



**BUSINESS CODE OF ETHICS POLICY**

---

**Policy** : **Business code of ethics policy**  
**Manual** : **Human Resources Policies and Procedures Manual**  
**Applicability** : **All Employees within the Digicall Group, is contractors and suppliers.**

|                     | <b>NAME</b>     | <b>SIGNATURE</b> | <b>DATE</b> |
|---------------------|-----------------|------------------|-------------|
| <b>PREPARED BY:</b> | Human Resources |                  | July 2017   |
| <b>APPROVED BY:</b> | Human Resources |                  | Sept 2019   |

| <b>Rev. No.</b> | <b>Effective Date</b> | <b>Revision Description</b> | <b>Prepared</b> | <b>Approved</b> |
|-----------------|-----------------------|-----------------------------|-----------------|-----------------|
| 1               | July 2017             | First issue                 | HR              |                 |
| 2               | September 2019        | Revision                    | HR              |                 |
|                 |                       |                             |                 |                 |
|                 |                       |                             |                 |                 |
|                 |                       |                             |                 |                 |
|                 |                       |                             |                 |                 |
|                 |                       |                             |                 |                 |
|                 |                       |                             |                 |                 |

## TABLE OF CONTENTS

|   |          |
|---|----------|
| <b>1. Introduction</b> .....                                    | <b>3</b> |
| <b>2 Definitions</b> .....                                      | <b>3</b> |
| <b>3 Obligation of Manager’s</b> .....                          | <b>4</b> |
| <b>4 Obligation of Employee’s</b> .....                         | <b>6</b> |
| <b>5 Gifts</b> .....  | <b>7</b> |
| <b>6 Conflict of interest</b> .....                             | <b>7</b> |
| <b>7 Private business</b> .....                                 | <b>7</b> |
| <b>8 Anti-bribery and corruption</b> .....                      | <b>8</b> |
| <b>9 Procedures for reporting possible irregularities</b> ..... | <b>9</b> |
| <b>10 Non compliance</b> .....                                  | <b>9</b> |

## 1. INTRODUCTION AND PURPOSE

- 1.1 In accordance with the King Report on Corporate Governance every Company should ensure that it conducts business in an ethical manner. It is for this reason that the Company has implemented this policy, which reflects its policy on business ethics. Any Employee who is employed by the Company will have to adhere to this code, which is seen as a strategic business imperative.
- 1.2 Whilst not all levels of Managers will be held accountable for every aspect of governance of this policy, accountability will revolve around the Manager's level of responsibility and deliverables in accordance with his / her job description.
- 1.3 It is important to note that the Company regards leadership and management in high regard and managers are expected to anticipate potential risk for the Company as well as areas where service can be improved upon and to escalate it to the appropriate levels of accountability where they are not mandated to attend to it independently.

## 2. DEFINITIONS

The definitions listed in Table 1-1 apply to this document.

A capitalised item within the text indicates the availability of a definition.

| Item                                | Definition  |
|-------------------------------------|---|
| Company / Employer                  | Digicall Group  |
| Managers / Supervisors / Management | The person responsible for planning and directing the work of individuals, monitoring their work, and taking corrective action when necessary   |
| HR                                  | Human Resources   |
| Employees                           | Salaried staff on the Company payroll   |
| Contractors                         | Contractors working for the Company in an individual capacity who are not considered to be Employees of the Company   |
| Bribery                             | Bribery, in broad terms, is the receiving or offering of undue reward or anything of value and includes payments to secure a business advantage, financial or otherwise, to which the Company is not entitled. Anything of value can be a bribe, including a gift in kind or some other favour such as an offer of employment to a relative of the person being bribed. It will involve the giver and the receiver in the Improper performance of a personal, Company or official responsibility. |
| Corruption                          | Corruption can include graft, bribery, facilitation payments or other forms of improper business practice. It has the same attributes as set out under Bribery above. It can be summarised as the misuse of entrusted power or office, whether in the public or private sector, for private gain.   |
| Kickbacks                           | Kickbacks arise when suppliers or service providers pay part of their fees to the individuals who give them the contract or some other business advantage.  |
| Facilitation payments               | Facilitation payments are small bribes with a view to speeding up routine transactions to which the payer is already entitled.  |
| Senior Management                   | All Employee's that report into the Executive committee management structures, as well as shareholders and Directors of the Digicall Group  |
| Conflict of interest                | A conflict of interest exists when Employees and their immediate families have direct or indirect personal interests in or derive benefits from transactions to which the Company is also a party to.   |
| Gifts and gratuities                | May include travel, accommodation, payment for lunch, gifts, promotional items, consumable items, gift vouchers, sponsored social functions etc.  |

### **3. OBLIGATION OF MANAGER'S**

#### **3.1 The Manager shall:**

- be responsible for communicating this code and ensuring its understanding by all Employees in their department;
- be responsible for the observance of the ethical obligations in their department;
- take the necessary steps for compliance, within their department, with the provisions of this code.

#### **3.2 Obligations of Managers to customers**

A Manager shall:

- market the service of the Company accurately;
- supply service with a promptness that meets the reasonable expectations of the customer and, where service is delayed, inform the customer of the delay before the expiry of the contemplated service delivery period.

A Manager has a responsibility to customers of the Company to fix and maintain quality standards and, in particular, shall:

- determine minimum quality standards for the service of their department, ensuring that the service conforms to these standards;
- provide customers with a ready means of lodging complaints about the quality of the Company's service;
- provide a reasonable guarantee that its service conforms to the standards of the Company and rectify any service which is below standard; and

A Manager shall manage the Company with a view to achieving the greatest possible savings and other benefits for customers and in particular shall:

- strive to reduce inefficiencies in the Company and establish standards of efficiency in consultation with other Employees of the Company;
- introduce and maintain in the Company an awareness by all Employees that the resources of the Company, including time resources should be utilised efficiently;
- keep the costs of the Company at the lowest reasonable level;
- not permit any acts of bribery;

#### **3.3 Obligations of Managers to the executive board**

A Manager shall at all times, act honestly and in good faith and in particular shall:

- not allow Company services including the use of labour, workshops, training centres, etc. and/or equipment which does not normally form part of any Employees service benefits, to be used for private purposes, unless special approval has been obtained from his / her Manager. Any such approval would be subject to the Employee paying for the use of the service on the basis of cost to the Company.
- act at all times in the best interest of and for the benefit of, the Company;
- carry out duties with the skill and care to be expected from a person of his or her knowledge and experience and exercise his or her own judgement;
- not permit wastage of the assets of the Company;
- report accurately on the performance and prospects of the Company;
- furnish to auditors all information and explanations which the auditors require for the performance of their functions; and
- Preventing negligent and reckless acts.

Managers shall not place themselves in a position where their personal interests could conflict with their duties to the Company and in particular, they shall:

- not divulge confidential information of the Company to the competitors or otherwise make improper use of such information;
- not carry on business on their own account or have other conflicting interests, without full disclosure thereof;
- not accept secret profits, bribes or any other corrupt, or unconscionable benefits;
- not use information which is not yet available to the public for their own gain; and

#### 3.4. Obligations of Managers to suppliers

Managers shall ensure good buying practices with suppliers of the Company and in particular, they shall:

- inform suppliers of any bribe or attempted bribe by the supplier's personnel or an Employee of the Company;
- terminate dealings with any supplier who bribes or attempts to bribe Employees of the Company; and
- ensure that no bribe is paid to personnel of a supplier of the Company.

Managers shall ensure compliance with debt obligations to suppliers of the Company on credit, including lenders of money and in particular, a Manager shall:

- not apply funds acquired from a lender for a purpose which is contrary to any agreement with the lender;
- manage the Company in a way which does not unjustifiably increase the risk to creditors of the Company; and
- report honestly on the financial position of the Company to its creditors.

#### 3.5 Obligations of Managers to Employees of the Company

A Manager shall:

- deal courteously with Employees, having regard to sensitivities and individual dignity;
- give due attention to the training and development of employees;
- provide safe working conditions, including adequate machinery and equipment and competent supervision;

In the appointment or promotion of Employees, the Company shall:

- not discriminate on any ground except to the extent strictly required by the inherent requirements of a particular job;
- provide employment and promotion opportunities for those Employees from historically disadvantaged backgrounds and who belong to designated groups in terms of the Employment Equity Act;
- recognise Employees' efforts by fair and adequate remuneration and other means;
- ensure a workplace that is free from racial, sexual or any other form of discrimination;
- comply with all South African employment laws; including inter alia, the Labour Relations Act, Employment Equity Act and Basic Conditions of Employment Act;
- make this code of ethics and the reasons for it known to Employees; and
- deal openly and fairly when involved in collective bargaining processes with representatives of the Employees of the Company.

#### 3.6 Obligations for Managers with regard to competitors

Managers shall not:

- make dishonest allegations concerning competitors of the Company or concerning their products and services;
- compete unfairly as accepted by commercial competitive practices; or
- acquire confidential information of a competitor by espionage, the subordinating of the competitor's Employees or any other improper means.

### 3.7 Obligations of Managers to society at large

Managers shall, in carrying on the business of the Company:

- pay due regard to environmental and public health considerations; and
- participate within the means of the Company in projects which will uplift the community in which the Company operates.

## 4. OBLIGATION OF EMPLOYEE'S

### 4.1 An Employee, other than a manager, shall

- support and assist management in fulfilling its commercial and ethical obligations;
- avoid any waste of resources, including time;
- respect the confidentiality of sensitive customer information and;
- help fellow Employees meet their obligations.

### 4.2 Obligations of Employees to the executive board of the Company

Employees shall:

- avoid unreasonable disruption of production;
- use their capabilities and develop their potential as much as possible, particularly in return for training received;
- not divulge any confidential information of the Company to its competitors or otherwise make improper use of such information;
- act honestly at all times and report any harmful activity they may observe or come across at the workplace;
- commit to honouring their agreed terms and conditions of employment; and
- not act in any way that conflicts with or jeopardises the interests of the Company and its executive board.

### 4.3 Obligations of Employees to managers

Employees shall perform their duties diligently and efficiently and in particular shall:

- support and assist Management to fulfil its commercial and ethical obligations as set out in this code;
- avoid any waste of resources, including time;
- refuse any bribe and report attempted bribery to a Manager;
- report any harmful activity observed at the workplace;
- not engage in unlawful or unprotected industrial action; and
- join Management in a commitment to improving productivity and service delivery.

### 4.4 Obligations of Employees to fellow Employees

Employees shall:

- not make false accusations against a fellow Employee;
- not intimidate a fellow Employee; and
- recognise fellow Employees' rights to freedom of association.

### 4.5 Obligations of Employees to society at large

Employees shall pay due regard to environmental and public health considerations in and around the workplace.

## **5. GIFTS**

- 5.1 To avoid a conflict of interest, the appearance of a conflict of interest, or the need for the Company to examine the ethics of such transactions, our Company and its Employee's do not accept or give gifts from/to vendors, suppliers, customers, potential Employees, potential vendors or suppliers, or any other outside individual or organization, without it being subject to scrutiny and declaration to Senior Management for approval.
- 5.2 Any Gift or gratuity, whether received from or proposed to the client has to be channelled through and authorised by Senior Management. Examples of generally accepted practices within the Company are lunches to build relationships, invitations to the Ellis Park suite and complimentary Gifts associated with service delivery. The Company is cognizant of the fact that the parties per paragraph 5.1 may extend Gifts or gratuities to our Employees as a sincere gesture, all within the ethical boundaries of this policy. In these circumstances, the Employee's shall politely decline acceptance of the Gift or gratuity, and notify the person of our Company policy, as well as that these gestures are welcomed and appreciated subject to it being channelled to their Senior Manager who shall then authorise the gesture and process it accordingly.
- 5.3 Any gift, irrespective of its value, which has not been declared, will be considered unauthorised and subject to disciplinary actions related to bribery and corruption.

## **6. CONFLICT OF INTEREST**

- 6.1 A conflict of interest exists when Employees and their immediate families have direct or indirect personal interests in or derive benefits from transactions to which the Company is also a party. Such situations must be avoided and prevented at all times in the interest of honest and bona fide business practices.
- 6.2 Should an Employee find himself/herself in a situation that could result in a conflict of interest, it is the duty of the Employee to declare such conflict to Management. Failure to do so will be regarded in a very serious light.

## **7. PRIVATE BUSINESS**

- 7.1 As an Employee of the Company, employment entails the rendering of services in return for monetary compensation. The employment agreement furthermore entitles an Employee to statutory paid leave in accordance with the Basic Conditions of Employment Act which the Company is responsible for, as well as strict regulations of the working time.
- 7.2 Authorised time off from work is regarded by the Company as being imperative to maintaining an Employee's physical and mental health to ensure effective services to the Company as well as to attend to personal matters which require an Employee to be away from work.
- 7.3 Although the Company does not wish to inhibit personal entrepreneurial initiative, there is still a need to ensure that personal and private business ventures do not interfere with Company's business as well as the Employees duty to ensure that he/she fit and competent to render effective service to the Company.
- 7.4 It is for this reason that the Company does not allow any private business (whether for reward or voluntary) to be conducted without the full disclosure thereof to Management whether it is during working hours or related to the business of the Company's operations or not.
- 7.5 All outside employment business interests shall be disclosed to HR in writing.
- 7.6 The Company reserves its right to restrict such "outside" work where service delivery and work performance is compromised.

## **8. ANTI-BRIBERY AND CORRUPTION**

### **8.1 General policy**

8.1.1 Bribery is a criminal offence and corrupt acts expose the Company and its Employees to the risk of prosecution, substantial fines and imprisonment, as well as endangering the reputation of the business.

8.1.2 The Company is committed to maintaining the highest standards of honesty, integrity and ethical conduct.

8.1.3 The Company policy has a clear and unambiguous zero tolerance for bribery and corruption.

### **8.2 Bribes and kickbacks**

8.2.1 The Company does not take part in acts of corruption, or pay bribes or receive kickbacks either directly or indirectly.

8.2.2 The Company prohibits its Employees from engaging in acts of corruption, and from paying bribes or kickbacks to, or accepting bribes or kickbacks from, public officials and private individuals.

8.2.3 It is the responsibility of all Employees who are involved at any time in engaging the services of external consultants, suppliers or advisors to ensure that such individuals are made aware of the content of the Company's policy at the outset of the relationship and on a regular basis thereafter.

### **8.3 Facilitation payments**

8.3.1 The Company and its Employees will not make facilitation payments even if such payments are local practice or custom.

8.3.2 If Company Employees encounter a demand for a facilitation payment, or think they are likely to do so, they should report the situation to their Manager without delay.

### **8.4 Charitable donations**

8.4.1 The Company may support local charities or provide sponsorship, for example, to sporting or cultural events. Any such sponsorship must be transparent and properly documented. The Company will only provide donations to organisations that serve a legitimate public purpose, and which are themselves subject to high standards of transparency and accountability. Appropriate due diligence must be conducted on the proposed recipient charity and a full understanding obtained as to its *bona fides*.

### **8.5 Suppliers and contractors**

8.5.1 The Company will ensure that the procurement procedure for appointing suppliers and contractors is open, fair and transparent. The selection of contractors will be based on an evaluation of professional merit, and not on personal recommendations.

8.5.2 The Company will communicate this policy to its suppliers and contractors, and it will expect them to abide by the principles set out in the policy when working on the Company's behalf. If those principles are breached, the Company will reserve the right to terminate the contract.

### **8.6 Summary**

8.6.1 The Company and its Employees are:

- Prohibited from offering, promising or paying a bribe of any kind;
- Prohibited from soliciting, accepting or receiving a bribe of any kind;

- Prohibited from giving or offering anything of value to a public official;
- Required to comply with the Company's guidelines and authorization levels in relation to the giving and receipt of gifts and hospitality;
- Prohibited from making facilitation payments; and
- Required to complete due diligence into all agents, representatives, suppliers, contractors, joint venture partners and all those with whom a business relationship is established in order to enable the Company to offer its services to its clients.

## **9 PROCEDURES FOR REPORTING POSSIBLE IRREGULARITIES**

- 9.1 Any Employee or person involved with and or engaged with the Company will be able to report any contravention of this policy as follows:
- Reporting the matter to Management who will then be required to escalate the matter to Senior Management immediately.
  - Contact HR.

## **10 NON-COMPLIANCE**

- 10.1 Failure to ensure compliance with this policy could lead to the following consequences for the Company:
- Criminal or civil liabilities for the Company including unlimited fines and imprisonment;
  - Serious reputational damage including media comment;
  - Debarment from tendering for public sector contracts, and
  - The unenforceability of contracts entered into as a result of acts of bribery, fraud or other illegality
- 10.2 Failure to ensure compliance with this policy could lead to the following consequences for Employees:
- Personal criminal liability followed by fines or imprisonment;
  - Disciplinary action initiated by the Company, including dismissal;