

SAICA GROUP

Employee Code of Ethics

Document control

Managed by	Risk & Compliance
Policy Owner	Senior Executive: Risk & Compliance
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Policy Sponsor (if different from owner)	Executive Director: Governance
Final approval by	ExCo
Date of Final Approval	9 December 2019
Next review date	31 October 2020
Version	2.0
Status	Approved

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1. Introduction & Purpose

- 1.1. SAICA drafted and adopted a Code of Ethics for employees in line with good corporate governance as espoused in the King Committee’s recommendation for good cooperate governance (i.e. the King Code) in 2007, as amended from time to time.
- 1.2. SAICA has recently undergone a Governance review, which required the review of its Code of Ethics. One of SAICA’s fundamental objectives for itself, its Members and Associates is to act in public interest and to safeguard the values of the Profession, which includes upholding, promoting and enforcing the highest ethical standards, and conducting activities in such a manner as to avoid conflicts with the public interest.¹
- 1.3. SAICA has adopted and applies the majority of the recommended principles and practices of the latest King Code to the extent that it advances effective business leadership and governance in SAICA environment, towards achieving an ethical culture.²
- 1.4. All SAICA Board (“the Board”) members are required to have sound ethical reputations, subscribe to the highest levels of ethics and integrity, and the Board’s objectives require the Board to ensure that SAICA adhere to the highest standards of ethics.³ The Board’s responsibilities requires that it must provide effective and ethical leadership in the best interest of SAICA, and determine SAICA’s values and ensure that SAICA’s ethics are managed effectively.⁴
- 1.5. The objective of this Employee Code of Ethics (“Code of Ethics”) is to establish new ethical standards for SAICA to exercise ethical and effective leadership. This Code of Ethics must be used to judge individual behaviour of Management, employees and stakeholders.

¹ Paragraph 4.1, 4.1.1.1 and 4.1.1.2 of SAICA’s Constitution, as approved 26 June 2019.

² Paragraph 7 of the Board Charter- Appendix 1 to the SAICA By-laws, as approved 26 June 2019, read together with the definition of ‘Corporate Governance’ in King IV.

³ Paragraph 6.2.5 and 6.3.1.8 of SAICA’s Constitution, as approved 26 June 2019. Paragraph 3.1 of the Board Charter- Appendix 1 to the SAICA By-laws and Annexure A, as approved 26 June 2019.

⁴ Paragraph 5.3.1.8 of the Board Charter- Appendix 1 to the SAICA By-laws, as approved 26 June 2019.

1.6. This Code of Ethics aims to:

- 1.6.1. appeal to all employees and stakeholders to embrace ethical conduct;
- 1.6.2. set out principles and standards to be applied by employees and stakeholders to conduct, in decision-making and the relationship between SAICA, employees, other stakeholders and the broader society;
- 1.6.3. ensure that ethics forms an integral part of the manner in which SAICA conducts its business;
- 1.6.4. promote and encourage ethical behaviour within SAICA, based on SAICA's core values;
- 1.6.5. re-affirm Management's commitment to build and sustain an ethical corporate culture within SAICA;
- 1.6.6. serves as the basis for accountability for ethical conduct; and
- 1.6.7. support SAICA's objective as a professional body to act in the public interest.

2. Scope & Application

- 2.1. SAICA requires all its Management, employees and its other stakeholders to adopt, adhere, uphold, promote, enforce and have conceptual knowledge of the content of this Code of Ethics, including the necessary skill to apply, practice and resolve to implement the Code of Ethics.
- 2.2. This Code of Ethics shall apply to all SAICA Controlled Entities (including Thuthuka Educational and Upliftment Fund (TEUF), The Hope Factory (THF) and SAICA Enterprise Development (SAICA ED)) to the extent that such entities have a similar Code of Ethics in place. SAICA Controlled Entities' Management, employees and its other stakeholders are required to adopt, adhere, uphold, promote, enforce and have conceptual knowledge of the content of this Code of Ethics, including the necessary skill to apply, practice and resolve to implement the Code of Ethics.

3. Policy Statement

- 3.1. After consultation with employees, SAICA identified the principles and values, as set out in this Code of Ethics, as the foundation for Ethical conduct.
- 3.2. Management, under the oversight of the Social Ethics and Transformation Board sub-committee, is committed to manage the ethics of SAICA in a manner which supports the establishment of an ethical culture.
- 3.3. Management confirms their support and commitment to compliance with this Code of Ethics and the ethical values to be applied to conduct, decision-making, and the relationship between SAICA, employees, other stakeholders and the broader society.

4. Principles & Standards

4.1. Ethical Aspects

Ethics involves the following aspects:

- 4.1.1. considering what is good and right;

- 4.1.2. the ability to distinguish between right and wrong; and
- 4.1.3. commitment towards doing what is right.

4.2. SAICA's Core Values

- 4.2.1. SAICA expects Management and all employees to share in its commitment to high ethical, moral and legal standards and aims to create opportunities and wherein Management and employees may voice their genuine concerns about business behaviours and decisions, or anything unethical or perceived as unethical.
- 4.2.2. Management and all employees are required to act and perform their duties and responsibilities in line with the ethical aspects set out above, and individually and collectively cultivate SAICA's six core values being:
 - 4.2.2.1. **Integrity:** 'Demonstrating sound moral and ethical principles in everything we do';
 - 4.2.2.2. **Accountability:** 'Accepting full responsibility for the outcomes of your actions';
 - 4.2.2.3. **Professional Behaviour:** 'Abiding by laws, regulations and policies and refraining from any conduct that would bring SAICA and the profession into disrepute';
 - 4.2.2.4. **Respect:** 'Holding SAICA and each other in high regard';
 - 4.2.2.5. **Transparency:** 'Encouraging an open and honest environment'; and
 - 4.2.2.6. **Member Centricity:** 'Ensuring a positive member experience by striving to exceed expectations'.
- 4.2.3. In addition to the above core values, SAICA as a non-profit organisation has an obligation to act in public interest and SAICA therefore requires that all employees' standards of ethical behaviour promote and maintain public interest.
- 4.2.4. This Code of Ethics does not replace employees' conditions of employment. The Code of Ethics is complementary to conditions of employment and reflects SAICA commitment to its adoption of these core values in its dealings with internal and external stakeholders.

5. Roles & Responsibilities

- 5.1. **All employees** and other internal stakeholders of SAICA must comply with this Code of Ethics, its related policies and regulatory requirements.
- 5.2. **All external stakeholders**, more specifically service providers, suppliers in their contracts or dealings with SAICA, shall agree to subscribe to this Code of Ethics. Although SAICA shall have limited legal rights to enforce same, SAICA can exercise moral persuasion to gain compliance with this Code or choose not to enter into business with such stakeholders.

6. Reporting

- 6.1. This Policy imposes a duty and responsibility on employees to report non-compliance of this Policy to the Policy Owner.

- 6.2. The Policy Owner to report non-compliance of this Policy to the Compliance Function on a monthly basis and provide continuous status updates on non-compliance reports.

7. Remedial Action

It should be noted that should an employee or another stakeholder fail to adhere to this Code of Ethics, such conduct may result in disciplinary action or legal action being taken in accordance to SAICA's Disciplinary Procedures and other relevant legal procedures.

8. Effective Date

This Code shall come into effect on the 1 April 2020.

9. Review of Policy

- 9.1. This Code will be reviewed annually or as required, in order to ensure that the terms are current, fair and representative of relevant corporate and industry conditions.
- 9.2. SAICA reserves the right to change this Code of Ethics at any time, without prior notice and will communicate such changes to all affected.

POLICY SIGN-OFF AND OWNERSHIP DETAILS

Policy Title	Employee Code of Ethics
Publication Date	8 May 2020
Review Date	31 October 2020
Related Legislation Applicable	n/a
Related Policies, Procedures, Guidelines, Standards, Frameworks	SAICA's Constitution; SAICA's By-laws; SAICA's Delegation of Authority; Employee Code of Conduct; Conflict of Interest & Gift Policy; Fraud Prevention Policy; and All other SAICA Group Policies.
Replaces	Code of Ethics (2007)
Policy Owner	Senior Executive: Risk & Compliance
Policy Owner (Tel)	011 621 6645
Policy Sponsor (if different from Policy Owner)	Executive Director: Governance
Application	SAICA and its Controlled Entities, and Internal and External stakeholders
Functional Owners	Risk & Compliance
Status	Approved
Final Approval by	ExCo
Approval Date	9 December 2019
Version	2.0

Sign-off:

The following party is a signatory to the content of this policy:

Signed by the Chairman of the Executive Committee

Chairman of the ExCo

Date: 09/12/2019

Revision History

Version	Date	Revision Description & Summary of Changes (for audit trail purposes) Note: The Change Risk Management process must be followed where significant changes are made to this policy.	Policy Owner & Policy Sponsor
2.0	09:12:2020	Major Revision: Legislative amendment (Approval required)	Senior Executive: Risk & Compliance & Executive Director: Governance
1.1	07:09:2012	Minor Amendments: formatting	-
1.0	2007	First draft: new policy	-

End of Policy