



Level 1

# Nedbank Code of Ethics and Conduct Policy

NEDBANK GROUP:  
GROUP COMPLIANCE

Ref: Driekie Havenga

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## I THE NEDBANK GROUP VIEW ON ETHICAL CONDUCT

### 1.1 Structure of the Nedbank Code of Ethics and Conduct

The code will introduce you to the behaviours and conduct that will create an open, fair and honest environment where Nedbankers can flourish and the group can become a great employer and a great organisation. The code underpins the work ethic that is expected from all of us, our suppliers and business associates and assists us in meeting every legal and moral obligation.

The code is structured in the following manner:

- Mike Brown, our Chief Executive, gives his personal belief and commitment to uphold the highest ethical standards and points out why it is important to follow this code and report behaviour that is inconsistent with our values as a bank.
- The code sets out the group's conduct philosophy on how to build a responsible and sustainable business.
- We look at a summary of our strategy and how the values fit into the strategy.
- We look at international standards, best practice guidelines and specific legislation we take into consideration and adhere to in our operations in terms of conduct.
- We see what the board as the ultimate governance structure of the group commits to in terms of building a responsible and sustainable business.
- The section on who is covered by the code talks about our responsibility to adhere to the code and to report a concern or violation of ethics.
- The section on how to raise a concern tells us how to request an opinion before we take action and how to report what we think might be a violation of ethics, including how to make a report in private without providing your name.
- We also give an overview of examples of prevalent unethical behaviour.
- All prospective employees must have knowledge of the conduct that will be expected of them as a group employee. Therefore, a copy of the code must be given to all prospective employees by Group Human Resources for acknowledgement and commitment before the letter of appointment is signed.

'Nedbank is committed to the highest ethical standards in conducting its business. These ethical standards reflect our belief that business should be conducted with integrity. Personally, I believe this commitment is at the core of our values that make Nedbank a great place to work, a great place to bank and a great place to invest. The Code of Ethics and Conduct is our solemn promise that these ethical standards will underpin every feature of our endeavours, both corporate and individual. It sets out the standards of conduct that our stakeholders (eg colleagues, clients, suppliers, national and international authorities, communities and investors) can expect from us and we can expect from them. This Code, together with any business-specific policies in your area, provides a guide to help you understand and live the Nedbank Values to make decisions that are good, right and fair. It also obligates any director, manager or employee who witnesses any conduct that compromises or will compromise the Nedbank Values to speak out. I urge every employee of Nedbank to read and clearly understand the behaviour expected from him/her and the standards to which he/she will be held. Every employee, supplier and agent of Nedbank has a personal responsibility to comply with the provisions detailed in this code and to maintain the highest ethical standards to ensure that the group's business practices are conducted in a manner that, in all circumstances, are beyond reproach. This will ensure our future. I personally commit to the standards outlined in this code and know that each member of the Group EXCO team is as committed as I am. I ask each of you to do likewise in line with Nedbank's positioning as a purpose-led and values-driven organisation.'

– Mike Brown, Nedbank Group, Chief Executive

## 1.2 The Nedbank conduct philosophy and business case for a responsible and sustainable organisation

‘Trust. We are in the business of creating trust. Without trust, we will not receive deposits or investments from clients and our shares will not be attractive for investors. Trust is based on ethics and gives rise to effective corporate governance.’

– D Havenga, Nedbank Group Ethics Officer

We believe that our organisation is part of a nested system bound by the social and environmental systems that surround us. It is within these bounds that we must add value to the society in which we operate.

We understand that our success is contingent on the degree to which we deliver value to society. As such, it is important to understand our role and how we can make a difference. Banks play a crucial role in facilitating economic activity and enabling sustainable growth and development by moving capital from where it is to where it is required. A deep understanding of our purpose helps to guide strategy and decisionmaking and should result in an optimal balance between long-term value creation and short-term results.

We have defined our purpose as ‘to use our financial expertise to do good for individuals, families, businesses and society’. It follows, then, that it is through the considered development and delivery of products and services that satisfy unmet societal

needs that we can enable a thriving society, create long-term value, ensure the success of our brand and maintain trust with our stakeholders.

We believe that trust is also created by conducting business in a responsible manner, with ethical leadership and values-based decisionmaking. This means conducting business with more than just legal compliance, understanding that being legal is not necessarily being ethical.

‘The law is a minimum standard for good conduct – ethical, honest conduct in both the private and public sectors requires adherence to a much higher standard than just abiding by the law. “Ethical behaviour” is an individual value, with everyone having a personal moral compass and consciousness regarding the subject. However, that does not mean it is a complex issue. Ethical behaviour is doing what you know is the right thing, considering everybody likely to be influenced by your decision. So, to determine whether behaviour is ethical you cannot refer to a rulebook or textbook. Deep down, irrespective of the various customs or behaviours of communities, human beings intuitively know what the right thing to do is.’

– Mike Brown, Nedbank Group, Chief Executive

## 1.3 Our values

Our values define our business and give us direction in our dealings with our stakeholders. Our values are reflected below.

INTEGRITY	RESPECT	ACCOUNTABILITY	CLIENT-DRIVEN	PEOPLE-CENTRED
We do what we say we are going to do.	We treat all stakeholders with dignity and respect.	We admit our mistakes.	We know our clients and their needs.	We realise that we cannot achieve our vision without engaged employees.
We have a responsibility towards output and productivity.		We deliver on time, on track and on target.	We treat them fairly and with respect and dignity.	We support our employees to reach their full potential.
We speak the truth.		We report honestly and transparently.	We advise clients honestly and according to legislative principles.	We manage performance fairly.
		We are accountable to all our stakeholders and the environment.		We reward and recognise achievement fairly and responsibly.

## 1.4 International standards, best-practice guidelines and specific legislation

International standards, best-practice guidelines and specific legislation provide legitimacy and effective guidelines for the implementation of an ethical culture in our organisation:

### King IV™

According to King IV™, the governing body of an organisation's primary governance role and responsibilities include:

- 'Steering and setting strategic direction regarding the organisation's strategy as well as the way in which specific governance areas are to be approached, addressed and conducted.
- 'Approving policy and planning that gives effect to strategy and sets direction.
- 'Ensuring accountability for organisational performance by means of, among others, reporting and disclosure.
- 'Overseeing and monitoring implementation and execution by management.'

Incorporated in King IV™ is the ethics imperative for the board, ie not only to concern itself with corporate governance, structure and process, but also in terms of ethical consciousness and conduct of the organisation. The underpinning philosophies of King IV™ consisting of integrated thinking, the organisation as an integral part of society, corporate citizenship and stakeholder inclusivity can only be brought to fruition if the organisation's philosophy is based on the foundation of ethics. Furthermore, King IV™ also now refers to ethics in remuneration, recognition and performance management.

### Global Compact Local network South Africa

The United Nations Global Compact (UNGC) is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, the environment and anti-corruption, as follows:

#### Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** Make sure that they are not complicit in human rights abuses.

#### Labour

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** The elimination of all forms of forced and compulsory labour;
- **Principle 5:** The effective abolition of child labour; and
- **Principle 6:** The elimination of discrimination in respect of employment and occupation.

#### Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** Undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

#### Anti-corruption

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

At Nedbank we pride ourselves on being a leader in all four of these areas and our strategy reflects this. We also submit an annual Communication of Progress to the UNGC in support of our commitment to the 10 principles.

Our objectives for being a member of the UNGC are as follows:

- adopting an established and globally recognised policy framework for the development, implementation, and disclosure of environmental, social, and governance policies and practices;
- sharing best and emerging practices to advance practical solutions and strategies to common challenges;
- advancing sustainable solutions in partnership with a range of stakeholders, including UN agencies, governments, civil society, labour, and other non-business interests;
- linking business units and subsidiaries across the value chain with the UNGC's local networks around the world, many of which are in developing and emerging markets;
- accessing the United Nations' extensive knowledge of, and experience with, sustainability and development issues;
- utilising UNGC management tools and resources, and the opportunity to engage in specialised workstreams in the environmental, social and governance realms; and
- using the Global Reporting Initiative principles in the group's integrated reporting to ensure transparent and accountable reporting to stakeholders.

The board takes into consideration all aspects of the abovementioned standards, guidelines and legislation in the duties it delegates to the executive.

The board monitors adherence to all these aspects through the Group Transformation, Social and Ethics Committee.

The board also commits to achieving results by doing business responsibly and sustainably, acknowledging and committing to the Nedbank Group Board Ethics Statement and being measured on adherence in the annual board evaluation.

## 1.5 Nedbank Group Board Ethics Statement

Ethical leadership starts at the top. That is why we require from our directors to commit to the Board Ethics Statement annually.

### Preamble

As the Nedbank Group Board of Directors, we are committed to high ethical standards and we promise to conduct our business honestly, scrupulously and with integrity. At the core of our code of Conduct and Ethics are our values of integrity, accountability, respect, people-centeredness and being client-driven. These must be used to guide and direct the way we do business. We know that business depends on trust, which is why we do all we can to earn it and nothing to impair it.

### The bank

We try to protect and enhance the bank's name and reputation and we do not act in ways that would bring discredit to it as the bank's reputation is one of our most important assets. If we are faced with a conflict of interest, we declare it. We look after the bank's assets as if they were our own. We respect the confidentiality of both organisation and client matters.

### Our employees

We do all we can to ensure that employees are treated fairly and given every chance the bank can offer to realise their full potential. We work within a team and do all we can to support other members of that team and of other teams in the bank. We do not let personal ambition drive us to behaviour that we would be ashamed of were it to be known. If we are leaders at any level, we set an example knowing that what we do, and refrain from doing, is as important as what we say.

As an equal-opportunity organisation, we recognise the need to ensure that all employees are given opportunities to grow not only in terms of organisation policies but also their broader career plans and development, taking into account the country's transformation agenda.

### Our clients and suppliers

We provide our clients with high quality and competitive products and services. We believe that integrity in dealings with our clients and suppliers is a prerequisite for successful long-term relationships. We believe in and support the empowerment of individuals through financial inclusion, and are committed to delivering financial services at reasonable costs to previously disadvantaged and low-income segments of society.

### Shareholders

Our financial and regulatory reporting will be true and fair and produced in accordance with relevant corporate legislation and market requirements. The accounts we present to shareholders will be reliable, truthful, accurate and complete. We will try to paint as clear a picture as possible of the group's position and prospects. There are no transactions that are 'off the books'. We communicate business policies, achievements and strategy to our shareholders and other investors honestly. We will not do anything that will advantage one class of investor at the expense of another. We act responsibly in international trade and investment.

### The community

We serve and support communities in which we operate by providing equal-employment opportunities, delivering our service efficiently and profitably, and funding community development initiatives. We support communities in which we operate. Charitable donations and educational and cultural contributions will be made in accordance with the policies set and reviewed by our various charitable committees or foundations. We encourage our employees to play a positive part in the community.

### Government and regulators

We respect the laws, traditions, customs and cultures of each country in which we operate. We contribute to the economic, environmental, social and cultural wellbeing and development of countries and communities in which we conduct business. We comply with competition laws, do not evade tax obligation, and we record and report all reportable transactions. We do not make political donations. We never improperly influence a decision made by a government official or any public or private sector employee. We meet our compliance obligations as established by our regulators across the group. We are transparent and cooperate with our regulators and we engage with them constructively to assist with the development of regulation where the group is concerned.

### Competitors

We seek competitive advantage through superior performance and products and never through unethical or illegal practices. In our contact with competitors we avoid discussing competitive, proprietary or confidential information. We will not attempt to acquire information regarding a competitor's business by disreputable means. We will not engage in restrictive trade practices or abuse any position of market dominance.

The Nedbank Group's reputation relies on the business conduct of every employee, and every boardmember.

## 1.6 Leading with integrity

‘Power does not change who you are, it only reveals who you are.’

– Variation on the quote by Michelle Obama,

‘Being president doesn’t change who you are, it reveals who you are.’

The board sets the example for the leadership of the group to:

- Be a role model and good example for employees. If leaders do not demonstrate good behaviour we cannot cultivate an ethical culture. We encourage our peers to act ethically and avoid even the appearance of something that seems unethical.
- Recognise and acknowledge ethical behaviour in others and encourage more of the same.
- Encourage employees to speak up and to challenge unethical behaviour in a respectful way.
- Remember that the most important thing we do, is not the ‘what’ but the ‘how’ and the ‘why’. Performance without ethics does not equal sustainability.
- Meet with our direct reports and talk about ethical behaviour in the office. We can either discuss a concern or provide positive feedback.
- Never retaliate against someone who has raised a concern or assisted in an investigation. Furthermore do not interfere should there be an investigation into a concern.
- Realise that if there is a conflict between the business objectives and ethics, ethics must always come first.
- Never cover up unethical behaviour or ignore a concern.

## 1.7 Who is covered by the code?

All employees on the group’s payroll, including permanent employees, fixed-term contractors and temporary employees working for the group or any of its subsidiaries.

A fiduciary relationship is established from the moment an employee commences work with the group and extends to engagements or dealings with all stakeholders. This fiduciary duty extends to your private time. In return for compensation and benefits you must ensure that your services are rendered in good faith and must in no way detract from the relationship of trust. The group expects all employees to uphold ethical standards, which includes an obligation not to work against the group’s interests.

Our reputation is our most valuable asset in business and we must therefore, at all times, do the right thing.

All employees must remember that they are responsible for reading, understanding and acknowledging all communication pertaining to their function and the greater Nedbank community.

The purpose of the code is to clarify what is deemed acceptable behaviour from a group employee at all times.

## 1.8 Our core values in action

The Employee Conduct Pledge sets out the principles of conduct acceptable to the group. All employees pledge to:

- treat others with respect, dignity and humanity and respect the diversity of beliefs, cultures, convictions and habits of the people of our bank and the countries in which we operate; respect the rights of others regardless of age, race, gender, sexual orientation or disability;
- foster a culture of respect for all persons in all areas of our lives.
- strive in our personal, professional and leadership capacities directly or indirectly not to associate ourselves with sexual violence and abuse of persons, including persons with disabilities;
- not associate ourselves with harmful practices such as child labour, forced labour, slavery, forced marriages and human trafficking;
- do what is best for our bank, our country and our planet;
- act with professional integrity and abide by the values, policies and procedures of the group, the laws of our country and the universal human principles of all that is good and just;
- be honest, reliable, fair and transparent in everything we say, write and do and accept responsibility;
- not wilfully tamper with or destroy documentation or information;
- refrain from engaging in or facilitating criminal and corrupt activities;
- refuse to receive or pay a bribe and in terms of the group’s fraud and anti-corruption activities policies report any attempted solicitation of a bribe and all other corrupt activities that come to our attention;
- protect the group’s assets, information, reputation, products, services and systems from misuse or abuse;
- not associate ourselves with a conflict of interest and to disclose to the group any real, potential or perceived situation where our private interests or the interests of a member of our immediate or extended family (parents, siblings and their immediate families) or other person close to us may create a conflict of interest or reputational risk;

- decline to give or receive gifts or benefits in contravention of the group’s policies and not to allow a gift, irrespective of value, to influence our business decisions;
- seek new, better and more innovative ways to do our work and to do it to the best of our abilities;
- refrain from remaining silent in the face of corruption, theft, dishonesty, malice, disrespect, intolerance, abuse or injustice; and,
- as a leader, manage performance fairly and reward and recognise achievement fairly and responsibly.

### 1.9 Test for ethical conduct

To help us make the appropriate decisions expected of us in the Employee Conduct Pledge we use a simple test. Remember that conduct being legal is only the first step to conduct being ethical. Therefore we test ourselves whenever our compass goes off-direction or we don’t know what to do.

#### Ask yourself the following:

IS IT LEGAL?	NO. DON'T DO IT.	YES. PROCEED TO NEXT QUESTION.
Does it comply with our policies?	No. Don't do it.	Yes. Proceed to next question.
Does it reflect our values and purpose?	No. Don't do it.	Yes. Proceed to next question.
Do I protect our interests?	No. Don't do it.	Yes. Proceed to next question.
Would it look good in the media?	No. Don't do it.	Yes. Proceed to next question.
Would our fellow colleagues and stakeholders approve?	No. Don't do it.	Yes. Proceed to next question.
Would my family and society approve?	No. Don't do it.	Yes. Proceed to next question.
Does your gut tell me it is the right thing to do?	No. Don't do it.	Yes.
		You are making the right decision!

## 2 OUR STAKEHOLDERS

### 2.1 Our employees

Our business cannot be successful without talented people. Talented people bring passion, client service and innovation to the table. We have learnt over time that clients sometimes not only need, but insist on speaking to a person rather than an electronic interface.

We recognise our employees who collaborate, act responsibly and treat others with respect and dignity. We also acknowledge that humility is a cornerstone of ethical leadership. Our common values provide the foundation for responsible business and for the way we treat one another. We provide a safe place to work, learn and thrive. We reward employees fairly and responsibly in line with their contribution and performance. The group draws strength from and celebrates diversity and inclusion. The retention, growth and recognition of diverse talent are fundamental aspects to our success.

We expect our employees to have a commitment to agility, innovation, creativity and entrepreneurship to find new and better ways of addressing individual and organisational challenges in alignment with 'New Ways of Work'. To meet the standards of innovation and creativity all employees must:

- consider alternatives other than the way we have always done it, when facing individual, team or organisational challenges;
- be open to suggestions and constructive negative feedback to discern ways of improving processes or procedures, irrespective of their source; and
- encourage others in the workplace to suggest creative and innovative alternatives by soliciting new ideas and listening openly to the ideas that are put forth.

### 2.2 Respecting our clients

We believe that integrity in our dealings with clients is a prerequisite for successful long-term business relationships.

We ensure that all advertising and other public communications are accurate. Concealment and overstatement will be avoided. We will never deliberately give inadequate or misleading descriptions of products or services.

In accepting business or entering into contracts we will observe high standards of integrity and act in the best interests of the group, at the same time satisfying the relevant parts of our code. Business will not be placed or accepted, or contracts or arrangements entered into, with an improper motive.

In dealing with clients we may not give or receive, or encourage the giving or receipt of, cash gifts or gifts in kind that may impair our judgement. Similarly, any hospitality or entertainment given or received in the course of business will be reasonable and not open to interpretation as excessive and will be in compliance with group policies.

We maintain the confidentiality of any sensitive information received from clients, suppliers and intermediaries, other than where expressly directed by local legislation or a court order.

Where business practices differ in the various countries in which the group operates, we will favour consistent procedures among subsidiaries and business partners and associates. We will work for multilateral action aimed at achieving legal and ethical common standards.

### 2.3 Fair and reasonable market conduct

Nedbank's vision is to be the most admired financial services provider in Africa by our clients, among others. We aspire to be a 'great place to bank and invest'. We also pride ourselves on being distinctive through listening to and understanding our clients' needs.

Nedbank is a client-driven organisation and has added this to its established values of respect, integrity, accountability and being people-centred.

We believe that the fair treatment of our clients through quality service delivery is the cornerstone of our business.

We are committed to:

- Fair lending.
- Compliance with regulatory requirements.
- Marketing accurately and not misleading, including the provision of appropriate information for clients to make informed decisions.
- Client query and complaint resolution.
- Delivering products and services based on client needs and not on incentives and sales targets.
- Ensuring that employees comply with the Financial Advisory and Intermediary Services Act (FAIS) fit-and-proper requirements and have the necessary authorisation to provide financial advice.
- Financial inclusivity including disabled clients' having access to our buildings.

### 2.4 Our shareholders

It is each employee's responsibility to ensure that our reputation is protected at all times. Our choices must always reflect our values.

Therefore, we communicate business policies, achievements and strategy to our shareholders and other investors. We will not do anything that will benefit one class of investor at the expense of another. Our financial and regulatory reporting will be true and fair and produced in accordance with relevant legislation and market requirements. We act responsibly in international trade and investment.

## 2.5 Responsible investing

We comply with the code of Responsible Investing in South Africa (CRISA) which gives guidance on how the institutional investor should execute investment analysis and activities, and exercise rights to promote sound governance. The principles of CRISA require us to do the following:

- Aim to incorporate sustainability considerations, including environmental, social and governance, into its investment analysis and activities as part of the delivery of superior risk-adjusted returns to the ultimate beneficiaries.
- Demonstrate our acceptance of ownership responsibilities in our investment arrangements and activities.
- Where appropriate, consider a collaborative approach to promote acceptance and implementation of the principles of CRISA and other codes and standards applicable to institutional investors.
- Aim to recognise the circumstances and relationships that hold potential for conflicts of interest and proactively manage these if they occur.
- Be transparent about the content of our policies, how they are implemented and how CRISA is applied to enable stakeholders to make informed assessments.
- Ensure that the business units responsible for investment activities take responsibility for the implementation of the requirements by CRISA.
- To not invest or facilitate investment in any entity or activity or services that could be in breach of any sanctions obligation.

## 2.6 Competitors

We recognise that healthy competition will reflect in appropriate products and services at competitive prices, and we therefore:

- seek competitive advantages through superior performance and products and never through unethical or illegal business practices;
- avoid discussing competitive, proprietary or confidential information in our contact with competitors;

- will not attempt to acquire information regarding a competitor's business by disreputable means; and
- will not engage in restrictive trade practices or abuse any position of market dominance.

## 2.7 Respecting society

We understand that our success is contingent on the degree to which we deliver value to society. As such, it is important to understand our role in society and how society can be different because Nedbank is a part of it. A deep understanding of our purpose helps to guide strategy and decisionmaking and should result in an optimal balance between long-term value creation and short-term results.

Nedbank takes into account the concerns of society, including both national and local interests. We seek to serve society by providing our services efficiently, and by providing good employment opportunities and conditions. Charitable donations and educational and cultural contributions will be made in accordance with the policies set and reviewed by our various charitable committees or foundations.

## 2.8 Respecting the environment

- We are concerned with the conservation of the environment in its broadest sense, and recognise that certain resources are finite and must be used responsibly.
- We aim to limit the use of finite resources in all business ventures. In particular, we recognise the importance of our environmental role in managing buildings and the land we occupy including effective waste management and the careful use of energy and water and therefore act in a responsible manner.
- We aim to partner with clients and suppliers in managing the group's indirect environmental impact as far as possible, and work through various partnerships and awareness initiatives and by way of product and service offerings to enhance environmentally responsible behaviour.

## 2.9 Governments, regulators and supervisors

- We respect the laws, traditions, customs and cultures of each country in which we operate.
- We contribute to the economic, environmental, social and cultural wellbeing and development of countries and communities where we conduct business.
- We comply with competition laws in jurisdictions where the group operates.
- We will not evade tax obligations.

- We comply with our reporting obligation.
- We never improperly influence a decision made by a government official or other public or private employee.
- We meet our compliance and risk management obligations, as established by our regulators and supervisors across the group. We are transparent and cooperate with our regulators; we engage with them constructively to assist with the development of regulation, legislation, industry guidance, etc, where the business is concerned.

## 2.10 Competition law

A competitive free market system leads to robust economic growth and healthy competition that ensures consistent improvement of products and services. Competition law is governed by the Competition Act, 1998, as amended. The act confers on the competition authority extensive powers designed to prevent anti-competitive conduct such as:

- restrictive horizontal and vertical practices;
- abuse of a dominant position; and
- mergers control enforcement.

We require all our employees to strictly adhere to the requirements of competition law. Breaches of competition law may result in disciplinary action that could lead to the dismissal of the employee concerned.

## 2.11 Risk management relating to money laundering, the financing of terrorist and related activities and sanctions

Nedbank will not be associated with or facilitate money laundering and terrorist financing, or breach sanctions regimes that the group has subscribed to. The group has introduced a Risk Management and Compliance Programme that comprises policies, principles, processes, practices, procedures and plans to ensure statutory duties and regulatory obligations, and agreed risk management standards are met.

We must always be aware of our responsibility as individuals to detect, prevent and report possible instances of money laundering, terrorist financing and related activities and/or transactions. Employees must also be aware of the group's obligations to comply with all Financial Intelligence Centre Act obligations (eg client due diligence recordkeeping and reporting obligations).

### 3 GENERAL CONDUCT GUIDELINES

This is not an exhaustive list of possible unethical behaviour. The application of values and principles apply to any set of circumstances.

#### 3.1 Harassment and discrimination

Harassment and discrimination against any person is strongly prohibited. Some conduct, even if it is legal, may violate our policies regarding harassment and discrimination. Even conduct that takes place outside of work premises and after hours may violate our policies. All employees must familiarise themselves with the definition of harassment, sexual harassment and discrimination as per the definitions section.

#### 3.2 Drug and alcohol abuse

Being in the possession of illegal drugs or under the influence of intoxicating substances, or using illegal drugs on organisation property as well as any offsite engagements with stakeholders not within business hours is in violation of the code.

Moderate use of alcohol at business-related functions is allowed, as long as we practice responsible drinking and don't return to work after the function having exceeded the legal limit. Please don't drink and drive.

Consuming alcohol during work hours without consent from the group while meeting with any stakeholders, giving a colleague your prescription medicine or coming to work impaired from alcohol or drugs at any time is a violation of the code.

#### 3.3 Physical security

Threatening behaviour, violence and assault will not be tolerated on organisation premises.

If you have obtained a restraining order including against a fellow colleague, listing any organisation properties as protected areas, you must disclose this to management and People Security.

Weapons are not allowed on organisation premises. This excludes security employees.

#### 3.4 Occupational health and safety

The group is a financial services provider that considers its employees a valuable asset and undertakes to safeguard them, as far as possible, against any threat to their health and safety arising from any work or operations associated with its business. Practice good safety habits.

#### Events within the course and scope of employment

You may be required to attend social, strategic and work events including but not limited to team-building, strategy sessions and conferences organised by the group. You will continue to be bound by the group's policies even in instances where such events may be held outside of company premises and/or outside of work hours. When attending such events you are required to: (i) conduct yourself in a proper, responsible, professional and acceptable manner; (ii) comply with applicable laws/rules/regulations, the group's policies, and the terms and conditions applicable to the event; (iii) refrain from any conduct that could potentially be prejudicial to the group or adversely impact its reputation; (iv) refrain from any conduct that may impact the safety of those around you; and (v) refrain from any conduct that may result in damage to property. You may be held liable in the event of third party claims against the group, or any penalties imposed, that are due to or attributable to your negligence or wilful conduct.

Participation in certain events may carry inherent risks, depending on the nature of the event. Although we will take reasonably practicable steps to ensure your safety, it remains your responsibility to acquaint yourself with the risks that you may be exposed to, look after your personal possessions, and inform the group representatives responsible for the event if you are precluded from participating in the event (or any aspects thereof) as a result of ill-health, disability or inability. If you wish to participate in any activity or use any available facility/amenity that (i) does not form part of the itinerary set by the group; and (ii) is not compulsory; you are responsible for your own health and safety, and the safety of your possessions, and the group will not be liable for any loss or damage that may arise as a result of your participation in such activity, unless otherwise expressly prescribed by law.

Alcohol possession and consumption is strictly forbidden on any transport made available to you by the group. The group may also require that no alcohol be consumed during the event or during certain parts of the event. You may be disallowed access to the event or arranged transport in the event that you arrive intoxicated.

In the event that you are incapacitated, you acknowledge that it may be necessary for the group or individuals responsible for the event to arrange for immediate medical or other treatment. You will be responsible for the costs arising from such treatment (including conveyance by ambulance, aircraft or other transport).

### 3.5 Smoking

Smoking on campus sites is allowed in designated areas only. The number of breaks and the duration thereof must not negatively impact your job or working environment. As with any allowance, abuse of this privilege may be met with the relevant management action.

### 3.6 Lending/Borrowing/Giving colleagues money

All employees are discouraged from these practices, as non-repayment could disrupt work relationships. Employees should not become involved in colleagues' personal financial affairs.

### 3.7 Intellectual property/Studying

All work you do for the group in the execution of your duties belongs to the group and you need to obtain authorisation from the group, in particular the business executive and Group Legal, if you need to use any confidential or proprietary information belonging to the group in your studies or for any other purpose. If the use of confidential or proprietary information belonging to the group is then used in your studies, a formal non-disclosure agreement must be signed by the relevant academic institution. Confidential information or material subject to copyright from previous employers may not be used in your current position.

Be aware that intellectual property created by you during your employment with the group becomes the property of the group.

### 3.8 Electronic communication, training and acknowledgements

Electronic communication through the different group and business communication channels (eg NedNews), training and acknowledgements are valid business tools to impart important information to employees and must be read and understood. The importance of the declaration on the EGC Tool for communication acknowledgements must be taken to heart. You acknowledge and certify that your electronic signature indicates that you have read and understood the document/policy. You also declare that if you did not understand any content in the document/policy, you would first consult with the appropriate person (line manager, ethics office, policy owner, and Human Resources manager, Compliance and Governance Officer or Risk Manager) to understand the content before you acknowledge the document/policy.

All new and current employees to the group have three months to complete all compliance training and policy/document acknowledgements. Employees may not argue that a policy does not apply to them in circumstances where they failed to acknowledge it.

### 3.9 Inappropriate personal relationships

Inappropriate personal relationships (eg romantic) that create a conflict of interests, reputational risk or have any negative impact on the working environment are frowned upon. Where this has a negative impact on the business environment or creates a reputational risk, it will be addressed by management. Forced separation of these individuals depending on the context of the situation (moving employees to different areas where they do not negatively impact on each other or the working environment) is a possibility.

### 3.10 Dress code

Employee behaviour and actions must at all times display professionalism, including complying with the group's dress code principles.

### 3.11 Political donations or sponsorships

We will not make political donations or sponsorships.

### 3.12 Gossiping

Gossiping is considered harassment and will be treated accordingly. Gossiping is any casual or unconstrained conversation or reports about other people, typically involving details that have not been confirmed as true.

### 3.13 Rumour mongering

Statements or comments made by employees about competitors are a direct reflection of the employee's character and possibly the group. Employees are required to treat everyone with respect and dignity and not create or spread rumours about competitors.

### 3.14 Social media

The group does not object to or discourage the use of social media and regards it as an important tool in communicating and engaging with clients and key stakeholders. While this policy is intended to foster an open and expressive environment we recognise that the use of social media has risks connected to it

and accordingly it is under an obligation to limit and, where possible, avoid those risks. We must protect the privacy, security and image of the group and its employees, clients and stakeholders, while at the same time maintaining corporate security.

These principles and guidelines reflect conduct that group employees have to follow when engaging in online communication and are intended to create an understanding of both the proper and improper uses of social media and to assist employees in their use of social media tools as an individual.

Employees must at all times:

- Be aware that nothing in the use of these platforms changes their responsibilities and obligations as an employee of the group.
- Act ethically.
- Obey local laws and adhere to local legal and ethical regulations.
- Consult the relevant ethics or compliance officer before publishing/posting any material to a social media platform or if an employee has any confusion, or is uncertain, about whether to publish something on social platforms or online media.
- Have particular regard to proprietary information and avoiding misrepresentation.

Employees are not permitted to publish any content on behalf of the group or content which may be perceived to be on behalf of the group, unless authorised by a delegated spokesperson.

### 3.15 Cellphone usage during work hours

Excessive use of cellphones for texting and other personal uses including as described in 3.14 above can be distracting to other employees and may even be restricted if it interferes with productivity or the work environment.

### 3.16 Personal account and insider trading

Personal account trading occurs when an employee of a bank or financial institution trade in financial instruments where the risk and rewards are for his/her benefit or that of a related party.

Insider trading occurs when a person gains access to inside information and uses that information to trade, ie someone who uses their access to group or stakeholder information for their own or someone else's advantage. Insider trading is an offence which carries sanctions.

### 3.17 Personal financial management

Employees must manage their personal accounts/finances responsibly. As a financial institution, we need to gain the trust of our stakeholders through effective governance, which includes that our own financial matters be in order.

### 3.18 Personal use of organisation resources

Occasional use of telephones, email or copier machines for personal purposes is allowed. This excludes the use of these resources to manage/run your own personal business, which is considered a conflict of interest. Where there is excessive use of organisation resources for private purposes, management is entitled to suspend the use of these resources.

### 3.19 Stakeholder engagement

Speaking to external stakeholders, ie the media or regulators, on behalf of the group is only allowed if you have the appropriate mandate from the delegated spokesperson. Any breach is serious and will have appropriate repercussions.

### 3.20 Declaration of secrecy and privacy requirements

As stipulated in the Declaration of Secrecy and as part of employee terms and conditions of employment, employees have an obligation to:

- observe the strictest confidentiality at all times during and after employment with regard to the business and affairs of the group, its clients and other employees; and
- refrain from accessing and using information pertaining to the group's business and affairs. Unauthorised access may render you subject to disciplinary action in terms of the group's Disciplinary Code and Procedure by the group's clients and other employees.

#### Did you know?

When your service as employees or director of the group ends, you still have to protect confidential information.

### 3.21 Removal of documents from organisation premises

You may not remove any confidential record, document or other information relating to the group's financial trade, business and/or affairs from any of the group premises unless authorised to do so

by your line manager, either verbally or in writing in line with your job function. The unauthorised removal of any confidential record, document or information may render you liable to disciplinary action in terms of the group's Disciplinary Code and Procedure.

### 3.22 Preventing financial crime, bribery and corruption

The group will not be associated with or facilitate money laundering or terrorist financing and has introduced a Risk Management and Compliance Programme, which comprise policies, processes, practices, procedures and plans to ensure statutory duties and regulatory obligations and agreed risk management standards are met. Rules have been defined, and in various countries legislation enacted with the purpose of combating money laundering and the financing of terrorist and related activities by, inter alia, imposing certain duties on institutions and other persons who may be used to facilitate these offences. The group will manage and, where necessary, decline business relationships, applications for business relationships and transactions involving individuals, entities, countries, goods or activities targeted in applicable financial sanctions legislation; and apply measures to combat the proliferation of weapons of mass destruction and other sanctioned activity.

#### What is fraud?

Fraud is unlawful and intentional misrepresentation that causes actual prejudice or is potentially prejudicial to another.

#### What is corruption?

Corruption is using your job to obtain a benefit for yourself or someone else which you would not ordinarily have received.

Recently, anti-bribery and corruption legislation have become a more prominent feature of the international regulatory landscape. The group must comply with the UK Bribery Act of 2010 (UKBA) as well as the South African legislation, the Prevention and Combatting of Corrupt Activities Act of 2004 (PRECCA), and Regulation 43 of the Companies Regulations.

Of particular importance in the UK Bribery Act is section 7 of the Act which sets it apart from other legislation in that it creates a corporate offence. A commercial organisation is liable under section 7 if a person 'associated' with it bribes another person intending to obtain or retain business or a business advantage for the organisation. The only defence

at an organisation's disposal against a charge under section 7 of the UKBA is to prove that, despite a particular case of bribery, it nevertheless had adequate procedures in place to prevent persons associated with it from bribing other individuals.

We must take great care when engaging with third parties and ensure that we conduct sufficient due diligence on all parties to ensure we know who we are doing business with. The group has a zero tolerance for corruption!

#### What is dishonesty?

Dishonesty is any misrepresentation of the truth, acting without honesty and integrity, and also lying, cheating or failing to disclose facts. An employee may be listed on the register of employees dismissed for dishonesty-related offences (REDS) for dishonesty-related misconduct, even if the employee resigns prior to the disciplinary hearing.

#### What is theft?

The unlawful and intentional appropriation of another's property. As a leader who acts with integrity, it is your responsibility to report any fraudulent or unlawful act or any form of dishonesty, fraud, theft or corruption that you suspect or are aware of, as well as promote a positive reporting culture within your teams.

Employees have a duty to report financial crime, bribery and corruption (to the relevant internal stakeholders) if an employee is aware of same, or suspects same.

#### Did you know?

Tendering your resignation while actively under investigation will not absolve you of responsibility for dishonest conduct while you were an employee. If you are found guilty of dishonesty at a post-termination enquiry, the group is required to list you on the Banking Association's register of employees dismissed for dishonesty-related offences (REDS).

### 3.23 Facilitation payments

Facilitation payments are only allowed under two circumstances:

- When your life is in danger.
- When there is a medical emergency.

These instances must immediately, or as soon as reasonably possible after they have occurred, be declared to Group Risk, the Ethics Office and line management.

### 3.24 Avoiding conflicts of interest

All employees of the group have an ethical obligation to act in the best interest of the group, provide a standard of care to clients at all times, and to not to serve personal interests ahead of the group. Nothing in this code will restrict employees from holding outside interests provided such interest do not inhibit such employees or conflict with any group clients. All outside interests must go through a rigorous approval process to ensure compliance with international best practice and that conflicts are appropriately managed. The first approval will be by the business compliance officer/ethics officer, followed by line management approval except in the case of directorships, which have to be approved by the relevant cluster executive as well as the business compliance officer/Ethics Office. Employees working in areas that are 'high risk for corruption, eg Procurement, will be dealt with more strictly.

When in doubt whether detecting a conflict of interest exists, ask yourself the following:

- Is it in the best interest of the group?
- Will it be in competition with any service, product or other business activity the group provides/ is involved with? (If you have your own business venture, do you provide a service or a product in any shape or form that the group provides to any third party?)
- Does it have a negative impact on your work environment? For example, are you:
  - too tired to work;
  - using bank equipment and resources for personal purposes or to run/support your business venture, ie telephone, email, internet, copier machine, time away from work; or
  - needing to conduct your private business functions during business hours?
- Is there any possibility that your conduct/ involvement in this interest may cause reputational risk or have a negative impact for the group?
- Does it violate any confidentiality obligations of any of our stakeholders?

#### Did you know?

Subject to applicable legislation, all personal use of bank resources, eg email and telephone usage, may be monitored by the group.

Where employees earn additional income in their private time, they must discuss all potential conflicts/ outside interests with line management before declaring the interest. If there is no conflict of interests with the group and no reputational risk, employees don't have to declare the additional income, eg rental income.

#### Did you know?

If the group provides a product or service to any third party associated with the group, as an employee you cannot provide this product or service in your personal capacity for remuneration or any other form of gratuity.

Other examples of conflicts of interest:

- Employees and their immediate family members (spouse, siblings and their spouses, children and their spouses, and parents) acting as suppliers to the group. Suppliers who have family members working for the group must declare it with Group Procurement and employees who have family members providing services to the group must declare this as an outside interest on the Communication Acknowledgement and Declaration System. All these suppliers will be reviewed by Group Procurement and the decision made on the use of these suppliers in terms of business strategy and requirements. In future no further instances will be allowed where a direct family member of an employee can become a supplier of the group.
- In the case of employees being invited by suppliers to attend conferences the group will be required to pay the travelling and accommodation costs if we deem it relevant and necessary for the employee to attend. This will not be allowed as a contractual requirement by the supplier in future. Management needs to decide if the cost of the employee attending these conferences is justified by the value that the group will receive from it. The conference/ seminar costs as well as all gifts received during the conference/seminar may be accepted as gifts in accordance with policy and must be declared.
- Employees may not engage in any conduct, or participate in any event, which may be perceived to be marketing the supplier or endorsing any of its goods or services. Employees may not express any views or opinions on behalf of the bank, or what may be perceived to be on behalf of the bank, concerning a supplier of the bank or the goods or services of a supplier of the bank unless authorised to do so in terms of the External and Internal Communications Policy.
- Employees are not allowed to become beneficiaries of a client's will and testament unless the client is a family member or the relationship has been established outside of the employee's employment.
- Being involved in a formal role or function in any political party (not membership).
- Working for or being an owner of a real estate company you are in a position to recommend banking services to clients that may include referrals to other financial institutions.
- Where employees are aware that they are included in a will of a client, as a beneficiary in a trust where the financial planner was instrumental in setting up the trust or included in insurance policies, eg life policy beneficiary.

- Influencing a client to become a beneficiary in his/her will or trust.
- Using the property/resources of the group for personal purposes.
- Using intellectual property/information as acquired in the course of business without permission of the group.
- Disclosing confidential information to outsiders.
- Conducting a business or enterprise during working hours.
- Abusing working hours/bank resources for personal purposes.
- Running a business in competition with the group.
- Approaching clients/vendors of the group for personal use or building up your own business.

#### Declare the following:

- Membership on outside boards of directors, advisory councils, trade associations or government related associations or organisations.
  - The number of non-executive directorships an employee can hold will depend on the following:
    - o Type of business (certain directorships will take up less time and effort than others).
    - o Impact on the employee's duties/function.
    - o Whether it is a conflict of interest – the directorship will not be allowed.
 All non-executive directorships must be approved/declined at cluster executive level after consultation with business compliance and the Ethics Office.
  - The fees employees are paid:
    - o Employees representing the group on boards must pay the fees they earn over to the group.
    - o If an employee is a non-executive director on a board in his/her private capacity and attends meetings during working hours (if agreed by line management according to operational requirements), the fees must be paid over to the group.
- Transactional interests, eg authority in tenders, structured deals, membership of credit approval committees and investments on behalf of the group either as a connected person or related individual, and subsequent recusal from these transactions.
- All private business interests in companies, partnerships and close corporations, whether active or dormant and until it is deregistered. Employees must specifically refrain from using their Nedbank email to run their private business.
- Affiliation (friendship, romantic or familial relationships) with a bank supplier, client or business associate.
- Beneficiary of a personal trust trading on the stock market.
- Signing power on any Nedbank bank account in your personal capacity.

- Potential conflicts of interest.
- Safety and security payments in other countries (facilitation payments).
- Acting as trustee on behalf of the group.
- Financial interests – should not hold a financial interest in an organisation that competes or does business with the group.
- Any outside employment.

It is the line manager's responsibility to ensure that their employees have up-to-date declarations on the system.

#### Nepotism and cronyism

Nepotism and cronyism are both forms of conflicts of interest. This occurs where employees use their position or influence to unduly impact decisions made by business.

Examples include:

- Employees who introduce applicants to the group or know these applicants as family members or friends must not be involved in the recruitment process of these candidates.
- Where family members work for the group, they may not work in the same business division and therefore not in the same reporting line. All instances of family members working for the group will be looked at individually, in context.
- Employees with family members who are suppliers to the group must not be involved in any decisionmaking regarding the onboarding process or the use of suppliers by the group. Employees must not approve any invoices for services/products rendered by family members who are suppliers of the group.
- Personal relationships with suppliers or any other third party associated with the group can possibly lead to a conflict of interests or reputational risk.

### 3.25 Relationships with business partners

If an employee has a personal relationship (friendships, romantic or familial) with a business partner, supplier or client to the group, they must immediately recuse himself/herself from any related transactions or applicable processes and have no influence or authority in any decision being made where this party is involved. Please also note that regardless of the personal relationship, the rules for giving and receiving gifts will be strictly applied. Employees must declare the relationship as an outside interest.

### 3.26 Gifts and entertainment

#### Gifts received by employees from other parties during the course of their employment

- Any payments for travelling and accommodation, eg hunting trips, conferences or any holiday type gifts offered or paid by clients/suppliers/any other parties associated with the group, must not be accepted unless prior written approval is obtained from the Managing Executive of that specific cluster.
- Solicitation of gifts within the ordinary scope of employment is strictly prohibited unless in collaboration and with the approval of the Nedbank Foundation, supporting Nedbank CSI initiatives.
- Own and third-party corporate identity gifts must be declared.
- All gifts received from the group must be declared with Human Resources for tax purposes. Refer to the Taxation and Awards Policy.
- Corporate hospitality, promotions and gifts are common ways in which bribery can be disguised. Even if legitimate, and these often are, they have the potential to create a perception of corruption.
- Bona fide hospitality and entertainment are often used to build cordial relationships. However, if the hospitality is offered to influence another person or organisation to secure business or a business advantage, it can be considered corruption.
- Where it would be impractical, inappropriate or insulting to refuse to receive a gift that has been offered, an employee may accept the gift. This gift must be declared and handed over to the manager for safekeeping. The gift can be raffled/sold and the proceeds given to charity.

Employees are not allowed to receive any gifts from suppliers apart from relationship-building or networking lunches/functions. The host (supplier) must be present at this lunch/function. It must still be declared as a gift received.

- Example: If an executive is invited to a World Cup soccer event, the group will have to pay the travelling and accommodation costs unless prior written approval is obtained from the Managing Executive of that specific cluster. The host may pay the ticket for entrance to the venue as well as normally associated incidentals such as lunch and refreshments. This also need to be declared.

Employees are reminded that it is their duty to establish the value of the gifts/gratuity/entertainment for declaration purposes.

As per the Procurement Policy, employees and their immediate family members (spouse, siblings, children

and parents) may utilise suppliers from time to time for their personal requirements. Care must be taken to ensure that the group is not prejudiced in any way, objectivity or perceived objectivity is not impacted, discounts or preferential costing are declared in the Communication Acknowledgement and Declaration System and written permission is obtained prior to engagement from the employee's line manager.

According to the Independent Regulatory Board for Auditors we may only offer a registered auditor gifts that do not create threats to compliance with the fundamental principles of the auditor. These gifts would be considered trivial and inconsequential by a reasonable and informed third party and not be a threat to compliance principles in that the offer is made in the normal course of business without the specific intent to influence decisionmaking or to obtain information.

#### Strict prohibition

- Gift cards/vouchers.
- Cash in any form.
- Any gifts from suppliers during the tender and onboarding process except relationship-building/networking lunches/functions.
- Travelling and accommodation for attending events on behalf of suppliers and/or endorse/promote the supplier or its products/services.

Gifts received prohibited from any third party associated with the group unless prior written approval is obtained from the Managing Executive of that specific cluster:

- Travelling and accommodation – this includes the use of supplier holiday homes, game farms, etc.
- Invitations to supplier (private) functions.

Employees are not allowed to receive more than six gifts, including entertainment, per annum from any party associated with the group.

No gifts may be received from public officials and public employees without prior sign-off from your managing executive.

#### Gifts given by employees to other parties during the course of their employment

- Gifts may only be given for legitimate business reasons and not as an inducement to do business.
- All gifts given to clients have to be declared.
- All gifts given to clients during marketing campaigns (Nedbank Golf, Ke Yona, etc) must be declared and a comprehensive report supplied to the Ethics Office monthly. This includes VIP tickets, hospitality passes, etc.

- Gifts/entertainment (accommodation, vouchers, etc.) will be limited to suppliers and their spouses or partners for that specific event.
- All business lunches, functions, cocktails, etc, must be declared. Instances exceeding R500,00 per person will require line manager approval.
- Relationship-building initiatives with suppliers and participation in client/supplier events such as corporate golf days must be declared.
- All corporate card expenditure for gifts, networking and relationship building for clients/business associates must be declared.
- Own and third-party corporate identity gifts must be declared.

No gifts may be given to public officials without prior sign-off at managing executive level.

The Group Executive will from time to time determine the threshold values and levels of authorisation for gift declarations.

### 3.27 Loyalty schemes

Any loyalty scheme bonus points obtained through the use of an organisation expense card or where paid by the group, eg Voyager miles, remain the property of Nedbank and must be used for business purposes, except where an employee has received explicit permission for personal use from the relevant cluster executive in line with policy.

### 3.28 Recording of meetings

Meetings of whatever nature may only be recorded if all participants to the meeting have been informed

of such and agreed to be recorded, notwithstanding any provisions of any law or legislation. Even though it is legal to record a meeting between two persons without one person being aware of it, it is considered unethical if the other party is not informed and has not agreed to it. This is not relevant in the normal course of business where meetings are recorded for minute-taking requirements, eg OPCOM, EXCO or any other committee meetings. This does not apply to forensic and ethics investigation processes, in which event the specific approved governance process is applicable and which process includes specific approval from the relevant executive, one example being point 3.29 in this Code.

### 3.29 Entrapment

In terms of the Criminal Procedures Act if requested by the State to participate in an entrapment process, the request must be approved by the Chief Governance and Compliance Officer or Chief Risk Officer and the Chief Executive Officer, prior to the entrapment taking place.

### 3.30 Group policies

All employees must familiarise themselves with all group policies. It is the line manager's responsibility to ensure that their employees have acknowledged policies according to requirements on the system.

## 4 THE NEDBANK GROUP ETHICS OFFICE

### 4.1 The Ethics Office

‘The Ethics Office is the conscience of the organisation, informing all employees about what is good, right, fair and just in our business operations. There is no right way to do the wrong thing’

– D Havenga, Nedbank Group Ethics Officer

### 4.2 What does the Ethics Office do?

The Ethics Office partners with management to improve ethics risk management in the group. It facilitates the embedding of an ethical culture to solidify the governance of ethics across all levels of the group, rolls out ethics standards across the group and enhances management reporting to improve ethical decisionmaking. The office investigates ethics matters reported through Tip-offs Anonymous or directly to the Ethics Office and related to the alleged violation of the code.

### 4.3 What does the Ethics Office not do

The Ethics Office does not deal with any Human Resources policy or process-related incidents; these should be reported to Human Resources. It does not deal with incidents related to theft, fraud and dishonesty; these should be reported to the Nedbank Group Risk Reporting Line. When the Ethics Office receives reports of this nature, they will be forwarded to the appropriate area for investigation.

### 4.4 Non-retaliation

All employees who file a report with the Ethics Office in good faith will be protected from retaliation. On the other hand, we will also not tolerate retaliation against employees who make a report in good faith. Any attempt to determine the identity of a whistleblower is considered a violation of the Whistleblowing Policy and will result in disciplinary action.

### 4.5 The Ethics Panel

This panel gives guidance and plays an oversight role to the Ethics Office with the investigation of material tipoffs regarding unethical conduct and ensures that independent, objective and fair courses of action are taken in instances of unethical behaviour or actions. The panel consists of the Chief Governance and Compliance Officer, Executive Head of Group Forensic Services, the Human Resources Director and the Group Ethics Officer.

### 4.6 The Managers Toolkit

The Ethics Office continuously strives to support management in the execution of fair and reasonable behaviour towards employees. This Toolkit is available on the Nedbank intranet and provides supporting information to managers regarding the following:

- The Ethics Office employees and contact details
- Business Ethics Officers for the different clusters
- The Group Employee Conduct Pledge
- Ethical leadership principles
- Giving and receiving of gifts
- Declarations of outside interests
- The Nedbank values
- Human Rights in business
- Persons with disabilities
- Harassment
- Treating Clients Fairly
- Investing in honesty (fraud, corruption, dishonesty and theft)
- Dress code
- Business email etiquette
- Meeting etiquette
- A guide to managing breaches/unethical behaviour in the workplace
- Gossiping and social media
- Grievance Policy and procedures
- How to request guidance and report concerns

### 4.7 Contact the Ethics Office anonymously and confidentially

Employees and all other stakeholders are welcome to contact the Ethics Office regarding advice, queries or complaints on any unethical behaviour or actions by our employees or any human rights transgressions by the group. The Ethics Office may be contacted for guidance and advice on whether a specific type of unethical behaviour needs to be reported.

There is a reporting obligation on all employees in the group to report any unethical behaviour or action they witness, through one of the following channels:

- Talk to the Ethics Office: send an email to [Talktotheethicso@nedbank.co.za](mailto:Talktotheethicso@nedbank.co.za), or call +27 11 29 40304.
- Nedbank Group Risk Reporting Line: send an email to [ngrrl@nedbank.co.za](mailto:ngrrl@nedbank.co.za), or call 0860 100 340/ +27 11 29 59555.
- Tip-offs Anonymous: call 0800 000 909, or send an email [nedbankgroup@tip-offs.com](mailto:nedbankgroup@tip-offs.com).
- Website: [www.tip-offs.com](http://www.tip-offs.com)
- Postal address: Tip-offs Anonymous, Freepost DN 298, Umhlanga Rocks, 4320

## 4.8 Investigations

When an employee has a grievance, he/she must follow the Human Resources process of reporting misconduct and laying grievances in accordance with the Grievance Policy.

**The Ethics Office investigates all tipoffs reports of the following nature:**

- Harassment
- Social media transgressions
- Conflicts of interest not related to fraud
- Human rights abuses
- Nepotism/cronyism not related to fraud
- Gifts incidents not related to fraud
- Any other values-related conduct unbecoming of a group employee

**Group Financial Crime and Forensic Services investigates:**

- Theft with internal employee involvement
- Involvement in any other criminal activity
- Fraud
- Dishonesty
- Bribery and corruption

**Group Human Resources investigates:**

- All matters arising from breaches of HR Policy, process and people practices as well as the People Risk Framework and including matters of misconduct, incapacity and employee grievances.

## 5 DEFINITIONS

**Affiliation** means the close involvement with a vendor or service provider by an employee or a connected person.

**Business ethics:** The principles, norms and standards that guide an organisation's conduct of its activities, internal relations and interactions with external stakeholders.

**Client:** Includes current and future clients.

**Code of Ethics and Conduct** is the integration of the set of group values and the rules and regulations that govern the conduct of its employees. It is also an agreement between the group and its employees specifying standards of behaviour expected. Employees agree to the Code when they join the group, and so agree to uphold its standards.

**Conflict of interests** means a person's private interests interferes with the interests of the group. This usually happens when the interest impairs the employee's ability to act impartially or influence a business decision.

**Connected person as per** a circular issued by the Financial Services Board means:

- A spouse or partner.
- Minor children.
- Any person in a business or profit sharing relationship with the employee, including partners in an investment club.
- A trust in which the employee or any person mentioned in bullets one and two is a beneficiary.
- A organisation in which the employee or any person mentioned in bullets one, two or four is a shareholder.
- A pension fund (other than a pension fund managed by the institution) of which the employee or any person mentioned in bullets one, two and three is a beneficiary.
- Any other accounts where the person has a direct or indirect benefit.

**Corruption** is the unlawful use of an official position to gain an advantage. It includes the offering/giving/soliciting or accepting of an inducement or reward for doing any act in relation to the exercise, carrying out or performance of the employee's powers, duties or functions within the scope of his or her employment relationship. For the purposes of this policy, corruption includes the definition of bribery as defined in the UK Bribery Act 2010.

**Employee** is a person on the group's payroll. This covers permanent employees, fixed-term contractors and temporary employees.

**Employee's family** includes the employee's spouse or equivalent, siblings/spouses, parent, grandparent, child, grandchild and any person who is a blood relation of the employee.

**Employer** includes the group and its subsidiaries and is also referred to as the 'group'.

**Ethics** is concerned with that which is right and/or wrong, and should guide human conduct regarding whether an action is right or wrong, a motive is good or bad, and an outcome is desirable or undesirable.

**Facilitation payments** are improper payments made to facilitate or expedite the performance of 'routine' governmental action where we initiate or engage in business with government or the private sector in South Africa or government and private sector in any other country.

**Fraud:** The unlawful and intentional making of a misrepresentation which causes actual prejudice or which is potentially prejudicial to another.

**Gift and Gratification:** Anything that is received by an employee from a client, third party, supplier or a vendor that at face-value could be considered a benefit or an advantage. Gratification includes:

- money, whether in cash or otherwise;
- any donation, gift, loan, fee, reward, valuable security, property or interest in property of any description, whether movable or immovable, or any other similar advantage;
- the avoidance of a loss, liability, penalty, forfeiture, punishment or other disadvantage;
- any office, status, honour, employment, contract of employment or services, any agreement to give employment or render services in any capacity;
- residential or holiday travel and accommodation;
- any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- any forbearance to demand any money or money's worth or valuable thing;
- any other service or favour or advantage of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature whether or not already instituted, and includes the exercise or the forbearance from the exercise of any right or any official power or duty;
- any right or privilege;
- any real or pretended aid, vote, consent, influence or abstention from voting;
- any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage; and
- commercial gain or business promise.

**Harassment** is unwanted conduct which has the purpose or effect either violating the employee's dignity, or creating an intimidating, hostile, degrading, humiliating or offensive environment for them.

The definition, taken from the Protection from Harassment Act 17 of 2011, means directly or indirectly engaging in conduct that the perpetrator knows or ought to know –

- (a) causes harm or inspires the reasonable belief that harm may be caused to the employee or a related person by unreasonably –
  - (i) following, watching, pursuing or accosting of the employee or a related person, or loitering outside of or near the building or place where the employee or a related person resides, works, carries on business, studies or happens to be;
  - (ii) engaging in verbal, electronic or any other communication aimed at the employee or a related person, by any means, whether or not conversation ensues; or
  - (iii) sending, delivering or causing the delivery of letters, telegrams, packages, facsimiles, electronic mail or other objects to the employee or a related person or leaving them where they will be found by, given to or brought to the attention of, the employee or a related person; or
- (b) amounts to sexual harassment of the employee or a related person which includes unwelcome sexual advances.

The definition of sexual harassment from the Protection from Harassment Act 17 of 2011 means any –

- (a) unwelcome sexual attention from a person who knows or ought reasonably to know that such attention is unwelcome;
- (b) unwelcome explicit or implicit behaviour, suggestions, messages or remarks of a sexual nature that have the effect of offending, intimidating or humiliating the complainant or a related person in circumstances, which a reasonable person having regard to all the circumstances would have anticipated that the complainant or related person would be offended, humiliated or intimidated;
- (c) implied or express promise of reward for complying with a sexually orientated request; or
- (d) implied or expressed threat of reprisal or actual reprisal for refusal to comply with sexually orientated requests.

**Harassment is further defined in terms of the CCMA guidelines** and we included it in the code to illustrate examples of what harassment could constitute:

- Bullying.
- Spreading malicious rumours, or insulting someone, particularly on gender, race or disability grounds.

- ridiculing or degrading someone, picking on them or setting them up to fail.
- Exclusion or victimisation.
- Unfair treatment, for example, based on race, gender, sexual orientation, pregnancy, age, disability, religion, HIV status, etc.
- Overbearing supervision or other misuses of power or position.
- Making threats/comments about job security without foundation.
- Deliberately undermining a competent employee by overloading and constant criticism.
- Preventing individuals progressing by intentionally blocking promotion or training opportunities.

**Discrimination** means any act or omission including a policy, law, rule, practice, condition or situation which directly or indirectly:

- imposes burdens, obligations or disadvantage on; or
- withholds benefits, opportunities or advantages from, any person on one or more of the prohibited grounds.

**Prohibited grounds** are:

- race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth; and
- any other ground where discrimination based on that other ground:
  - causes or perpetuates systemic disadvantage;
  - undermines human dignity; or
  - adversely affects the equal enjoyment of a person's rights and freedoms in a serious manner that is comparable to discrimination on a ground mentioned.

**Independent contractors** are not employees of a temporary employment service or of the person (institution) to whom they are providing a service to. These individuals would also not be on the group's payroll.

**Nedbank or the group** means all clusters, business units, divisions, subsidiaries that comprise the Nedbank Group Limited and Nedbank Limited and includes those companies over which it exercises control.

**Outside interest:** An activity where an employee engages in any non-standard bank business.

**Personal account trading** as per a circular issued by the Financial Services Board encompasses individual employees of a financial institution trading in securities or other financial instruments, the risks and rewards of which are for their own personal direct or indirect benefit.

The term '**nepotism/cronyism**' as used in this policy is defined as 'undue favour or favouritism displayed by one employee to another, where the two employees concerned are related individuals that arises in a Conflict of Interests'.

**Related person** according to the Companies Act 71 of 2008 means an individual is related to another individual if they are married, or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or adopted consanguinity or affinity.

**Supplier:** Includes existing and potential suppliers, contractors, sourcing partners, service providers, distributors, and consultants who supply goods or services to the group, as well as any other third parties who may in future become vendors of goods or services to the group. These suppliers subscribe to the Supplier Code of Conduct which is based on this Code.

**Supervision** includes issues relating to the appointment or reappointment of people, approval of or the change in status of employees, evaluation of performance for salary increment, promotion, dismissal, or scheduling of work assignments.

**Third parties** associated with the group include but are not limited to: clients, vendors, suppliers, business partners, and stakeholders, eg a panel of attorneys, recruitment agencies, travel agents, bond originators and brokers.

**Unethical behaviour** means behaviour that lacks morals, principles and values and does not adhere to proper rules of conduct.

**Values** are norms or standards for right, good and fair conduct, underlying beliefs held by people about the way life should be lived and/or business conducted.

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