

# Kenya Pipeline Company Ltd.



## Code of Conduct and Ethics (Approved, 2016)

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## **PART I: PRELIMINARY**

### **KPC Code of Conduct and Ethics**

This Code of Conduct and Ethics is a set of rules and guidelines that will regulate behavior, relationships and actions of the members of staff of Kenya Pipeline Company Limited in making choices, decisions and in exercising judgment that is consistent with ethical values. The Code is intended to establish and enhance the standards of ethical conduct or behavior of all staff and also serve as a tool for reinforcing the Company Rules and Regulations.

Rules of Conduct and Ethics contained in this Code are to be observed by all employees so as to maintain high integrity and enhance efficiency in service delivery and to deter bringing the Company into disrepute. The Code does not in any way replace the Company's Rules and Regulations which must be obeyed in addition to all other applicable laws.

**In this code, the term 'he' is used to connote both male and female gender.**

### **Establishing KPC Code**

Under the Public Officer Ethics Act, 2003, the Public Service Commission is the responsible body for establishing a Code of Conduct and Ethics for employees of State Corporations. The Public Service Commission established a specific Code of Conduct and Ethics which Kenya Pipeline Company Limited subsequently adopted and customized.

Following the promulgation of the new Constitution in 2010 and enactment of the Leadership and Integrity Act, 2012, KPC has taken steps to align the existing approved Code of Conduct with the provisions of the new Act under Section 37 (1) of the Leadership and Integrity Act 2012. Every public entity is required to ascribe to all the provisions of Part II of the Act.

### **The Company**

Kenya Pipeline Company Limited is a wholly owned Government Corporation under the Ministry of Energy and Petroleum, incorporated in 1973 under the Companies Act Cap 486. The core mandate is to transport, store and dispense petroleum products safely and efficiently from Mombasa to the hinterland through a pipeline system.

The employees of KPC discharge their respective duties at various points of operations and service delivery along the pipeline system, spanning from Mombasa to Western Kenya. The Managing Director of KPC is the responsible and authorized Officer for all Company employees in respect of which, he exercises disciplinary control, delegation of any disciplinary powers notwithstanding.

KPC is committed to serving all her stakeholders with loyalty, courtesy, impartiality, honesty and integrity and facilitating the objective of enhancing socio-economic growth through optimization of shareholder value. It is the Company's intention that, the conduct, demeanor and actions of the employees are consistent with core values of the organization within and outside the work environment, and in dealing with all the stakeholders.

**Our Vision**

"Africa's premier oil and gas Company"

**Our Mission**

"Transforming lives through safe and efficient delivery of quality oil and gas from source to customer"

**Our Core Values**

- I. Integrity;
- II. Transparency;
- III. Accountability;
- IV. Diligence
- V. Team spirit;
- VI. Loyalty; and,
- VII. Care for the environment

**Our Motto**

"To do our best always"

## **PART II: GENERAL CODE OF CONDUCT AND ETHICS**

### **Compliance with General Code**

All KPC employees shall comply with: -

1. All the provisions of the Public Officer Ethics Act, 2003 (No. 3 of 2003)
2. All the requirements in the General Leadership and Integrity Code under Part II of the Leadership and Integrity Act 2012
3. The provisions of Chapter six of the Constitution

### **Rule of Law**

Every employee shall:-

1. Respect and abide by the Constitution and the law
2. Carry out the duties of the office in accordance with the law
3. In carrying out the duties of the office, not violate the rights and fundamental freedoms of any person unless otherwise expressly provided for in the law in accordance with Article 24 of the constitution

### **Public Trust**

All employees shall exercise authority and responsibility vested in their respective office in the best interest of the public

### **Responsibility and performance of Duties**

Every employee shall, to the best of his ability:-

1. Carry out his duties efficiently, honestly, transparently and in an accountable manner
2. Keep accurate records and documents relating to the functions of his office
3. Report truthfully on all matters of the Company
4. Endeavour to give clear and actionable instructions where possible. Where instructions are verbal, they shall be formalized within a reasonable time

5. In carrying out duties of the office, every employee shall take personal responsibility for the reasonably foreseeable consequences of any actions or omissions arising from the discharge of his duties

### **Professionalism**

1. Every employee shall carry out their duties in a manner that maintains confidence in the integrity of the office
2. Treat all employees and members of the public with courtesy and respect
3. Employees should not discriminate against any person except as is expressly provided by the law
4. To the extent appropriate to the office, maintain high standards of performance and level of professionalism within the organization
5. If the staff is a member of a professional body, observe and subscribe to the ethical and professional requirements of that body, in so far as the requirements do not contravene the Constitution or the Leadership and Integrity Act
6. Adhere to all Company circulars, guidelines, Policies, rules and regulations issued from time to time
7. Observe E-mail and internet etiquette as outlined in the ICT policy

### **Financial Integrity**

An employee shall:-

1. Not unlawfully or wrongfully enrich himself/herself or any other person
2. Not accept a personal loan or benefit which may compromise an employee in carrying out their duties
3. Ensure that he borrows only when capable of servicing the loan without any form of financial hardship or embarrassment to himself
4. Live within his means and avoid incurring any financial liability that he cannot satisfy
5. Not be subject of orders of warrant of arrest or attachment of salary issued in execution of a judgment against him
6. Not be declared bankrupt or be subject of a bankruptcy order

## **Gifts or Benefits in Kind**

1. A gift or a donation given to an employee on a public or official occasion shall be treated as a gift or donation to the Company
2. Notwithstanding subsection (1), an employee may receive a gift given to them in an official capacity provided that:-
  - a) A gift is within the ordinary bounds of propriety (not exaggerated), usual expression of courtesy or protocol and within the ordinary standards of hospitality
  - b) The gift is not monetary
  - c) The gift does not exceed such value as may be prescribed by Management
3. Without limiting the generality of subsection 2, an employee shall not:-
  - a) Accept or solicit gifts, hospitality or other benefits from a person who:-
    - i. Has an interest that may be achieved by the carrying or not carrying out the Company duties
    - ii. Caries out regulated activities with respect to which KPC has a role
    - iii. Has a contractual or legal relationship with KPC
  - b) Accept gifts of jewellery or other gifts comprising of precious metals or stones, ivory or any other animal part protected under the convention on International Trade in Endangered Species of Wild Fauna and Flora
  - c) Any other type of gifts specified by the Company:-
    - i. An employee shall not receive a gift that is given with the intention of compromising their integrity, objectivity, or impartiality;
    - ii. Subject to subsection (2), an employee who receives a gift or donation shall declare it to the Managing Director through the Official gift registers provided at all Stations
    - iii. The Company has developed a Policy regarding Receipt and Disposal of Gifts which appears as an Appendix to this Code.

## **Acquisition of Property**

An employee shall not use the office to wrongfully or unlawfully influence the acquisition of property.

## **Conflict of Interest**

1. An employee shall use the best efforts to avoid being in a situation where personal interests conflict or appear to conflict with his official duties
2. Without limiting the generality of subsection (1), an employee
3. Shall not hold shares or have any other interest in a corporation, partnership of other body, directly or through another person, if holding those shares or having that interest would result in the employee's personal interests conflicting with his official duties
4. An employee whose personal interest's conflict with his official duties shall :-
  - a) Declare the personal interests to the Company through the Conflict of Interest Registers provided in all the Stations and comply with any directions given to avoid the conflict;
  - b) Refrain from participating in any deliberations with respect to the matter
5. Notwithstanding any directions to the contrary under subsection (4 )
  - (a), an employee shall not award, or influence the award of a contract, to: –
    - a) Himself;
    - b) A spouse, child or relatives;
    - c) A business associate or agent; or
    - d) A corporation, private company, partnership or other body in which the employee has a substantial or controlling interest
6. Where an employee is present at a meeting where an issue which is likely to result in a conflict of interest is to be discussed:
  - a) The employee shall declare the interest at the beginning of the meeting or before the issue is to be deliberated upon;
  - b) A declaration of a conflict of interest shall be recorded in the minutes of the meetings

7. An employee shall ensure that an entry of registrable interest is updated and to notify the Company of any changes within one month of the change
8. In this section, “personal interest” includes the interest of a spouse, relative, business associate, or agent or any other matter in which the employee has a direct or indirect pecuniary or non-pecuniary interest

### **Participation in Tenders**

1. An employee shall not participate in a tender for the supply of goods or services to the Company;
2. Holding of shares in a company by an employee shall not be construed as participating in tender of the Company unless the employee has a controlling shareholding in the company

### **Public Collections**

1. An employee shall not solicit for contributions from the public for a public purpose unless by a gazette notice, a national disaster is declared and allowed in accordance to the law
2. An employee shall not participate in a public collection of funds in a way that reflects adversely on his integrity, impartiality or interferes with the performance of the official duties

### **Bank Accounts outside Kenya**

An employee shall not open or continue to operate a bank account outside Kenya without the approval of the Ethics and Anti-Corruption Commission

### **Acting for Foreigners**

1. An employee shall not be an agent or further the interests of a foreign government, organization or individual in a manner that may be detrimental to the security interests of Kenya
2. For purposes of this section :-
  - a) An individual is foreign if the individual is not a citizen of Kenya;
  - b) An organization is foreign if it is established outside Kenya or if it is owned or controlled by foreign governments, organizations or individuals

### **Care of Property**

1. An employee shall take all reasonable steps to ensure that property that is entrusted to his care is adequately protected, is in good repair and condition and not misused
2. An employee shall return to the Company all the property in their custody, possession, or control at the end of their appointment
3. An employee who contravenes subsection (1) and (2) shall, be personally liable for losses resulting from the contravention as provided under the law and the Company regulations

### **Misuse of Official Information**

1. An employee shall not directly, or indirectly use or allow any staff under their authority to use any information obtained through or in connection with the office which is not available in public domain for the furthering of any private interest whether financial or otherwise
2. The provisions of subsection (1) shall not apply where the information is to be used for the purposes of:-
  - a) Furthering the interests of the Leadership and Integrity Act
  - b) Educational, research, literary, scientific or other purposes not prohibited by law

### **Political Neutrality**

1. An employee shall not engage in any political activity that may compromise or be seen to compromise the political neutrality of their office
2. Without prejudice to the generality of subsection (1), an employee shall not:-
  - a) Engage in any activity of any political party or candidate, or act as an agent of a political party or candidate in an election
  - b) Publicly indicate support for or opposition against any political party or candidate participating in an election

