



Stanbic Bank

A member of Standard Bank Group

**Vendor Code of Conduct for
Suppliers of Goods & Services**

Overview

Stanbic Bank (the “Bank”), through its Vendor Management and Procurement department (VM&P) has developed a set of principles that will define acceptable compliance practices for its vendor community. It is the responsibility of each vendor to read the vendor code of conduct, and understand what is expected of them.

The Bank is committed to working with its vendors to develop and maintain a sustainable supply chain. While all vendors are required to comply with applicable international and domestic laws and regulations, the Bank also expects vendors to conduct their business relationships with the Bank with the same professional and ethical standards that it requires of its employees.

Procurement Policy

In order for the Bank to leverage opportunities presented by its procurement activities it needs to implement a procurement framework that promotes and encourages a culture of compliance and governance. To that end, the Bank’s procurement function subscribes to best in class global procurement practices. Value creation across the value chain, is enabled through the adoption of the centralized and outsourcing procurement approach which in turn, promotes the development of procurement policies and procedures through a central function while the execution of certain procurement activities is carried out at a decentralised level and by means of outsourcing arrangements.

The minimum requirements for compliance are set out in the applicable Procurement Policy revised by VM&P from time to time.

The Code

Ethical Practices

The vendor shall not:

- Do anything, or engage in any activity, which is likely to adversely affect, or damage, the Bank’s good name and/or reputation and shall ensure that its directors and employees, do not do any such thing or engage in any such activities.
- Act dishonestly and/or in bad faith and/ or make any intentional misrepresentation to the Bank in any engagements.

Ethical Procurement

- All procurement transactions shall promote objectivity, transparency and fairness in line with sound corporate governance principles and must at all times be of the highest procurement and ethical standards.
- Procurement transactions that have the potential to harm the Bank's reputation and excellent customer service record, and which could negatively impact the Bank's share price and competitive position in the market, must be avoided and rejected at all times.
- Any vendor; agent or consultant, or contractor or stakeholder of the Bank involved in the Bank's procurement process and who has a conflict of interest in any company, or in any person, with which/whom the Bank wishes to do business, must recuse him/ herself from the entire procurement process for the procurement of those specific goods and/ or services.
- Any vendor; agent or consultant, or contractor or stakeholder of the Bank involved in the Bank's procurement process must complete a "Declaration of Interest" form to be kept by VM&P for reference, audit and record purposes. In such declaration of interest, all such agents, or consultants, or contractors, or employees, of the Bank or stakeholders involved in the Bank's procurement process shall declare any financial interest, or contractual, or personal, relationship which they hold in any business or entity.

Anti-Bribery and Corruption Policy

- The Bank takes a zero tolerance approach to bribery and corruption and will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.
- A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.
- Corruption is the misuse of public office or power for private gain or the misuse of private power in relation to business outside the realm of government.
- Acts of bribery or corruption are intended to influence an individual in the performance of their work to act dishonestly and/or improperly.
- A bribe can take many forms, for example, a direct or indirect promise or offer of something of value, the offer or receipt of a kickback, fee, reward or other

advantage, the giving of aid, donations or voting designed to exert improper influence.

Anti- Bribery and Corruption Policy: What is not acceptable by the Bank

It is not acceptable by the Bank for any vendor; agent or consultant, or contractor the Bank to:

- give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope or that this will influence the decision-making of the Bank or that a business advantage will be received, or to reward a business advantage already given;
- accept payment from a third party that you know or suspect is offered with the expectation that the Bank's decision making will be influenced in any way and that it will obtain a business advantage for them;
- issue threats, blackmail and/or harm a Bank's employee who has refused to commit a bribery offence or who has raised concerns under the breach of this policy;
- engage in any activity that might be viewed as a breach of this policy

Anti- Bribery and Corruption: Your responsibilities

- Any vendor; agent or consultant, or contractor of the Bank must ensure that you read, understand and comply with this code of conduct.
- The prevention, detection and reporting of bribery and other forms of corruption is the responsibility of all vendors; agents, consultants, contractors and employees of the Bank.
- Any vendor; agent, consultant, contractor or employee of the Bank must notify the responsible Bank employee as soon as possible if they believe or suspect that a conflict with this code of conduct has occurred, or may occur in the future.
- Report all breaches of this policy on the following email address: Fraud@kpmg.co.za or call the following number [08002213268](tel:08002213268) for anonymous reporting.

Whistle Blowing

What should be reported?

- The committing of a criminal act;
- the failure to comply with any legal obligations;
- the miscarriage of justice;
- the endangerment of the health or safety of an individual;
- damage to the environment;
- unfair discrimination at work and victimization and/or
- deliberate attempts to conceal any of the above.

Anonymous reports

- The employer has established a Fraud Hotline, which employees may use to report any concerns regarding unlawful or irregular conduct.
- Callers may choose to remain anonymous, but are encouraged to provide their names and contact details in the event of further investigation and for the purposes of providing feedback.

Confidentiality

- The employer will make every reasonable effort to treat all reports in the strictest confidence and will ensure, in so far as it is possible or practicable, that the identity of the employee concerned remains confidential.
- An employee making a report need not reveal their identity.
- However, employees making reports are encouraged to provide their contact details, especially in cases where an internal enquiry or formal investigation is initiated. In such cases, the employee concerned may be asked to provide a statement as part of the evidence.

Untrue allegations

- The employer will not protect any employee who makes a report, knowing that the information provided is untrue. In such cases, disciplinary action will be taken against the person concerned and such misconduct will be regarded as serious.

Levels and delegation of Authority

Delegation of authority should be done in a manner that supports a high level of service delivery. People in authority must be fit to handle such position in an acceptable manner. Delegates must not further delegate their functions unless where it is specifically mentioned. No person is allowed to sign on behalf of another in any document. The Vendor shall be expected to submit a board resolution with confirmation of their duly authorised signatory.

Vendor On-boarding and Off-boarding

- In order to ascertain the sustainability of vendors and to establish whether a vendor's directors and/ or members are fit and proper/ have capacity to partake in contractual activities, the Bank shall be entitled to pre-screen and conduct individual and company integrity checks as part of its vendor on-boarding process.
- Once a vendor has been awarded business, they shall be required to provide pre-qualification documentation and complete a registration form prior to registration on the vendor master database.
- Any change in the directorship or ownership of the vendor should be communicated in writing to the VM&P and by provision of the updated CR12 from the registrar of companies
- Upon termination of the supply of goods and/ or services with the vendor all reports; manuals; financial statements; budgets; indices; research papers; letters or other Bank proprietary documentation created, compiled or brought into being by the vendor or come into the vendor's possession during the course and scope of its engagement with the Bank, shall remain the sole property of and should be returned to the Bank as part of the exit plan and vendor off-boarding process.

Sustainability

The Bank strives to procure goods and services that have a lesser or reduced impact on the environment, on the health and safety of workers and communities.

Minimum sustainability requirements

- All goods and services procured by the Bank must comply with all environmental and social legislation of the host-country and the requirements of any other relevant legislation.

- Vendors, consultants and contractors to the Bank must:
 - Comply with all environmental and social legislation (national laws and by-laws) of the host-country and the requirements of any other relevant legislation;
 - Follow good environmental and social practice, relevant to their sector or goods supplied;
 - Submit relevant details about their sustainability approach/policies and performance as part of tendering, including current achievements and future goals and plans;
 - Recognize that their sustainability efforts shall be used as part of the sourcing evaluation criteria, with a standardized weighting to be allocated to sustainability and where it is material may be subject to audit in the future; and
 - Be contractually obligated to minimum levels of environmental and Occupational Health and Safety (OHS) performance (where appropriate) which will be monitored by VM&P and which will contain consequences for non-compliance.

Minimum Occupational Health and Safety (OHS) requirements

- Preceding of projects executed on the Bank's premises, all vendors, consultants and contractors to the Bank must comply with the Bank's internal requirements and with Occupational Health and Safety Act No. 15 of 2007 ("OHS Act").
- This requires that hazard identification and risk assessments must be conducted and documented on all processes and activities before commencement of a project or programme of work and to work with sub-contractors to ensure compliance.
- The above also pertains to the daily running of vendors', consultants' and contractors' own entities, including the manufacturing, warehousing and distribution of their products.
- All vendors, consultants and contractors:
 - Have an obligation to prevent harm to themselves and others by adhering to legal requirements;
 - Must comply with all applicable health and safety policies, procedures and standards of the Bank and maintain a high level of emergency preparedness to handle any emergency situation;

- Have an obligation to immediately report health and safety incidents and hazards to the Safety Officer on site, the relevant department in the Bank and to Group Real Estate Services. Such a report must be followed promptly by effective investigation to determine root causes and implement corrective action; and
- Must establish and maintain appropriate controls and procedures in place that guard against dangerous working practices and uphold fundamental human rights of employees, including conducting and allowing periodic audits and reviews within their own premises, projects conducted on the Bank's property and on premises leased by the Bank.

Expected sustainability commitment level

- The Bank recognizes that Sustainability is a business journey and as such, focus will be on the vendor's current and planned initiatives. The Bank will assist those vendors who show a willingness to improve and gain access to best practice information about their sector, particularly small and medium-sized companies.
- Vendors are expected to:
 - Conduct basic environmental, OHS and community risk assessments associated with the activity or product;
 - Set clear environmental and social targets, and find ways to reduce energy usage, greenhouse gas emissions, water consumption and pollution;
 - Where appropriate obtain external certification, or labeling or recognition for environmental or social standards, performance and policies;
 - Have the capacity in their teams to give effect to their commitments;
 - Strive to continually improve environmental; health and safety performance;
 - Report transparently on material environmental and social aspects and impacts; and
 - Extend sustainability requirements to their vendors.

Human Rights

All vendors should respect basic human rights and establish a clean and safe working environment. This includes prohibiting forced labour, child labour, discrimination, and to consider payment of appropriate wages, regulation of working hours and respect of freedom of association.

Securing Excellent Product Quality

- Vendors are expected to establish a quality assurance system in accordance with the ISO 9000 family standards.
- This system should help improve and maintain the quality of products delivered to the Bank.

Firm Delivery Commitment and establishment

- Vendors are requested to keep delivery commitments.
- They are also requested to establish a system for the stable and flexible supply of goods and/or services enabling them to successfully respond to rapid supply-demand fluctuations.

Application

This code of vendor conduct sets forth guidelines for our current and future Vendors (inclusive of consultants and contractors). The Bank encourages all our new and existing vendors to aspire to these guidelines and endeavour to make continual improvements. As the intent of this code is to increase ethical business practises, social and environmental sustainability throughout the supply value chain, the Bank encourages its vendors to require their next-tier vendors to acknowledge and implement parallel best practises and standards of conduct. The Bank further encourage and challenge its vendors and their sub-contractors or vendors to offer and innovate new and better products and services reflecting ethical practices and sustainability attributes for the Bank to purchase at cost competitive pricing.

Non-Compliance

Vendors are expected to fully comply with the provisions of this code of conduct. In instances where a vendor does not meet the required criteria:

- A development plan will be created outlining a timeline for the vendor to come into full compliance.
- And the breach is serious enough or cannot be resolved in a reasonable time frame; the Bank may take steps to review the terms of the contract, including order review of the term or cancellation.

The Bank reserves the right to terminate a contract if a vendor does not adhere to ethical; health; safety and environmental regulations and or any other specifications.

Disbarment

- The Bank shall disqualify a vendor if it finds at any time that the information submitted concerning qualification of that vendor was false; materially inaccurate or materially incomplete.
- Should any vendor qualification information pose a threat of harm to the Bank; the Bank will be entitled to disbar the vendor from conducting any future business with that vendor.

Signed:

Name of Company:

Designation: