

SOMA SACCO LTD

CODE OF CONDUCT AND ETHICS

1. PREAMBLE

Soma SACCO Ltd is a member-owned financial cooperative committed to promoting savings, providing affordable credit, encouraging investment, and improving the socio-economic well-being of its members.

This Code of Conduct establishes the ethical standards and professional behavior expected of all members, delegates, directors, supervisory committee members, employees, volunteers, consultants, and any person acting on behalf of Soma SACCO Ltd. It is founded on the cooperative values of honesty, openness, accountability, social responsibility, democracy, and concern for community.

2. PURPOSE OF THE CODE

The Code seeks to:

- Promote integrity and professionalism.
- Safeguard members' savings and investments.
- Strengthen trust and confidence in the SACCO.
- Promote compliance with the Cooperative Societies Act, SACCO Societies Act, Data Protection Act, and other applicable laws.
- Support good governance and responsible leadership.
- Prevent fraud, corruption, and conflicts of interest. (SASRA)

3. CORE VALUES OF SOMA SACCO

Every person associated with Soma SACCO shall uphold:

Integrity

We shall be honest, truthful, and ethical in all our dealings.

Accountability

We shall take responsibility for our decisions, actions, and use of members' resources.

Transparency

We shall conduct SACCO affairs openly and provide timely and accurate information to members.

Professionalism

We shall perform our duties competently, diligently, and respectfully.

Innovation

We shall embrace technology and continuous improvement for better member service.

Respect

We shall treat every member fairly, equitably, and with dignity.

Service to Members

Members' interests shall always come before personal interests. (SASRA)

4. STANDARDS OF CONDUCT

4.1 Honesty and Integrity

Every member, official, and employee shall:

- Act honestly and in good faith.
- Avoid misleading statements.
- Not falsify records, reports, or financial information.
- Protect the reputation of the SACCO.

4.2 Conflict of Interest

Any person who has a personal, financial, family, or business interest that may influence a decision of the SACCO shall:

- Declare the interest immediately.
- Refrain from participating in discussions or decisions relating to the matter.
- Not use SACCO information or position for personal gain. (Kenya Law)

4.3 Confidentiality

Members of the Board, Supervisory Committee, Management, Staff, and Volunteers shall:

- Protect confidential member information.
- Not disclose financial, personal, or strategic information without authorization.
- Comply with the Data Protection Act and all data privacy requirements.
- Sign confidentiality undertakings where required. (SASRA)

4.4 Anti-Corruption and Anti-Bribery

No person shall:

- Solicit or accept bribes.
- Offer inducements for loans, contracts, recruitment, or procurement.
- Influence SACCO decisions for personal benefit.

Any suspected corruption shall be reported immediately to the Board or Supervisory Committee. (SASRA)

5. RESPONSIBILITIES OF MANAGEMENT COMMITTEE | DIRECTORS AND SUPERVISORY COMMITTEE MEMBERS

Management Committee|Directors and Supervisory Committee members shall:

- Act solely in the interests of members.
- Exercise due care, diligence, and skill.
- Attend meetings regularly.
- Maintain confidentiality of Board deliberations.
- Avoid favoritism and nepotism.
- Ensure prudent investment of members' funds.
- Provide effective oversight of management.
- Promote long-term sustainability of the SACCO. (SASRA)

6. RESPONSIBILITIES OF EMPLOYEES

Employees shall:

- Serve members courteously and professionally.
- Protect SACCO assets and resources.
- Avoid misuse of office equipment and systems.
- Maintain accurate records.
- Report fraud, theft, misconduct, or unethical behavior.
- Continuously improve their skills and knowledge.

7. RESPONSIBILITIES OF MEMBERS

Members shall:

- Abide by the SACCO By-laws and policies.
- Provide truthful information to the SACCO.
- Honor loan obligations and guarantees.
- Attend Annual and Special General Meetings.
- Respect decisions made democratically by members.

- Promote the growth and positive image of Soma SACCO.
- Refrain from spreading false or malicious information about the SACCO.

8. DIGITAL COMMUNICATION AND DATA PROTECTION

Recognizing that the world has become a digital village, members and officials shall:

- Use official SACCO digital platforms responsibly.
- Protect passwords and login credentials.
- Not share confidential information on social media.
- Obtain consent before sharing photographs or personal information.
- Respect the SACCO's Data Protection and Privacy Policy.
- Support the SACCO's compliance with Data Protection registration requirements.

9. INVESTMENT AND FINANCIAL STEWARDSHIP

All officials entrusted with members' funds shall:

- Invest funds prudently and transparently.
- Prioritize safety, liquidity, and reasonable returns.
- Avoid speculative investments.
- Ensure members are informed of significant investment decisions.
- Manage investments in accordance with approved policies and budgets.

10. RESPECTFUL WORKING ENVIRONMENT

Soma SACCO shall not tolerate:

- Harassment.
- Discrimination.
- Bullying.
- Intimidation.
- Sexual harassment.
- Abusive or offensive language.

Every person shall be treated with dignity and fairness.

11. WHISTLEBLOWER PROTECTION

Any member, employee, or official who reports misconduct in good faith shall:

- Be protected from retaliation.
- Have their report treated confidentially.
- Be accorded a fair hearing if involved in an investigation.

12. BREACH OF THE CODE

Violation of this Code may result in:

- Verbal or written warning.
- Suspension from office.
- Removal from committee or board position.
- Disqualification from holding office.
- Termination of employment.
- Recovery of losses incurred.
- Referral to law enforcement agencies where necessary.

13. COMMITMENT

All members, directors, committee members, employees, and volunteers of Soma SACCO Ltd shall subscribe to this Code and commit themselves to upholding the highest standards of integrity, accountability, professionalism, and service to members.

Soma SACCO Motto:

"Bridge to Fame."

CODE OF CONDUCT, ETHICS AND GOVERNANCE POLICY

Approved by the General Meeting on: _____

Review Date: Every Three Years or as Required by Law

14. CONFLICT OF INTEREST DECLARATION POLICY

Soma SACCO recognizes that directors, committee members, employees, and volunteers may occasionally find themselves in situations where personal interests conflict, or appear to conflict, with the interests of the SACCO.

14.1 Duty to Disclose

Every official shall disclose any actual, perceived, or potential conflict of interest relating to:

- Family relationships.
- Business partnerships.
- Employment relationships.
- Procurement and supply contracts.
- Investment opportunities.
- Loan applications and guarantees.
- Any transaction that may result in personal benefit.

14.2 Management of Conflicts

Where a conflict exists, the affected individual shall:

- Declare the conflict before discussions commence.
- Not participate in deliberations.
- Not vote on the matter.
- Leave the meeting during consideration of the matter if requested.

14.3 Register of Interests

The SACCO shall maintain a Register of Interests containing disclosures made by directors, committee members, and senior management.

CONFLICT OF INTEREST DECLARATION FORM

I, _____, being a Director/Committee Member/Employee of Soma SACCO Ltd, hereby declare that:

☐ I have no conflict of interest to disclose.

OR

☐ I declare the following conflict(s) of interest:

I undertake to disclose any future conflict immediately upon becoming aware of it.

Signature: _____

Date: _____

15. ANNUAL ETHICS AND CONFIDENTIALITY DECLARATION

Every elected official and employee shall annually sign an Ethics and Confidentiality Declaration confirming commitment to this Code.

Declaration

I, _____, declare that I shall:

- Uphold the Constitution, laws, SACCO By-laws, and policies.
- Act honestly and in the best interests of members.
- Maintain confidentiality of all information obtained through my role.
- Avoid misuse of my office or position.
- Disclose conflicts of interest promptly.
- Protect SACCO assets and resources.
- Promote transparency and accountability.

I understand that breach of this declaration may result in disciplinary action.

Signature: _____

Date: _____

Witness: _____

16. SOCIAL MEDIA AND DIGITAL COMMUNICATION POLICY

Recognizing that communication increasingly occurs through digital platforms, all members, officials, and employees shall exercise responsibility and professionalism online.

16.1 Acceptable Conduct

Members and officials may:

- Share factual information approved for public release.
- Promote SACCO products and services positively.
- Participate respectfully in SACCO social media platforms.

16.2 Prohibited Conduct

No person shall:

- Publish confidential member information.
- Share false, misleading, or defamatory statements.
- Use SACCO platforms for political campaigns.
- Post offensive, discriminatory, or abusive content.
- Represent personal opinions as official SACCO positions without authorization.

16.3 Official Communication

Only authorised officials may issue official statements on behalf of Soma SACCO.

Official communication shall be made through approved channels including:

- Website
- Email
- SMS
- Social media accounts
- Annual and Special General Meetings

16.4 Data Protection

All digital communications shall comply with the provisions of the Data Protection Act, 2019.

Consent shall be obtained before:

- Publishing photographs.
- Sharing personal data.

- Using member testimonials for marketing purposes.

17. WHISTLEBLOWING POLICY

Soma SACCO encourages members, officials, employees, and stakeholders to report wrongdoing without fear of victimization.

17.1 Reportable Matters

Reports may be made concerning:

- Fraud.
- Corruption.
- Theft.
- Misappropriation of funds.
- Conflict of interest.
- Abuse of office.
- Data breaches.
- Harassment or discrimination.
- Violation of SACCO policies.

17.2 Reporting Channels

Reports may be submitted to:

- Chairperson
- Supervisory Committee Chairperson
- Chief Executive Officer/Manager
- Designated Ethics Officer
- Anonymous reporting channels established by the SACCO

17.3 Protection of Whistleblowers

A whistle blower acting in good faith shall:

- Be protected from retaliation.
- Not suffer discrimination or victimization.
- Have their identity protected as far as reasonably possible.

False and malicious reports may attract disciplinary action.

18. GIFTS, HOSPITALITY AND BENEFITS POLICY

To safeguard impartial decision-making:

Officials and Employees Shall Not:

- Accept gifts, favors, or hospitality that may influence decisions.
- Receive commissions or kickbacks from suppliers or contractors.
- Use their positions to obtain personal benefits.

Permissible Gifts

Nominal gifts of modest value may be accepted where:

- They are customary and reasonable.
- They do not influence decision-making.
- They are disclosed where necessary.

Any gift valued above KES 5,000 shall be declared to the Board.

19. COMMITMENT TO GOOD GOVERNANCE

Soma SACCO commits itself to the principles of:

- Democratic member control.
- Transparency in decision-making.
- Accountability to members.
- Prudent financial management.
- Ethical leadership.
- Compliance with all regulatory requirements.
- Continuous improvement and innovation.

The Board shall ensure annual training of officials on governance, ethics, cooperative principles, and regulatory compliance.

ACKNOWLEDGEMENT AND UNDERTAKING

I have read, understood, and agree to abide by the Soma SACCO Ltd Code of Conduct, Ethics and Governance Policy.

Name: _____

Membership/Employee No.: _____

Position (if applicable): _____

Signature: _____

Date: _____

Witness: _____

SACCO PLEDGE

"As a member and stakeholder of Soma SACCO Ltd, I pledge to uphold integrity, honesty, accountability, professionalism, confidentiality, and respect in all my dealings, and to promote the growth, sustainability, and prosperity of our SACCO for the benefit of present and future generations."