



## **TOBACCO INDUSTRY AND MARKETING BOARD**

### **CODE OF CONDUCT AND ETHICS FOR DIRECTORS/ EXECUTIVES OF TOBACCO INDUSTRY AND MARKETTING BOARD**

#### **1. Objective**

The objective of this Code is to foster and maintain high standards of governance by Directors/ Executives in Tobacco Industry and Marketing Board (TIMB), (hereinafter referred to as “*the entity*”), to induce and recognise the virtues of honesty and accountability and to serve as a guideline for addressing situations involving ethical issues in all spheres of activity in the entity.

The general public, as the ultimate owner of the entity has a right to expect that the Directors and Executives thereof demonstrate, at all times, the highest levels of integrity and competence and that their day-to-day efforts are fully directed towards the well-being, optimal performance and effective delivery of service by the entity with whose management they have been entrusted.

#### **2. Applicability**

This Code is applicable to Directors and Executives of the entity.

#### **3. Key Elements of the Code**

In accordance with the **Public Entities Corporate Governance Act [Chapter 10:31]** (PECG Act), Directors and Executives of the entity:

- 3.1. Shall act honestly, in good faith and in the best interests of the entity;
- 3.2. Shall owe a fiduciary duty to the entity;
- 3.3. Shall have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- 3.4. Shall undertake diligent analysis of all proposals placed before the Board;
- 3.5. Shall act with a level of skill expected from Directors and Executives of a publicly-owned entity;
- 3.6. Shall demonstrate commercial reasonableness in decision-making;
- 3.7. Shall not make improper use of information acquired as Directors and Executives;
- 3.8. Shall not disclose non-public information except where disclosure is authorised or legally-mandated;
- 3.9. Shall, upon appointment and/or re-appointment, make a full Disclosure of Assets in accordance with the provisions of the PECG Act;
- 3.10. Shall not take improper advantage of the position of Director or Executive or use the position for personal gain or to compete with the entity;



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- 3.11. Shall not take advantage of entity property or use such property for personal gain or to compete with the entity;
- 3.12. Shall protect and ensure the efficient use of the entity's assets for legitimate purposes;
- 3.13. Shall not allow personal interests, or the interests of any associated person, to conflict with the interests of the entity;
- 3.14. Shall have an obligation to be independent in judgement and actions, and Directors shall take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;
- 3.15. Shall make reasonable enquiries to ensure that the entity is operating efficiently, effectively and legally towards achieving its goals;
- 3.16. Shall not engage in conduct likely to bring discredit upon the entity;
- 3.17. Shall encourage fair dealing by all employees with the entity's suppliers, competitors and other employees;
- 3.18. Shall encourage the reporting of unlawful/unethical behaviour and actively promote ethical behaviour and protection for those who report violations in good faith;
- 3.19. Shall give their specific expertise generously to the entity,
- 3.20. Shall have an obligation, at all times, to comply with the spirit as well as the letter of the law and with the provisions of the PECG Act;
- 3.21. Shall promote and maintain high standard of professional ethics;
- 3.22. Shall ensure efficient and economic use of available resources;
- 3.23. Shall ensure the entity's co-operation with governmental institutions and other public entities;
- 3.24. Shall promote the maximising of the human resources of the entity and
- 3.25. Shall promote commercial viability.

### **4. Accountability**

- 4.1. The Directors/ Executives of the entity shall discharge their duties in good faith and integrity and in the best interests of the entity and its stakeholders. They are expected to use their best endeavours for advancing the entity's objectives.
- 4.2. They shall act ethically, honestly, and diligently to protect the entity's properties, brand equity and image.
- 4.3. They shall act responsibly, with due care, and competence and without allowing their independent judgement to be subordinated.
- 4.4. They shall faithfully fulfil their fiduciary obligations.
- 4.5. They shall formulate and implement business rescue procedures and other turnaround strategies as soon as the company becomes financially distressed.



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- 4.6. They shall set the company's strategic aims and ensuring that the necessary financial and human resources are in a place for the company to meet its objectives and review management performance;
- 4.7. They shall appoint an independent non-executive chairperson who does not double up as chief executive officer of the company and, where the chairperson is also the chief executive officer, they shall disclose that fact in the annual report, together with the reasons thereof;
- 4.8. They shall establish procedures for appointing and dismissing the chief executive officer of the Board and putting in place a proper framework for the appointment of other executives;
- 4.9. They are accountable to all shareholders and other stakeholders of the company and treat them equally.

#### **5. Disclosure of Assets**

- 5.1. In accordance with the relevant provisions of the PEGG Act, every Director/ Executive shall provide to the Office of the President and Cabinet, after being appointed or reappointed, a written declaration listing in full;
  - a) All immovable property owned, leased or in which he/she has any other direct or indirect interest;
  - b) Any item of immovable property exceeding the value stipulated in the Act which he/she owns, leases or in which he/she may have any other direct or indirect interest;
  - c) Any business in which he/she has an interest or which he/she plays a part in the running thereof;

#### **6. Conflict of Interest**

- 6.1. Directors/ Executives shall not engage in any business, relationship or activity, which may be in conflict with the interests of the entity.
- 6.2. They should not engage in any activity/employment that interferes with the performance of the entity or is otherwise in conflict with or prejudicial to the entity;
- 6.3. They and their immediate families should generally refrain from involvement or investment in entities whereby their responsibility to the entity may be compromised;
- 6.4. They should avoid conducting entity business with a relative or with a firm/company/entity in which a relative/related party is associated or plays any significant role;
- 6.5. If such related party transaction is unavoidable, it must be fully disclosed to the Board of the entity.

Directors/ Executives are prohibited from using their position, or the entity's property or information for personal gain/advantage or to cause detriment to the entity.



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### **7. Other Directorships**

- 7.1. In accordance with the relevant Section(s) of the PECG Act, Directors must disclose to the Board of the entity, on an ongoing basis, their Directorship(s), Committee Membership(s) on the Board(s) of any other entity, public or private, on which they may sit, as well as any shareholding they may have in other entities/companies.

### **8. Confidentiality of Information**

- 8.1. Any information concerning the entity, its business, performance, customers, suppliers etc, which is not in the public domain and to which the Directors/

Executives have access, must be considered confidential, and is to be held in confidence unless disclosure is duly and correctly authorised or is required under law.

### **9. Equity and Fair Treatment**

- 9.1. The Directors/ Executives shall be committed to providing a work environment free from unlawful discrimination, bias, unequal treatment, harassment and/or intimidation of any nature.
- 9.2. They shall strive to maintain a safe workplace by following prescribed national safety and health rules and practices.
- 9.3. Best efforts shall be made to contribute to an environment that builds confidence and empowers people through personal and professional growth. Employees, being invaluable assets, shall be motivated to achieve higher goals.

### **10. Transparency**

- 10.1. The Directors/ Executives should ensure openness and transparency in the internal workings and procedures of the public entity concerned, and in its dealings with the public.

### **11. Promptness**

- 11.1. The Directors/ Executives shall respond to the needs of the people of Zimbabwe expeditiously.



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11.2. They shall ensure prompt and sensitive processing of complaints by members of the public with respect to the entity's interaction with them.

### **12. Gifts and Donations**

- 12.1. No Director/ Executive of the entity shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and/or comparable benefits which are or may be intended to influence or sway his/her judgement in any particular direction.
- 12.2. Subject to this clause, nominal gifts of a commemorative nature, for special events/ achievements or in the course of normal social courtesies may be accepted/ offered.

### **13. Safeguarding Entity Assets**

- 13.1. The use of entity assets for illegal or non-ethical purposes shall be strictly prohibited. Protecting the entity's assets is the responsibility of each Director/ Executive.

### **14. Financial Record-Keeping and Reporting**

- 14.1. It is critical to ensure that all transactions are properly identified, analysed and recorded. This holds true regardless of whether a Director/ Executive is directly involved in financial reporting, accounting or auditing. Most Directors/ Executives shall come into contact with financial transactions, either directly or indirectly.
- 14.2. It shall be the duty and responsibility of all Directors/ Executives to make every reasonable effort to ensure that all financial transactions and related entity records are accurate, complete and reliable.

### **15. Compliance with the Code**

- 15.1. Every entity shall designate a "Compliance Officer", of appropriate seniority within the entity's structure.
- 15.2. It shall be the responsibility of that officer to ensure that, once per annum or upon revision of this Code, every Director/ Executive shall acknowledge and provide a written affirmation that he/she has complied with the provisions thereof. (Template attached).



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- 15.3. New Directors/ Executives shall sign such acknowledgement (of receipt and understanding) at the time of their appointment.

**16. Reporting**

Whilst it shall be the responsibility of every Director/ Executive to himself/herself to ensure compliance with this Code, any possible violation of the provisions of the PECG Act, its accompanying Regulations as well as the provisions of this Code shall be immediately reported to the Board through the Company Secretary/Corporate Services Director.

Signed on this .....day of .....2022

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**CHAIRMAN OF THE TIMB LINE HUMAN RESOURCES COMMITTEE**

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**CHAIRMAN OF THE TIMB LINE BOARD OF DIRECTORS**



**TOBACCO INDUSTRY AND MARKETING BOARD**

**ANNUAL COMPLIANCE CERTIFICATION**

**CODE OF CONDUCT AND ETHICS FOR DIRECTORS/ EXECUTIVES OF STATE  
ENTERPRISES AND PATRASTATALS, PUBLICLY-OWNED ENTITIES AND  
LOCAL AUTHORITIES**

**I, .....**

**Do hereby solemnly affirm that, to the best of my knowledge and belief, I have fully  
complied with the provisions of the Code of Conduct and Ethics for Directors/  
Executives of Tobacco Industry and Marketing Board during the Financial Year ending  
.....**

**Signature .....**

**Name .....**

**I.D. No .....**

**Designation .....**

**Date .....**