



# CODE OF BUSINESS CONDUCT AND ETHICS

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# CODE OF BUSINESS CONDUCT AND ETHICS

## 1. DOCUMENT DETAILS

Document name	Raubex Group Code of Business Conduct and Ethics Policy
Policy reference	Rx Group_1000_Legal&Gov_Policy_Cond&Ethics
Responsible person	Compliance Department
Current version approved by	EXCO
Date of last review	September 2021
Date of next review	August 2023
Date	September 2021

## 2. DEFINITIONS

Code	The code of conduct contained in this policy
Group	Raubex Group Limited including its subsidiaries
King IV	The King IV™ Report on Corporate Governance for South Africa 2016
Policy	This policy as well as any appendices attached to it
GRC	Governance, Risk & Compliance

## 3. BACKGROUND

### 3.1 What is this document about?

This document explains the Group's policy and code on business and ethics. It also sets out the procedures that must be followed to mitigate our risk in this regard.

The board of directors of the Group sets the tone and leads from the top down to ensure high ethical business and corporate governance standards. The board further ensures that these standards are integrated into the Group's strategies and operations.

This document sets out the fundamental principles and expectations governing the behaviour of all internal and relevant external stakeholders of the Group and serves as the basis for the responsible and ethical conduct of the Group's business.

### 3.2 Why is this document important?

The policy and procedures set out in this document are important because it will help us ensure that we do the following:

- Conduct our business ethically, and with integrity;
- Mitigate our risks with regard to unethical conduct; and
- Provide direction on how to report unethical conduct.

### 3.3 Who must comply with this policy and procedures?

Every Group company employee and internal and external stakeholders, must comply with this policy and procedures. It is the responsibility of all stakeholders to support a culture of applying good corporate governance practices and high ethical behaviour standards throughout the Group in performance of daily tasks.

It is the responsibility of all directors and employees to ensure that the Group is and is seen to be a responsible and ethical corporate citizen.

### 3.4 Why is it important to comply with this policy and procedures?

A breach of this policy and procedures may result in the following:

- Disciplinary action, which could lead to dismissal;
- Adverse consequences to the Group; and
- Other adverse consequences to the individual concerned.

### 3.5 Who must be consulted if you have any questions?

You should contact the Executive Director of GRC if you have any questions about this document.

## 4. OUR POLICY AND CODE

The Group's vision and mission is to be the African leader in road and civil engineering contracting, as well as in the provision of construction materials and mining services, whilst meeting all stakeholder expectations. This vision will be achieved by:

- Creating an environment that will attract, retain and develop the best employees;
- Timeous delivery of quality products and services to clients;
- Being highly mobile and well equipped;
- Managing relationships with clients and other stakeholders with professionalism and integrity;
- Meeting social, health, safety and environmental responsibilities; and
- Applying corporate governance best practice.

The Group subscribes to the following core values in its dealings business conduct:

- Quality;
- Integrity; and
- Professionalism.

We are therefore committed to the following:

- We have an ethical culture which confirms non tolerance towards unethical conduct in any manner;
- We assume responsibility for the assets and actions of the Group under our control and willing to take corrective actions to keep the Group on the correct strategic path that is ethical and sustainable;
- We ensure that our conduct is objectively ethical, reasonable and conforms to the high standards expected. We make sure that we are able to justify our decisions and actions to management, shareholders and other stakeholders when called upon to do so;
- We ensure full compliance with regards to all relevant laws, regulations and applicable codes in the countries in which we operate in;
- We strive to behave with respect, honesty and decency towards all stakeholders; and
- We report unethical conduct or conduct not in line with this Policy.

### **Felicia Msiza**

*Chief Executive Officer*

## 5. UNDERSTANDING OUR POLICY: GUIDELINES

5.1 Policy: We have an ethical culture which confirms non tolerance towards unethical conduct in any manner.

<p><b>a. What is unethical conduct?</b></p>	<p>Unethical conduct is defined as, but not limited to, conduct which is not acceptable, ungrounded and fraudulent. Conduct includes actions as well as omissions.</p> <p>Ethical behaviour, as well as acting with integrity, means doing the right thing even when no one is watching.</p> <p>What this means can however become very subjective, and it becomes necessary to have an objective and clear definition of ethical conduct.</p> <p>Ethical decision making in the workplace takes into account the individual employee's best interest and also takes into account the best interest of those impacted.</p>
<p><b>b. What does it mean to have an ethical culture?</b></p>	<p>The Group subscribes to the definition of ethics as provided by King IV, where ethics is defined as:</p> <p>“Considering what is good and right for the self and the other, and can be expressed in terms of the golden rule, namely, to treat others as you would like to be treated yourself. In the context of organisations, ethics refers to ethical values applied to decision-making, conduct, and the relationship between the organisation, its stakeholders and the broader society.”</p> <p>Having an ethical culture means to lead ethically, and to conduct daily activities ethically. The Group's subscribes to King IV's definition of what ethical leadership is. Ethical leadership, according to King IV, is exemplified by integrity, competence, responsibility, accountability, fairness and transparency. It involves the anticipation and prevention, or otherwise amelioration, of the negative consequences of the organisation's activities and outputs on the economy, society and the environment and the capitals that it uses and affects.</p> <p>The Group further subscribes to all the principles contained within the King IV.</p>

5.2 Policy: We assume responsibility for the assets and actions of the Group under our control and willing to take corrective actions to keep the Group on the correct strategic path that is ethical and sustainable.

<p><b>a. What does control in this instance mean?</b></p>	<p>Control refers to that which is under an individual's management, administration and/or observation.</p> <p>This means that anything which is directly under the control of a person, or anything that a person has knowledge of must pass the test of ethics and sustainability in order to be considered acceptable.</p>
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# CODE OF BUSINESS CONDUCT AND ETHICS continued

## 5. UNDERSTANDING OUR POLICY: GUIDELINES CONTINUED

5.3 Policy: We ensure that our conduct is objective, ethical, reasonable and conforms to the high standards expected. We make sure that we are able to justify our decisions and actions to management, shareholders and other stakeholders when called upon to do so.

<b>a. What are the high standards that are expected?</b>	<p>As stated under section 5.1 above, the Group subscribes to the ethical values and principles as described in King IV.</p> <p>To summarise, the standards include, but are not limited to:</p> <ul style="list-style-type: none"><li>▪ Ethical conduct and culture;</li><li>▪ Fairness, honesty, accountability and competence;</li><li>▪ Compliance with laws; and/or</li><li>▪ Treating others as you would like to be treated.</li></ul> <p>Compliance Function encompasses elements of:</p> <ul style="list-style-type: none"><li>▪ Advisory (including, in select instances, legal advice);</li><li>▪ Monitoring;</li><li>▪ Assurance;</li><li>▪ Control; and</li><li>▪ Management of regulatory relationships</li></ul>
<b>b. What does it mean to justify one's actions?</b>	<p>If you justify your actions or conduct, you explain why you did or did not do something. Justifying your actions in this instance therefore means that when questioned about why you made a certain decision, or behaved in a certain way, you will be able to explain and motivate why it was in line with this Policy.</p>

5.4 Policy: We ensure full compliance with regards to all relevant laws, regulations and applicable codes in the countries in which we operate in.

<b>a. What does compliance in this instance entail?</b>	<p>The Compliance function is responsible in assisting the group with:</p> <ul style="list-style-type: none"><li>▪ Written policies and or standards of ethical workplace code of business conduct;</li><li>▪ Ensuring the code and relevant policies are available to internal and external stakeholders;</li><li>▪ Company resources that provide advice about ethics and compliance issues; and</li><li>▪ A means to report potential violations confidentially or anonymously.</li></ul>
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# CODE OF BUSINESS CONDUCT AND ETHICS continued

## 5. UNDERSTANDING OUR POLICY: GUIDELINES CONTINUED

5.5 Policy: We report unethical conduct or conduct not in line with this Policy.

<p><b>a. Who are the stakeholders?</b></p>	<p>Stakeholders can be internal or external. King IV defines stakeholders as: “Those groups or individuals that can reasonably be expected to be significantly affected by an organisation’s business activities, outputs or outcomes, or whose actions can reasonably be expected to significantly affect the ability of the organisation to create value over time.”</p> <p>King IV refers to internal stakeholders as being “directly affiliated with the organisation and include its governing body, management, employees and shareholders.”</p> <p>King IV also refers to external stakeholders as including trade unions, civil society organisations, government, customers and consumers.</p> <p>From a compliance perspective, to list a few:</p> <ul style="list-style-type: none"> <li>■ Chairperson and Board;</li> <li>■ Executive Committee (i.e. CEO and other C-Suite Executives);</li> <li>■ Compliance department;             <ul style="list-style-type: none"> <li>– Head of Compliance and Managers;</li> <li>– Compliance practitioners</li> </ul> </li> <li>■ Employees:             <ul style="list-style-type: none"> <li>– Administration, Human Resources, relationship managers</li> <li>– Drivers and logistics staff, warehouse staff</li> </ul> </li> <li>■ Regulators (and other stakeholders)</li> </ul>
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5.6 Policy: We report unethical conduct or conduct not in line with this Policy.

<p><b>a. Reporting unethical conduct</b></p>	<p>Unethical conduct is unacceptable and any unethical conduct must be reported using the relevant reporting mechanisms available on the website (<a href="http://www.raubex.com">www.raubex.com</a>).</p>
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## 6. IMPLEMENTING OUR POLICY: PROCEDURES

6.1 Procedure: We have an ethical culture and do not tolerate unethical conduct in any manner.

<p><b>a. How and through what conduct do I make sure I comply?</b></p>	<p>Conduct yourself ethically and in line with the high standards alluded to in this Policy at all times.</p> <p>If you become aware of any conduct that is unethical or not in line with this Policy, report it.</p>
<p><b>b. Why are ethics considered with such high regard?</b></p>	<p>Section 66 of the Companies Act 71 of 2008:          “The business and affairs of a company must be managed by or under the direction of its board, which has the authority to exercise all of the powers and perform any of the functions of the company, except to the extent that this Act or the company’s Memorandum of Incorporation provides otherwise”.</p>
<p><b>c. What does King IV expect of the Board?</b></p>	<p>King IV Code of Corporate Governance:          Principle 13:          “The governing body should govern compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen”</p>

# CODE OF BUSINESS CONDUCT AND ETHICS continued

## 6. IMPLEMENTING OUR POLICY: PROCEDURES CONTINUED

6.2 Procedure: We assume responsibility for the assets and actions of the Group under our control and are willing to take corrective actions to keep the Group on a strategic path that is ethical and sustainable.

<b>a. How do ensure I act responsibly?</b>	Always be responsible and respectful when using the Group’s assets. Additionally, make sure that you are transparent and honest in your dealings with the Group, and that in the event that any action deviates in any way from this Policy, immediately bring it to the attention of management.
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6.3 Procedure: We ensure that our conduct is objectively ethical, reasonable and conforms to the high standards expected. We make sure that we are able to justify our decisions and actions to management, shareholders and other stakeholders when called to do so.

<b>a. How do I ensure full ethical, responsible and high standards are adhered to reported if not?</b>	By conducting yourself in conformance with the Group’s various policies, laws and ethical standards including the King IV corporate governance principles.
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6.4 Procedure: We comply fully with all relevant laws, regulations and applicable codes in the countries in which we operate in.

<b>a. How do I make sure that I comply?</b>	The Group endeavours to provide relevant information to employees, but it is the responsibility of every individual to ensure that they know what to do and what standard of conduct is expected of them.  If you are unsure about which laws and regulations are applicable or if you are unsure about the content of any law, you should bring this to the attention of management, who must ensure that the necessary information is made available to the employee and/or training takes place.
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6.5 We behave with respect, honesty and decency towards all stakeholders.

<b>a. How do I make sure that I comply?</b>	Your conduct should portray the stature of the Company and standards alluded to in this Policy. Your actions must objectively be viewed as respectful, honest and decent.  Ethics should not have any operational burden which may pose a conflict of interest and impair independent reporting.
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6.6 Procedure: We report unethical conduct or conduct not in line with this Policy.

<b>a. Step 1: Reporting internally</b>	The Group fraud line with following details must be used for this reporting: Email: raubex@tip-offs.com Website: www.tip-offs.com
	Free fax: 0800 00 77 88 (free for South African’s only)
	Free post: KZN 138 (free for South Africans only), Umhlanga Rocks, 4320
	South Africa free call: 0800 20 53 14
	Namibia free call: 0800 01 50 05
	Malawi free call: 50800 (free for Airtel subscribers only)
	Zambia free call: 847 (ZAIN TNM) 8000 0847 (MTL)

## 7. VERSION CONTROL

Version	Status	Date	Author	Change description
0.1	Version before major review	September 2017	Compliance Department	Revised Policy
0.2	Final policy	September 2021	Compliance Department	Policy revised and approved

## 8. CONTACT

### Compliance department

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