



SAMAC
Macadamias South Africa NPC

Macadamias South Africa NPC (SAMAC NPC)

Code of Conduct

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1 Purpose of the Code

- 1.1. SAMAC NPC is an organisation that is dedicated to serving its members in a professional manner and with the highest standards of accountability. It subscribes to accepted standards of good corporate governance. This Code of Conduct (hereafter referred to as the Code) is adopted pursuant to Clause 6.1.1 of SAMAC NPC's Memorandum of Incorporation (hereafter referred to as the Mol). This Code sets out standards of conduct governing the professional and ethical responsibilities of Members and employees of SAMAC NPC.
- 1.2. This Code is not intended to conflict with any legal or professional obligations, or ethical standards set out in the Mol or, the Companies Act, Act No. 71 of 2008 or other applicable legislation, or Board of Directors' Directives. Where a provision of this Code is inconsistent with a provision of the Mol or the Companies Act, Act No. 71 of 2008 or other applicable legislation, or Board of Directors' Directives, the Companies Act, Act No. 71 of 2008 shall prevail.
- 1.3. A provision of the Code shall not be valid when a provision of the Code is inconsistent with a provision of the Mol or, the Companies Act, Act No. 71 of 2008 or other applicable legislation, or Board of Directors' Directives where a provision of the Code establishes a degree of ethical conduct that is lower than is established by the Mol or, the Companies Act, Act No. 71 of 2008 or other applicable legislation, or Board of Directors' Directives. An inconsistency does not arise where a provision in this Code exceeds the degree of ethical conduct established by the Mol or, the Companies Act, Act No. 71 of 2008 or other applicable legislation, or Board of Directors' Directives.
- 1.4. The Code recognizes the fundamental and overriding responsibility of SAMAC NPC's Members to maintain and enhance the integrity, competence and effectiveness of SAMAC NPC. The Code is intended to assist Members by establishing appropriate standards of conduct in typical administrative justice situations. However, the Code cannot anticipate all possible circumstances. Members are responsible for conducting themselves in an ethical and professional manner.
- 1.5. This Code of Conduct does not place any new responsibilities on members of SAMAC NPC, but merely constitutes a written record of the fiduciary common law duties and the duties of good corporate governance encapsulated in the King reports on good corporate governance regarding persons that manage the affairs of others.
- 1.6. It is the policy of SAMAC NPC to comply with the Constitution and the laws of South Africa. Each member of SAMAC NPC shall comply with all applicable laws, rules and regulations, and shall use all reasonable efforts to oversee compliance by employees and other members with all applicable laws, rules and regulations.

2 Application of the Code

- 2.1 The Code applies to all Members of the SAMAC NPC (as set out in Section 5 of the MoI), the Chairman of the Board of Directors, Members of the Board of Directors and Employees of SAMAC NPC.
- 2.2 The Code governs the conduct of Members from the commencement of their membership.
- 2.3 The Code may be amended from time to time and is subject to review every three years.

3 General Principles

- 3.1 Members have an obligation to comply with the duty of good faith and act impartially in the conduct of proceedings.
- 3.2 Members co-opted to working committees and sub-committees of SAMAC NPC shall conduct themselves in the interest of SAMAC NPC to enhance confidence of all members in the independence, integrity, objectivity and impartiality of SAMAC NPC. Such should commit the time and effort required for the work of SAMAC NPC.
- 3.3 Members should maintain the high level of professional competence and knowledge necessary to discharge their obligations and duties.
- 3.4 Members should act with honesty, integrity and high ethical standards.
- 3.5 Members should remain current by participating in SAMAC NPC's discussions and ongoing professional development.
- 3.6 Members shall not commit or condone an unethical or illegal act or invoke another to do so.
- 3.7 Any conflict between the private interests of a Member and his or her official duties and responsibilities shall be resolved in favour of SAMAC NPC's interest.
- 3.8 To minimize non-compliance with this Code, members are required to complete the undertaking regarding this code with the application for membership.

4 Ethical standards

Every member of SAMAC NPC will strive to maintain the highest ethical standards, including those of:

- 4.1 Integrity — to behave ethically, acting with loyalty and honesty, and being prepared to express one’s views
- 4.2 Independence — being prepared to establish alliances, build trust and foster cooperation without showing favour
- 4.3 Professionalism — to ensure ongoing commitment to the continuous improvement of the governance of the organisation
- 4.4 Acting in the best interests of SAMAC NPC – always basing one’s decisions and actions on the best interest of SAMAC NPC and not acting in one’s own interests.

5 Conflict of Interest

5.1 Conflict of Interest

- 5.1.1 A conflict of interest is any interest, relationship, association or activity that may be incompatible with the Member's obligations to SAMAC NPC. A conflict of interest arises when a Member's private or personal interest may take precedence over or compete with his or her responsibilities as a Member. A conflict of interest may be real, perceived or potential. A conflict of interest may be pecuniary and/or non-pecuniary.

A pecuniary conflict of interest exists where a Member has a financial interest that may be affected by the resolutions or treatment of a matter by SAMAC NPC. The financial interest may be that of the Member, or of a family member or other person with whom the Member has a close personal or professional relationship.

A non-pecuniary conflict of interest arises where a Member has an association, relationship or non-financial interest or activity that is incompatible with the responsibilities of an impartial decision-maker. The relationships, interests or activities of a close family member or close associate may raise a potential conflict if they will be affected by the SAMAC NPC's determinations.

5.2 General duty to disclose a conflict of interest

- 5.2.1 Every member of SAMAC NPC has a duty to declare direct or indirect interests or relationships which conflict with the interests of SAMAC NPC. A conflict or the appearance of a conflict of interest may arise in many ways. The procedure set out below must be followed to address conflicts of interest or perceived conflicts of interests:
 - a) Each member must deal at arm's length with SAMAC NPC and should disclose any conflict or suspected conflict of interest on his or her part by informing the Chairman of the Board of Directors in writing. The Chairman of the Board of Directors should disclose any conflict

or suspected conflict of interest on his or her part by informing the Board of Directors in writing.

- b) The Chairman of the Board of Directors, in turn, must refer such a matter to the Board of Directors.
- c) If there is a potential conflict of interest involving a member of the Board of Directors, the matter must be referred to the Audit and Risk Committee.
- d) The Board of Directors or the Audit and Risk Committee must assess the potential of a conflict of risk and then take a decision on the matter.

Should any member of SAMAC NPC provide services to SAMAC NPC as an employee, officer, office bearer or director or in a similar capacity, it must be disclosed in the manner contemplated above. Should a member of SAMAC NPC furthermore have any doubts as to whether any activity could constitute such a conflict, it must be reported in the manner set out above even if the member terminates the conduct.

5.3 Duty to report a perceived conflict of interest

- 5.3.1 Should another member of SAMAC NPC become aware of a perceived conflict of interest which has not been so disclosed, or should it appear as if there is a conflict of interest which has not been disclosed, that member shall report the perceived conflict of interest to the Chairman of the Board of Directors in writing.
- 5.3.2 All disclosures in terms of this clause shall be treated by the parties responsible for receiving such disclosures as confidential, and those parties shall exercise the utmost diligence to ensure that the disclosures remain confidential throughout the entire reporting process. It is furthermore recorded that any member of SAMAC NPC who reports the appearance of a conflict of interest as envisioned above will not be victimised or prejudiced in any way because of the report and his or her identity will be kept confidential throughout.

6 Conduct of Business and Fair Dealing

6.1 No SAMAC NPC member shall:

- 6.1.1 Personally profit, or assist others to profit, from confidential information or confidential business opportunities that are available because of service to SAMAC NPC. This clause needs to be read in conjunction with the clause dealing with a conflict of interest.
- 6.1.2 Improperly influence or attempt to influence any business transaction between SAMAC NPC and another entity in which a member or staff member has a direct or indirect financial interest or acts as an employee, officer, office bearer, director or in a similar capacity.
- 6.1.3 Take unfair advantage of any customer, supplier, competitor or other person through manipulation, concealment, misrepresentation of material facts or other unfair-dealing practice.

- 6.1.4 Make public comments regarding matters of SAMAC NPC. Each member shall abide by the protocol(s) regulating internal as well as external communication, as determined by the Board of Directors.

6.2 Use of Funds, Assets and Information

- 6.2.1 Each member shall protect the funds, assets and information of SAMAC NPC and shall not use such funds, assets or information to pursue personal opportunities or gain.
- 6.2.2 No funds, assets or information belonging to SAMAC NPC shall be used for any unlawful purpose.
- 6.2.3 No undisclosed or unrecorded fund or asset shall be established for any purpose.
- 6.2.4 No false or artificial entries shall be made in the books and records of SAMAC NPC for any reason, and no member or staff shall knowingly engage in any arrangement that results in such prohibited act.

7 Protecting SAMAC NPC's Reputation

- 7.1.1 No member or employee of SAMAC will speak as a representative of SAMAC NPC to the media or in a public forum without the prior consent of the Chairman of the Board or as specifically authorised in the protocol on communication.
- 7.1.2 Where it has not been feasible to obtain the Chairman of the Board's prior consent, and where it was in the interests of SAMAC NPC to make any public statement, the member will inform either the Chairman of the Board or the Chief Executive Officer immediately after having spoken as a representative of SAMAC NPC to the media or in a public forum.
- 7.1.3 When speaking as a representative of SAMAC NPC, the member's comments will reflect current SAMAC NPC policy even when these do not align with the member's personal views.
- 7.1.4 Members will at all times uphold and protect the good name and reputation of SAMAC NPC.

8 Procedure for complaints and investigations

If any member believes that a prohibited act or omission under this Code has occurred, then he or she shall:

- 8.1.1 Promptly report such allegation to the Chairman of the Board of Directors or the Chief Executive Officer. All such disclosures will be treated as confidential by the relevant officials and Board of Directors of SAMAC NPC.
- 8.1.2 The Board of Directors will review and investigate any such reported alleged prohibited act, without the participation of any member who may be the subject of such report. After this

initial investigation, the member suspected of such alleged conduct, must be informed in writing of the complaint.

- 8.1.3 The member suspected of such alleged conduct must be given the opportunity to respond in person or in writing to the allegations.
- 8.1.4 The Board of Directors will then make a decision on the remedial action to be taken and it may include: Written warnings; Suspension of membership; Termination of a leadership position; or Disciplinary steps in terms of labour legislation against employees.
- 8.1.5 The member who is the subject of the investigation will have a right to appeal against the findings of the Board of Directors to the Audit and Risk Committee.
- 8.1.6 The members of the Audit and Risk Committee, must in the event of an appeal apply their minds and make a final decision on the outcome of the case.
- 8.1.7 Notwithstanding clause 8.1.4 above, SAMAC NPC may take legal action against the individual concerned and recover damages as permitted in law.
- 8.1.8 All members are expected to provide full assistance and disclosure to the Board of Directors, and the Audit and Risk Committee, in connection with any review of compliance with this Code.

I, _____ (name and surname) hereby declare that I will adhere at all times to the Code of Conduct.

NAME & SURNAME

SIGNATURE

DATE