

ETHICS POLICY

1. PURPOSE

The purpose of this code of ethics is to prevent unethical business practices and to give guidelines to ensure all our business dealings and partnerships are conducted fairly and ethically.

2. SCOPE

The Company is committed to ethical practice in all of its business dealings. All employees and persons acting on behalf of the Company are required to act in an ethical and professional manner thereby upholding integrity.

3. OBJECTIVES

To ensure that all the Company employees and persons acting on behalf of the Company are aware of guideline practices that are regarded as unethical, and to prevent these practices from occurring in any business in which the Company is involved.

4. POLICY STATEMENT

The principle underlying this code of ethics is that every employee and business partner is remunerated by the Company to act in the best interests of the Company at all times. He / She may not pursue his/her own interest, nor that of any friend or relative, in any way, when acting as an employee of the Company.

It should be understood that the onus is on the employee to comply with the Company's values and practices and the employee must seek clarity from his/her Manager when in doubt. As custodians of governance, members of the financial management team should be consulted to provide further clarity.

5. CODE OF CONDUCT

The Company employees and persons employed to act on behalf of the Company are committed to the value of integrity and consistently living out this value in the following ways:

- Trust each other and be professional in their conduct both within and outside the work environment such that their conduct will not reflect negatively upon the Company's image;



- Never use position, authority, assets or facilities provided by the Company to further own, friends or relatives' interests;
- Be honest in all actions and promote a corporate image of integrity, honesty and stringent business ethics;
- Honour the words and spirit of all contracts and agreements, which relate to the Company.
- Never use the Company's name, or sacrifice impartial judgement to the detriment of the Company;
- At all times, uphold an arm's length relationship and maintain a professional relationship where judgement and decision will not be influenced by personal friendship with all customers and with all principals, contractors and suppliers of goods and services to the Company;
- Have a zero tolerance for any form of bribery, corruption and inducements no matter how small or insignificant they may seem.

6. CONFLICT OF INTEREST

The Company requires that its employees will not engage in practices or pursue private or personal interest, which are in conflict with the Company's interest. A conflict of interest in this sense is one, which could result in financial damage or loss for the Company, or harm to the Company's image in the eyes of its business associates or the general public.

A conflict of interest exists when employees have direct or indirect personal interest or derive benefits from transactions to which the Company or an employee in his/her capacity as employee is also a party. Indirect means any family member or close relation. Such situations must be avoided and prevented at all times in the interest of honest bona fide business practices. The onus rests on employees to disclose all potentially conflicting interests.

6.1 *Disclosure and Annual Declaration of Appointments*

- A proposed appointment as director of any public company, private company and/or public body, or appointment as a member of a close corporation or a trustee of a trust other than family trusts, must be submitted in advance to the Chief Financial Officer for consideration, prior to the acceptance of such appointment.
- If the Chief Financial Officer is not certain he/she may in his/her discretion refer the matter to the Executive for a decision. Approval of particular interests may be made subject to certain conditions or withheld if there is potential conflict of interests.
- An annual declaration of holding of interests and Directorships in any institution, must be made by all employees.
- All such disclosure and declarations will be treated with the strictest confidence.

6.2 *Alternative Employment: Conducting Business*



An employee shall not without the knowledge and prior written consent of the Company:

- Be directly employed full time or part time, by any person or other business concern;
- Conduct any business on behalf of another company whilst being:
 - A shareholder or partner in that company;
 - Member of a closed corporation, or
 - Related and/or affiliated to it in any other capacity;
- Perform any work for any third party for normal and/or material.
- For further guidance refer to the Conditions of Employment section of the Metrofile Employees' Handbook.

6.3 Supply of goods and services to Metrofile by immediate family and relatives of an employee.

No immediate family member or relative of an employee is to supply the company with goods, repairs or services of any kind. If any employee has a family member or relative that works for an organisation that supplies goods, repairs or services to Metrofile, this fact should be disclosed to the Chief Financial Officer of Metrofile.

An immediate family member and relative are as follows:

Parents, husband, wife, children, brothers, sisters, grandparents, parents in law, brothers and sisters in law.

7. CONFIDENTIAL INFORMATION

Employees undertake that for the duration of their service with the Company and after termination or expiry thereof:

- No information having bearing on any of the Company's activities or any company in which the Company has an interest, will be communicated, transmitted or otherwise made known to any third party, and that he/she will not collaborate in breaching this condition;
- If he/she has any information, documents or any other articles in his/her possession or under his/her control which he/she, in terms of the above paragraph, may not inform, transmit or make known to anyone, or use, that reasonable steps will be taken to protect that information, those documents and/or articles and ensure that the confidential nature thereof is not compromised;
- Not at any time to use information which he/she has obtained through the above however much it might be to the advantage of another person or to permit that it be so used;
- Not to remove, other than for official Company use any information pertaining to the Company or its clients' activities from the premises of the Company without the prior written authorisation of his/her immediate superior.
- Employees are required to take adequate precautions to ensure that all confidential information, which is not generally available to the ordinary public, will not be leaked to persons who are not entitled to it.



- Refer to Conditions of Employment of the Metrofile Employees Handbook.

8. USE OF THE COMPANY SERVICES AND PROPERTY

The Company services and/or property which do not form part of an employee's service benefits may under no circumstances be used for private purposes unless prior written approval has been obtained from the respective GM/DD/Financial Manager responsible for the asset or who provides the service.

Each staff member must be familiar with the procedures applicable to his/her responsibilities and must be sure that they are followed, particularly in connection with the acquisition, use or disposition of the Company assets. Staff members should recognise that the Company assets are not only physical or tangible items, but also include intangibles (such as ideas, concepts or inventions which staff members develop in the course of, or related to their work for the Company, or the data and information which staff members have access to as a result of their work responsibilities).

9. ACCEPTANCE OF GIFTS AND REWARDS

9.1 *Applicability*

Employees should always act with integrity and should not allow any person to induce him/her by way of any reward with a monetary value to him/her or to a relative, to do or omit or do anything which is prejudicial or potentially prejudicial to the Company. Such conduct constitutes a serious offence, which may lead to dismissal.

9.2 *Publicity Gifts*

Occasional small promotional gifts of a nominal value, as well as business lunches and tickets to sporting events etc., which are in fact necessary or useful to promote or expedite business affairs, are not regarded as a contravention of this code or as constituting a conflict of interest. For the purposes of this paragraph, up to R750.00 may be regarded as a nominal value.

Any such items referred to above with a nominal value exceeding R500.00 up to the R750.00 maximum must be disclosed in a register specifically kept for this purpose by each Divisions Financial Manager.

Any such occasional gifts must be consumable in one day, this implies that, as an example, overnight accommodation is not an acceptable gift in terms of this policy.

Employees should, however, keep in mind that if such gifts are given or accepted with a corrupt or fraudulent intention, or in conflict with the rules set out in this policy, then it constitutes a transgression.

If any employee is uncertain whether a gift or any other consideration may be accepted, he/she should immediately consult his/her Division Financial Manager/Director or General Manager or Divisional Director in this regard.

If gifts or considerations of a monetary value are received by any relative, friend or acquaintance of an employee from any person, in circumstances which may give rise to a conflict of interests, or influence an employee in the execution of his/her normal duties, then the employee concerned must immediately (within 24 hours) report such gift or consideration to his/her Manager who will take action in terms of 12 below.



9.3 *Invitations*

Invitations from customers and suppliers are a courtesy extended during the normal course of business may be accepted, provided this is not being offered to influence employee's business decisions and should be in the interests of the Company.

Invitations for domestic trips where expenses are paid partially or in full by the host should be declined and may only be accepted with the prior approval of an employee's Divisional Director.

The acceptance of personal invitations for trips outside the boundaries of the country in which you are employed in, is totally prohibited under any circumstances unless approved by a statutory Director of the Company.

As a guideline, invitations to lunches, dinners and special events should only be accepted where the employee is able to reciprocate in a similar manner.

9.4 *Unacceptable Business Courtesies*

In order to provide specific guidelines to employees, the following acts in particular, but not limited to these acts, are deemed unacceptable.

Acceptance of any gifts or considerations which would be perceived as having a value to the recipient, for example sponsored holidays, hunting trips, flight tickets for personal use, jewellery, electronic equipment, any other luxury items etc. Offers of this kind must be firmly declined or immediately returned to sender if delivered without prior notice, unless approved by a statutory Director of the Company where refusal would unnecessarily offend the donor.

Acceptance of cash payments, whether large or small, must be refused under any circumstances.

Airline tickets for business trips or trips for training or study purposes, paid for by third parties are not considered as prohibited provided it is approved by the Divisions Divisional Director.

9.5 *Declaration of Offers*

All such items exceeding R500 up the maximum of R750 or as approved by GM or Divisions Financial Manager must be recorded in a register maintained for this purpose. Where a gift is received that is manufactured by the client, the estimated open market value should be used for recording in the register and not the cost or selling price.

Information, which should be recorded in the gift register, is:

- Name of recipient;
- Name of organisation from whom gift was received;
- Nature of gift;
- Estimated open market value of gift; and
- Circumstances under which gift was given.

The non-declaration of gifts or hospitality or rewards of a monetary value could lead to severe disciplinary action as well as the termination of future dealing with the supplier or client concerned.

9.6 *Exchange of Gifts and Entertainment*

Where there is a need to give a gift to a business partner, such gift should be confined to taking the business partner to lunch or the giving of the Company branded pens, ties, diaries etc. Giving of gifts exceeding R750 per person should be avoided. For gifts in excess of this amount prior approval from the respective Divisions Divisional Director needs to be obtained.

The guidelines in this policy should be applied equally when issuing gifts to customers.



10. COMPLIANCE WITH LAWS, REGULATIONS AND THE COMPANY PROCEDURES

No staff member should take any action on behalf of the Company which he/she knows, or reasonably should know, violates any applicable law or regulation.

Violation of the laws can result in both corporate and personal liability. Although staff members cannot be expected to know all the aspects of laws, which apply, they must, however, take certain common sense precautions, and ask the necessary questions when in doubt.

11. CONTRAVENTION OF CODE

Any action in contravention of this code of ethics may lead to disciplinary action.

We must recognise, that the code does not provide a set of rules to cover every situation, or challenge we may face. Rather, the principles in the code serve as guidance for each of us in making sound, ethical decisions in the best interests of Metrofile, its employees and all business partners.

