



## 1. Introduction

Tsebo Solutions Group (Proprietary) Limited and its subsidiaries (collectively referred to as the "Group" and/or the "Company") are committed to the highest standards of social and business practices. Tsebo has a zero tolerance policy on theft, corruption and inducements.

The Group subscribes to the ethical principles underpinning good corporate governance as laid out in King III namely responsibility, accountability, fairness and transparency.

The Group and its directors also strive to discharge their duties with conscience, competence, commitment and courage and with an inclusive approach to all stakeholders.

All directors and employees of the Group as well as suppliers, contractors, joint venture partners and stakeholders are expected to consider and observe this Code of Ethics and Good Business Practice ("the Code") when conducting business with or for and on behalf of the Group and the Group undertakes to operate in an open and transparent environment in its dealings with all stakeholders. The above persons must not participate in or condone fraud, corruption, theft or any other economic crimes.

The Group undertakes to adopt fair employment practices which provide for equal opportunities of employment and development in a working environment conducive to one's health and safety.

## 2. Interaction with Anti-Bribery and Anti-Corruption Policy

The Code sets out the overarching concepts which govern the way Tsebo does business and should be read alongside the Anti-Bribery and Corruption Policy which deals more specifically with how Tsebo wishes to deal with instances of possible bribery and corruption.

## 3. Code of Ethics

The activities of the Group and its employees shall at all times:

- Be concluded in line with the Constitution of the Republic of South Africa, the applicable legal framework and the appropriate professional standards of conduct;
- Be able to stand up to full scrutiny by all the Group's stakeholders;
- Reflect the highest principles of corporate governance;
- Endeavour to achieve "win-win" results and relationships with all stakeholders;
- Act responsibly and take accountability for their actions; and
- Acknowledge the rights and human dignity of others and avoid harassment and intimidation of any nature whatsoever.

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#### **4. General Principles**

All of the Group's directors, employees, suppliers, joint venture partners and contractors are required to:

- Perform their duties with honesty, integrity, personal accountability, without favouritism or intimidation and to the best of their ability;
- Communicate openly and honestly and demonstrate a sense of purpose and commitment to achieving the best results, even under adverse conditions;
- Treat people with fairness, courtesy and sensitivity with respect to their rights, and have respect for diversity;
- Accept accountability for their actions and decisions;
- Comply with the policies and procedures that apply to the company systems and in the manner in which the company conducts its business;
- Use information obtained from the company only for the purpose for which it was intended i.e. the business of the company;
- Treat the assets and property of the company, its employees, clients, customers and suppliers with the same respect as if it were their own personal property;
- Not waste the Group resources, including time;
- Share and declare any information they have in relation to a conflict of interest, be it personal or in respect of the Group as soon as these conflicts become apparent;
- Refuse any gift that could be regarded as an attempt to exert undue influence or gain favour and comply with the Group's Gift Policy; and
- Challenge others if they believe they are acting in an unethical manner and in conflict with this policy. The Group does not condone any form of retribution against those who speak up.

#### **5. Helpful Questions**

When in doubt about your actions, answer the following questions when making a decision and if your answer is "No" then you should not proceed with the original course of action:

1. Is it constitutional?
2. Is it legal?
3. Does it uphold the standards of affiliated professional bodies?
4. Could you justify your actions to:
  - The Corporate and Management Boards?
  - Your staff and colleagues?
  - Society at large – including your community?
  - Your family?
5. Does your action uphold the spirit of the "Tsebo Solutions Group" culture?
6. Does it create a "win-win" situation?

7. Have you considered the moral aspects?
8. Are you trying to find a right way to do something which is wrong?
9. Is there any undue influence that is impacting your judgment i.e.:
  - Considering profit only?
  - Personal work performance?
  - Bowing to pressure from superior?
  - Job security?
10. Do you have a personal interest in the transaction?
11. Is there another organisation's employee or another person outside of the Group who would personally be enriched through the transaction?
12. Is it within acceptable norms/business practices?
13. Does it comply with the Group's policies and does it comply with the Anti-Bribery and Corruption Policy?
14. How would it be seen if reported on the front cover of tomorrow's newspaper?

## **6. Health, Safety and Environment**

The safety of employees and other people on our sites is our top priority. Every staff member has the right and obligation to challenge and report unsafe conditions, behaviour and procedures.

The Company shall:

- As far as is possible, create and maintain a safe and healthy workplace through the provision of appropriate training and the necessary equipment, tools and procedures to employees when carrying out their duties; and
- Take appropriate measures to ensure that employees refrain from using drugs and alcohol in the work environment which could affect such employees' work performance and thereby pose a risk to the health and safety of other employees.

The Company is committed to running its business in a responsible manner in order to minimise its impact on the environment and to ensure the wellbeing of all its stakeholders including the environment as a whole, surrounding community and employees.

This commitment is and will continue to be accomplished by:

- Integrating environmental considerations into our business planning and decision-making;
- Identifying, evaluating and managing environmental aspects associated with our activities to eliminate or reduce the likelihood of adverse impacts on the environment by, for example:
  - Minimising emissions to the atmosphere;
  - Minimising the release of effluent;
  - Optimising resource consumption by reusing and recycling materials where appropriate;

- Using materials and substances which are biodegradable and are not harmful to the environment; and
- Reducing energy consumption by sensible energy management of our buildings and equipment;
- Continuously monitoring the Company's environmental performance by use of management review systems and procedures;
- Complying with all applicable legislation and regulatory statutory requirements as appropriate for each local area;
- Continually improving our hygiene programme, evidenced by external auditors, and reviewing our Star Grading Programme annually to include further environmental aspects that are of extreme importance;
- Promoting environmental awareness and training for all employees in environmental matters appropriate to their role;
- Encouraging all suppliers to develop environmental policies in line with our Policy and endeavouring to ensure that they comply with environmental requirements; and
- Co-operating and communicating openly with the public and relevant neighbours, government regulatory authorities and all other interested parties towards the shared goal of improving requirement.

Where required to do so the Company will endeavour to harmonise its Environmental Management System with those of its clients.

## **7. Conflict of Interest**

Conflicts of interest are situations where individuals make their decisions based on personal gain rather than the best interests of the Company.

Even if an individual does not allow personal interests to influence their decision, the mere perception of a potential conflict could prove very damaging to the Company's image and could jeopardise the confidence of the Company's stakeholders.

Any real or perceived conflicts of interest should be reported to your line manager and the conflicts of interest register and forms completed. The register and forms are available online on SharePoint and also in hard copy with the Marketing Director.

### **7.1 Outside Business Interests**

The Company's employees and directors shall not:

- Use the resources of the Company to run private businesses or conduct work for another organisation;
- Confer any benefit on a business partner or competitor of the Company in which such employee or his/her relative holds a beneficial interest; and
- Derive personally whether directly or indirectly, any benefit or opportunity which may arise through the use of the Company's intellectual property.

## **7.2 Involvement with Suppliers, Customers, etc.**

Employees and directors (and/or any member of his or her immediate family), should refrain from being personally associated with a supplier, contractor, customer, competitor, joint venture partner, service provider or other entity involved in business dealings with the Company.

Examples of inappropriate involvement include:

- The acquisition of a significant interest in a business entity that deals with the Company;
- Holding a partnership interest or having a profit-sharing or incentive arrangement, creditor – debtor relationship or similar economic involvement with any business entity that deals with the Company;
- Serving in any capacity in a business entity that deals with the Company; or
- Acceptance of a loan, advance or other non-monetary benefit from a supplier, contractor, customer or other business entity, except for customary loans or advances from banks or other lending institutions.

## **7.3 Use of Confidential or Proprietary Information**

Employees and/or members of an employee's immediate family should avoid activities which involve the use or misuse and/or the disclosure of confidential or proprietary information of or concerning the Group or other companies gained by virtue of their employment, including more specifically the following:

- Buying or selling securities of the Company or another company when in possession of price sensitive information relating to that entity whether favourable or unfavourable;
- Disclosure of any information not already in the public domain relating to the Company or another company except to persons who are authorised to receive such information and where such disclosure is in the course of an employee's normal duties and responsibilities as part of his or her employment;
- Recommending or expressing an opinion as to the buying, selling or holding of securities of the Company or another company; and
- Speculating in securities of the Company or another company or in options to buy or sell such securities or other similar financial instruments relating to any such securities or selling any such securities short or generally trading in such securities for short-term profit.

## **7.4 Personal Use of Company Information and Business Opportunities**

Directors and employees and/or members of an employee's immediate family shall not use the employee's or director's position with the Company for any personal gain or for the benefit of any third party, such as:

- Any personal exploitation of information to which an employee has access by reason of his or her employment with the Company; and/or
- Personal use of any "business opportunity" in which the Company is or may be interested.

## **7.5 Interaction with the Press and Media**

The Company's name shall not be used without prior written approval of the CEO in any published article or as part of an employee's public appearance in the media.

## **8. Adherences to Law**

Tsebo is committed to uphold all laws in the countries that they do business in, including laws relating to countering bribery and corruption. All directors and employees shall act in accordance with the law of the jurisdictions in which the Company conducts its business. It is recognised that employees in some countries may be subjected to local pressures to engage in unlawful conduct.

However, as representatives of the Company, employees and directors owe their duties to the Company and are reminded that the interests of the Company will be best served if such pressures are resisted.

If you find yourself in this situation, your best course of action is to tell your line manager or their manager of your concerns.

Furthermore in countries where corporate political contributions are lawful, such contributions may only be made with the Company Board approval and must be accurately and fairly reflected as such in the Company's books, records and accounts.

## **9. Promotion of Fair Competition**

The Company strongly believes in a free market economy and embraces fair competition. Consequently, the Company avoids all actions that are anti-competitive or otherwise contrary to the laws that govern anti-competitive practices in the marketplace.

The Company does not:

- Enter into agreements or employ practices in restraint of trade such as price fixing, bid-rigging, collusion and "kick-backs"; or
- Employ illegal or otherwise improper means to obtain information from competitors, including:
  - Offering bribes or gifts in the exchange of information; and
  - Misrepresenting the company or its position in order to convince third parties to divulge information to the company.

## **10. Protection of the Company's Assets**

All directors and employees of the Company have a duty to safeguard its assets in order to protect its economic well-being and competitive advantage. Directors and employees are therefore expected to, in respect of the management of:

### **10.1 Funds**

- Exercise integrity, prudence and good judgement in incurring and approving business expenses and ensure that business expenses are reasonable and incurred wholly, exclusively and necessarily in the best interests of the Company;
- Obtain authorisation for all transactions and expenses incurred in accordance with Company policy from time to time;
- Not to conceal any funds or any transaction from either management and/or the auditors; and
- Not to enter into any transaction for the purposes of unlawfully evading any tax, duty or other levy imposed by the government in those jurisdictions in which the Company conducts business either for the benefit of the Company or third parties.

### **10.2 Assets**

- To use the Company's assets prudently with due care and diligence; and
- To take appropriate steps to protect the Company's assets against theft, loss, damage and waste.

### **10.3 Company Functions**

The Company will always thank its people for a job well done, and recognises that in-house social functions are a vital part of both peer Group recognition and team building. However, it is easy for these proper activities to be perceived as excessive, particularly if attendance is restricted, and resentment will inevitably follow.

The correct balance must be struck, and it is the responsibility of the organiser to ensure that the hospitality provided is not excessively lavish, and that attendance is open to all relevant employees.

Directors and employees are also expected to exercise restraint when enjoying the Company's hospitality and not to exploit such hospitality for their own benefit or their family or that of a third party.

### **10.4 Intellectual Property**

- To take precautions to avoid inadvertent disclosure e.g., by not discussing such information with third parties and to take care in transmitting such information by fax or electronic mail;
- To enter into confidentiality agreements with any parties to whom the Company is obliged to disclose such information restricting the further disclosure thereof;
- Not to release information to third parties without proper authorisation;
- To use only properly licensed computer software;
- Not to reproduce, distribute or alter copyrighted materials such as computer software, books, audio, videotapes, journals and magazines without the permission of the copyright owner or authorised agent;
- To employ ethical means of conducting research, development and exploration; and
- To be honest in obtaining, interpreting, using and disclosing information.

## **11. Social Responsibility**

The Company's primary purpose is to deliver a return to shareholders over the long term.

However, this implies that our business model must be sustainable and it is therefore a basic requirement that we conduct our business in a socially responsible manner.

The Company is committed to continuously striving to improve the quality of life and contributing to the well-being of communities in which we conduct our business through various initiatives such as the Tsebo Foundation. Whilst this support will take different forms in different countries and communities, the Company shall make every effort to:

- Support health, education and environmental initiatives;
- Support and work with voluntary and charitable organisations that respond to community needs;
- Become involved in and with the community to solve community problems;
- Encourage all employees to volunteer for community projects and support them in doing so;
- Encourage, support and seek partnerships with organisations which need the Company's assistance whether they be schools or social service organisations;
- Involve local communities in decision making issues that affect them and support and develop skills and enterprise development in the local communities in which the Company operates;
- Give preference to business partners who conduct their business in accordance with ethical standards consistent with its own; and
- Draw from the local labour and enterprise pool to the extent possible.

## **12. Human Rights**

The Company recognises that the Bill of Rights encompassed in our Constitution is the foundation of freedom, justice and peace in South Africa and accordingly subscribes to the principles laid out therein.

## **13. Cultural Sensitivity**

As representatives of the Company, all employees should be aware, when dealing with business partners in our own country and in other countries and/or when visiting other countries with family members that their behaviour is a reflection on the Company and are therefore expected to familiarise themselves with the norms, laws and customs of the people who they are engaging with and to abide thereby.

## **14. The Use of Social Media**

Whilst Tsebo recognises an individual's right to freedom of speech, employees / directors / suppliers / customers are cautioned when using social media to comment on or about Tsebo. If a comment, tweet or blog or the like is posted on social media and it falsely injures the name and reputation of Tsebo, it is considered defamatory to Tsebo and may expose the person concerned to a legal action from Tsebo.



## **15. Disclosure**

The board of directors of the Company is responsible for the management of the Company's Code of Business Ethics as set out in this document and subscribes to the principles and protections set out in the Protected Disclosure Act.

Any person who becomes aware of any existing or potential violation of this Code or of any other fraudulent, criminal or unjust and inequitable behaviour is invited to make use of:

- The Tip-Offs Anonymous hotline 0800 003317; or
- Email [Tsebo@tip-offs.com](mailto:Tsebo@tip-offs.com); or
- Fax 0800 00 77 88; or
- SMS the international toll free number +27 72 01 4445

or to speak to their line manager, the Group Legal Officer or Internal Audit.

All employees are requested to please discuss any uncertainties they may have in respect to the application of the Code, or any deviations from the Code that they are aware of with their line managers.

## **16. Discipline**

Should an individual to whom this Code of Ethics applies, contravene any part of this Code of Ethics, Tsebo reserves the right to discipline or terminate the employment of any such individual or to terminate any dealings or contracts it has with the contravening party. All persons to whom this Code of Ethics applies hereby indemnifies and hold the Company harmless against any action which the Company may take against the contravening party and any ensuing damages, expenses, claims or losses arising as a result thereof.

Tsebo may also be legally obliged to or may voluntarily elect to report contraventions of this Code of Ethics to the South African Police Services and the contravening party acknowledges these rights and obligations and holds the Company harmless against any ensuing damages, expenses, claims or losses arising as a result thereof.