



**Compli-Serve**<sup>®</sup>  
the compliance professionals

## **ETHICS POLICY**

### **1. CODE OF CONDUCT AND ETHICS POLICY**

#### **1.1 BACKGROUND**

The purpose of this Code of Conduct and Ethics Policy is to commit the Company, its subsidiaries and its employees ('the Group') to the highest standards of ethical conduct.

The Ethics Policy comprises a short, aspirational summary outlining the Group's core ethical values, ideals and principles. The Code of Conduct, on the other hand, is more directional in nature in that it is very specific in describing or forbidding specific behaviour. In essence, the Ethics Policy is value based, whereas the Code of Conduct is rules-based.

This document combines the Ethics Policy and Code of Conduct for the Group, thereby providing guidelines for all employees to do the right thing and behave at high standards at all times.

It also provides employees with concrete ideas about what is right and what is not accepted in the workplace, without the need for constant management presence to supervise them.

#### **1.2 COMMITMENT**

1.2.1 The Group commits itself to maintaining in all its activities the highest standards of competence, integrity and ethical behaviour, thereby ensuring that its reputation is beyond reproach.

1.2.2 The Group is committed to be a law-abiding corporate citizen.

1.2.3 The Code of Conduct and Ethics Policy has received the total commitment of the board and senior management of the Company.

#### **1.3 APPLICATION OF THE CODE OF CONDUCT AND ETHICS POLICY**

1.3.1 The Code of Conduct and Ethics Policy is applicable to the Group.

Every employee of the Group shares the joint responsibility for supporting and upholding the Code of Conduct and Ethics Policy.

1.3.2 Difficulties experienced with the application and/or interpretation of the Code of Conduct and Ethics Policy should be referred to senior management.

## 1.4 **ETHICS POLICY**

### 1.4.1 **Preamble**

- 1.4.1.1 Ethics involve applying moral standards – standards of good, right and fair conduct – which are supported by values that shape the decisions and actions of individuals within the organisation in the pursuit of our business objectives.
- 1.4.1.2 In simple terms, it is about “doing the right thing”.
- 1.4.1.3 Company has adopted and implemented the Company values of Integrity, Respect, Accountability and Professionalism in all our business operations.
- 1.4.1.4 These values, together with the behaviours identified for each of them, provide general guidelines as to how we interact with each other and our stakeholders, and reflect what is important to us and how we conduct ourselves.
- 1.4.1.5 Recognising that our public reputation is one of our most important assets, we are committed to achieving the highest ethical standards in all our business operations.
- 1.4.1.6 We recognise our obligations to all our stakeholders – particularly shareholders, clients, employees, business partners, the authorities and the wider community.
- 1.4.1.7 Maintaining the trust and confidence of all our stakeholders is the responsibility of every employee. In all of our actions, the values and associated behaviours must be used to guide and direct the way we conduct ourselves.
- 1.4.1.8 This Ethics Policy is supported by other company policies and procedures relating to specific issues, processes and situations.
- 1.4.1.9 The Group will monitor ethical performance regularly in order to ensure that irregular or unethical business practices are eliminated.

### 1.4.2 **Core Values and Behaviour**

- 1.4.2.1 Integrity means that we must build trust and form strong relationships with all stakeholders. It entails acting consistently with our values, i.e. to be honest, trustworthy and open, and to always act in accordance with the highest ethical standards. All employees are therefore expected to act with the highest integrity, which essentially means that we must do the right thing, even if nobody is watching us.
- 1.4.2.2 Respect means that we must actively listen to others, respond appropriately to what they have to say, work effectively with diverse people and be willing to learn from others.
- 1.4.2.3 Accountability means that we must be prepared to take responsibility for our work, make commitments, find solutions and be held accountable for delivery and results.
- 1.4.2.4 Professionalism means that we must act with the necessary skill, care and diligence required from members of our profession and that we must understand and comply with all applicable law, rules and regulations and the codes of conduct issued by the regulatory authorities that govern us.
- 1.4.2.5 Pushing Beyond Boundaries means that we must be passionate about our work and committed to achieving our goals, always looking for innovative and creative ways to realise the Group's vision.

## 1.5 CODE OF CONDUCT

### 1.5.1 Purpose

The purpose of this Code of Conduct is to provide a practical guide to decision making and to commit the Group and its employees to certain specific behaviour.

It is the general duty of all employees to fulfil their contractual obligations to the employer, to exercise due care and skill in their work, and to avoid conflicts of interest with their employer and clients.

It is the general duty of the employer to fulfil its contractual obligations to its employees, to consider the best interests of its stakeholders, and to exercise due care and skill in decision-making.

In support of these duties, the company has developed and implemented internal policies and procedures to guide conduct and enforce compliance to minimum standards. These standards are designed to be in accordance with South African legislation, regulations and industry practices.

Practical decision-making, however, often requires the balancing of competing interests, particularly when dealing with unforeseen circumstances. This means we need to balance the interests of our key stakeholders when making decisions in accordance with our values.

No particular value or stakeholder has priority over another and competing interests should be considered holistically and in the context of all the values and stakeholder interests in order to obtain the most appropriate outcome.

Where there is any question regarding the ethics associated with a contemplated decision or action, every employee should follow the guidelines below:

- (i) Is this decision/action legal?
- (ii) Are you acting in terms of the conditions of your employment contract?
- (iii) Does this decision/action comply with our policies and procedures?
- (iv) Is this decision/action consistent with our values and behaviours?
- (v) Does this decision/action feel right?
- (vi) Would you be happy if your manager, supervisor or colleagues knew about this decision/action?
- (vii) Would you be happy to have this decision/action published on the front page of the newspaper?
- (viii) Would you repeat this decision/action in front of other people, i.e. if somebody else was watching you?

If the answer to all these questions is an unqualified “yes”, then it is likely that the particular decision or action is in accordance with our values and behaviours.

In the event of uncertainty as to the most appropriate course of action, it is recommended that guidance should be obtained from senior management.

### 1.5.2 Behaviour

With the above practical guidance in mind, we aspire to abide by the following code of conduct when dealing with our stakeholders:

#### 1.5.2.1 For our Shareholders we will:

- Maintain executive accountability for decision making on material matters;

- Take reasonable steps to protect and enhance the company's assets;
- Comply with legislation, industry regulations and prescribed practices;
- Produce accurate and timely accounting statements and shareholder information;
- Report developments that may have a material impact on the value of the company's shares;
- Conduct business honestly, fairly and responsibly; and
- Ensure that no contributions will be made to political parties.

#### 1.5.2.2 For our *Clients* we will:

- Act justly, fairly and in the best interests of each individual;
- Render a responsible, effective and competent service;
- Constantly strive to improve the quality of our products and services;
- Build trusting relationships with them;
- Deal with complaints and enquiries in a prompt and Company manner;
- Report accurately on our performance and prospects;
- Strive to deliver consistent performance;
- Uphold the letter and spirit of agreements we are party to;
- Protect the confidentiality of information in accordance with the law and prescribed practices;
- Communicate in an open, clear, timely, honest and transparent manner;
- Ensure a positive experience in doing business with us; and
- Endeavour to always treat them fairly.

#### 1.5.2.3 As *Employers* we will:

- Respect the dignity of each employee;
- Act justly, fairly and impartially;
- Respect the right to freedom of association and expression;
- Keep our employees' personal details confidential;
- Respect the tradition and culture of all our employees;
- Recruit and promote employees in accordance with established labour law and practice;
- Develop skills and competencies of employees in line with the needs of the organisation;
- Create an environment of continuous learning as a way of training and developing employees;
- Create new challenges and career opportunities for employees by developing the Company business;
- Communicate in an open, transparent, honest and timely fashion;
- Not overstate or exaggerate in any communication to employees;
- Not allow any unlawful discrimination, intimidation, victimisation or harassment of employees;
- Create the climate and opportunity to report concerns and irregularities safely and without fear of retribution or victimisation;

- Deal with employee complaints and enquiries promptly and efficiently;
- Maintain sound and fair labour practices and apply codes of good practice;
- Promote the principle of internal equity and take account of market trends when determining the pay levels of our employees; and
- Provide a healthy and safe working environment.

#### 1.5.2.4 As Employees we will:

- Act in the best interests of Company and our clients;
- Maintain the confidentiality of clients and business partners;
- Communicate objectively, truthfully and accurately;
- Not overstate or exaggerate in any communication;
- Protect and enhance the Group's assets and businesses;
- Maintain Company's reputation in accordance with our values;
- Respect the tradition and culture of all people;
- Not comment unfavourably on the products, management or operations of competitors;
- Take accountability for our decisions;
- Deal with complaints and enquiries promptly and efficiently;
- Produce and maintain accurate records where required;
- Embrace continuous learning as a way of working and developing ourselves;
- Acknowledge differences and work together to create solutions;
- Recognise that individual and corporate success is dependent on teamwork;
- Always conduct ourselves in a professional and courteous manner;
- Not hold a political office that would influence our normal day to day work for the company;
- Behave in a way that will result in us conducting ourselves with dignity, integrity and credibility, whether acting in a professional or personal capacity; and
- Not misuse our positions and/or the purchasing power of the Group to obtain goods, materials or services for personal use or benefit on terms that are not available to the general public or to all other employees.

#### 1.5.2.5 For our Business Partners we will:

- Conduct our business in an ethical and professional manner;
- Uphold the letter and spirit of contracts and agreements;
- Build long term relationships based on honesty and fairness;
- Compete fairly and not engage in unlawful market conduct;
- Maintain the confidentiality of our business partners;

- Protect personal information of our partners from unauthorised use afford suppliers of goods, services and capital fair opportunity to compete for the Group's business on the grounds of capability, competitive pricing, quality and service; and
- Maintain transparent sourcing- and ethical procurement practices.

1.5.2.6 In our interactions with the *Authorities* we will:

- Support the democratically elected government of South Africa in the performance of its duties and responsibilities, as required by the Constitution and other relevant legislation;
- Act within the spirit and the letter of the laws and regulations that govern our business;
- Recognise and discharge our responsibility to uphold all laws and regulations;
- Provide accurate information where required and justified;
- Honour our tax obligations;
- Declare all taxable benefits to which employees are entitled;
- Ensure that persons in public office are not improperly influenced; and
- Ensure that no contributions are made to political parties

1.5.3 **Procedures**

All employees are expected to be familiar with their role and duties and Company's internal policies and procedures, as failure to comply with them may be considered to be misconduct and employees may be subject to disciplinary action that could lead to dismissal.

Furthermore, note that the Code of Conduct is not intended to comprise an exhaustive list of what constitutes ethical conduct, nor is it intended to contain a comprehensive list of offences or contraventions on which Company will take appropriate legal action.

Company respects the right of the individual to retain their anonymity when reporting non-compliance with this Code of Ethics.

Individuals must make use of the anonymous reporting hotline should they wish to retain their anonymity. In this regard, employees are specifically referred to the company's Whistle Blowing Policy.