



# AFRICAN CERTIFICATION AND TESTING (PTY) LTD

<b>Division:</b>	Social Compliance	<h2>Code of Ethics</h2>
<b>Document Type:</b>	Procedure	
<b>Implementation Date:</b>	5 July 2024	

<b>Document purpose:</b>	This document outlines the rules and principles of ethics by which ACT operates.
<b>Document Scope:</b>	Internal staff, external consultants, key stakeholders, clients.
<b>Responsible Persons:</b>	Directors, Quality Manager,

ACT is an ethical business that operates with integrity, transparency, and honesty in all business activities. This principle defines ACT’s approach to bribery, corruption, improper influence, and conflicts of interest.

ACT is guided by South African legislation: The Basic Conditions of Employment Act No.75 of 1997, The Occupational Health and Safety Act 85 of 1993, The Prevention and Combating of Corrupt Activities Act No 12 of 2004, The Companies Act 71 of 2008); The APSCA standards and code of conduct; The 10<sup>th</sup> Principle of the UN Global Compact: Anti-Corruption, stipulating that ‘businesses should work against corruption in all its forms, including extortion and bribery’ and The UN Sustainable Development Goal (SDG) target 16.5 to substantially reduce corruption and bribery in all their forms by 2030.

### Glossary of terms

**Bribery:** the practice of offering money or something of value in exchange for obtaining preferential treatment or improper advantage

**Conflict of interest:** Where an individual (or entity) is confronted with choosing between the duties and demands of their position and their own private interests.

**Corruption:** Fraudulent or dishonest behaviour or inducing improper behaviour by unlawful means, such as bribery

**Extortion:** Using access to a position of power or knowledge (either directly or indirectly) to demand cooperation or compensation as a result of coercive threats.

**Unfair advantage:** Obtaining something to which a company is not entitled, such as a government approval or permit, by means of a bribe or other unethical practice.

### Examples of bribery, corruption and risks to ethical business practice

*Bribery, corruption, conflicts of interest and improper influence come in many forms, but can include:*

*Unofficial or “off-book” payments to government representatives or bodies (including payments of value in excess of the legally stipulated amount).*

*Excessive gifting or hospitality that could exert improper influence over a business relationship, and may place one company at an unfair advantage over another .*

*Undocumented services or favours promised outside the scope of a contract.*

*Backdating or otherwise altering written contracts .*

*A supplier business or service provider tendering for a contract owned by an employee’s relative (i.e. conflict of interest) Attempts to influence audit results – such as requesting findings to be omitted from an audit report in exchange for a bribe.*

### ACT Commitment

ACT will not **solicit, accept, or facilitate** any form of benefit or value including currency, goods, services, or entertainment from any party **directly or indirectly** related to a social compliance service. As it is impossible to always understand the motivations of the individual providing the benefit or value, there will be no minimum threshold for any benefits or items received.

ACT social compliance auditors **will not accept meals**, except for beverages such as water, coffee, tea or soft drinks which are customarily provided to visitors at a facility, from any party directly or indirectly related to a social compliance service. If an ACT social compliance auditor is provided with a meal from any party directly or indirectly related to a social compliance service, **the auditor will pay** for the meal at the current market rate with a receipt to evidence payment.

ACT social compliance auditors **will not accept transportation** from any party directly or indirectly related to a social compliance service (this does not include transportation during an audit within or between audit sites). If an ACT social compliance auditor is provided any transportation by any party directly or indirectly related to a social compliance service, **the auditor will pay** for the transportation at the current market rate and obtain a receipt to evidence payment.

ACT social compliance auditors **will not accept gifts**, whether goods or services, from any party directly or indirectly related to a social compliance service.

ACT has **zero tolerance** for unethical business practices. Should an ACT staff member or external consultant/ auditor experience any of the above they should immediately inform the scheme manager who will document the incident, investigate and report it to the necessary authorities, if applicable.

All ACT social compliance auditors will sign this code of ethics before conducting social compliance audits on behalf of ACT.

ACT will conduct ethics training for all new audit firm personnel as well as annual ethics training for all established audit firm personnel.

Date:	5 July 2024
Approved by:	Bryce Tullis
Approval Signature:	