



## CODE OF ETHICS AND BUSINESS CONDUCT POLICY

<b>Business Unit</b>	Risk Management/Compliance
<b>Policy Reference</b>	LBP-26
<b>Version</b>	Version 2
<b>Category</b>	Category 1-Board

<b>Effective Date</b>	28/01/2019
<b>Next Review Date</b>	28/01/2021

<b>Owner (EM)</b>	N Khan	Signature	dd/mm/yyyy
<b>Supporter (CEO)</b>	B.J Van Rooy	Signature	dd/mm/yyyy
<b>Recommendation (SEC)</b>	T.T Ngcobo	Signature	dd/mm/yyyy
<b>Approver (Board Chairman)</b>	M.A Moloto	Signature	dd/mm/yyyy

Does the policy require recurring communication?

Yes  Frequency: **Annually**   
**Biannually**

No

### Adoption statement:

This policy is effective as from the date of approval by the Chairman of the Board and replaces any previous similar policies. It is the responsibility of all employees to keep up to date and to be familiar with the contents of this policy. Any queries regarding the matters pertaining to this policy can be discussed with the Compliance team or the GM: Enterprise Risk. Violation of any principles stipulated in this policy may lead to disciplinary action outlined in the Disciplinary Code and Procedure for Land Bank Group.

**Review Tracker- History of the Policy**

Date of review	Version	Details of review
Nov 2016	1	Draft and establish
Jul 2018	2	Review principles and consolidate the following policies: <ul style="list-style-type: none"> <li>• Ethics Policy;</li> <li>• Code of Ethics and Business Conduct;</li> <li>• Employee’s Policy on Conflict of Interest and Outside Interests.</li> </ul>

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## **1. PREAMBLE AND PURPOSE**

The Code of Ethics is a document that sets out the principles upon which the Land Bank operates; and it protects both employees and their clients. The document is used to judge individual behaviour as well as that of the Bank.

The Code appeals to all employees to embrace ethical conduct and to make it a way of living. It links to the Bank's values and stresses upon the responsibility and fiduciary duty of employees towards the Bank.

The purpose of this Code of Ethics and Business Conduct is to:

- 1 1. Ensure that ethics forms an integral part in the way in which the Land Bank Group conducts business;
- 1 2. Promote and encourage ethical behaviour as articulated in this policy, based on appropriate values, within the Land Bank Group;
- 1 3. Re-affirm the commitment of the Board and Executive management in building and sustaining an ethical corporate culture in the Land Bank Group;
- 1 4. Promote stakeholder confidence;
- 1 5. Embrace Human Rights in Business;
- 1 6. Managing the Bank's employees engagement in interests that may conflict with the Banks' interests and provide guidance on the declarations of such involvement;
- 1 7. Clarify what is regarded as acceptable business behaviour from a Land Bank employee to ensure a sustainable business;
- 1 8. To protect both the Land Bank Group and the individuals involved from any appearance of impropriety; and
- 1 9. To ensure compliance to statutory and best practice requirements.

All employees have to complete policy/communication acknowledgements in line with their fiduciary duty to the Bank.

From the moment, that an employee or a director commences work with the Land Bank a fiduciary relationship is created. This fiduciary duty extends to employees' private time not to create any reputational risk to the Bank. An employee must ensure that his/her render employment services in good faith and must in no way detract from the relationship of trust in return for compensation and benefits. The Land Bank expects all employees to uphold ethical standards, which includes an obligation not to work against the Land Bank's interests.

## **2. SCOPE**

Introduction to the Code of Ethics and Business Conduct:

- 2.1. The Land and Agricultural Development Bank and its subsidiaries (Land Bank Group) is committed to a policy of fair dealing and integrity in the conduct of its

business. This commitment, which is actively endorsed by the Board of Directors (“the Board”) of the Land Bank Group, is based on a fundamental belief that business should be conducted honestly, fairly and legally.

- 2.2. The Land Bank upholds the protection of human rights as contained in the Bill of Rights and South African Constitution and therefore we embrace and support the values pertaining to human rights, which are reflected in the following two principles:
  - Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
  - Principle 2: Businesses should make sure that they are not complicit in human rights abuses. In addition, we subscribe to all the above labour standards, the protection of the environment and anti-corruption, and we align our core values therewith.
- 2.3. The Land Bank Group expects all employees to share its commitment to high quality agricultural financial services, moral, ethical and legal standards. The Bank aims to create the opportunity and climate within which employees can voice genuine concerns about behaviour and business decisions, or anything perceived as unethical.
- 2.4. All employees of the Land Bank must live in accordance with the five core values:
  - a Meaningful contribution: ‘Seeking to always add value in our engagements’
  - b Empowerment: ‘Seeking to empower ourselves and each other in the way we undertake our work’
  - c Building organisational synergy: ‘Seeking to create a sense of oneness and integration’
  - d Accountability: ‘Ensuring that we do what we say and we follow through’
  - e Pro-activeness: ‘Striving to see opportunities to do things better, and do all we can to make things better’

*Being ethical means living in accordance to the requirements of the core values.*

- 2.5. In addition, since the business of the Land Bank Group carries with it a particular obligation to the public as a whole it goes without saying that the Land Bank Group requires from all its employee’s standards of ethical behaviour that promote and maintain public confidence and trust.
- 2.6. This Code of Ethics and Business Conduct (“the Code”) does not replace the Land Bank Group's Conditions of Employment. It should be seen as complementary to the Conditions of Employment and as a statement of the values and ethical business conduct that, the Land Bank Group pursues in its dealings with people and organisations internally as well as externally.
- 2.7. Compliance with this Code is required of all employees of the Land Bank Group. The principles contained in this Code also apply to contract labour, consultants, temporary employees, part time employees, casual employees, occasional employees, directors, customers, suppliers and others acting on behalf of, or dealing with, the Land Bank Group.
- 2.8. Employees of the Land Bank Group must comply with its policies, applicable laws, regulations and provisions of the Constitution. Anything prohibited by the Land Bank Group's policies, applicable laws, regulations and provisions of the

Constitution would still be prohibited even if it were done on behalf of an employee of the Land Bank Group by someone who was not the Land Bank Group employee.

- 2.9. Service-level Agreement (SLA) Partners and Intermediaries of the Land Bank Group in their contract with the Bank; silently agree to subscribe to the Bank's Code of Ethics and Business Conduct.
- 2.10. Although the Land Bank Group has limited legal rights to enforce this Code on its goods and service providers / suppliers, the Land Bank Group can exercise moral persuasion to gain compliance with this Code or choose not to enter into business relationships with providers who do not comply.

### 3. DEFINITIONS

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

**Bill of Rights** means a bill that encompasses the rights of all the people of our country.

**Board** refers to the Board of Directors of the Land Bank Group.

**Board Member:** A member of the Land Bank Board of Directors, appointed by the Minister of Finance and/or a member of the Board of the Land Bank subsidiaries.

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

**CEO** means the Chief Executive Officer

**Client:** Includes current and potential future clients or customers external to Land Bank.

**Code** means the Code of Ethics and Business Conduct

**Conflict of interests** means a person's private interests interferes or is perceived to interfere with the interests of the Group. This usually happens when the interest impairs the employee's ability to act impartially.

**Connected persons** of a director where conflicts of interests are concerned:

- Spouse or civil partner or anyone with whom the director lives as a partner in an enduring family relationship;
- Children, including the child's partner or spouse; grandchildren, adopted and step-children;
- Parents, including adoptive parents;
- Siblings;
- Companies to which the director is connected;
- Trustees of a trust in which the director (or other connected person) is a beneficiary business partner.

**Corruption** entails the abuse of a position of employment by the offering or acceptance of a benefit that is not legally due, for the commission of an act in connection with that position of employment, as defined in the Prevention and Combating of Corrupt Activities Act, No 12 of 2004.

A person is guilty of **corruption** if he/she directly or indirectly-

- Accepts or agrees or offers to accept any gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person:  
or
- Gives or agrees or offers to give to any other person any gratification for the benefit of that other person or for the benefit of another person in order to act personally or by influencing another person so to act in a manner that amounts to:
  - An illegal, dishonest, unauthorised incomplete or biased act;
  - The misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or function arising out of a constitutional statutory, contractual or another legal obligation;
  - The abuse of a position of authority;
  - A breach of trust;
  - The violation of a legal duty or a set of rules that is designed to achieve an unjustified result; and
  - Any other unauthorised or improper inducement to do or not to do anything.

**Employee** means any directors (and connected persons), permanent staff, fixed term contractors on our payroll, seconded staff, temporary workers and consultants not on the payroll but engaged for a period of at least one month, working for the Group or any of its subsidiaries. The definition includes individuals currently employed as well as new appointees.

**Employer** includes the Land Bank Group and its subsidiaries and is referred to hereafter as “the Bank”

**Ethics** refers to the standards of conduct, which indicate how a person should behave, based on moral duties and virtues arising from the principles of right and wrong.

**Ethics Office** is the office that takes responsibility for managing the Bank’s ethics programme.

**Ethics management framework** includes all the interventions at strategic, system and operational levels which are intended to improve the organisational ethics.

**Ethics performance** means the extent to which an organisation behaves ethically.

**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 in South Africa or government in any other country.

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

**Fruitless and wasteful expenditure** means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

**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, including a donation or gift of fresh produce;
- 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 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, 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; and
- Any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage.

However, gratuity does not include:

- Official Land Bank branded goods or items;
- Official Land Bank sponsored functions, promotions or hospitality events for business purposes;
- Official donations made on behalf of Land Bank; or
- Items, goods, services, information or money in whatever form provided or obtained from third parties in terms of an official contract with Land Bank.

The **Group or Land Bank Group** refers to the Land and Agricultural Development Bank (Land Bank) and its subsidiaries.

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

The definition, taken from the Protection of Harassment Act, 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;
- (b) Amounts to sexual harassment of the employee or a related person which includes unwelcome sexual advances;

**Harassment definition** (the following section is extracted from the CCMA guidelines and we included it in the definition to show as examples of what harassment could be) also includes:

- (c) Bullying;
- (d) Spreading malicious rumours, or insulting someone, particularly on gender, race or disability grounds;
- (e) Ridiculing or degrading someone, picking on them or setting them up to fail;
- (f) Exclusion or victimisation;
- (g) Unfair treatment, for example, based on race, gender, sexual orientation, pregnancy, age, disability, religion, HIV status, etc.;
- (h) Overbearing supervision or other misuses of power or position;
- (i) Making threats/comments about job security without foundation;
- (j) Deliberately undermining a competent employee by overloading and constant criticism; and
- (k) Preventing individuals progressing by intentionally blocking promotion or training opportunities.

**Human rights** means the moral principles that prescribe certain standards of human behaviour that are regularly protected as legal rights in national and international law.

**Integrity** is one of the fundamental values that employers seek in the employees that they hire. **Professional integrity** refers to an employee who willingly "adopts" and consistently applies the knowledge, skills, and values of a chosen profession. Integrity may be the most appropriate word used to describe the person who willingly and consistently acts in accordance with social standards or moral values of society, who lives his or her values in relationships with co-workers, customers, and stakeholders.

**Irregular expenditure** means expenditure, other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation

**Land Bank** means the Land and Agricultural Development Bank of South Africa established in terms of the Land and Agricultural Development Bank Act 15 of 2002.

**Land Bank Act** refers to the Land and Agricultural Development Bank Act 15 of 2002.

**Management** refers to an employee to whom other employee(s) report.

The term “**nepotism / cronyism**” as used in this policy is defined as undue favour between two related employees.

**Outside Interest:** An activity where an employee engages in any non-standard Bank business includes the term “outside employment”.

**Personal Financial Interest** means a direct material interest of an employee, of financial, monetary or economic nature, or to which a monetary value may be attributed.

The **Regulations** in terms of Public Finance Management Act 1 of 1999: Framework for Supply Chain Management require all role players to comply with ethical standards.

The term ‘**related individual or person**’ as used in this, Code is defined by the following relationships:

- By blood: parent, child, grandparent, grandchild, brother, sister, half-brother, half-sister, uncle, aunt, nephew, niece, first cousin;
- By marriage: husband, wife, fiancé/e, step-parent, step-child, step-siblings, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, and daughter-in-law; and
- Other relationship: a current or former relationship (including common-law marriages), occurring outside the work setting, that would make it difficult for the individual who is responsible for making a decision or recommendation to be objective, or that would create the appearance that such individual could not be objective. Examples include, but are not limited to, personal relationships, friendships and business relationships.

**South African Constitution** means the Supreme law of South Africa, which deems to set out the Bill of Rights and the relationship of various government structures to each other

**Supplier:** Includes existing and potential vendors, 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. (**Annexure 3**)

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

**Work** means the rendering of a service for which the person receives remuneration in cash or kind.

#### **4. CONTEXTUAL BACKGROUND**

The Group is committed to fair dealing and conduct in business with integrity. The Bank expects all employees to share its commitment to high quality agricultural financial services, moral, ethical and legal standards. The policy provides guidelines to employees that need to be consulted before action is taken. You may also consult the Ethics Officer of the Bank, should you need any guidance.

#### **5. POLICY**

##### **5.1. VALUES AND ETHICAL BUSINESS CONDUCT**

We are committed to developing and fostering a united Land Bank Group by embracing a single set of values to create an ethical culture. Unless otherwise stated, all employees are subject to the Code of Ethics and Business Conduct.

##### **5.2. ETHICS**

5.2 1. The term "ethics" refers to the standards of conduct, which indicate how a person should behave, based on moral duties and virtues arising from the principles of right and wrong. Ethics therefore involves two aspects:

- a) The ability to distinguish right from wrong; and
- b) The commitment to do what is right.

5.2 2. Ethical standards are necessary for the following reasons:

- a) To ensure that all stakeholders of the Land Bank Group are aware of the core values respected by its employees (including management) and the Board; and
- b) To ensure accountability within the Land Bank Group in terms of fundamental ethical values and value systems.

5.2 3. The foundation for this Code is based on section 5 (1) of the Land Bank Act and the Land Bank Group's core corporate values. These values detailed below define who we are as individuals and as an agricultural development finance institution, namely:

- a) Meaningful contribution: 'Seeking to always add value in our engagements';
- b) Empowerment: 'Seeking to empower ourselves and each other in the way we undertake our work';
- c) Building organisational synergy: 'Seeking to create a sense of oneness and integration';
- d) Accountability: 'Ensuring that we do what we say and we follow through';
- e) Pro-activeness: 'Striving to see opportunities to do things better, and do all we can to make things better'.

#### 5.2 4. Individual ethical conduct

Ethical behaviour refers to individual actions by employees, which are intended to further the common good of the organisation, as determined by its policies, procedures, directives, and business objectives, with which employees are required to comply. If a person is conscious that his/her conduct is against the common good of the organisation or other employees, such conduct is unethical.

#### 5.2 5. Collective ethical conduct

Ethical behaviour can also be regarded as a collective behaviour. External stakeholders such as suppliers, communities and the State develop their perceptions about the Land Bank Group's commitment to the common good based on the actions and the conduct of the Land Bank Group's employees they deal with. In this way, excellent ethical business conduct by employees of the Land Bank Group leads to the collective perception of the Land Bank Group as an ethical organisation.

#### 5.2 6. Ethical behaviour and business conduct

The integrity of the employees acting on its behalf underlies all the Land Bank Group's relationships, including those with customers, suppliers and communities, as well as those between employees. The highest standards of ethical business conduct are required of employees of the Land Bank Group in fulfilling their Land Bank Group responsibilities.

5.2 7. Employees may not engage in any activity that could raise questions as to the Land Bank Group's integrity, respect for diversity, impartiality or reputation. Ethical business conduct includes workplace relationships between employees in terms of the Constitution and requires respect for constitutional rights in employment, particularly with regard to human dignity; non-discrimination; respect for diversity; impartiality and reputation.

5.2 8. All employees are personally responsible for ensuring that their conduct is ethical and should bring possible contraventions to the appropriate manager's attention.

5.2 9. Ethical Behaviour by all employees enhances the Bank's reputation and performance of the Bank.

### **5.3. RIGHTS AND OBLIGATIONS**

#### 5.3.1. Obligations of the Land Bank Group

As a leading agricultural financier and insurer, which considers the needs of all stakeholders of paramount concern, the Land Bank Group will strive to:

- a) Pursue a fair recruitment selection and placement process with due regard to its empowerment and employment equity strategies;
- b) Enter into fair contracts of employment within the parameters of labour law provisions;
- c) Endeavour to offer market-related salaries and service conditions;

- d) Put performance measurement systems in place that reward achievement and highlight under-achievement;
- e) Promote understanding of cultural diversity between different ethnic groups;
- f) Afford employees with illnesses or disabilities the right to continue to work, provided they are able to continue to perform satisfactorily the essential duties of their jobs and do not present a safety and health hazard to themselves and/or others;
- g) Treat people with respect and empathy (e.g. in the case of serious medical disorders);
- h) Create a culture of mutual trust;
- i) Create an environment of empowerment and joint decision making by recognising employees' potential and providing:
  - i. A safe and healthy working environment;
  - ii. Employment and promotion opportunities to formerly disadvantaged groups in terms of legislation; and
  - iii. Succession planning / career pathing / upward mobility.
- j) Empower its staff to fulfil their responsibilities and potential (e.g. provision of office facilities for disabled people);
- k) Ensure that discipline is seen as positive and necessary and not solely as a means to punish, persecute and to establish fair disciplinary, grievance and labour relations policies; and
- l) Encourage transparent interaction between the employer and employees built on sound communications and trust. (Includes fair and equitable labour practices, basic employment conditions, constitutional rights etc.)

#### 5.3.2. Supply Chain Management obligations:

- a) The Regulations in terms of Public Finance Management Act 1 of 1999: Framework for Supply Chain Management require all role players to comply to the highest ethical standards in order to promote:
  - i. Mutual trust and respect; and
  - ii. An environment where business can be conducted with integrity and in a fair and reasonable manner.
- b) Adherence to the National Treasury's Code of Conduct for Supply Chain Management Practitioners is required of all officials and role players involved in supply chain management.
- c) A supply chain management official or other role player -
  - i. Must recognise and disclose any conflict of interest that may arise;
  - ii. Must treat all suppliers and potential suppliers equitably;
  - iii. May not use their position for private gain or to improperly benefit another person;
  - iv. Must ensure that they do not compromise the credibility or integrity of the supply chain management system through the acceptance of gifts or hospitality or any other act;
  - v. Must be scrupulous in their use of public property; and
  - vi. Must assist accounting officers or accounting authorities in combating corruption and fraud in the supply-chain-management system.
- d) If a supply chain management official or other role player, or any close.

- e) Family member, partner or associate of such official or other role player, has any private or business interest in any contract to be awarded, that official or other role player must –
  - i. Disclose that interest; and
  - ii. Withdraw from participating in any manner whatsoever in the process relating to that contract.
- f) The accounting officer or accounting authority of an institution to which these regulations apply must -
  - a. Take all reasonable steps to prevent abuse of the supply chain management system;
  - b. Investigate any allegations against an official or other role player of corruption, improper conduct or failure to comply with the supply chain management system, and when justified -
    - i. Take steps against such official or other role player and inform the relevant treasury of such steps; and
    - ii. Report any conduct that may constitute an offence to the South African Police Service;
  - c. Check the National Treasury’s database prior to awarding any contract to ensure that no recommended bidder, nor any of its directors, are listed as companies or persons prohibited from doing business with the public sector;
  - d. Reject any bid from a supplier who fails to provide written proof from the South African Revenue Service that that supplier either has no outstanding tax obligations or has made arrangements to meet outstanding tax obligations;
  - e. Reject a proposal for the award of a contract if the recommended bidder has committed a corrupt or fraudulent act in competing for the particular contract; or
  - f. Cancel a contract awarded to a supplier of goods or services -
    - i. If the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract; or
    - ii. If any official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of that contract that benefited that supplier.
- g) The employee must prevent unauthorised, irregular; and fruitless and wasteful expenditure and losses resulting from criminal conduct.

### 5.3.3. Rights and obligations of employees

In terms of this Code, all employees have the following rights and obligations:

- a) To be well informed regarding ethical conduct and sensitised to the Land Bank Group's values and standards of ethical business conduct;
- b) To be provided with information (suitable to their job grade) about the details of the procedures and policies affecting their work, and to understand and follow them;
- c) To be made aware of, and alert to, situations that could encourage or allow participation in illegal, improper or unethical actions and to seek guidance to avoid potential problems;

- d) To consider whether the actions of others may be unethical, and to report conduct which is, or appears to be, in conflict with this Code;
- e) Not to accept or offer substantial business courtesies or gifts, either in cash or in kind, in connection with their employment;
- f) To manage their personal affairs in a manner which does not impair, or appear to impair, the objectivity of any decisions that they make on behalf of the Land Bank Group;
- g) To discourage and refrain from nepotism in the workplace;
- h) To recuse themselves from any official action or decision-making process which may result in personal gain, direct or indirect;
- i) Not to tolerate any form of improper influence, bribery or unethical conduct by suppliers or any other stakeholders and to immediately report such conduct;
- j) To refrain from undertaking remunerative work without permission outside their official duties or use office equipment for such work;
- k) Not to receive commissions or other remuneration relating to the sale of any product or service of the Land Bank Group except as specifically provided for under an individual's terms of employment;
- l) To recognise that assets of the Land Bank Group, including time, materials, equipment and information, are for the sole use of the Land Bank Group and are not for personal benefit or use, even after working hours;
- m) Neither to utilise the Land Bank Group's assets, resources, funds, goods or services as contributions to political parties or their candidates nor to make the facilities of the Land Bank Group available to such candidates or campaigns;
- n) To prevent unauthorised, irregular and fruitless and wasteful expenditure and losses resulting from criminal conduct;
- o) To perform duties with honesty and integrity, and to the best of one's ability;
- p) To take responsibility and accept accountability for actions and decisions taken (appropriate to their job grade);
- q) To address any misconceptions or misunderstandings in the workplace, however they arise;
- r) To actively discourage any form of victimisation, discrimination or retribution against those who report, have reported or intend to report breaches of this Code;
- s) To communicate openly and honestly, and act with a commitment to achieve a prudent, fair, transparent and responsible result;
- t) To communicate in a complete, accurate and timely manner with all parties (internal and external), including government and the public, with whom business is conducted;
- u) To honour the confidentiality of all matters, documents and discussions regarding the Land Bank Group and not use or disclose any official information for personal gain or the gain of others;
- v) To keep abreast of technical and functional developments and to avail themselves of on-going training and self-development; and
- w) To participate fully and contribute to the improvement of team spirit.

#### 5.3.4. Obligations of management

In addition to their rights and responsibilities as employees of the Land Bank Group, supervisors and managers have additional responsibilities arising from their seniority and the nature of their managerial and/or supervisory duties, which include:

- a) To strive to reduce inefficiencies in the Land Bank Group and establish standards of efficiency in consultation with the other employees of the organisation;
- b) To introduce and maintain in the Land Bank Group an awareness by all employees that the resources of the organisation, including time resources, are in limited supply and should not be abused;
- c) To market the products and services of the Land Bank Group accurately;
- d) To determine minimum quality standards for the products and services of the Land Bank Group and ensure that the products conform to these standards;
- e) To provide stakeholders with the ready means of lodging complaints about the quality of the Land Bank Group's products and services;
- f) To furnish to an auditor of the Land Bank Group all information and explanations which the auditors require for the performance of their functions;
- g) To make a personal commitment to act in accordance with our standards of ethical business conduct, communicating this to subordinates and leading by example;
- h) To establish a working environment that encourages open communication regarding business ethics issues and concerns;
- i) To discuss business ethics issues periodically and review standards of conduct during working hours e.g. at team briefings and forums;
- j) To become familiar with the resources and processes available to assist in the resolution of questions and concerns about business ethics;
- k) To be alert to areas of business risk and establishing ways to address potential contraventions of this Code;
- l) To take responsibility for the conduct of staff to ensure that any misconduct, so serious, recurrent or widespread that action should already have been taken to prevent it, is dealt with speedily and appropriately;
- m) To ensure that this Code, and its contents, is communicated clearly and distributed to all staff members. The Code should be included in the sign-on / on boarding documentation for new employees.

#### **5.4. OFFERING BUSINESS COURTESIES (Refer to the Gifts Policy)**

#### **5.5. ACCEPTING BUSINESS COURTESIES (Refer to the Gifts Policy)**



## 6. OUTSIDE INTERESTS / CONFLICT OF INTERESTS

All employees are subject to the Code of Ethics and Business Conduct except non-executive directors to the board where declarations of outside interests are done as per the Companies Act requirements to the board on a routine basis.

Involvement in civic and political activities is beneficial to an employee's personal growth and influence within his or her community and profession, as well as to the Company. However, you are expected to avoid any outside interest or activity that will interfere with your duties at the Company.

### 6.1. Rules

An employee should serve his/her employer honestly and faithfully. When a conflict occurs, the values of objectivity and fairness are at stake. This may lead to reputational risk.

There are four basic rules:

- a) The employee owes a fiduciary duty to act in the best interests of the Bank and not in conflict with the Bank;
- b) The employee must not make a profit for himself without the permission of the Bank;
- c) The employee must sign/review a declaration every year declaring either the outside interests or the fact that they do not have any, by submitting a Nil Return. This is non-negotiable. Declarations must also be updated as and when there are any changes in status to these declarations; and
- d) Outside interest must be approved before an employee may continue with such an activity.

In conducting the business of the Land Bank Group, it is important that stakeholders, clients and colleagues feel confident about the impartiality of the decisions taken by the Bank. As a public entity, the principal of impartiality in decision-making is imperative.

6.2. The Land Bank Group expects employees to perform their duties conscientiously, honestly and in accordance with the best interests of the Land Bank Group.

6.3. Employees must not use their positions, or knowledge gained through their employment with the Land Bank Group, for private or personal advantage or in such a manner that a conflict or an appearance of conflict arises between the Land Bank Group's interest and their personal interests.

6.4. Instances of conflicts of interest could include but are not limited to the following:

- a) Where an employee, member of an employee's family, or a business with which the employee or family member is associated, obtains a benefit, advantage or profit by virtue of the employee's position with the Land Bank Group or knowledge gained through that position.

- b) Abusing of the power of the position held to influence others and gaining personal benefit e.g. discount from suppliers of the Bank.
  - c) Where employees are aware that they are included in a will of a client, or as a beneficiary in a trust where the financial planner was instrumental in setting up the trust or included in insurance policies e.g. life policy beneficiary;
  - d) Influencing a client in order to become a beneficiary in a will or trust;
  - e) Using the property/resources of the Bank for personal purposes;
  - f) Using intellectual property/information as acquired in the course of business without permission of the Bank
  - g) Disclosing confidential information to outsiders;
  - h) Conducting a business or enterprise during working hours;
  - i) Abusing working hours' / Bank's resources for personal purposes;
  - j) Approaching clients/vendors of the Bank for personal use or building up his/her own business
  - k) Acting or providing a service as an officer, director, partner, consultant, agent, advisor, representative, or employee of a supplier, customer, client, competitor or any organisation with similar business interests to that of Land Bank Group;
  - l) Running a business in competition with the Bank; and/or
  - m) Activities include outside employment in areas similar to those in which Land Bank Group is involved, outside work for clients, service providers, competitors and other activities that have the potential to affect the employee's objectivity and work performance and activities that could reflect negatively on the reputation of Land Bank Group and its employees.
- 6 5. Employees should avoid placing themselves in positions where personal interest conflict with their duties as Land Bank Group employees and/or where it impacts on their ability to live the Land Bank Group values.
- 6 6. If employees feel that a course of action they have pursued, are pursuing or are contemplating pursuing, may involve them in a conflict of interest situation or a perceived conflict of interest situation, they should make all the facts known to the person to whom they report.
- 6 7. It is the Manager's responsibility to ensure that the matter is properly reviewed, including whether it is appropriate for the employee to be included in any discussions or activities that involve the conflict.
- 6 8. Employees should avoid acquiring any business interest or participating in any activity outside the Land Bank Group, which would create, or appear to create the following:
- a) An excessive demand on their time and energy which would deprive the Land Bank Group of their best efforts on the job; and/or
  - b) A conflict of interest that is an obligation, interest or distraction which would interfere or appear to interfere with the independent exercise of judgement in the Land Bank Group's best interest.

- 6 9. Employees and family members are prohibited from having commercial dealings with the Bank. No loans shall be provided by the Bank to any employee to further private interests
- 6 10. An employee MUST declare the following:
- a) Transactions where the employee knows the external third party either as a connected person or related individual;
  - b) All interests in companies and close corporations, whether active or dormant. An employee shall not without prior written consent of the Bank act as a director or trustee of a private or public company, a member of a closed corporation, a trustee of a business trust or a partner in partnership. This excludes personal or family investments, which are dealt with below.
  - c) Employees or family members of employees should not have interests or investments in a client, partner, or supplier of the Bank that would create a conflict of interest. Conflicts of interest would not usually arise out of merely holding shares in such a company. However, conflicts would arise if a staff member had shares in a family company that was a supplier to the Bank and the employee was able to influence decision making regarding the awarding of contracts to that company.
  - d) Employees or family members of employees should not have interests or personal financial interests in entities, which currently perform, work for Government departments or State Owned Entities.
  - e) All business interests outside the Bank where an extra income is made, this includes all rental income;
- 6 11. Employees are occasionally invited or nominated to serve on external boards / trusts as non-executive directors/trustees by the group or subsidiary companies. This may also be where the Bank has an equity investment and to ensure that the investment is protected or where representation is required on Boards and professional bodies on behalf of the Bank. The approval process including remuneration issues will be governed according to **The Policy for the Appointment of Land Bank Nominee Directors (The Nominee Director Policy)**.
- 6 12. Some employees also serve on external boards / trusts / are a member of consortiums/partnerships in their private capacity. These appointments should not interfere with employees' responsibilities. Directorships/being a trustee etc. in private capacity must be declared. Meetings and duties need to be done outside of working hours and fees need not be paid to the group.
- 6 13. There will be no limitation on company shareholdings with no directorships, however, these must be declared upfront and clarified with the relevant Executive Manager to ensure that no conflicts exist.
- 6 14. Human Capital must request a disclosure of outside involvement of individuals interviewed during the recruitment process. The disclosure will assist the Bank with the management of conflict of interest from the onset.

6 15. Civic and political activities:

- a) Civic Activities: Active participation in religious, community, professional or charitable organizations is encouraged. Approval is not required to participate in or accept appointment as a trustee, director or officer of a non-profit organization unless there is a lending relationship or some other potential conflict of interest between the organization and the Company.
- b) Political Activities: You are encouraged to participate in political activities on your own time and in accordance with your individual desires and political preferences. However, it must be clear at all times that your participation is done as an individual and not as a representative of the Company. Before accepting an appointment to or a nomination for public office, you must complete the Declaration Form and submit it for approval as described in 6.3.

6 16. Declaration of Interest Record-keeping

- a) The Human Capital Business Unit and Company Secretariat shall keep records of employees' declaration of interest and report twice per annum to the Social and Ethics Committee on the level of compliance, material issues and/or concerns;
- b) It is the responsibility of an employee to keep the interest declaration updated; and
- c) As mentioned above, an Executive Manager will ensure that employees timeously update and submit declaration of interest online to Human Capital. This will be done on annually basis or when necessary.

6 17. All employees must familiarise themselves with the relevant policies of the Land Bank Group and legislation relevant to corruption, specifically the Fraud and Corruption Prevention Policy. Disclose outside interests/potential conflicts actively and as soon as possible as you become aware of it. When in doubt, disclose and consult with your manager and governance and compliance officer. Also, inform management of any attempt by a third party to engage in activities contrary to this policy.

6 18. During their employment at the Land Bank Group, employees may be nominated, invited and/or develop interests to participate in activities beyond their work schedule within the Land Bank Group.

6 19. Land Bank is entitled to verify the correctness of declarations made, and may address concerns identified in terms of the Human Capital Policies and Procedures.

6 20. The policy does not seek to discourage employees from contributing to outside activities that have a benefit to society but to provide guidance for ethical conduct in relation to their obligations to Land Bank Group.

## **7. RELATIONSHIPS WITH COLLEAGUES**

7 1. The following rules are to be observed by all employees:

- a) Not to make false accusations against a fellow employee;

- b) Recognise fellow employees' rights to freedom of association and speech;
- c) To show respect for the dignity of all their colleagues;
- d) Not to discriminate against fellow employees in word or deed on the basis of race, citizenship, creed, political persuasion, age, marital or family status, gender, language, religion, sexual orientation or on account of a disability;
- e) Not to hinder the Land Bank Group's employment equity initiatives and efforts to redress the imbalances of the past;
- f) Not to attempt to intimidate or irregularly influence fellow employees in any way, or be influenced by others; and
- g) Employees should guard against favouritism and nepotism by not allowing personal relationships and friendships with other employees to influence decision-making processes within the Land Bank Group and undermine the Land Bank Group values and policies.
- h) Refer to the Human Capital Policies for further guidance.

## **8. RELATIONSHIPS WITH CLIENTS AND SUPPLIERS**

- 8 1. The Land Bank Group requires integrity in dealings with clients, suppliers and intermediaries as a prerequisite for successful business relationship;
- 8 2. The Land Bank reserves the right not to enter into relationships with clients or suppliers, who engage in unethical behaviour and/or business practices.
- 8 3. The Land Bank Group shall pay suppliers on time and in accordance with agreed terms;
- 8 4. The Land Bank Group shall refrain from making any false or misleading statements; feedback must be honest and constructive and within the given time-frames;
- 8 5. Complaints and enquiries shall be dealt with in a prompt and efficient manner;
- 8 6. Employees should not invest in, or acquire a financial interest, directly or indirectly, in any business organisation that has a contractual relationship with or that is a provider of goods or services to the Land Bank Group, if such a relationship might influence or create the impression of influencing their decisions in the performance of their duties on behalf of the Land Bank Group.
- 8 7. The following rules apply particularly to employees who have direct contact with any business organisation having a contractual relationship with the Land Bank Group, or is a provider of goods or services to the Land Bank Group and to employees who are indirectly involved in source selection or evaluation (procurement / purchasing / tender evaluation):
  - a) Inform a supplier of any bribe or attempted bribe by the supplier's personnel;
  - b) Terminate dealings with any supplier who bribes or attempts to bribe, employees of the Land Bank Group;
  - c) Ensure that no bribe is paid to personnel of a supplier of the Land Bank Group;
  - d) Employees should ensure that they are independent, and are seen to be independent, from any business organisation having a contractual relationship with the Land Bank Group or providing goods or services to the Land Bank Group;
  - e) Employees are responsible for complying with supplier imposed limitations governing the use of supplier information, including documents and computer software and protecting the suppliers' proprietary data;

- f) The Land Bank Group's purchasing power should not be misused for personal benefit to buy goods, materials or services at terms not available to all employees;
- g) Information about the Land Bank Group that is restricted, proprietary or sensitive must not be revealed to a supplier or potential supplier unless authorised;
- h) All employees, contract labour, consultants and others acting for the Land Bank Group are prohibited from providing, attempting to provide, or offering to provide a kickback; and from soliciting, accepting, or attempting to accept a kickback;
- i) No form of improper influence, bribery or unethical conduct by suppliers or customers is to be tolerated and such conduct should be reported; and
- j) Employees who make, or could influence, purchasing decisions should not be involved in the solicitations on behalf of charitable, civic, or other organisations, of gifts of money or time from current or potential suppliers.
- k) Employees of Land Bank Group shall not engage in any acts of cronyism, nepotism and /or favouritism.
- l) Refer to the Supply Chain Management Policy for further guidance.

## **9. RELATIONSHIPS WITH THE SHAREHOLDER AND INVESTORS**

The Land Bank undertakes to:

- 9 1. Communicate business policies, achievements and strategy to the shareholder and other investors in a transparent manner;
- 9 2. Promote a competitive and profitable agricultural sector;
- 9 3. Strive to expand and maintain the business and fulfil the mandate;
- 9 4. Ring-fence investor funds and monitor the usage for predetermined purpose;
- 9 5. Comply with legislation, industry regulations and prescribed practices; and
- 9 6. Ensure that financial and regulatory reporting is fair and accurate and produced in accordance with relevant accounting/regulatory practices, statutes and supervisory requirements.

## **10. RESPONSIBLE INVESTMENT**

Land Bank encourage collaborative engagement with the aim to better incorporate environmental, social and governance issues in decision-making and ownership practices.

## **11. RELATIONSHIPS WITH REGULATORS**

The Land Bank undertakes to:

- 11.1. Continue to act within the spirit and letter of the Constitution of the Republic of South Africa and applicable laws and regulations;
- 11.2. Continue to contribute to the economic, environmental, social and cultural well-being and development of communities where business is conducted;
- 11.3. Continuously honour tax obligations;
- 11.4. Ensure transparency and co-operation with the regulators;
- 11.5. Ensure that all reportable transactions are recorded and reported; and
- 11.6. Continue to adhere to independent auditing and financial reporting standards.

## **12. DEALING WITH THE ENVIRONMENT AND ENVIRONMENTAL MATTERS**

The Land Bank undertakes to:

- 12 1. Adhere to South African national environmental laws and standards;
- 12 2. Operate in a manner that protects the environment and promotes sustainable social and economic development; and
- 12 3. Uphold global sustainability principles and reporting.

### **13. DEALING WITH THE COMMUNITIES IN WHICH THE BANK OPERATES**

The Land Bank undertakes to:

- 13 1. Strive to collaborate with community groups, and support public policies that promote economic and social development;
- 13 2. Ensure employees communicate honestly and openly;
- 13 3. Ensure support and protection of human rights within the sphere of influence; and
- 13 4. Respect local cultures and values

### **14. NEPOTISM AND CRONYISM**

- 14 1. An employee's managerial responsibilities must not include oversight of a relative or other closely related person. Should this be the case, it must be approved according to the two-tier principle (two levels of management removed from the employee). Nobody may be afforded preference to a position just because that person is related or close to an existing employee. This also applies to internships, traineeships and other short-term employment. Any employee in a personal, family or other relationship with another employee may not authorise payment increases, bonuses, expense claims or any other form of remuneration or payment for that employee.
- 14 2. Nepotism/ cronyism includes any situation where the possibility of a conflict of interest arises due to the mere fact that one group employee is a related individual to another group employee.
- 14 3. Exclusion  
Directorships/trusteeships of personal family-related companies, i.e. where the trust/company is an extension of the assets/estate of an employee (e.g. property-owning companies or trusts) need not be declared unless this becomes a valid conflict of interests as per the principles of the policy.

### **15. HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION (To be read with the Land Bank Occupational Health and Safety Policy.)**

- 15 1. The Land Bank Group is committed to taking every reasonable precaution to ensure a safe environment for all employees. All employees who become aware of circumstances relating to the Land Bank Group's operations or activities that pose a real or potential health or safety risk should report the matter.
- 15 2. The Land Bank Group is committed to developing operating policies to address the environmental impact of its business activities by integrating environmental planning, pollution control, waste management and rehabilitation activities into operating procedures. Employees should give appropriate and timely attention to environmental issues.

- 15 3. All employees can contribute to the Land Bank Group's efforts in this regard by:
- a) Complying with environmental, health and safety laws and regulations;
  - b) Taking measures to prevent workplace injuries and illnesses, and providing a safe and healthy working environment;
  - c) Reducing the use and release of toxic and hazardous materials; and
  - d) Co-operating with the public, the government, and other interested parties to develop regulatory and public policies to protect public health and the environment.
- 15 4. Refer to the Occupational Health related policies for further guidance.

**16. USE OF THE LAND BANK GROUP'S STAKEHOLDER (USERS OF LAND BANK GROUP RESOURCES, SUPPLIER AND OTHER RESOURCES INCLUDING INFORMATION, INTELLECTUAL PROPERTY AND COMPUTER EQUIPMENT.)**

- 16 1. The Land Bank Group's resources are to be used for the benefit of the Land Bank Group and ultimately all stakeholders. They include time, materials, equipment and information and they should not be used for personal benefit or non-company purposes, even after working hours.
- 16 2. The Land Bank Group is committed to conserving resources used by its business operations. All employees should use their best efforts to make efficient use of resources and to reduce the use of supplies and materials wherever practical without compromising quality of service.

**PHYSICAL ASSETS OF THE LAND BANK GROUP**

- 16 3. The Land Bank Group has developed a number of internal controls to safeguard assets and that imposes strict standards to prevent fraud and other forms of dishonesty. All employees who have access to the Land Bank Group's funds and property in any form must at all times follow prescribed procedures for recording, handling and protecting of such funds and property.
- 16 4. At all time, employees must ensure that the Land Bank Group's funds and property are used for legitimate Land Bank Group business purposes.
- 16 5. The assets and property of the Land Bank Group, its customers and its suppliers should be treated with the same respect as personal assets and property.
- 16 6. Materials and equipment of the Land Bank Group must remain on Land Bank Group controlled property, unless a manager authorises their use in another location in the Land Bank Group's interests.
- 16 7. The Land Bank Risk Appetite Framework Policy makes provision for a low appetite for Compliance Risk with a measurement of 'zero tolerance' for this and related risks e.g. fraud and theft.
- 16 8. The Records retention Process should include proper measures that should be taken for the storage and safeguarding of Land Bank Group information to prevent unauthorised access, use or removal by any means and in any form (e.g. electronic, optical, magnetic, hard copy, etc.).

**CONFIDENTIALITY OF INFORMATION**



- 16 9. Information is used and released by the Land Bank Group in many forms, including reports, brochures, booklets and electronically via the Internet. Employees can provide official information that is normally available to the members of the public. All other official information or documents should only be provided under the following circumstances:
- a) It is a normal part of an employee's job function and the employees have received proper authorisation to provide the information;
  - b) It is requirement to do so by law; and
  - c) Employees are called to give evidence in court.
- 16 10. Employees approached by the media should immediately refer this to the Chief Executive Officer (for Land Bank employees) or Managing Director (for Subsidiaries employees).
- 16 11. When dealing with anyone outside the Land Bank Group, including public officials, an employee must not compromise the integrity of or damage the reputation of any individual.
- 16 12. Information with respect to any confidential product, plan or business transaction of the Land Bank Group or personal information regarding customers and employees (including their salaries) must not be disclosed by any person / employee unless and until proper authorisation for such disclosures has been obtained.
- 16 13. It is the responsibility of all employees to make sure that unauthorised personnel do not access confidential information in any form. Furthermore, that sensitive information is only discussed with individuals, inside or outside the Land Bank Group, who have been authorised to have access to the information.

#### **PRIVACY OF EMPLOYEE INFORMATION**

- 16 14. The Land Bank Group is obliged to record and maintain legally required personal data for payroll, pension, union membership and medical benefits. Such information must be treated as confidential and used only for legitimate Land Bank Group purposes. An employee has the right to correct errors in his or her files.

#### **INTELLECTUAL PROPERTY AND PROPRIETARY INFORMATION**

- 16 15.** The Land Bank Group requires the protection of intellectual property and proprietary information. This includes patents, trademarks, copyrights, research and trade secrets. It also applies to any other information over which the Land Bank Group has control. The obligation not to disclose proprietary information still applies after an employee has left the Land Bank Group.

## COMPUTER SECURITY

- 16 16. Hardware, software and data processed by computers and shared electronically or otherwise must be adequately safeguarded against damage, loss, alteration, theft, fraudulent manipulation, unauthorised access to and disclosure of information. Strict adherence to all policies and standards addressing the protection of the Land Bank Group's data resources and data networks is required of all employees.
- 16 17. Each employee is responsible for the protection and confidentiality of passwords, IDs and any other access information of systems and networks. Compliance to all security measures and internal controls that have been established for safeguarding the integrity and validity of computer systems, data and software is required.
- 16 18. Unauthorised duplication of copyrighted computer software violates the law. Strict compliance with all licence or purchase terms regulating the use of any software acquired or used must be maintained.
- 16 19. Refer to the Information Technology related policies for further guidance.

## 17. HUMAN RIGHTS IN BUSINESS

Key human rights principles include:

- 17 1. **Employees:** The Land Bank fundamentally respects and promotes the rights of its employees and, at all times, strives to create an environment where these rights are upheld. This is strongly reflected in the Bank's employment policies and values and in the Code of Ethics and Business Conduct.
- 17 2. **Financial inclusion:** Land Bank believes in the empowerment of individuals through financial inclusion and is committed to delivering financial services at reasonable costs to previously disadvantaged and low-income segments of society.
- 17 3. **Clients and suppliers:** Land Bank believes that relationships with clients and suppliers are vital to human rights practices, as we seek to associate with parties that hold and practise the same values and principles.
- 17 4. **Procurement:** The Supplier Code of Conduct is included in all supplier contracts to ensure that suppliers adhere to the relevant employment legislation. In our endeavour to share best practice regarding human rights Land Bank will exert influence on its supply chain to improve circumstances.
- 17 5. **Clients:** We follow stringent anti-money-laundering legislation to ensure that we know our clients and do not promote or support bribery and corruption in any form.
- 17 6. **Community and environment:** Land Bank is prudent about the impact it has on the communities in which it operates and endeavours at all times to support and promote a society based on the Universal Declaration of Human Rights.
- 17 7. **Government:** Land Bank recognises the pivotal role of the state and the government in protecting human rights, but Land Bank also acknowledges the role business plays as a responsible corporate citizen as well as the importance of compliance with applicable laws.
- 17 8. **Provider of financial services:** Land Bank does not tolerate any form of corruption, including extortion and bribery. Product development takes into consideration human rights requirements and the proper evaluation of risks. We also refer to the Anti-money-laundering Control and the Combating of the Financing of Terrorist Policy.

- 17 9. **Due diligence:** Land Bank's commitment to international best practice includes managing our business operations with due diligence. All stakeholders must align to the group policies, procedures and best practice commitments.

The focus on human rights, in terms of King IV principle one, will demonstrate that the Land Bank Board 'leads Land Bank ethically for sustainability in terms of the economy, environment and society, taking into account its impact on internal and external stakeholders.'

## **18. AWARENESS**

It is the responsibility of each employee to ensure that he/she is aware of, and if necessary, receive appropriate training and education with regard to this Code.

## **19. COMPLIANCE**

All employees of the Land Bank Group:

- a) Shall adhere and conform to this Code as stipulated in the contract of employment.
- b) An employee, who is in doubt regarding a questionable situation, should immediately consult their manager to obtain clarity.

## **20. CONTRAVENTION OF THE CODE**

- 20 1. The Land Bank Group will consider any contravention of the Code as a serious matter. In similar vein, any investigation that is conducted into any suspected or alleged contravention will be treated confidentially.
- 20 2. In the event of an employee believing that, his/her actions have or may have been in contravention of the Code, he/she should either advise his immediate supervisor or report the matter to a person at management level.
- 20 3. Where an employee suspects that a fellow employee has contravened the Code, this should be reported promptly and confidentially, in line with this Policy. The employee making the report should not confront the suspected individual. This will facilitate the maintaining of confidentiality and impartiality of any subsequent investigation into the matter and limit the risk of damaging the reputation of the suspected person should it be found that the suspicion is unfounded.
- 20 4. In cases where a report is received of an employee's alleged conflict of interests through the Risk Reporting Line or Tip-Offs Anonymous, the report will immediately be sent to the Ethics Office for consideration, who, in turn, will advise and consult with the Social and Ethics Committee on appropriate action to be taken. The action to be taken will be a consultation by the aforementioned individuals with the complainant, if known and will depend on the nature, materiality and seriousness of the allegation.
- 20 5. The Ethics Office or another appointed person, who can also be an external consultant, will be requested to conduct an investigation into the validity of the allegation and to advise the previously mentioned and relevant management on the findings. The aforementioned individuals will ensure that they discharge their

duty to prove allegations of conflict of interests as well to disprove sensational and false allegations against innocent victims.

- 20 6. In cases where an employee has failed to disclose an actual or potential conflict of interests and this is brought to the attention of management, he/she will first be afforded an opportunity to explain the alleged failure to disclose.
- 20 7. If, after assessing all information, management or the Forensic team is of the opinion that the employee/director intentionally or negligently failed to disclose an actual or possible conflict of interests, management or Forensic team shall take appropriate disciplinary action. (Refer to the related Human Capital policies)
- 20 8. If the allegations are found to be true, this may not only lead to disciplinary action, but also criminal prosecution, payment of restitution, corrective action, divesture of questionable assets and other civil remedies, as deemed appropriate, to protect the interests of the group.
- 20 9. A conflict of interests may be an indication of corruption. In terms of section 34 of the Prevention and Combating of Corrupt Activities Act, Act No. 12 of 2004, any person in a position of authority who knows or ought reasonably to have known or suspect that another person has committed corruption or the offences of theft, fraud, extortion, forgery or uttering of a forged document involving R100 000.00 or more must report such knowledge or suspicion or cause same to be reported to a police official. Failure to comply with this obligation will constitute an offence resulting in a sentence of up to ten years' imprisonment.
- 20 10. In view of the fact that a contravention of this Code is a serious matter, it may result in any or all the following actions:
  - a. Disciplinary action, including termination of employment; and/or
  - b. Civil action; and/or
  - c. Criminal proceedings.

## **21. DISCLOSURE OF CONFLICT OF INTERESTS / OUTSIDE INTERESTS**

The link to the Compliance Tool is

<http://landBankteamsites/sites/hr/Lists/Declaration%20of%20Interests/All%20Item.aspx>

Or

<http://landBankteamsites/sites/hr/Lists/Declaration%20of%20Interests>

Or

Click on:

The intranet home page

Declaration of Business and / Conflict of Interest.

Add and edit – Outside Interests and Nil returns

## **22. MONITORING**

Human Capital or Company Secretariat must review all new outside interest declarations in their areas of responsibility on a monthly basis with a view to identifying conflicts and incomplete declarations and report on outside interests at the ERCOs.

Management information and assurance of compliance will be provided to the Land Bank management on an annual basis.

### 23. **ESCALATIONS:**

The Bank require the following to be referred to the Ethics Office:

- a) Any allegation of bribery where Land Bank is accused of bribery or corruption;
- b) Any incident or allegation relating to bribery and corruption involving employees;
- c) Any proposed political donations (which are strictly prohibited under this policy); and/or
- d) Any material non-disclosure of a conflict of interest involving a Land Bank Group executive.

### 24. **GIFTS (refer to the Gift Policy)**

#### 25. **REPORTING**

- 25 1. There is a duty on all employees within the group to report immediately or as soon as possible any unethical behaviour, fraud, corruption, theft or other similar illegal behaviour that is suspected or discovered. Any such activity should be reported immediately to line management, except where line management itself is suspected of involvement. In this instance, it should be reported to the Forensic function through the Risk Reporting Line. Failure to do so may result in disciplinary action, depending on circumstances.
- 25 2. The group respects the right of an individual to retain his / her anonymity when reporting fraud or corrupt activities. Anonymity means that you do not state your name when reporting unethical conduct. It is your responsibility to ensure that you protect your anonymity when making your reports as well as afterwards. Individuals should make use of the Tip-offs Anonymous hotline should they wish to retain their anonymity.
- 25 3. The group adheres to the stipulations within the Whistleblowing Policy, which defines the protection offered to parties who report on the transgressions listed in it. Please review the policy on the intranet for additional information.
- 25 4. The hot line is administered independently by *Deloitte and Touche*:  
Toll-free call number: 080 112 2569 - You do not pay for the cost of the call. Unique e-mail: [landBank@tip-offs.com](mailto:landBank@tip-offs.com)

The identity and source address of your e-mail is removed before the e-mail is received by Tip-offs.

Free post address:

Freepost DN 298, Umhlanga Rocks, 4320

No costs to the employee - send any information you may have.

Free Fax: 0800 00 77 88 – For the sending of supporting documents as evidence.

If you have access to Internet, you may log an anonymous report by logging onto the Tip-offs Anonymous Website at <http://www.tip-offs.co.za>

Also, refer to the Land Bank Fraud and Corruption Prevention Policy.

For more information or advice on this Code, contact Enterprise Risk, the Land Bank Ethics Officer on +27 12 686 0532 or 012 686 0546.

## **26. RELATED LEGISLATION AND DOCUMENTS**

In alphabetical order, list the authorizing and related legislative documents (e.g. acts, regulations, standards), and related Land Bank policies, procedures, templates, guidelines or committee terms of reference that together form a framework to enable readers to better understand the policy and its context.

- Land Banks Act
- Prevention and Combating of Corrupt Activities Act, Act No. 12 of 2004
- Protected Disclosure Act No 26 of 2000
- Protection of Harassment Act No 17 of 2011
- Public Finance Management Act No 1 of 1999
- KING IV Principles
- Public Service Management of Ethics May 2013
- Public Service Integrity Management Framework

Other relevant documents

- Gift Policy;
- Supply Chain Management Policy;
- IT Policies;
- Fraud and Corruption Prevention Policy;
- Harassment Policy.
- Whistle-blowing Policy
- Board and Executive Committee Codes of Conduct
- Land Bank Disciplinary Code and Grievance Policy
- Online “Declaration of Business and / Conflict of Interest”

**ANNEXURE 1: LAND BANK GROUP BOARD ETHICS STATEMENT**

**ANNEXURE 2: DECLARATION OF INTEREST FORM**

## 27. APPROVAL AND REVIEW PROCESS

Indicate the body responsible for the approval of the policy. The Delegation of Powers (DOP) clarifies which policies need to be escalated to Board for approval. All policies are required to go through the Policy and Process Change Committee before they are recommended for approval by EXCO. Specify the review frequency of the policy. The minimum requirement is 2 years; however, should the policy require to be reviewed earlier than that due to for example legislation changes, then it must be specified. Please note that although the policy and process may be separate documents, they are linked together and need to be reviewed and approved simultaneously.

## 28. APPROVAL OF THE CODE OF ETHICS AND BUSINESS CONDUCT

This document was recommended and approved by the following committees:

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Chairperson Date: dd/mm/yyyy  
On behalf of the Policy and Process Change Committee (PPROCC)

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Chairperson Date: dd/mm/yyyy  
On behalf of the Executive Committee (EXCO)

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Chairperson Date: dd/mm/yyyy  
On behalf of the Social and Ethics Committee (SEC)

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Chairperson Date: dd/mm/yyyy  
On behalf of the Board

## ANNEXURE 1: LAND BANK GROUP BOARD ETHICS STATEMENT

The Land Bank Board is committed to driving the ethics of the Bank through leading by example, acting as role models, talking about ethics and encouraging all employees of the Land Bank to live in accordance with the five core values:

- **Meaningful contribution:** *'Seeking to always add value in our engagements'*
- **Empowerment:** *'Seeking to empower ourselves and each other in the way we undertake our work'*
- **Building organisational synergy:** *'Seeking to create a sense of oneness and integration'*
- **Accountability:** *'Ensuring that we do what we say and we follow through'*
- **Pro-activeness:** *'Striving to see opportunities to do things better, and do all we can to make things better'*

The Board is bound by an ethical duty to make ethical decisions that benefit the Land Bank stakeholders, decisions that are and are seen to be transparent, fair and competent. The actions and decisions of the Board are accountable to the highest ethical standard and adopted best practice principles.



**ANNEXURE 2:**

## DECLARATION OF INTEREST

### Employee Details

Full Name	
ID Number	
Employee Number:	
Job Title:	
Business Unit:	
Division:	

#### Attachments

(Should the space provided below be insufficient, please attach details on separate sheet.)

*Ability online to* [Click here to attach a file]

The Land Bank Group carries a particular obligation to the public and therefore, all Land Bank Group employees are expected to display behaviour that promote and maintain public confidence and trust. The Land Bank Group Employee’s Policy on Conflict of Interest and Outside Involvement provides a structure to all employees in all capacities to be empowered to make the correct decisions in his/her business relationships and stipulates what is acceptable outside business interests for employees of the Bank.

Employees should avoid acquiring any business interest or participating in any activity outside the Land Bank Group, which would create or appear to create the following:

An excessive demand on their time and energy which would deprive the Land Bank Group of their best efforts on the job; and/or

A conflict of interest which is an obligation, interest or distraction which would interfere or appear to interfere with the independent exercising of judgment in the Land Bank Group’s best interest.

As part of sound Corporate Governance principles, the Bank, in terms of Section 21(4) of the Land Bank Act, will stipulate the conflict of interest applicable to employees of the Bank, that employee’s formally declare their interest on entering the employ of the Bank, as well as should new interests be acquired. For more information about the policy (click [here](#) for policy)

The above referred Policy should also be read with the Code of Ethics and Business Conduct Policy(click [here](#) for policy) including the Policy for Appointment of Nominee Director (click [here](#) for policy).

**Detailed Declaration:**

Do hold or have held any directorships and/or memberships and/or partnerships in any entity and/or receive/received payment for any work outside the Land Bank Group, which includes being an unpaid consultant?  Yes  No

Name of Business	Type of Business	Date Business / Company registered	% financial interest	Function in business (Director, co-owner, member, partner, etc.)	Active / Inactive / Resigned	Is the entity or organisation a business partner of the Land Bank Group	Is the entity or organisation in conflict with the Land Bank or competition to the Land Bank?

Do you currently hold any other personal interest of personal financial interest (This should include shares in listed or unlisted entities as well as beneficiaries or trustees of a trust)?  Yes  No

Name of interest (Shares, beneficiary of a trust, trustee)	Detailed description on interest (Number of shares/financial benefit derived from interest/assets obtained through interest)	Name of entity which the interest is held in (Company name/CC Name/Partnership Name/Name of trust)	Dates

Are you aware of/Do you have family members (spouse, mother, father, brothers, sisters, children or in-laws) who currently hold or have held any directorships and/or memberships and/or partnerships or any personal financial interest in any entity that has a direct/indirect business relationship with Land Bank Group?  Yes  No

Name of Business	Type of Business	Date Business / Company registered	Function in business (Director, co-owner, member, partner, etc.)	Active / Inactive / Resigned	Person/entity holding the interest (name of family member)	Is the entity or organisation a business partner of the Land Bank Group

Are you aware of/Do you or your family members have personal interests or personal financial interests in entities, which currently perform, work for Government departments or State Owned Entities?  Yes  No

Name of Business	Type of Business	% financial interest	Function in business (Director, co-owner, member, partner, etc.)	Person / entity holding the interest (name of)	Name of State Owned Entity / Government Department	Nature of contract / Agreement Award	Contract Amount	Year Contract Awarded

				family member)				

Are you aware of / Do you or your family members or entities in which you or your family members have a personal financial interest, hold or have previously held loans with the Land Bank Group?  Yes  No

Type of Loan	Loan amount	Date of loan agreement	Is the loan active or repaid?	Were you directly or indirectly involved in the approval process of the loan?

Are you aware of / Do your friends or associates hold or have held any directorships and/or memberships and/or partnerships in any entity that has a direct or indirect business relationship with the Land Bank Group?  Yes  No

Name of person	Name of Business	Type of Business	Function in business (Director, co-owner, member, partner, etc.)	Were you directly or indirectly involved in any business decision relating to this individual or entity?

Are you aware of / Do your friends, associates, or entities in which your friends or associates have a personal financial interest, hold or have previously held loans with the Land Bank Group? (E.g. Is a friend/or an associate in a position of influence in an entity (CEO, CFO, Director)  Yes  No

Type of Loan	Loan amount	Date of loan agreement	Is the loan active or repaid?	Were you directly or indirectly involved in the approval process of the loan?

**Board of Directors**

Are you appointed as a Member of a Board (Executive or non-executive Director) of an entity in your private capacity?

Yes  No

Designation: Board Director, Nominee Director	Company / Institution Name	Date appointed	Appointment Period	Number of Meeting attendance per year	Board Fees Payments

Are you appointed as a Nominee Director representing the Land Bank?

Yes  No

Designation: Board Director, Nominee Director	Company / Institution Name	Date appointed	Appointment Period	Number of Meeting attendance per year	Board Fees Payments

- I hereby declare that the above-mentioned information, to the best of my knowledge, is correct and truthful.
- I undertake to notify the Land Bank Group, within a month, should my answer to any of the above questions change or if there have been any changes to the ownerships or interests listed above.
- I have no interests in the agricultural sector, which may be in conflict with my employment at the Land Bank Group.
- I undertake to act at all times in the best interests of the Land Bank Group.
- I have read and acknowledged the Land Bank Group's Conflict of Interest Policy.
- I have read and acknowledged the Land Bank Group's Code of Ethics and Business Conduct.
- I have read and acknowledged the Land Bank Group's Nominee Director Policy.

Land Bank will conduct a verification check on all information supplied in this declaration of interest form.

*[Signed electronically]*