



UCL COMPANY (PTY) LTD

CORPORATE CODE OF CONDUCT

AND ETHICS

V2.0.

GROUP GUIDELINES

**DATE OF IMPLEMENTATION: DATE SIGNED BY THE CHAIRMAN OF
THE BOARD**

CHAIRMAN

DATE



CORPORATE CODE OF CONDUCT AND ETHICS



FOREWORD

Corporate Governance entails the accountable and transparent governance of the Group's structures and systems within an ethical framework which promotes responsible consideration of all stakeholders.

The Board is committed to conforming to good corporate governance processes which involves leading the Group and its Companies with integrity and in compliance with good corporate governance practices.

This Corporate Code of Conduct and Ethics, referred to as the "Code," is intended to provide all our stakeholders, shareholders, management and staff with a clear understanding of the principles of business conduct and ethics that are expected of them. The standards set forth in the Code apply to us all in addition to any other code that may generally apply to associates. It is the Group's belief that this policy will be more effective if there is a clear expression and understanding of the types of conduct that would violate the Group's ethical standards.

The term "associate" means every full and part-time employee of the company and its subsidiaries, all members of the Group's senior management, including the Group's Chief Executive Officer, and every member of the Company's Board of Directors, even if such member is not employed by the Group, all entities and individuals contracting to, or on behalf of, the Group, all customers and suppliers of the Group.

Many of the standards outlined in the following pages will be familiar, for they reflect the fundamental values of fairness and integrity that are part of our daily lives. Applying these standards to our to our business lives is an extension of the values by which we are known as individuals and by which we want to be known as a Group.

It is our responsibility to conduct ourselves in an ethical business manner and also to ensure that others do the same. The ultimate responsibility for maintaining our Code rests with each of us. As individuals of personal integrity, we can do no less than to behave in a way that will continue to bring credit to ourselves and our Group.

The provisions of the Code thus reflect the course the Group intends to follow. Over time we may adopt additional policies, or change existing codes in order to provide guidelines for the future conduct of associates. While it is impossible for this Code to describe every situation that may arise, the standards entrenched in this code will endure.

C.E. KLIPP
CHAIRMAN



UCL COMPANY (PTY) LTD

CORPORATE CODE OF CONDUCT AND ETHICS

1.		APPLICATION AND GENERAL REQUIREMENTS	4
2.		CONFLICTS OF INTEREST	4
3.		PROTECTION AND PROPER USE OF GROUP ASSETS	
	3.1.	Proper Use of Group Property	5
	3.2.	Confidential Information	5
	3.3.	Accurate Records and Reporting	6
	3.4.	Records Management	6
4.		FAIR DEALING WITH CUSTOMERS, SUPPLIERS, COMPETITORS AND ASSOCIATES	
	4.1.	Giving Gifts	7
	4.2.	Receiving Gifts	7
	4.3.	Unfair Competition	7
5.		INVESTOR RELATIONS	8
6.		COMPLIANCE WITH LAWS, RULES AND REGULATIONS	
	6.1.	Insider Trading	8
	6.2.	Equal Employment Opportunity	9
	6.3	Non-Harassment Policy	9
	6.4.	Health, Safety & Environment Laws	9
	6.5	Drugs, Alcohol & Prohibited Materials	9
7.		REPORTING VIOLATIONS UNDER THE CODE; NON-RETALIATION POLICY	10
8.		QUESTIONS UNDER THE CODE AND WAIVER PROCEDURES	11



1. APPLICATION AND GENERAL REQUIREMENTS

1.1. Application of the Code

This code of Conduct and Ethics shall apply to:

- 1.1.1. the managers and directors, including non-executive directors;
- 1.1.2. the shareholders of the Group;
- 1.1.3. all other employees of the Group;
- 1.1.4. suppliers
- 1.1.5. financial services providers
- 1.1.6. individuals or entities contracting to/or on behalf of the Group;
- 1.1.7. customers;

1.2. General Requirements

All associates to whom this Code of Conduct and Ethics applies shall observe their ethical obligations in such a way as to promote the business without causing harm and/or damage to the Group and are required by this Code to be honest, fair, and accountable in all business dealings and obligations, and to ensure:

- the ethical handling of conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in the reports required to be filed in terms of the Group's requirements, the Companies Act and in other public communications made by the Group; and
- compliance with applicable governmental laws, rules and regulations.

2. CONFLICTS OF INTEREST

Associates should avoid any situation that may involve, or even appear to involve, a conflict between their personal interests and the interests of the Group. In dealings with current or potential customers, suppliers, contractors, and competitors, each associate should act in the best interest of the Group to the exclusion of personal advantage. Associates are prohibited from any of the following activities which could represent an actual or perceived conflict of interest:

- No associate shall conduct business on the Group's behalf with an outside enterprise if an immediate family member of the associate is a principal or officer of such enterprise unless duly authorised to do so by the Chief Executive Officer or the Board of Directors.
- No associate shall use any Group property or information or his or her position at the Group for his or her personal gain.
- No associate shall engage in activities that are directly competitive with those in which the Group is engaged.
- No associate shall divert a business opportunity from the Group to such individual's own benefit. If an associate becomes aware of an opportunity to acquire or profit from a business opportunity or investment in which the Group has interest, the associate should disclose the relevant facts to the Chief Executive Officer. The associate may proceed to



take advantage of such opportunity only if the group is unwilling or unable to take advantage of such opportunity as notified in writing.

In addition, the Audit Committee will review and approve all related-party transactions as required by the Companies Act or any other regulatory body to which the Group is subject.

Each associate should make prompt and full disclosure in writing to the General Manager of any situation that may involve a conflict of interest. Failure to disclose any actual or perceived conflict of interest is a violation of the Code.

3. PROTECTION AND PROPER USE OF COMPANY ASSETS

Proper protection and use of Group assets, including proprietary information, is a fundamental responsibility of each associate of the Group. Associates must comply with security programs to safeguard assets against unauthorized use or removal, as well as against loss by criminal act or breach of trust.

3.1. Proper Use of Group Property

The removal from the Group's facilities of the Group's property is prohibited, unless authorised by the Group. This applies to furnishings, equipment, computers and supplies, as well as property created or obtained by the Group for its exclusive use – such as client and customer lists, files, personnel information, reference materials and reports, computer software, data processing programs and data bases. Neither originals nor copies of these materials may be removed from the Group's premises or used for purposes other than the Group's business without prior written authorisation.

The Group's products and services are its property; contributions made by any associate to their development and implementation are the Group's property and remain the Group's property even if the individual's employment or directorship terminates.

Each associate has an obligation to use the time for which he or she receives compensation from the Group productively. Work hours should be devoted to activities directly related to the Group's business.

3.2. Confidential Information

The Group provides its associates with confidential information relating to the Group and its business with the understanding that such information is to be held in confidence and not communicated to anyone who is not authorised to see it, except as may be required by law. The type of information that each associate must safeguard includes (but is not limited to) the Group's plans and business strategy, significant projects, customer and supplier lists, patents, trade secrets, manufacturing techniques and sensitive financial information, whether in electronic or conventional format. These are costly, valuable resources developed for the exclusive benefit of the Group. No associate shall disclose the Group's confidential information to an unauthorised third party or use the Group's confidential information for his or her own personal benefit.

3.3. Accurate Records and Reporting

Under law, the Group is required to keep books, records and accounts that accurately and fairly reflect all transactions, disposition of assets and other events that are the subject of specific regulatory record keeping requirements. All Group financial reports, accounting records, sales reports, expense accounts, invoices, purchase orders, and other documents must accurately and clearly represent the relevant facts and the true nature of transactions. Under no circumstance may there be any unrecorded liability or fund of the Group, regardless of the purposes for which the liability or fund may have been intended, or any improper or inaccurate entry knowingly made on the books or records of the Group. No payment on behalf of the Group may be approved or made with the intention, understanding or awareness that any part of the payment is to be used for any purpose other than that described by the documentation supporting the payments.

The Group has developed and maintains a system of internal controls to provide reasonable assurance that transactions are executed in accordance with management's authorisation are properly recorded and posted, and are in compliance with regulatory requirements. The system of internal controls within the Group includes written policies and procedures, budgetary controls, and various other checks and balances, and safeguards. Associates are expected to be familiar with, and to adhere strictly to, these control policies and procedures.

Responsibility for compliance with these principles rests with all associates, and not solely with the Group's accounting personnel. All associates involved in approving transactions, supplying documentation for transactions, and determining account classifications are responsible for complying with these standards. Because the integrity of the Group's external reports to shareholders depends on the integrity of the Group's internal reports and record-keeping, all associates must adhere to the highest standards of care with respect to our internal records and reporting. The Group is committed to full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by it.

3.4. Records Management

The Group requires honest and accurate recording and reporting of information in order to make reasonable business decisions. All Group business data, records and reports must be prepared truthfully and accurately. Numerous statutes require the proper retention of many categories of records and documents that are commonly maintained by companies. All of the Group's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Group's transactions and conform to the applicable legal requirements and the Group's system of internal controls for retention and destruction.

In addition, any record, in paper or electronic format, relevant to a threatened, anticipated or actual internal or external inquiry, investigation, matter or lawsuit may not be discarded, concealed, falsified, altered, or otherwise made unavailable, once an associate has become aware of the existence of such threatened, anticipated or actual internal or external inquiry, investigation, matter or lawsuit.

When in doubt regarding retention of any record, an associate must not discard or alter the record in question and should seek guidance from their immediate supervisor.

4. FAIR DEALING WITH CUSTOMERS, SUPPLIERS, COMPETITORS AND ASSOCIATES

The Group does not seek to gain any advantage through the improper use of favours or other inducements. Good judgment and moderation must be exercised to avoid misinterpretation and adverse effect on the reputation of the Group or its associates.

4.1. Giving Gifts

Cash or cash-equivalent gifts must not be given by an associate to any person or enterprise unless approved by the Board of Directors within the ambit of the Group's Corporate Social Investment Policy.

4.2. Receiving Gifts

Gifts, favors, entertainment or other inducements may not be accepted by associates from any person or organisation that does or seeks to do business with, or is a competitor of, the Group, except as common courtesies usually associated with customary business practices. Any and all gifts received must be disclosed to the Group Company Secretary.

An especially strict standard applies when suppliers are involved. If a gift unduly influences or makes an associate feel obligated to "pay back" the other party with business, receipt of the gift is unacceptable.

It is never acceptable to accept a gift in cash or cash equivalent.

4.3. Unfair Competition

Although the free enterprise system is based upon competition, rules have been imposed stating what can and what cannot be done in a competitive environment. The following practices can lead to liability for "unfair competition" and should be avoided. They are violations of the Code.

4.4.1. Disparagement of Competitors.

It is not illegal to point out weaknesses in a competitor's service, product or operation and the use of any such information should be only in accordance with standards set forth by the Board of Directors. However, associates may not spread false rumours about competitors or make incorrect representations about their businesses

4.4.2. *Disrupting a Competitor's Business.*

This includes bribing a competitor's employees, posing as prospective customers or using deceptive practices such as enticing away employees in order to obtain secrets or destroy a competitor's organization.

4.4.3. *Misrepresentations of Price and Product.*

Lies or misrepresentations about the nature, quality or character of the Group's services and products are both illegal and contrary to Group policy.

5. **INVESTOR RELATIONS**

The Group's employees are expected to create a good impression at all times and to project a positive and supportive attitude about the Group and its products and services. Employees should not make derogatory comments about the Group, its products, services, management, employees and systems. Additionally, no employees should discuss the Group's plans, strategies or results with clients, securities analysts, investors or members of the press.

6. **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

6.1. **Insider Trading Policy**

The Group expressly forbids any associate from trading in the Group's shares based on material non-public information or communicating material non-public information to others in violation of the law. This conduct is frequently referred to as "insider trading." This policy applies to every associate of the Group and extends to activities both within and outside their duties to the Group.

The concept of who is an "insider" is broad. It includes officers, directors and employees of a Group. In addition, a person can be a "temporary insider" if he or she enters into a special confidential relationship in the conduct of a Group's affairs and as a result is given access to information solely for the Group's purpose. A temporary insider can include, among others, a Group's attorneys, accountants and lending institutions, as well as the employees of such organizations.

Trading on inside information is not a basis for liability unless the information is material. This is information that a reasonable investor would consider important in making his or her investment decisions, or information that is likely to have a significant effect on the price of a Group's shares.

Information is non-public until it has been effectively communicated to the marketplace. Tangible evidence of such dissemination is the best indication that the

information is public. For example, information found in the Group's Annual report or appearing in a national newspaper would be considered public.

Directors must adhere strictly to the Group's "Closed Trading Periods" as published from time to time.

6.2. Equal Employment Opportunity

Subject to legal requirements governing the Group's business and operations, the Group makes employment-related decisions without regard to a person's race, colour, religious creed, age, sex, marital status, national origin, ancestry, learning disability or physical disability, including, but not limited to, genetic predisposition, or any other factor unrelated to a person's ability to perform the person's job. "Employment decisions" generally mean decisions relating to hiring, recruiting, training, promotions and compensation, but the term may encompass other employment actions as well.

The Group encourages its associates to bring any problem, complaint or concern regarding any alleged employment discrimination to the attention of the Human Resources Department. Associates who have concerns regarding conduct they believe is discriminatory should also feel free to make any such reports to the Chief executive Officer

6.3. Non-Harassment Policy

The Group is committed to maintaining a collegial work environment in which all individuals are treated with respect and dignity and which is free of harassment. In keeping with this commitment, the Group will not tolerate any form of harassment of associates, including sexual harassment, in violation of this policy by anyone, including any supervisor, co-worker, vendor, client or customer, whether in the workplace, at assignments outside the workplace, or elsewhere.

6.4. Health, Safety & Environment Laws

Health, safety, and environmental responsibilities are fundamental to the Group's values. Associates are responsible for ensuring that the Group complies with all provisions of the health, safety, and environmental laws of South Africa.

The penalties that can be imposed against the Group and its associates for failure to comply with health, safety, and environmental laws can be substantial, and include imprisonment and fines.

6.5. Drugs, Alcohol & Prohibited Materials

The Group strives to safeguard the best interests of its associates, customers and other contacts. The use of alcohol and other drugs, including prescription and over-the-counter drugs used for other than therapeutic purposes, can impair judgment,

physical reactions and productivity and may endanger the safety and health of the user and others. Such impairment on Group premises or while performing work for the Group is cause for disciplinary action, up to and including termination.

All associates must be free of impairment from alcohol or drugs. Thus all associates are responsible for complying with this policy.

The abuse of any legal substance, including alcohol, as well as use, sale, manufacture, distribution, or possession of, or being under the influence of any illegal drug, while at a Group facility, or while performing Group business, is prohibited and is a dischargeable offense.

The following is considered prohibited material:

- Firearms or other weapons
- Explosives, dangerous materials or articles
- Alcoholic beverages
- Illegal drugs or other controlled substances
- Drug-related paraphernalia

Inspections of Group premises, property and/or your personal property for prohibited materials or substances described above, may be performed by the Group routinely or on suspicion, with or without prior announcement. Failure to cooperate with an inspection may result in termination.

7. REPORTING VIOLATIONS UNDER THE CODE: NON-RETALIATION POLICY

Any associate of the Group having any information or knowledge regarding the existence of any violation or suspected violation of the Code has a duty to report the violation or suspected violation to the Chief executive Officer or Human Resources Executive. Additionally, any associate may report, on a confidential and anonymous basis, any concerns regarding questionable accounting or auditing matters in accordance with the procedures to any member of the Audit Committee.

Any associate who reports a suspected violation under the Code which the associate reasonably believes constitutes a violation of a criminal statute by the Group, or its agents acting on behalf of the Group, to a law enforcement officer or the appropriate officer of the Group, may not be fired, demoted or otherwise harmed for, or because of, the reporting of the suspected violation, regardless of whether the suspected violation involves the associate, the associate's supervisor or senior management of the Group. Every report made will be treated as confidential to the extent allowed by law. In addition, any attorney working for the Group shall report evidence of a material violation of securities law or breach of fiduciary duty or similar violation by the Group or any of its agents to the General Manager or the Chairperson of the Group (or a person acting in an equivalent capacity).



8. QUESTIONS UNDER THE CODE AND WAIVER PROCEDURES

Associates are encouraged to consult with the Human Resources Executive about any uncertainty or questions they may have under the Code.

If any situation should arise where a course of action would likely result in a violation of the Code but for which the associate thinks that a valid reason for the course of action exists, the associate should contact the Human Resources Executive to obtain a waiver prior to the time the action is taken. No waivers will be granted after the fact for actions already taken.

The Executive Committee will review all the facts surrounding the proposed course of action and will make a recommendation to the members of the Board of Directors as to whether a waiver from any policy in the Code should be granted. If a majority of the directors on the Board of Directors agree that a waiver should be granted, it will be granted in writing and signed by two Directors, one of which must be the Chairperson of the Board (or in his absence the Vice Chairperson). All waiver grants will be disclosed to the executive officers and to the directors. If the waiver is granted for actions to be taken by or for the benefit of an executive officer or member of the Board of Directors, the Group will disclose the nature and reasons for the waiver. If a majority of the directors deny the request for a waiver, the waiver will not be granted and the associate may not pursue the intended course of action.

It is the Group's policy only to grant waivers from the Code in limited and compelling circumstances.

EMPLOYEE STATEMENT

I have read the UCL Group Limited’s Corporate Code of Conduct and Ethics. I have obtained an interpretation of any provision about which I had a question. I agree to abide by the provisions of the Code. Based on my review, I acknowledge that:-

_____ To the best of my knowledge, I am not in violation of any provision contained in the Code;

OR

_____ I have made a full disclosure below of this acknowledgement of the facts regarding any possible violation of the provisions set forth in the Code.

In addition, I understand that I am required to report any suspected or actual violation of the Code and that I may report, on a confidential and anonymous basis, any concerns regarding questionable accounting or auditing matters. I understand that I am required to co-operate fully with the Group in connection with the investigation of any suspected violation. I understand that my failure to comply with the Code or its procedures may result in disciplinary action, including termination.

I acknowledge that the oath so sworn by me is legally binding.

So sworn by me: _____
Signature

Name (please print):

Co. No _____

Department _____

Date: _____

DISCLOSURE: (attach additional pages if necessary)

