

Ethics and Conduct Policy

	Designation	Name
Target audience	All employees or third parties	
Reviewer	Legal	Sicelo Kula and John Giles
Responsible Person	Human Capital Executive	Portia Modisaesi
Approver (Committee)	Chairman: Social and Ethics Committee	Oliver Fortuin
Approver (Board)	Chairman: Board	Craig Chambers
Annexure Attached	No	
Implementation Date		
Current Version	V1.3	
Next Revision Date		
Other relevant policies	The Anti-Bribery and Corruption Policy, Gifts Entertainment and Expenses Policy, and Conflict of Interests Policy	

1. INTRODUCTION

- 1.1. Adapt IT is committed to maintaining the highest standards of honesty, integrity and ethical conduct and has adopted this policy to promote and enforce ethical conduct, business practices and standards throughout Adapt IT and in its relationships with all third parties.
- 1.2. Good governance is one of the driving factors behind the growth and success of many organisations, including Adapt IT. Recognising this, Adapt IT views its public reputation as one of its most important assets and undertakes to always promote an ethical culture and put effective controls in place that help sustain that culture and good governance in all its business operations.
- 1.3. Adapt IT believes that ethics involve applying moral standards – standards of good, right and fair conduct – which are supported by strong values, to shape the decisions and actions of individuals within the organization in the pursuit of its business objectives. In simple terms, it is about “doing the right thing”.

1.4. Adapt IT has adopted and implemented the following values:

- 1.4.1. Respect;
- 1.4.2. Honesty;
- 1.4.3. Responsibility; and
- 1.4.4. Accountability.

1.5. These values, together with the behaviours identified with them, provide general guidelines as to how employees should interact with each other, Adapt IT stakeholders and third parties, and how employees should conduct themselves.

1.6. Adapt IT recognises its obligations to all its stakeholders – particularly shareholders, third parties, employees, competitors, the authorities and the wider community.

1.7. This policy is supported by Adapt IT policies and procedures relating to specific issues, processes and situations., and is a general guide in day-to-day decisions, for training programmes, and to help assure third parties of the integrity of Adapt IT and its employees.

2. OBJECTIVE

Adapt IT intends to use this policy as a tool to combat unethical conduct in all Adapt IT activities, including the activities of employees and third parties, irrespective of the countries where Adapt IT conducts business.

3. DEFINITIONS

Throughout this document, unless otherwise stated, the words defined below have the meanings stated opposite them:

- 3.1. **“Adapt IT”** – means Adapt IT Holdings Limited and its group of companies. This includes divisions, subsidiaries, joint ventures or any other entities where Adapt IT exercises control;
- 3.2. **“board”** – means the Governing Board of Adapt IT;
- 3.3. **“policy”** – means this Ethics and Conduct Policy;
- 3.4. **“director”** - means Independent Non-Executive Director, Non-Executive Director and Executive Director;

- 3.5. **“employees”** – means any of Adapt IT’s employees, including Directors, Prescribed and other Company Officers, permanent and temporary staff;
- 3.6. **“employer”** – means whichever company within Adapt IT employs an employee;
- 3.7. **“HOD”** – means the Head of Department;
- 3.8. **“third parties”** – means any customer, collaborator, contractor, reseller, supplier and other persons that engage Adapt IT for business, including Adapt IT’s authorised representatives.
- 3.9. **“unethical conduct”** – means all conduct by Adapt IT employees and third parties which conflicts with this policy, including bribery, corruption, concealed conflicts of interests and theft, as further covered in the Anti-Bribery and Corruption Policy, the Gifts, Entertainment and Expenses Policy, or the Conflict of Interests Policy.

4. ADAPT IT ETHICS

4.1 Ethics and shareholders

For its shareholders, Adapt IT will:

- 4.1.1. Strive to expand and maintain business and profitability
- 4.1.2. Maintain executive accountability for decision making on material matters
- 4.1.3. Strive to generate an attractive and sustainable return
- 4.1.4. Take reasonable steps to protect and enhance its assets
- 4.1.5. Comply with legislation, industry regulations and prescribed practices
- 4.1.6. Produce accurate and timely accounting statements and shareholder information
- 4.1.7. Report developments that may have a material impact on the value of the shareholders’ assets
- 4.1.8. Conduct business honestly, fairly and responsibly
- 4.1.9. Comply with applicable competition laws and not engage in restrictive trade practices
- 4.1.10. Ensure that no contributions will be made to political parties

4.2 Ethics and third parties

For its third parties, Adapt IT will:

- 4.2.1. Act justly, fairly in relation to each third party
- 4.2.2. Render a responsible and effective service
- 4.2.3. Constantly strive to improve its products and services
- 4.2.4. Deal with complaints and enquiries in a prompt and efficient manner
- 4.2.5. Report accurately on its performance and prospects
- 4.2.6. Uphold the letter and spirit of agreements to which it is a party
- 4.2.7. Protect the confidentiality of information in accordance with the law and prescribed practices
- 4.2.8. Communicate in an open, timely, honest and transparent manner
- 4.5.1. Conduct business in an ethical and professional manner
- 4.5.2. Build long term relationships based on honesty and fairness
- 4.5.3. Compete fairly and not engage in unlawful market conduct
- 4.5.4. Strive to create opportunities to expand the business and increase the profitability of its business relationship

For Adapt IT, third parties will:

- 4.5.5. Conduct business in an ethical and professional manner
- 4.5.6. Uphold the letter and spirit of agreements they are party to with Adapt IT
- 4.5.6. Report accurately on their performance and prospects
- 4.5.7. Protect the confidentiality of Adapt IT information in accordance with the law and prescribed practices
- 4.5.8. Communicate in an open, timely, honest and transparent manner

4.3 **Ethics and employer**

As employer, Adapt IT will:

- 4.3.1. Respect the dignity of the individual
- 4.3.2. Act justly, fairly and impartially
- 4.3.3. Respect the right to freedom of association and expression
- 4.3.4. Keep its employee's personal details confidential
- 4.3.5. Respect the tradition and culture of all its employees
- 4.3.6. Recruit and promote in accordance with established labour law and practice
- 4.3.7. Develop skills and competencies of employees in line with the needs of the organisation
- 4.3.8. Create an environment of continuous learning as a way of training and developing employees

- 4.3.9. Create new challenges and career opportunities for employees by developing the Adapt IT business
- 4.3.10. Communicate in an open, transparent, honest and timely fashion
- 4.3.11. Not overstate or exaggerate in any communication to employees
- 4.3.12. Not allow any unlawful discrimination, intimidation, victimisation or harassment of employees
- 4.3.13. Create the climate and opportunity to report concerns and irregularities safely and without fear of retribution or victimisation
- 4.3.14. Deal with employee complaints and enquiries promptly and efficiently
- 4.3.15. Maintain sound and fair labour practices and apply codes of good practice
- 4.3.16. Promote the principle of internal equity and take account of market trends when determining the pay levels of its employees
- 4.3.17. Provide a healthy and safe working environment

4.4. Ethics and employees

Employees will:

- 4.4.1. Act in the best interests of Adapt IT and its third parties
- 4.4.2. Maintain the confidentiality of third parties
- 4.4.3. Communicate objectively, truthfully and accurately
- 4.4.4. Not overstate or exaggerate in any communication
- 4.4.5. Protect and enhance Adapt IT assets and business
- 4.4.6. Maintain Adapt IT 's reputation in accordance with their employment contracts
- 4.4.7. Respect the tradition and culture of all people, including other employees and third parties
- 4.4.8. Take accountability for their decisions
- 4.4.9. Deal with complaints and enquiries promptly and efficiently
- 4.4.10. Produce and maintain accurate records where required
- 4.4.11. Challenge the status quo where appropriate
- 4.4.12. Embrace continuous learning as a way of working and developing themselves
- 4.4.13. Acknowledge differences and work together to create solutions
- 4.4.14. Recognise that individual and corporate success is dependent on teamwork
- 4.4.15. Conduct themselves in an ethical and professional manner

4.6. Ethics and the authorities

For interactions with authorities, Adapt IT employees and third parties will:

- 4.6.1. Act within the spirit and the letter of the Constitution of the Republic of South Africa
- 4.6.2. Align their business strategies with the national priorities of transformation and economic growth
- 4.6.3. Recognise and discharge their responsibility to uphold all laws and regulations
- 4.6.4. Communicate objectively, truthfully and accurately
- 4.6.5. Honour their tax obligations, including declaring all taxable benefits to which they are entitled
- 4.6.6. Ensure that persons in public office are not improperly influenced
- 4.6.7. Ensure that no contributions will be made to political parties

4.7. Ethics and interactions with communities

For interactions with communities, Adapt IT employees and third parties will:

- 4.7.1. Recognise that they are an integral part of the communities in which they exist and operate
- 4.7.2. Aim to contribute to the economic wellbeing, social development and upliftment of these communities
- 4.7.3. Serve the community by providing efficient and profitable products and services and employment opportunities
- 4.7.4. Communicate objectively, truthfully and accurately
- 4.7.5. Protect the environment through sustainable eco-practices, limiting as far as possible their consumption of natural resources and avoiding the use of harmful materials in their business activities
- 4.7.6. Always conduct themselves in an ethical, professional and courteous manner

4.8. Ethical decision making

- 4.8.1. The objective of this policy is to provide a practical guide to decision making.
- 4.8.2. It is the general duty of all employees and third parties to fulfil their contractual obligations to Adapt IT, to exercise due care and skill, and to avoid conflicts of interest.
- 4.8.3. In support of these duties, the Adapt IT has developed and implemented internal policies and procedures to guide conduct and enforce compliance to minimum standards. These standards are designed to be

in accordance with local laws such as the Prevention and Combating of Corrupt Activities Act of 2004, regulations and international best practices.

- 4.8.4. Practical decision-making however, often requires the balancing of competing interests, particularly when dealing with unforeseen circumstances. This means Adapt IT needs to balance the interests of its key stakeholders with its values, when making decisions.

- 4.8.5. Where there is any question regarding the ethics associated with a contemplated decision, every employee or third party should follow the guidelines below:
 1. Is this decision legal?
 2. Does the employment contract allow it?
 3. Does this decision comply with Adapt IT policies and procedures, including this policy?
 4. Is this decision consistent with Adapt IT values?
 5. Does this decision feel right?
 6. This decision does not prejudice Adapt IT's rights or interests.
 7. Publication of this decision on the front page of a newspaper would not potentially harm Adapt IT's business, including its reputation.

- 4.8.6. If the answer to questions 1 to 5 is an unqualified "yes" and the decision also complies with 6 and 7, then it is likely that the decision is in accordance with its values and behaviours.

- 4.8.7. In the event of uncertainty as to the most appropriate course of action, it is recommended that guidance should be obtained from senior managers, compliance officers or risk managers.

5. REPORTING UNETHICAL CONDUCT

- 5.1. Adapt IT expects all its employees to be familiar with their role and duties and Adapt IT's internal policies and procedures, including this policy. Failure to comply with policies and procedures may be misconduct and employees may be subject to disciplinary action that could lead to dismissal.
- 5.2. This policy does not contain an exhaustive list of what constitutes ethical conduct, nor is it intended to contain a comprehensive list of offences or contraventions on which Adapt IT will take appropriate legal action.
- 5.3. Adapt IT respects the right of employees to retain their anonymity when reporting non-compliance with this policy. Individuals must make use of the anonymous reporting hotline should they wish to retain their anonymity.

- 5.4. The operation of the anonymous line is outsourced to an external service provider that sanitises the information to remove all traces that may identify the person making the report before forwarding the information to the party designated by the Social and Ethics Committee of the board for investigation.
- 5.5. For anonymous reporting, contact The Adapt IT Ethics Line as follows:
 1. Email: fraud@kpmg.co.za
 2. Phone: 0800 20 50 37
 3. Internet: http://www.adaptit.co.za/About_Us/Pages/Ethics.aspx

This reporting facility is available 24 hours per day, 365 days per year.

- 5.6. This policy will be adopted by the board of directors of Adapt IT and reviewed from time to time to ensure that it remains relevant.

6. CONFIDENTIALITY

Adapt IT will treat all information relating to the reporting and investigation of unethical conduct confidentially. Adapt IT will not disclose or discuss the progression of investigations with any persons other than those who have a legitimate right to such information.

7. PUBLICATION OF SANCTIONS

Adapt IT's Executive Committee, failing which the Social and Ethics Committee will decide, in consultation with appropriate senior managers, whether any information relating to corrective actions taken or sanctions imposed, regarding incidents of unethical conduct, fraud and corruption should be brought to the direct attention of any person or made public through any other means.

8. PROTECTION OF WHISTLEBLOWERS

- 8.1. Adapt IT intends for its Ethics Hotline to encourage employees to raise serious concerns relating to unethical conduct without fear of victimisation.
- 8.2. No person will suffer any penalty or retribution for good faith reporting of any suspected or actual incident of unethical conduct.
- 8.3. Adapt IT discourages its employees or third parties from making allegations, which are false or made with malicious intentions. Where Adapt IT discovers such allegations, the person who made the allegations must be subjected to appropriate action, including disciplinary action.

9. APPLICATION OF PREVENTION CONTROLS AND DETECTION MECHANISMS

- 9.1. In respect of all reported incidents of unethical conduct, Adapt IT requires its managers to immediately review, and where possible, improve the effectiveness of the controls which have been breached in order to prevent similar irregularities from taking place in future.
- 9.2. Adapt IT's Executive Committee will assist in deciding, in consultation with appropriate senior managers, whether any information relating to control deficiencies should be brought to the direct attention of any other senior member of management in an unaffected division, in order to assist all Adapt IT divisions to implement adequate preventative controls.
- 9.3. Adapt IT's Executive Committee and any managers involved in the affected division will, in identifying effective prevention controls and detection mechanisms, have regard to international best practice, relevant local laws, and any standards specific to Adapt IT's industry for further guidance.

10. CREATING AWARENESS

- 10.1. Adapt IT's Executive Committee will, in consultation with each division's senior managers, ensure that all employees are familiar with the contents of this policy and the other policies and procedures, by conducting periodic training, and placing these policies in a readily accessible place.
- 10.2. The Human Resource department will make new employees aware of this policy and the other policies, including the Ethics Hotline during their induction programme.
- 10.3. Adapt IT will display the Ethics Hotline number on the internet page at http://www.adaptit.co.za/About_Us/Pages/Ethics.aspx including other Adapt IT websites and notice boards at Adapt IT offices. Adapt IT will also send all its employees an internal mailshot at least once a year, highlighting the number and process around reporting and investigation of unethical conduct.
- 10.4. The Health and Safety Manager of each Adapt IT company will ensure the Ethics Hotline is displayed on each floor of each office and at each site.

APPROVED BY THE CHAIRMAN OF THE SOCIAL AND ETHICS COMMITTEE

Name:

Signature:

Date:

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APPROVED BY THE CHAIRMAN OF THE BOARD

Name:

Signature:

Date:

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