be declined.

No entertainment or hospitality should be provided or accepted, and no gift should be given or accepted, in circumstances where it will have, or may be having, a material effect on any business transaction which has been, or may be, entered by or on behalf of the company or which might give rise to a conflict of interest.

Inside Information and Corporate Opportunity Standard

If an employee has or receives information that may constitute inside information in relation to Safaricom they should immediately disclose such inside information to the CEO or their respective Chief Officer/Director.

No employee may retain on his personal premises inside information, trade secrets or confidential commercial information relating to the company without making adequate arrangements to protect the security of such information or secrets.

No employee shall disclose outside Safaricom any inside information, knowledge, decisions or other data which might be prejudicial to the interests of the company.

Access to inside information should only be provided to those employees who require it for the exercise of their functions within the company.

No employee shall use inside information, trade secrets or any other confidential commercial information for his own financial /economic advantage or for that of a friend or relative.

Anti-Money Laundering Standard

Safaricom employees are required to read and be familiar with the company's Anti money laundering policy which is to be read and interpreted alongside these Standards of Business Conduct.

Safaricom and its employees will:

- not engage in any transaction which they know, or suspect involves the proceeds of criminal activity;
- not otherwise be knowingly involved directly or indirectly in any money laundering activity; and
- pursue practices directed towards ensuring that their activities do not inadvertently contravene any relevant legislation.

Duty to Report Standard

The company encourages any employee who suspect's wrongdoing at work to raise his concern as described in the Whistle blowing policy posted in the intranet. Concerns raised will be investigated properly and the identity of the person raising the concern will be kept confidential.

This policy encourages individuals to put their name to any disclosures they make to give their concern more credibility. The procedure may be used by all staff of Safaricom Ltd., i.e. permanent staff, casual staff, temporary staff, trainees, interns, contractors and secondees.

This policy is designed to offer protection to those employees of Safaricom who disclose such concerns provided the disclosure is made:

- In good faith
- In the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety

Anyone raising a concern in the genuine belief that wrongdoing has occurred, is occurring or may be about to occur will not be penalized or suffer any form of victimization even if, after full investigation, it is shown that he/she was mistaken.

Any form of reprisal against anyone who in good faith has raised a concern is forbidden and will itself be regarded as a serious offence to be dealt with under the Disciplinary Procedure.

Charitable Contributions Standard

Any Safaricom employee who is charged with the responsibility of disbursing company funds to charitable causes shall act with diligence and due care to ensure the funds are applied in line with the Company objectives. Such an employee shall be held responsible and will be required to account for funds placed in his or her custody by the company for such disbursement.

Safaricom Plc makes contributions to charitable causes through the Safaricom Foundation and provides non- commercial sponsorships through the Marketing department provided that these contributions are not made to secure any improper business or other advantage, do not give rise to any conflict of interest and are otherwise permissible under all applicable laws.

Effective date:

Dec 2018. This policy is in operation until revoked or modified.