



# **AECI Limited**

# **Code of Ethics and**

# **Business Conduct**

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## 1. LEADERSHIP PLEDGE

To realise the vision of becoming **the** chemical and mining services supplier of choice for customers in our chosen markets, it is vital for AECI and its group of businesses to live and commit to the values of **BIGGER** founded on the principles of being **Bold**, **Innovative** in the creation of value, of **Going Green**, and that of being **Engaged** and **Responsible**.

The AECI Code of Ethics and Business Conduct is designed to provide clear guidelines for engaging with all stakeholders associated with AECI and its group of businesses. The Code sets out five values that drive the ethical and responsible business conduct that is expected of all AECI and related businesses' employees and their stakeholders. These values are supported by underlying principles and they in turn give rise to specific "do's" and "don'ts". Through the Code, we adopt and uphold the highest ethical standards to be reflected in the way AECI does its business.

The Code is supported by, and should be interpreted against the backdrop of all relevant legislation in the country in which we operate, the regulatory environment applicable to the various industries in which our businesses operate and AECI's internal controls and systems, policies and procedures.

We commit ourselves to observing both the spirit and the letter of the law by striving to uphold the highest integrity and human excellence by building an ethical organisational culture in AECI and its group of businesses.

AECI's vision and values contained in this manual are of significant importance and at the very heart of our governance. The continued success of AECI is dependent upon the degree to which all employees support, comply with and commit themselves to what the whole Group stands for. It is important that all of us (*employees and stakeholders*) read the Code and keep it within easy reach to enable a display of living these values in the daily performance of our duties as together we embark on a journey to provide exceptional products and services to our customers. We trust that you will personally play a pivotal role in contributing to our success by conducting yourselves according to the letter and spirit of the AECI's Code of Ethics and Business Conduct.

.....  
**Mr Fani Titi**  
**Chairman, AECI Ltd**

.....  
**Date**

.....  
**Dr Graham Edwards**  
**Chief Executive, AECI Ltd**

.....  
**Date**

## 2. DEFINITION CLAUSE

AECI / the Company	: means AECI Limited and all its subsidiaries, divisions and joint ventures where AECI is a managing partner;
AECI Leadership	: means the Board of Directors, the Chief Executive, the Chief Financial Officer and the other Executive Committee members of AECI;
Business Compliance Champions ('BCC')	: means the demarcated Compliance Champion for the relevant business;
Code	: means the AECI Code of Ethics and Business Conduct;
Group Compliance Officer	: means AECI's Compliance Officer;
Customer/client	: means a service provider, tenderer, contractor, entities who are engaged to undertake work for or on behalf of AECI or any of its subsidiaries;
Employee	: means any person who is employed by or works for AECI or any of its subsidiaries and who receives or is entitled to receive remuneration or who works under the direction or supervision of an AECI employee;
Employer	: means AECI or any of its subsidiaries;
Group of Businesses	: means all AECI subsidiaries based in SA and in other countries;
Line manager	: any employee at least from the D level who is responsible for managing staff across the Group;
related EC member	: means the AECI Executive Committee member responsible for that business;
Relative	: refers to spouse, life partner, parents, siblings and children of an AECI employee;
Stakeholder	: means shareholder, customers, subsidiaries, employees, creditors, service providers, suppliers etc. to AECI;
Tip-Offs Line	: means Deloitte Tip-offs Anonymous Line.

## 3. POLICY STATEMENT

AECI is poised to become a premier supplier of choice of chemical and mining services in its chosen markets in the African continent and in selected international emerging markets. This vision is underpinned by four strategic pillars relating to cost base, world-class technology, value-adding customer-centric service and excellence and professionalism in all areas of activity.

As AECI looks ahead in its journey to becoming a market leader in international specialty chemicals and explosives industries, it undertakes to do so firmly encompassing sound

business values and good corporate governance that will ensure sustainable business that reflect this ethos.

AECI is committed to a policy of fair dealing and integrity in the conduct of its business. This commitment, which is endorsed by the AECI Board, is based on the fundamental belief that business should be conducted honestly, fairly and legally. The AECI Leadership expects all its employees to share its commitment to high moral, ethical and legal standards.

#### 4. **UNDERSTANDING THE CODE**

The Code sets forth AECI's values and acceptable conduct for all employees and stakeholders of AECI and its businesses, so that they are aware of practices that are regarded as unethical and prevent these practices occurring in any business in which AECI is involved.

The standards encapsulated in this Code serve to assist and guide you as you discharge your functions on behalf of AECI. These standards go way beyond and supplement compliance to laws and regulations, therefore it is essential for each stakeholder to make a personal commitment and recognise that we are both accountable and responsible for our own actions and that the success and reputation of the AECI group of businesses depends on each one of us. The Code prescribes and provide guidelines on how we should interact with each other, the greater body of stakeholders and the environment.

Should you be in doubt about the application of the Code, please discuss the matter with your immediate line manager, or contact your Human Resource departments or your related BCC. Where necessary, you can contact the Group Company Secretary or the Group Compliance Officer for guidance.

In instances of reporting any failure to uphold the principles of the Code, you are encouraged to contact the Deloitte Tip-Offs Anonymous Line, and you are assured that your report will be attended to whilst safeguarding your identity since the line is managed by an external service provider who will guarantee your anonymity.

- **Accountability for upholding the Code**

Our Code applies to the AECI Board of Directors, employees and all stakeholders when they are representing or acting on behalf of AECI:

- you are required to uphold the highest levels of integrity and business ethics in all interactions and transactions;
- you are accountable and responsible for raising questions if you are concerned that these standards are not being met or adhered to;
- violations of the Code must be reported via the channels provided in clause 17 hereafter;
- the AECI Leadership commits to listening carefully when approached with a question or concern and where required will request further information. If required, will investigate matters scrupulously following due process without compromising the identity of implicated employees or stakeholders until compelling facts have been uncovered to corroborate the initial complaint;
- if further inquiry is necessary, matters will be handled by Internal Audit or any other relevant assurance providers.

## KEY PRINCIPLES UNDERPINNING THE AECI CODE

*All AECI employees and stakeholders are expected to:*

- *be professional in their conduct both within and outside of the work environment such that their conduct does not reflect negatively on AECI's reputation and brand;*
- *meet or exceed internal and external stakeholder expectations through superior service and quality in all tasks performed;*
- *be honest in all actions and promote a corporate image of honesty, integrity and a business ethics that is beyond reproach;*
- *value the spirit and letter of all agreements which relate to AECI;*
- *consider the environmental impact of business operations and endeavour to safeguard the environment and prevent environmental degradation, and endeavour to safeguard life and property by adhering to established process and policies;*
- *have a zero-tolerance to bribery, corruption, discrimination, theft and inducement no matter how small or insignificant any incident may seem.*

*AECI employees and stakeholders may not:*

- *wilfully mislead the AECI Board and the Executive Committee to which they are accountable;*
- *act in any way inconsistent with or is an abuse to his/her position;*
- *use his/her position or information entrusted to them to unlawfully or unethically enrich or empower themselves or improperly benefit any other person;*
- *use confidential information in the cause of their employment otherwise than in connection with the discharge of their duties to benefit relatives or any other connected person;*
- *expose themselves to any situation involving risk of a conflict of interest between their official responsibilities and their private interests;*
- *receive remuneration without prior approval for any work done other than for their performance of their duties as AECI employees (refer to clause 9 of the Code.)*

## 5. FUNCTIONAL RESPONSIBILITY FOR THE CODE

The AECI Board of Directors is responsible for setting the policy and standards of ethical conduct and the Group Company Secretary is the custodian appointed by the Board of Directors to be responsible for developing the policy document, providing policy direction under the guidance and approval of the Executive Committee, maintaining standards and establishing guidelines as well as ensuring training on the Code to new and existing AECI employees.

**It is the responsibility of the Executive Committee to monitor and take corrective action against employees who transgress the provisions of the Code.** The role of the line managers is to make themselves available as a source of guidance to employees in order to ensure proper implementation of the Code so that employees know what is expected of them. **The role of the BCC is to ensure that the provisions of the Code are adhered to and also keep all the required registers in line with the provisions of the Code.**

It is the responsibility of the Human Resources Division(s) to ensure that all new employees receive a copy of the Code together with their induction packs or when they assume duty within AECI.

Finally, it is the responsibility of every employee to ensure that he/she makes him/herself familiar with the contents of the Code and seek guidance from management in case of any doubt. The Code is available on the intranet as well as AECI's website for reference, along with declaration forms.

All AECI employees have the responsibility of drawing attention of all stakeholders to the contents of the Code and its effect on the way AECI conducts its business.

<b>GUIDELINE 1</b>		
<p><i>Acting ethically often amounts to being able to choose the correct decision or course of action when faced with a number of conflicting alternatives. Accepting responsibility and accountability for decisions taken - and later being able to justify why it was taken, with adequate proof that the decision was ethical when it was taken - is what makes ethics in business so critically important and this is especially true when someone else may have to make a judgment call on ethical conduct at a later stage.</i></p> <p><i>In general terms, many personal ethical dilemmas can be solved by breaking down the problem into components, through asking a number of ethical questions to put the decision which must be made into perspective, so that it can be considered objectively.</i></p> <p><i>Some of the questions are generic and are listed below as a guideline. There will be times when these guidelines do not address the specifics of a situation.</i></p>		
<b>Analyse the situation</b>	<b>Consider the possible outcomes</b>	<b>Ask the following questions</b>
<p><i>How did the situation occur? What must be decided? Who can make the decision – you or someone else? What would be the implications of the decisions? What written instructions/policies/ procedures should be consulted? Does an existing policy/procedure shed light to the situation? Who should be consulted and what are ethical alternatives and rationale for each?</i></p>	<p><i>Which outcome would be ethically preferable? Who could be hurt /helped by the decision? To what extent could the person affected be hurt? How might they be helped and what ethical alternative is best to follow? Of choices identified, which reduces harm to most, provide help, are aligned to AECI's culture and mostly protect the rights of those involved? Would I be in breach of an existing policy or procedure? Should I have reasonably been aware of the policy? Would AECI run a reputational risk as a result of my decision?</i></p>	<p><i>Would I be proud to tell my family/associates of my actions? Would I be proud to read about my actions in the media? If I were on the other side of the table, would I consider it fair? Would my actions be considered proper by my peers? Will my decision be considered as proper a year, five years or ten years from now? Will my decision involve the contravention or a law or guideline? Will my decision keep me awake at night?</i></p>

## 6. COMPLIANCE WITH LAWS AND REGULATIONS

Employees must comply with all applicable laws and regulations which relate to their activities for and on behalf of AECI.

AECI will not condone any violation of the law or unethical business practices by any employee, including any payment for, or other participation in an illegal act.

- **Anti-Competitive Behaviour**

Employees must not be party to any form of anti-competitive behaviour such as collusion with a competitor on pricing or market-sharing, acquiring confidential information of a competitor by espionage, or deliberately implementing a restrictive trade practice.

## 7. INFORMATION USE

- **Guarantees of Privacy and Confidential Information**

AECI is obliged to record and maintain legally required personal data for payroll, employment benefits (*including medical and retirement benefits*). Such information must be treated as confidential and used only for legitimate AECI business purposes. An employee undertakes that for the duration of his/her service with AECI and after termination thereof:

- no information having an impact on any AECI's activities or any company in which AECI has an interest will be communicated, transmitted or otherwise made known to a third party;
- if he/she has any information, documents or intellectual property in his/her possession or under his/her control, he/she may not inform, transmit or make known to anyone or use it for whatever reason and instead will ensure that reasonable steps are taken to protect the information, those documents and articles and ensure that the confidential nature thereof is not endangered in line with the provision of Protection of Personal Information Act 84 of 2009;
- he/she will not at any time misuse information which he/she obtained through his/her employ with AECI that might endanger the reputation of AECI or cause undue financial or other kind of loss or place a third party at an unfair advantage; and
- he/she will take adequate precaution to ensure that all confidential information, which is generally not available to the ordinary public, will not be leaked to persons that are not entitled or authorised to receive it.

- **Insider Trading**

Employees in possession of confidential, unpublished, price sensitive information must not make use of such information to deal in securities (e.g. shares) of AECI or to provide such information to third parties for that purpose. Similar considerations apply where confidential, price sensitive information is used for dealing in the securities of other companies.

- **Protection of AECI related Information**

Employees, stakeholders and the Board of Directors entrust to AECI personal information. Further, there is information that resides with AECI that should not be divulged to outsiders without prior permission from your immediate manager/supervisor. To continue sustaining and building the culture of trust, we must protect this information and use it only for authorised purposes.

Employees who have access to such information may only:

- use this information for legitimate business purposes;

- disclose this information to third parties after obtaining the necessary approval from the line manager; and
- keep the information safe in accordance with the relevant Human Resources policies.

## GUIDELINE 2: FREQUENTLY ASKED QUESTIONS

**Q:** *A potential/existing AECI service provider/client has offered to sell me a product at a discount if I tell him about upcoming AECI needs/favourably influence his position in terms of being AECI's service provider? What should I do?*

**A:** *You must refuse the offer and tell the service provider/ client that AECI treats all its stakeholders fairly and impartially and immediately tell your manager about the situation. The manager must in turn ensure that the information is relayed to the appropriate senior manager for guidance.*

**Q:** *A service provider has asked me for details of another service provider's quotation received for a specific tender? May I pass this information?*

**A:** *No. Information received from any service provider should be treated with utmost confidentiality. A breach of such confidentiality could result in disciplinary action.*

**Q:** *A client or student has asked me for a precedent agreement so that he can look at it for business or academic purposes. May I pass an existing service provider's information?*

**A:** *No. When AECI concludes agreements with service providers/suppliers a confidentiality clause is agreed to as part of the larger agreement and should the service provider/supplier's information be released for no authorised purpose, this could attract liability to AECI. It is advisable to speak to your manager in this instance for proper authorisation to be obtained in this regard.*

**Q:** *What do I do if I receive a request for information in terms of the Promotion of Access to Information Act?*

**A:** *As soon as you are in receipt of a request in terms of this Act, proceed to advise either the Company Secretary or the Compliance Officer of the request and handover the original request in this regard.*

## 8. ACCEPTING OR GIVING OF GIFTS, BUSINESS COURTESIES AND DONATIONS

### • Accepting and Giving Gifts

The general principle for AECI is that an employee will only accept gifts and entertainment that are for business purposes and are not material or too frequent. An employee must not accept a gift when it appears or it could appear that:

- the gift's cash value exceeds R2000 (*gifts that are promotional in nature like pens, diaries, calendars need not be declared provided their value does not exceed R500*). Employees are prohibited from entering into arrangement with third parties, whereby gifts are broken down into tranches in order to circumvent the provisions of the Code);
- it is cash or a cash equivalent (e.g. gift certificate, loan, stock, or stock options) in excess of the limit of R2000;
- the donor may expect something in return;
- an attempt is being made to persuade an employee to do something to benefit the donor by influencing the employee's discretionary decision;

- an attempt is being made to influence an employee to break the law or AECI's policies and practices;
- he/she is using his/her AECI position to gain a gift or any kind of favour; or
- the donor may obtain a right or privilege that he/she would otherwise not be granted e.g. a quid pro quo or part of any agreement requiring anything in return for the gift.

An employee must do the following to avoid potential conflict of interests:

- declare all gifts or promotional material even for gifts of R2000 or below through the completion of Form 001 attached below and available on AECI's intranet;
- when the gift does not exceed R2000, the form will be signed solely by the recipient employee and filed with the BCC;
- when the gift exceeds R2000, the recipient employee will approach his/her immediate manager/supervisor beforehand to obtain permission in accepting such gift. Once permission has been granted, the recipient employee will complete and sign the Form 001 and request the immediate manager/supervisor to append their signature as indication that they authorise the acceptance of such gift and such declaration be filed with the BCC in the declarations register;
- obtain permission from his/her manager before providing any gifts and ensure that this be in line with approved CSI strategies;
- the authorising manager needs to ensure that acceptance/giving of the gift does not accord the employee or AECI a privilege or opportunity that otherwise would not have been granted;
- no donations will be made to political parties and political candidates under any circumstances.

- **Business Courtesies**

AECI competes on the merit of its products and services and does not use the exchange of business courtesies to gain an unfair competitive advantage.

Employees need to guard against the exchange of excessive business courtesies (or any *gift that can reasonably be construed as outside of normal business practice*) or where the offering of a gift can create the perception that favours were granted in order to influence business judgement. The following is considered to be business courtesies although not limited to:

- gifts and gratuity;
- favours;
- monetary benefits;
- commission;
- loans;
- discounts;
- other tangible or intangible items having monetary value.

Any extension of business courtesies or gifts should only be offered or provided to clients/service providers/suppliers and **preferably not be in excess of R2000** (*unless managerial discretion justifies otherwise*) and after prior approval of the MD/**related EC member**.

No loans may be made by AECI to any of its 'prescribed officers' or anyone of its Board of Directors.

### GUIDELINE 3: FREQUENTLY ASKED QUESTIONS

**Q:** *A customer/service provider dropped by and left a pen and pencil set with me as a token of appreciation. May I accept it?*

**A:** *As long as the item is only of a nominal value (not in excess of R2000) and you declare this in your business's Declaration Register (see clause 8 above). Any gift in excess of R2000 should either be returned to the client or permission to accept same be sought from the immediate manager or his/her nominee, and in the case of securing such consent, the gift must be declared in the appropriate register to the Compliance Officer/BCC.*

**Q:** *I have been invited to attend a party being sponsored by an existing customer/service provider. May I attend?*

**A:** *Approval from your immediate manager should be sought before attending the function.*

**Q:** *I have been offered a discount on a product sold by an AECI existing/potential client/service provider. May I take advantage of the offer?*

**A:** *You may accept the discount only if it is available to all AECI employees, any other discounts can be regarded as gifts and treated in accordance with rules applicable to gifts.*

**Q:** *I have been invited to a game farm for the weekend by a client or abroad to watch the Olympic Games on an 'all expenses' paid trip. May I accept?*

**A:** *This is regarded as highly excessive. However, in exceptional circumstances consent can be obtained from the relevant manager who is responsible for making the decision, which will depend on his/her discretion on whether accepting this will affect the employee's judgment and dealings with the client/service provider. The general principle is that no indebtedness should be created by such an extravagant courtesy.*

**Q:** *May I accept travel expenses from a client/service provider to speak to a group or a professional meeting?*

**A:** *Refer this to your manager for guidance and consent. Normally it is not appropriate to accept payment of expenses from clients/service providers to speak in professional gatherings. On the other hand, you may accept reimbursement for expenses from such a group if the group is unlikely to be using the speaking invitation as a device to attempt to secure favourable treatment.*

## 9. OUTSIDE APPOINTMENTS

An employee may not hold outside directorships or any interest that may consume AECI time without prior approval in writing from his/her immediate manager and should avoid any outside directorships that would create or appear to create the following:

- excessive demand of their time, attention and energy which would deprive AECI of their best efforts on the job;
- a conflict of interests which could interfere with his/her independent judgment in AECI's best interests.

An employee may not sit on more than two outside boards at a time, without the express prior approval from their Executive Committee.

The Chief Executive Officer may not sit on more than two outside boards without the express enabling resolution of the Nominations Committee.

A proposed appointment as a director of a public company, private company, close corporation or business trust (other than family trust) must be submitted on prescribed Form 002 for prior consideration by the immediate manager and approval in writing and then declared to either the BCC or Group Compliance Officer in the business.

If outside board meetings are attended using AECl time, any attendant fees accruing from these board attendances will be for AECl benefit. Where an employee uses his/her personal time to engage and attend to board meetings, any fees accruing will be to the benefit of the employee.

#### 10. **UNDERTAKING WORK FOR REMUNERATION OUTSIDE OF AECl**

An AECl employee shall not without prior written consent of their immediate manager:

- be directly employed full or part-time by any person or other business concern;
- conduct any business on behalf of another company other than being a shareholder/member of that company;
- perform any work for a third party for normal and/or material remuneration.

Such employee shall complete Form 003 with full details of this arrangement and will sign in conjunction with the signature of the immediate manager and must be filed with the either the Group Compliance Officer or the BCC.

#### 11. **COOLING OFF PERIOD**

An ex-AECl employee shall not, within a period of one year of leaving the employ of AECl be permitted to tender or offer services to AECl except with the express written consent of the relevant Executive Committee member or his/her delegated authority.

This shall not in any way be construed as a restraint of trade arrangement.

### **GUIDELINE 4: FREQUENTLY ASKED QUESTIONS**

**Q:** *Does AECl have a legal recourse against an employee that leaves to join a company that has been awarded an AECl tender whereas they were part of the adjudicating and awarding process?*

**A:** *Ideally AECl cannot limit the rights of individuals from selling their skills to the market unless by a restraint of trade agreement.*

**Q:** *An AECl employee leaves and would like to provide services to AECl by consulting or otherwise within 1 year of termination?*

**A:** *The AECl employee or whoever seeks to engage him/her should seek the express written consent of the relevant Executive Committee member before committing on this process.*

#### 12. **RELATED PARTY TRANSACTIONS**

In line with best practice, it is prudent for AECl not to engage in any related business transactions that involve employees and their relatives. As a result, the general rule is that employees, directors and their respective relatives are prohibited from entering into a business relationship as a service provider to AECl.

In instances where an employee believes there is justification to depart from this general rule, their immediate manager should consent to this arrangement in writing and this should be properly filed with either the BCC or Group Compliance Officer.

### GUIDELINE 5: FREQUENTLY ASKED QUESTIONS

**Q:** *Can I employ a relative or be part of the employment process where a relative or friend is a possible incumbent?*

**A:** *Ideally it is not advisable to employ a relative or friend because this could result in an instance where your discretion as a manager is fettered and could be perceived as biased by other employees and this could have an adverse impact on staff morale. Whilst we recognise the shortage of skills in SA and abroad, it is suggested that you declare this to HR and the related Executive Committee member and your immediate manager, you recuse yourself from the employment process and where possible and practical you ensure that the relative (if successful) should not report to you.*

## 13. CONFLICT OF INTERESTS

AECI is committed to upholding the highest standards of ethical business conduct and expects the same from its employees, management and directors. We have the responsibility to our shareholders to act in the best interests of the Company. The presence of conflict may not necessarily mean that the proposed activity will be prohibited.

- **What is a “conflict of interests”**

A conflict of interest occurs/exists when you have divided loyalties. When you have, or are likely to be perceived to have, a direct or indirect personal interest in a transaction/activity/matter such that it might reasonably appear to affect the judgment that you exercise on behalf of AECI which influences your actions or leads you to neglect AECI business interests.

- **Guidelines to avoid personal conflict of interests**

- an employee must at all times act in a fair and impartial manner;
- an employee must place the business needs of AECI first above their personal needs when dealing with matters related to AECI business;
- an employee must avoid financial, business and other transactions or situations in which their personal interests might conflict with AECI business;
- an actual conflict of interests does not need to be present to constitute a violation of the Code, an employee must also avoid activities or situations that create the appearance of a conflict of interests. A conflict of interests may exist even when an AECI employee has no direct involvement or personal gain, but when family and possibly friends of employees do;
- as a matter of course all employees are expected to declare in writing to their related BCC members their conflicts or potential conflicts of interests in companies/businesses that have no connection to AECI; and
- an employee may not use their AECI business connections to in any way influence a personal gain.

- **Examples of prohibited conflict of interest (*not a closed list*)**

- employment by a client/service provider or potential client/service provider, regardless of the nature of employment, while employed by AECl;
- ownership of AECl employee or substantial interest in a company that is a customer/client of AECl;
- acting independently as a consultant to an AECl customer/client while employed by AECl;
- having a personal interest or potential for gain in any AECl transaction;
- doing business for and on behalf of AECl with related parties for their benefit; and
- using AECl assets, intellectual property or proprietary information for personal gain.

- **Declarations**

Full particulars of the transactions, appointments and interests referred to but not limited to the above must be disclosed to line managers and the BCC/Compliance Officer to enable the latter to:

- record the interests concerned confidentially in an appropriate register;
- inform where appropriate whoever (*preferably the related EC member*) is required of all the details in order to decide whether the interests concerned contain elements that will conflict with AECl business. If the related EC member is not certain, he/she may at his/her discretion refer the matter to the EC for a decision. Approval of particular interests may be made subject to certain conditions or withheld if there is a potential risk to the business; and
- ensure that ongoing activities that could be perceived to constitute a conflict of interest are declared annually by all employees.

***“You do not have to do anything improper to have conflict of interests, often it is strictly situational”.***

- **Register of Interests to be Kept (Head Office)**

- the Group Compliance Officer shall cause to be kept a Declarations Register at the Corporate Office;
- separate registers shall be kept for Board of Directors, Executive Committee Members and employees;
- a declaration shall be concluded on the appropriate form as provided on the intranet (either Forms 001, 002 etc.);
- a declaration Form 002 shall be signed by the declaring employee and approved by the immediate manager and submitted in the prescribed manner to the Compliance Officer for noting;

- a duly signed copy will be lodged in duplicate with the Group Compliance Officer, who will stamp both copies and return one copy to the declarer and file the other in the declarations register as proof of the employee's compliance in this regard;
  - the register is to be circulated to the Executive Committee meeting once a year for inspection.
- **Register of Interest at Businesses**
    - the BCC shall cause to be kept a Declarations Register at the business' premises;
    - a declaration shall be concluded on the appropriate form as provided on the intranet (*either Forms 001, 002 etc.*);
    - a declaration Form 002 shall be signed by the declaring employee and approved by the immediate manager and submitted in the prescribed manner to the BCC for signature and filing;
    - a duly signed copy will be lodged in duplicate to the BCC, who will stamp both copies and return one copy to the declarer and file the other in the declarations register as proof of the employee's compliance in this regard;
    - the register is to be circulated to the relevant business' Executive Committee meeting of the business once a year for inspection.

#### GUIDELINE 6: FREQUENTLY ASKED QUESTIONS

**Q:** *If I want to start a business or have an interest in an existing business that is not related to AECl in any way whatsoever, will this be considered to be a conflict of interests?*

**A:** *Generally this would not be in conflict with the activities of AECl if you do not use AECl time or your position to solicit business from AECl, its service providers and clients as well as sales from colleagues and you limit your activities to outside of AECl working hours. However it is prudent to obtain permission from your immediate manager before starting the business and once this is granted, declare in accordance with the provisions of the Code.*

**Q:** *A relative or friend happens to be a consultant that I'd like to engage in a project. May I contract with him/her?*

**A:** *It is not advisable as this may have an appearance of a conflict of interest. However, when in doubt, please ensure that AECl related policies in this matter e.g. delegations of authority, procurement policy etc. are adhered to and your immediate manager gives his/her consent in writing.*

**For more information on conflicts of interests and how to manage these, you are required to acquaint yourself with the "AECl Conflict of Interest Policy" (the Policy). This Policy is still applicable to the Responsible Persons and in instances of conflict between the Code and this Policy, the Code will prevail.**

#### 14. INTERNAL AND EXTERNAL RELATIONSHIPS

AECl is committed to providing a safe and respectful work environment free from threats, violence, harassment and discrimination. Respecting others and performing with excellence, creating opportunities to achieve success in our workplace.

AECl encourages its employees to express ideas for improving the workplace or specific job related concerns and challenges. AECl will not retaliate against any employee that may

raise a complaint or concern in good faith. Our goal is to deal fairly and equitably with all employees **in line with our Performance Management policies and systems.**

- **Diversity**

AECI affirms the principle of equal employment opportunity without regard to any protected characteristic, including but not limited to:

- race;
- religion;
- HIV status;
- gender;
- age;
- disability;
- pregnancy;
- marital status; or
- sexual orientation.

We affirm this principle of freedom from discrimination in all aspects of the employment relationship, from recruitment, hiring, performance evaluations, compensation, and promotion, through to the end of your employment relationship with AECI.

- **Discrimination and harassment**

**AECI embraces diversity and strives for continual transformation in order to be representative of the environment in which it operates. In that regard, we will endeavour to eliminate all unfair discrimination in all our employment practices in order to build sound and sustainable businesses.**

Employees and stakeholders shall:

- treat each other with respect and dignity at all times;
- maintain a professional work environment that is free from threats and acts of violence, bullying, abuse and intimidation;
- refrain from any form of discrimination based on race, religion, gender, disability or sexual orientation; and
- report practices of unfair or unjustified discrimination.

The AECI leadership has a special responsibility of promoting a zero tolerance approach to overcoming discrimination and harassment.

## GUIDELINE 7: FREQUENTLY ASKED QUESTIONS

**Q: *Are obscene comments and jokes regarded as a form of sexual discrimination or harassment?***

**A: *Yes in that they are likely to be considered to undermine dignity and self-worth of an individual and have been ruled by SA courts of law to constitute sexual harassment.***

**Q: *Are racist jokes regarded as a form of racial discrimination?***

**A: *Possibly yes, depending on the individual and the relationship between employees. It is advisable to exercise caution when dealing with colleagues as some people tend to be more sensitive than others.***

**Q: *What is AECI's position to employees who are romantically involved?***

**A: *Whilst AECI does not wish to be prescriptive towards its employee's personal lives, employees are***

*not encouraged to entangle themselves in such relationships because of the potential complexities that may arise and the real potential adverse impact that could ensue both from the parties involved and the colleagues (especially if one of the parties involved is a manager as there is a possibility that this could be construed as sexual harassment, or other employees can perceive this in a dim light and this could adversely affect staff morale).*

- **AECI and its customers/service providers**

Dispute resolution

- although AECI recognises that disputes involving stakeholders are an inevitable part of doing business, it is also critical that we advocate the establishment of relationships based on mutual trust, open and honest engagement with our stakeholders;
- in this regard, it is vital for AECI to provide an opportunity for resolving disputes and addressing business, environment and social challenges through negotiation in order to preserve and enhance our commercial and corporate citizenship in the country;
- stakeholders are encouraged to refer any disputes to the managing director of each company and if the matter cannot be resolved at that level, the stakeholder can approach the related Executive Committee member of that cluster or avail themselves with whatever other means are available in order to protect their interests;
- disputes involving customers/service providers not only provide an opportunity to resolve the dispute but should also present the business with an opportunity of addressing broader business challenges inherent in the relationship and this can be done through mediation and negotiation in order to preserve and even enhance the commercial relationship.

15. **PROPER USE OF COMPANY ASSETS (refer also to AECI Group Information Technology Acceptable Use Policy)**

AECI assets and resources do not belong to its employees, they belong to AECI as an entity and as such, each employee has the responsibility to protect the company's assets and resources.

Employees are responsible for the following:

- proper use of the company's assets and resources;
- proper use of company property, electronic communication systems, information resources, materials, facilities and equipment;
- use of assets with respect and guard against their abuse;
- may not move any assets belonging to the company/supplier without the approval of the line managers (otherwise other than in the normal course of business);
- employees may occasionally use the company's assets for personal use ensuring that such use does not take precedence over legitimate AECI related work – (refer to clause 13 of the AECI Group Information Technology Acceptable Use Policy);

- may not use company assets to support personal business or for an illegal act or for purposes that can cause reputational risks to the business.

## 16. USING AECI CLIENT/SERVICE PROVIDER INFORMATION AND RESOURCES

- It is AECI's responsibility to properly record and report financial information and to maintain effective systems of internal control. All accounting, reporting and control procedures established by AECI must be accurate, timely and complete in preparing and maintaining its record and reports;
- generally in social groups, as far as is possible, employees should avoid conversations about AECI plans, concerns, challenges and risks unless already public knowledge. Gossip has a way of being overheard and interpreted incorrectly, which could ultimately jeopardise AECI's reputation;
- requests for information should be handled in line with internal policies and granted once it has been established that the person has a "need to know" and will be able to interpret the information correctly. If in doubt, consult your immediate manager;
- in terms of transparency requirements, communication to third parties should be channelled through a designated official to ensure that there is consistency in the message and that non-confidential information is safeguarded.

### GUIDELINE 8: FREQUENTLY ASKED QUESTIONS

**Q:** *Am I accountable to AECI for my conduct or behaviour outside of business hours?*

**A:** *Respect for personal privacy normally precludes concerns about an employee's conduct when he/she is off duty, unless such conduct could impair the employee's performance at work, or affect the reputation or legitimate business interests of AECI.*

## 17. COMPLIANCE WITH THE CODE

AECI fully commits to maintaining a high standard of ethical and business conduct for the company and its employees. To do so we provide multiple resources for reporting, investigating and resolving allegations of employee misconduct as well as for determining and enforcing related disciplinary action.

Report any conduct that you reasonably believe may be a violation of this Code and other activities that could affect AECI or its employees in compliance with legal and ethical obligations.

If at any time you believe that there is a violation of AECI's obligations relating to financial integrity, auditing and accounting, insider trading, competition and pricing related issues, anti-corruption policies, you are encouraged to report these immediately through the Tip-Offs Line:

AECI regards contravention of the Code as a serious matter, but also recognises that any investigations for contraventions of this Code must be treated with utmost confidentiality. If employees suspect that their actions have contravened the provisions of the Code, they are advised to contact their immediate supervisor or manager or the Group Audit Department or the Group Compliance Officer.

- **Reporting by the Compliance Officer**

The Group Compliance Officer and/or Internal Audit unit will prepare bi-annually a report to be tabled at the Social and Ethics Committee of the Board for noting as well as a trend analysis of Tip-Offs Line monitoring within AECI.

<b>GROUP COMPLIANCE OFFICER</b>	<b>TIP-OFFS LINE ON 0800 205 280</b>
<p>If employees suspect that a contravention of the Code has been committed by another employee of the Group, they should promptly and confidentially report this as follows:</p> <p>(a) by advising the person to whom they report or one of the management level persons referred to above; or</p> <p>(b) by contacting the <b>Tip-Offs Line 0800 205 280</b>.</p> <p>This service is available seven days a week, 24 hours a day. It is staffed by trained personnel from Deloitte, as an independent service provider with extensive expertise in matters pertaining to corporate ethics, and not by any Group employees. Trained operators will respond to calls in English, Afrikaans, Zulu, Sotho or Xhosa.</p> <p>Callers will be asked for specific facts so as to record as much information and understand the situation as clearly as possible.</p> <p>Legitimate issues and concerns reported will be forwarded for appropriate action to the Group Chief Executive or his nominated representative.</p> <p><b>Although you may choose to tell the Tip-Offs Line who you are, your identity or even your gender will never be revealed unless you choose otherwise.</b></p> <p>Should you prefer not to phone the <b>Tip-Offs Line</b>, you may contact the service via these alternative routes:</p> <p>FreeFax           <b>0800 007 788</b> (this is also the number for sending of relevant documentation to support your complaint or concern).</p> <p>Email   <b>aeci@tip-offs.com</b> <i>(if the company where you work has a server, do not send email from work as this can be traced. Your emails will remain anonymous since they will be received at the Tip-Offs Line through a server which "strips out" your name as the sender as well as all other source information).</i></p> <p>FreePost           Tip-Offs Line Address           KZN 138 Umhlanga Rocks 4320 <i>(to which you can mail letters and relevant documentation, without paying postage).</i></p> <p>No employee must confront any other employee who they suspect is in breach of the Code. By following the processes set out above, confidentiality will be maintained and issues and complaints will be investigated impartially.</p> <p>As contravention of the Code is a serious matter, it may result in disciplinary action, including the termination of employment. Certain breaches of the Code could also result in civil or criminal proceedings.</p>	

18. **DECLARATION**

<b>DECLARATION</b>	
<p>I, the undersigned _____, hereby declare as follows:</p>	
1	I am familiar with the content of the AECI Code of Ethics ("the Code");
2	I have attended a presentation on the Code;
3	For the duration of my employment by an AECI Group company, I agree to abide by the provisions of the Code.
 <b>Signature:</b> .....	
<b>Date:</b> .....	

**FORMS 001: DECLARATION OF GIFT(S)**

I, the undersigned, hereby declare that at the date hereof, I have received and accepted the gift of ..... from ....., of this entity ..... with an approximate value of R.....

In line with the provision of this Code, I hereby declare that I have accepted and kept such gift.

**Name:** .....

**Official Title:** .....

**Date:** .....

**Signature:** .....

**Name and Official Title of Approving Manager:** .....  
*(If gift in excess of R2000)*

**Signature of Approving Manager:** .....  
*(If gift in excess of R2000)*

**Date:** .....

Official Use:

**Signature of BCC:** .....

**Date:** .....

## FORMS 002: DECLARATION OF OUTSIDE INTERESTS

I, the undersigned, hereby declare that at the date hereof, I have financial interests and/or sit on the Board of Directors of the following entity:

**Company name:** .....

**Objectives of Company:** .....  
*(check if not a competitor to AECL if Board seat)*

**Date of Appointment:** .....

**Nature & Size of Interest:** .....

**Name of Declarer:** .....

**Official Title:** .....

**Date:** .....

**Signature:** .....

**Signature of Approving Manager:** .....

**Date:** .....

Official Use:

**Signature of Approving Manager:** .....

**Date:** .....

*The following guidelines apply in respect of the completion of this declaration:*

- *shareholding in listed entities at the JSE/other exchanges need not to be declared;*
- *interests in any entity resulting from an AECL/AEL/Chemserve/San Fibres/Heartland Properties need not be declared;*
- *nature of "interests" may for example include shareholding, partner, director, consultant or member of a CC (operational and not SPVs);*
- *any interests in an entity which is an AECL customer or supplier of goods to AECL must be declared upfront;*
- *any interest of a relative of an AECL employee must be declared upfront;*
- *such interests must be revisited and reviewed annually for completeness.*

### FORMS 003: DECLARATION AND CONSENT TO WORK FOR REMUNERATION OUTSIDE OF AECI

I, the undersigned, hereby declare that at the date hereof, I have requested permission to undertake work for .....on a part time basis and in return for remuneration of approximately R..... a month from ..... to .....

I further declare that this will not have an adverse impact in my fulfilment of my duties and responsibilities for and on behalf of AECI. Should I detect an adverse impact in this regard, I undertake to highlight this to the relevant parties and desist from offering such services.

**Company Name:** .....

**Starting date of vice:** ..... **to end on** .....

**Name of Declarer:** .....

**Official Title:** .....

**Date:** .....

**Signature:** .....

**Name of Approving Manager and Title:** .....

**Signature of Approving Manager:** .....

**Date:** .....

Official Use:

**Signature of BCC:** .....

**Date:** .....

**Approved and accepted:**

.....  
**Mr F Titi**  
**Chairman, AECI Ltd**

.....  
**Date**

.....  
**Dr GN Edwards**  
**Chief Executive, AECI Ltd**

.....  
**Date**

.....  
**Mr KM Kathan**  
**Chief Financial Officer and Executive Director, AECI Ltd**

.....  
**Date**