



ENVI AFRICA

CONFLICT OF INTEREST POLICY

ENVIAFRICA LIFE

205 Rivonia Road, Morningside, Sandton Tel: (010) 745 7897

Directors: L Mehalane (Executive Director), T Mphuthi (Non-Executive Director), V von Widdern (Non-executive Director), S Tshabalala (Non –Executive Director)

EnviAfrica Life - Licensed Microinsurer and Authorised Financial Services Provider. FSP NO 51816

SECTION 1- DOCUMENT ADMINISTRATION

Document Control

Document Properties

Document Location

The office of the **Company Secretary** of ENVI Africa Insurance will hold the latest original and approved version of this document. An electronic version of this document will be published at the following location:

ENVI Africa Intranet

DOCUMENT STRUCTURE

This document comprises two parts:

The first section contains the document administration;

The second section contains the Conflict of Interest Policy approved by the Board;

Table of Contents

| | |
|---|----------|
| 1. Application and the Scope of the Policy | 4 |
| 2. Objective of the Policy | 4 |
| 3. The Purpose of the Policy..... | 4 |
| 4. Definition of Conflict of Interest..... | 4 |
| 5. Prohibited Actions..... | 5 |
| 5.1. Outside Activities, Employment and Directorships..... | 5 |
| 5.2. Gifts, hospitality and favours | 5 |
| 5.3. Solicitation of Sponsorships, donations or gifts..... | 7 |
| 5.4. Relationships with suppliers, customers and contractors | 7 |
| 5.5. Personal investments | 8 |
| 6. Disclosure of conflict of interest to third parties..... | 8 |
| 7. Continuous Disclosure | 9 |

1. Application and the Scope of the Policy

This policy shall apply to all Applicable Persons employed as permanent Applicable Persons, temporary Applicable Persons, and contract Applicable Persons by Envi Africa (Applicable Persons).

This policy must be read together with the Conflict of Interest Management Policy as far as the conflict may apply to the representatives and/or the key individual and other business associates or third parties of Envi Africa.

2. Objective of the Policy

The policy provides for the manner in which conflict of interest is identified, avoided or where it is not possible to manage to ensure that the business affairs are conducted in the best interest of Envi Africa and those of its clients.

3. The Purpose of the Policy

The policy will enable Applicable Persons to perform their duties objectively. Where a conflict of interest exists, the manner in which such conflict can be avoided or managed if it cannot be avoided.

This policy provides the mechanisms that can be used by Applicable Persons to avoid or manage conflict of interest.

4. Definition of Conflict of Interest

“A conflict of interest occurs when an entity or individual becomes unreliable because of a clash between personal (or self-serving) interests and professional duties or responsibilities. Such a conflict occurs when a company or person has a vested interest—such as money, status, knowledge, relationships, or reputation—which puts into question whether their actions, judgment, or decision-making can be unbiased”. Investopedia

Conflict of interest can be actual, perceived or potential.

5. Prohibited Actions

Applicable Persons have a duty to direct all their energies and skills to further their employer's business interests. They are required to devote all their normal working hours to the employer's business and may not without the employer's permission work for another employer during working hours.

5.1. Outside Activities, Employment and Directorships

5.1.1 It is a condition of employment that Applicable Persons may not, without making full disclosure and obtaining permission from the relevant Human Resources Executive, take up extraneous employment in any other business or undertaking other than that of the Company.

5.1.2 Applicable Persons who hold, or have been involved to hold, outside directorships or other

offices, or who acquire any business interest or participate in any activity outside the Envi Africa should take particular care to ensure compliance with all provisions of this Policy. When outside business directorships are being considered, prior approval must be obtained from the Chief Executive Officer.

5.1.3 Any outside directorships that are held by Applicable Persons prior to commencing employment at ENVI Africa must be disclosed prior to the appointment and approval for retaining these directorships must be obtained from the Chief Executive Officer.

6.1.4 No ENVI Applicable Persons may receive commissions or other remuneration related to the sale of any product of ENVI, except as specifically provided for under that Applicable Person's terms of employment and is aligned with the Conflict of Interest Management Policy.

5.2. Gifts, hospitality and favours

5.2.1 Conflicts of interest can arise where Applicable persons are offered gifts, hospitality or other favours which may, or could be perceived to, influence their judgement in relation to performing their day-to-day business responsibilities.

5.2.2 As a general rule, Applicable Persons must not accept gifts, hospitality or other favours from suppliers of goods or services. Gifts that materially benefit one or more

Applicable Persons are not acceptable. The acceptance of the following would, however, not be considered contrary to such policy, provided that the gift is tested against the Conflict of Interest Management Policy, where the Applicable Persons is in a FAIS Act affected position:

5.2.2.1 Advertising matters of limited commercial value, such as pens, diaries or calendars;

5.2.2.2 Occasional and modest business entertaining such as lunches, cocktail parties or dinners;

5.2.2.3 Occasional and modest personal hospitality such as tickets to local sporting events or theatres provided that contributions towards the transport and accommodation, in particular towards flights, holidays and overseas trips or assistance in kind, are not permitted; and

5.2.2.4 Minor gifts that are considered immaterial financial interest.

5.2.3 Applicable Persons are obliged to disclose, by means of a register to be submitted to their

senior manager on a quarterly basis, all gifts, hospitality and/or favours of material value received during that period. The senior manager is required to record the gift in the central gifts register. Failure by an Applicable Person to disclose such would render the acceptance of the gift a contravention of the Code.

5.2.4 Any deviations from this Code are to be specifically authorised by an appropriate manager. When Applicable Persons have any doubt whether a gift, hospitality or favour is acceptable in terms of this Code, they must make all facts known to the person to whom they report.

5.2.5 It is prohibited for any Applicable Persons to offer to give or to promise to give gifts to any government official, Applicable Persons or representative of the government or a state-owned entity, political party representative, member of parliament or government minister with the purpose of attempting to unduly influence the relevant person to act in an improper and/or illegal manner.

5.2.6 No personal favours or other preferential treatments should be accepted by any Applicable Persons when they are offered because of the Applicable Person's position with the Company and, therefore, might tend to place the recipient under obligation.

Applicable Persons are obliged to report all such incidents. Any gift or sponsorship, which may be construed as a bribe will be treated as such by the Company. Similarly, Applicable Persons must take care to ensure that when they officially host clients, customers, suppliers or any other business associates, they do so in a manner which would not be considered overly lavish or not in keeping with the spirit of this code.

5.3. Solicitation of Sponsorships, donations or gifts

- 5.3.1 Applicable Persons may not use their position at Envi Africa to solicit any form of favour, sponsorship, donations, payment, gifts or loans from suppliers or other stakeholders without prior approval from the Chief Executive Officer. Solicitation places the supplier or stakeholder in a position where he or she feels obliged to provide the favour or gift to avoid losing Envi Africa's business or receiving poor service.
- 5.3.2 In obtaining such approval, the Applicable Persons must disclose any direct or indirect interest that she or he has in the charitable or socially beneficial organisation or any interests that a Related Person has in that organisation, and this must be taken into consideration in deciding whether to grant approval.
- 5.3.3 Applicable Persons who make or could influence purchasing decisions, must not be involved in the solicitation, on behalf of charitable, civic or other organisations, of gifts, money or time from current or potential suppliers.
- 5.3.4 Such approval shall not be granted in circumstances where the Applicable Persons may be perceived as holding a position at Envi Africa of such a nature that the supplier or customer concerned may feel, in any way, obliged to provide the sponsorship, donation or gift or that the sponsorship, donation or gift would, in any way, benefit the supplier or customer concerned in its business relationship with Envi Africa.
- 5.3.5 Where approval has been given, the Applicable Persons must make it clear to such supplier or customer that the approach for sponsorship, donation or gift is not on behalf of Envi Africa and that the supplier's or customer's relationship with Envi Africa will not be affected by its response to the Applicable Persons' approach.

5.4. Relationships with suppliers, customers and contractors

- 5.4.1 ENVI recognises that relationships with clients, customers and suppliers give rise to many potential situations where conflict of interest either real or perceived, may arise. All Applicable Persons of the Company are specifically urged to be vigilant of and report

any instances of bribery or corruption by making a report in terms of the Whistle-Blower Policy.

- 5.4.2 When dealing with clients, customers and suppliers, Applicable Persons should ensure that they are independent and are seen to be independent, from any business organisation having a contractual relationship with Envi Africa, providing goods or services to Envi Africa. Independence in certain circumstances will include, ensuring there is no interest, position, association or relationship which, when judged from a reasonable and informed man's perspective, that is likely to influence unduly or cause bias in decision-making in Envi Africa's best interests

5.5. Personal investments

- 5.5.1 Envi Africa respects the right of all Applicable Persons to make personal investment decisions as they see fit provided that these decisions do not contravene the provisions of this Code, or any applicable legislation or policy or procedure established by the Company.
- 5.5.2 Envi Africa's Applicable Persons may not make investments for their personal gain:
- 5.2.1 directly or indirectly in Envi Africa's competitors;
 - 5.2.2 jointly with other Envi Africa's Applicable Persons that are in the same reporting line;
 - 5.2.3 in any business entity with which they have a close business relationship by virtue of their office held in or their employment with Envi Africa;
 - 15.2.4 that requires a significant time commitment; or
 - 5.2.5 which may adversely influence their judgement or decisions in the performance of their duties on behalf of Envi Africa.

6. Disclosure of conflict of interest to third parties

- 61 Envi Africa is committed to making appropriate disclosures to third parties as part of its process to manage conflicts of interest. The Company acknowledges that while disclosure alone will often not be enough, the disclosure must be treated as an integral part of managing conflicts of interest. Envi Africa is therefore committed to ensuring that third

parties that engage with them are adequately informed about any conflicts of interest.

6.2 It is therefore a requirement that any conflicts of interest whether actual or perceived, should always be disclosed:

6.2.1 at the earliest reasonable opportunity

6.2.2 before a client, customer or service provider enters into any transaction with Envi Africa; and

The reasonable opportunity will be tested against the time that allows a client, customer or service provider to have reasonable time to assess its effect;

6.3 The disclosure must refer to the specific transaction to which the conflict relates.

7. Continuous Disclosure

7.1 Applicable Persons are required to disclose any form of conflict of interest including financial interest in another company to the Human Resources Manager if it is an Applicable Person or to the Procurement Manager if the conflicting interest involves a service provider. The Declaration of Interest Form is Annexure A to this policy.

- 12.2 Directors of the company are required to disclose conflict of interest to the Board of Directors as required by the Companies Act, 2008. Directors have fiduciary duties towards the company and are required by the Companies Act to when acting in their capacity as director-
exercise the powers and perform the functions of director—
- 12.2.1 in good faith and for a proper purpose;
 - 12.2.2 in the best interests of the company; and
 - 12.2.3 with the degree of care, skill and diligence that may reasonably be expected of a person—
 - 12.2.3.1 carrying out the same functions in relation to the company as those carried out by that director; and
 - 12.2.3.2 having the general knowledge, skill and experience of that director.
- 12.3 Applicable Persona are required to fully complete a declaration form and submit it to the HR Manager.
- 12.4 As and when the Applicable Persons' circumstance(s) changes from the last declaration, the Applicable Persons must submit a declaration.
- 12.5 Should an Applicable Person be found or suspected to have committed the offence mentioned in this policy, will be subjected to disciplinary action in terms of the company's Disciplinary Policy.

ANNEXURE A

DECLARATION OF INTEREST BY ENVI AFRICA SERVICE PROVIDER

1. Any legal person, including persons having a kinship with persons employed by Envi Africa including a blood relationship, may conduct business with Envi Africa. In view of possible allegations of favouritism, it is required that the Service Provider declares such an existing relationship for an objective and fair procurement.
2. **To give effect to the above, the following questionnaire must be completed and submitted with the quote or business proposal.**

2.1 Full name of the company:.....
 Full name of company

representative:.....
 2.2 Identity Number:

.....
 2.3 The position occupied in the Company.....

2.4 Registration number of company, close corporation or trust:

.....

2.5 Tax Reference Number:

.....

2.6 VAT Registration Number:

.....

2.7 Is there any person connected with your company presently employed by Envi Africa?

YES/NO.....

2.7.1 If yes, furnish the following particulars:

Name of person:

The position occupied at Envi Africa:

2.8 Does any person connected with your company have any relationship (family, friend, other)

with a person employed by Envi Africa.

YES/NO.....

2.8.1 If so, furnish particulars:

.....

.....

.....

2.11 Does any member/s of your company have any interest in any other Envi Africa activities?

YES/NO.....

2.11.1 If so, furnish particulars:

.....

