



# CODE OF ETHICS

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## 1. LEADERSHIP MESSAGE

Metair Investments Limited (“the company or the Group”) is committed to conducting business ethically and with integrity. The Group comprises a diverse collection of businesses which operate across different geographical regions and manufacture different products to various clients. Despite the spread of our business, the Group is committed to instilling the same ethical culture across the Group.

For this reason, we have decided to articulate our values and ethical standards in this Code of Ethics (“the Code”). The purpose of this Code is not only to document our ethical standards, but also to serve as a guideline for each of us in how we make decisions and conduct ourselves as representatives of Metair.

The underlying principle of our business and of this Code is the idea of custodianship. All of us must strive to be exemplary custodians (carers) in our respective areas of responsibility, whether it be the workplace, home, community, country or the world. Ethical behaviour requires the directors, management and employees to:

- Obey the law
- Respect others
- Be fair
- Be honest, and
- Protect the environment.

### Complimentary Values

- Safety first
- Customer centricity
- Collaborate for success
- Innovate for the future, and
- Quality and excellence.

Furthermore, custodianship encompasses the key elements of long-term sustainability and continuity. It elevates the focus beyond individual or personal interests, to build a sustainable legacy, while recognising the broad responsibilities we have as corporate citizens to our various stakeholders, and in so doing contributing to the development of our society.

As leadership, we are committed to upholding this Code and to supporting everyone in Metair in their attempt to be custodians. We want all our employees and directors to read, understand and live by our Code. Living by this Code is an important way of ensuring that our business is sustainable and adds value to all our stakeholders.

We also urge you to use the available channels in Metair to report any violations of this Code and or criminal activity in our business.

*Signed on behalf of  
the board:*



**T.N. MGDUSO**  
**CHAIRMAN**



**P. O'FLAHERTY**  
**CHIEF EXECUTIVE OFFICER**

## 2. INTRODUCTION

Metair is committed to conducting its business ethically and with integrity. The Metair board sets the “tone at the top” by formulating the values and ensuring that ethical business standards, as contained in this Code, are ingrained into the Group. Metair requires all of its employees<sup>1</sup>, directors<sup>2</sup> and stakeholders to share the Group’s commitment to high moral and ethical standards and to be custodians of the Group.

Doing what is right, lawful, just and reasonable Metair requires all employees and directors to conduct themselves in accordance with the company’s core values:



### Ethics Quick Tests

If you are unsure whether a decision or an action is in line with our Code, ask yourself the following questions:

- Is it legal?
- Is it in line with Metair’s values?
- Is it in line with Metair’s policies?
- What would it look like on the front page of the newspaper?
- Am I treating others as I would like to be treated myself?
- Could it cause Metair reputational damage?

If the answers to any of these questions causes concern, consult with your supervisor, HR practitioners, Risk Manager, Divisional Head or Managing Director.

## 3. SCOPE AND APPLICATION

Metair’s Code is applicable all employees, directors and service providers across all subsidiaries. This Code outlines the standards for business conduct throughout the Group and is supported by a wide range of Group policies. All employees are required to comply with the policies, codes, procedures, frameworks, charters, guidelines, and practices that are applicable to them. These include, but are not limited to:

- Policies that are applicable to the Group, as well as policies applicable to the employee’s subsidiary;
- Risk policies, compliance policies, human resource related policies, human rights related policies, and policies that govern conduct (such as the smoking, physical security, rumour mongering, social media activity, and dress code, amongst others);

<sup>1</sup> Including temporary workers.

<sup>2</sup> Including board members/non-executive directors.



- Frameworks, policies, and guidelines around the escalation and reporting of risks;
- Practices (verbal or written) established to assist or enable compliance with laws, regulations, or policies; and
- Various committee charters.

#### **4. COMPLIANCE WITH LAWS AND REGULATIONS**

In the regular course of business all Metair employees and directors must constantly comply with all applicable laws, rules, codes and standards applicable to the company. These include The King IV Report on Corporate Governance™ for South Africa, 2016, The Companies Act of 2008, No. 71 of 2008, The Johannesburg Stock Exchange Listing Requirements and any other applicable laws and regulations. Metair also adheres to voluntary codes such as the United Nations Global Compact principles. Metair will not condone any violation of any law by any employee or director.

Employees must ensure that their conduct cannot ever be interpreted as being in any way contrary to applicable laws and regulations governing the operations of Metair. In line with our philosophy of custodianship, we respect the law as a way to promote a fair and ethical society. Employees should be aware that their actions can have possible implications on the company's reputation.

#### **5. CONFLICT OF INTEREST**

Metair requires all employees and directors to conduct themselves fairly and to be custodians of the company. They are required to perform their duties with due care, skill and diligence and in accordance with the best interests of Metair.

Employees and directors must not use their position, or any knowledge gained through their employment with Metair in such a manner that a conflict, or an appearance of conflict arises between their personal interest and Metair. A conflict could arise where an employee, a member of an employee's family, or a business with which the employee or director or his / her family is associated, obtains a gain, advantage or profit by virtue of the employee's position with Metair or knowledge gained through that position.

Being a custodian in your area of responsibility means, among other things, that you act in the best interest of Metair and its stakeholders. At Metair we all work towards our collective goals. We avoid conflicts of interest, and where such conflicts cannot be avoided, we declare them honestly, and resolve them in a fair and timely manner. This is in line with our values of fairness and honesty.

A conflict of interest exists in any situation where doubt may exist around an employee's ability to act with total objectivity regarding company decisions and interests.

Instances where an employee, a member of an employee's family, or a business with which the employee or director or his / her family is associated, obtains a gain, advantage or profit by virtue of the employee's position with Metair or knowledge gained through that position will be deemed a conflict of interest.

Examples:

- Outside employment or directorships
- Excessive involvement in an outside activity (e.g. charity, community activities)
- Owning or having a financial interest with a supplier or client of Metair
- A family member or close friend does business with Metair
- Excessive gift exchanges or hospitality with a supplier or Metair
- Using Metair resources for personal purposes

As soon as an employee becomes aware of a potential conflict of interest, he/she must:

- Declare the potential conflict to their supervisor, HR practitioners, Risk Manager, Divisional Head or Managing Director; and
- Recuse themselves from decision-making related to the conflict of interest.
- With regards to gifts and hospitality, refer to the Metair Gifts Policy

Management will consider the conflict of interest and how best to resolve it, e.g. through recusal or divestment. For more information, refer to the detailed information and guidance in the Metair Conflict of Interest Policy (hyperlinked)

Acting in Metair's best interests includes:

Do's:

- must perform their duties with due care, skill and diligence
- avoid circumstances that could undermine good judgement in the interests of Metair
- must be honest and timely in declaring potential conflicts of interest

Don'ts:

- must not use their position, or any knowledge gained through their employment with Metair in such a manner that a conflict, or an appearance of conflict arises between their personal interest and Metair.

## Outside activities

We all have an obligation to contribute to our local communities. Metair is a responsible corporate citizen and encourages all employees to participate in community activities.

Employees should, however, avoid acquiring any interest or participating in any activity outside Metair, which would create:

- an excessive demand upon their time, attention and energy which would deprive Metair of their best efforts in their work, or
- a conflict of interest – that is, an obligation, interest or distraction which would interfere or appear to interfere with the independent exercise of judgement in Metair's best interest.

Employees may not take up outside employment without the prior approval of the respective subsidiaries' HR Director. Employees who hold, or have been invited to hold, external directorships should take particular care to

ensure compliance with all provisions of this Code. When external business directorships are being considered, prior approval must be obtained from the Chairman of Metair.

## **Relationships with clients, customers and suppliers**

Metair recognises that relationships with clients, customers and suppliers may give rise to many potential situations where conflicts of interest, real or perceived, may occur.

Employees should ensure that they are independent, and are seen to be independent, from any organisation that has a contractual relationship with the company (a supplier providing goods or services to Metair). If a relationship exists between an employee or director that might influence or create an impression of influencing their decisions in the performance of their duties on behalf of Metair, then a conflict may exist and must be managed appropriately and speedily. In such circumstances, employees should not invest in, nor acquire any financial interest, directly or indirectly, in such an organisation.

### **Prohibited practices**

- Seeking of loans, gifts, hospitality, favours or intellectual property information for personal gain from any stakeholder.
- Acceptance of loans, gifts, hospitality, favours or intellectual property for assistance offered by a supplier.
- Fraudulent conversion of any monies or goods out of a supplier's account / inventory for personal gain.
- Transfer from a supplier of shares in materialized or dematerialized form, stock options, certificates of deposit or any other monetary instruments for personal gain.
- Ownership, part ownership, material equity or investment in a supplier's business.
- Attending recreational events where the supplier incurs excessive costs or lavish favours (eg. permanent season tickets / facilities to recreational events afforded by the supplier).
- Use of supplier's property / facilities for personal gain.
- Employees must not offer personal favours or other inappropriate preferential treatment to customer or supplier representatives, which might place the recipient under obligation.

It is incumbent upon the employee to establish the customer's policies on receiving of gifts, hospitality and other favours and to observe the customer's policies in this regard. All Metair employees must ensure that they share Metair's gift and hospitality policy for the avoidance of doubt.

## **Declaration obligation**

All Metair employees and directors are required to be honest and fair when receiving and/or giving gifts (including any benefits/advantages/discounts). Metair has a gifts register book held in each of the Managing Director's office that all executives must use to report any gifts. The following should be declared:

- Complimentary business gifts presented by suppliers / service providers / contractors at year-end or other special occasions. The recipients must declare such gifts to the Divisional Head.
- Complimentary business gifts must be visible and must be of a nature that can be consumed within 24 hours or have no negotiable or re-sale value, eg. beverages, food hampers, calendars, diaries, writing instruments, desk ornaments, caps etc. These normally do not have to be declared.
- Gifts other than food and beverage will normally be permanently marked with supplier name and logo.
- Attendance at any event (recreational / social) sponsored by a supplier / service provider / contractor.
- Requests for contributions to company approved events may be submitted to the Divisional Director at each



subsidiary for sanction before being forwarded to the Human Resources department for filing.

- It is recommended that Divisional Heads record the accepted declarations in writing.

## **Personal investment**

Metair respects the right of all employees to make personal investment decisions as they see fit, as long as these decisions do not contravene the conflict of interest provisions of this Code, applicable legislation, any policies or procedures established by the various subsidiaries of Metair, and provided that these decisions are not made on the basis of material non-public information acquired by reason of an employee's connection with Metair.

When considering the application of this section, employees should ensure that no personal investment decision made for their own benefit could reasonably be assumed to adversely influence their judgement or decisions in the performance of their duties on behalf of Metair. In addition, employees who are in possession of material non-public information shall not use this information to benefit themselves, their families or pass such information onto others.

Employees involved in performing investment activities on behalf of Metair and those who by the nature of their duties or positions are exposed to share price-sensitive information relating to Metair, are subject to additional rules governing personal investment. These may from time to time be imposed by the Companies Act, JSE Securities Exchange South Africa and other regulatory bodies and Metair management.

## **Director's dealings in shares**

Prior approval to deal in Metair shares has to be obtained from the chairman or appointed representative of the Holding Company in the form of a clearance to deal form that must be completed.

All director dealings in Metair shares and those of material subsidiaries must be disclosed on SENS as per the JSE Listing Requirements. Metair keeps all (Executive and Non-Executive) director's dealings on file and it is thus imperative for all directors of all subsidiaries to inform the Group company secretary of any share dealings that they have made immediately or at least within 24 hours. The Group company secretary will ascertain whether a SENS announcement is required, or if internal notification is sufficient.

## **Closed and prohibited periods**

No share dealings may take place during the period commencing on 1 January and 1 July for the company's year-end and interim results up to the publication of the results on SENS and to the public. Prohibited periods will be announced by the company, during this time no share dealings may take place.

## **Remuneration**

Metair remunerates employees based on formal remuneration scales and rates for salaries, wages, fringe benefits, and other regular remuneration. No employee may receive commission or other remuneration related to the sale of any of Metair's products, except as specifically provided for under an individual's terms of employment and in-line with Metair's remuneration policies.

Employees may not receive any money or items of value (other than Metair's regular remuneration, incentives or awards), either directly or indirectly, for negotiating, procuring, recommending or aiding in any transaction made by or on behalf of Metair, nor have any direct or indirect personal financial interest in such a transaction.

## **6. ENVIRONMENTAL RESPONSIBILITY**

Metair is committed to developing operating policies to limit and address the environmental impact of its activities by integrating pollution control, waste management and rehabilitation into its operating procedures. Employees should



give appropriate and timely attention to environmental matters and ensure that matters are reported to the Divisional Heads. Employees should apply the principle of custodianship to assist in proactively recommending process improvements to mitigate environment impacts.

Metair is committed to conserving all inputs and materials used in all its business operations. All employees should use their best efforts to make efficient use of all of Metair's resources. Waste management and recycling is an operating principle.

## **7. HEALTH AND SAFETY**

Metair is committed to taking every reasonable precaution to ensure a safe working environment for all its employees, directors, contractors, suppliers and stakeholders.

Employees who become aware of circumstances relating to Metair's operations or activities that pose a real or potential health or safety risk should report the matter as soon as possible as set out in the Contravention of the Code section of this document.

## **8. POLITICAL ACTIVITY**

Metair respects the right of employees to political affiliation. Metair will not attempt to influence any such activity provided there is no disruption to workplace activities and it does not contribute to industrial unrest. Employees are required to refer to their respective subsidiary's industrial relations policies and guidelines.

## **9. METAIR'S FUNDS AND PROPERTIES**

Metair has developed a number of internal controls to safeguard its assets and impose strict standards to prevent fraud and dishonesty. All employees who have access to Metair's funds in any form must at all times follow prescribed procedures for recording, handling and protecting such funds. Subsidiaries may implement additional policies and procedures relating to the safeguarding of Metair property, including computer software and data.

Employees must, at all times, ensure that Metair's funds and property are used only for legitimate Metair business purposes. Where an employee's position requires Metair funds to be spent, it is the individual's responsibility to use good judgement on Metair's behalf and ensure that appropriate value is received for such expenditures.

If employees become aware of any evidence that Metair's funds or property may have been used in a fraudulent or improper manner, they should immediately advise management as set out in the contravention of the Code section of this document.

## **10. METAIR RECORDS**

Accurate and reliable records are necessary to meet Metair's legal and financial obligations and to manage its affairs.

Metair's books and records should reflect business transactions in an accurate and timely manner. Undisclosed or unrecorded revenues, expenses, assets or liabilities are not permissible, and the employees responsible for accounting and record keeping functions are expected to be diligent in enforcing proper practices.

## **11. Dealing with Outside Persons and Organisation**

### **Prompt communications**

Metair strives to achieve complete, accurate and timely communications with all parties with whom it conducts business. In addition, prompt and efficient internal communication is required to all employees within a subsidiary or across subsidiaries and Metair.

A prompt, courteous and accurate response should be made to all reasonable requests for information and client communications. Any and all complaints should be dealt with in accordance with internal procedures established by the various Metair subsidiaries.

### **Media relations**

All media interaction is handled by the Metair Managing Director and Finance Director. Subsidiary Managing Directors to consult with Metair prior to any media interaction.

In addition to everyday communication with outside persons and organisations, Metair will on occasion be asked to express its views to the media on certain issues.

When communicating publicly on matters that involve Metair's business, employees must not presume to speak for Metair on any matter unless they are certain that the views, they express are those of Metair, and that it is Metair's desire that such views be publicly disseminated. Employees approached by the media should immediately contact their immediate superior or if that person is not available their superior's superior. In the absence of such person the Company Secretary should be approached for formal approval to be obtained from Metair to disclose any matters to the media.

An employee, when dealing with anyone outside Metair, including public officials, must take care not to compromise the integrity (being fair and honest) of, or damage the reputation of any outside individual, business, or government body, or that of Metair.

As a general rule, senior management will deal with Metair's position on public policy or industry issues. The text of articles for publication, public speeches and address about Metair and its business should be reviewed in advance with the Managing Director of the said Metair subsidiary. Prior approval from Metair should be obtained.

Employees should separate their personal roles from Metair's position when communicating on matters not involving Metair's business. They should be especially careful to ensure that they are not identified with Metair when pursuing personal or political activities, unless Metair has especially authorised this identification in advance.

## **12. PRIVACY AND CONFIDENTIALITY**

Senior executives sign a confidentiality agreement contained in their appointment letters which explains how the company's information should be treated. All employees have to adhere to the Metair Information Policy.

In the regular course of business, Metair accumulates a considerable amount of information. The following principles are to be observed:

### **Obtaining and safeguarding information**

Only such information as is necessary for Metair's business should be collected, used and retained. When personal information is needed, it should, whenever possible be obtained directly from the person concerned. Metair will ensure that all personal information is kept secure as per the Protection of Personal Information Act No 4 of 2013 and



subsequent Regulations and Notices published by the Department of Justice and Constitutional Development - Information Regulator. Only reputable and reliable sources of information should be used.

Information with respect to any confidential business transaction of Metair or its subsidiaries, or personal information regarding employees, including salaries, may not be disclosed to any person or party unless and until proper authorization for such disclosure has been obtained. In addition, subsidiaries may implement policies and procedures to prevent improper transmission of non-public information within Metair.

### **13.CONTRAVENTION OF THE CODE**

Metair regards any contravention of this Code as a serious matter.

If employees believe that their own actions have, or may have contravened the Code, they should either advise the person to whom they report or a person at management level responsible for Human Resources.

If employees suspect that another employee of Metair has committed a contravention of the Code, they should promptly report this, preferably in writing either to the person they report to or a person at management level responsible for Human Resources. By following this process, confidentiality will be maintained. Metair commits to ensuring that the matter is investigated impartially.

Contravention of the Code is a serious matter and may result in disciplinary action, including possible termination of employment. Certain breaches of the Code could also result in civil or criminal proceedings.

#### ***Whistleblowing***

Metair has an outsourced whistleblowing programme that its employees and contractors can use to report any inappropriate, fraudulent or criminal activities, violations of this Code, or if they have serious concerns about any aspect of the Group's work. The service is outsourced to guarantee the investigation of every report and to ensure protected disclosure removing the risk of victimisation.

It is Metair's commitment that to the maximum extent possible and subject to any legal constraints, matters reported will be processed on a confidential basis.

The introduction of the Metair Ethics Line is a supplementary reporting mechanism through which employees and stakeholders can raise their concerns, if for any reason they are uncomfortable with using the normal channels provided by the business or if they are not satisfied with the response from the business channels. The system is available for use by all Metair employees and contractors.

Please refer to the whistle blowing policy for reporting channels, contact details and other information on how the process works.

### **14.CONTACT DETAILS FOR MORE INFORMATION**

Please contact your respective company human resource director or ethics custodian for any further information or guidance on the Code or any associated policies. If you are still in doubt, please contact the Metair company secretary on the following email address – [sanet@metair.co.za](mailto:sanet@metair.co.za), or telephone number 010 786 0800.



## **15.APPROVAL**

Reviewed and approved by the Board on 30 November 2018

Reviewed and approved by the Board on 9 December 2019

Reviewed and approved by the Board on 30 November 2020

Amended and approved by the Social and Ethics Committee on 17 May 2021

Reviewed and approved by the Board on 29 September 2021

Amended and approved by the Social and Ethics Committee on 18 May 2021

Reviewed and approved by the Board on 9 November 2022

Reviewed and approved by the Social and Ethics Committee on 18 May 2023

Reviewed and approved by the Board on 5 October 2023