



CORPORATE GOVERNANCE CODE

INTRODUCTION

BPL is committed to acting as a good corporate citizen in its dealings with all its stakeholders. This code sets out the principles upon which the BPL Corporate Governance Policy is based. It describes the behaviour that you can expect from BPL, and how BPL expects its employees and business partners to behave. BPL's culture is based on its objectives, values and principles.

BPL's purpose is to be a world-class supply chain solutions provider. In order to achieve this, BPL has four key objectives:

- To provide great customer service;
- To maintain sustainable business practices;
- To continuously improve operational efficiency; and
- To engage with and develop our employees.

These objectives are underpinned by BPL's ten core values:

- Accountability;
- Commitment;
- Communication;
- Honesty and Trust;
- Integrity;
- Team Work;
- Happiness;
- Growth and Development;
- Recognition; and
- Respect.

In order to achieve the objectives in line with the values, BPL subscribes to the below principles in the areas of ethics, safety, health, environment, risk, quality and security. BPL top management complies with these principles, and requires compliance from all BPL employees. In addition, BPL will only enter into business relationships with entities who subscribe to and comply with these principles. Non-compliance will result in disciplinary action for employees and is grounds for immediate termination of contract in respect of business partners. In addition, serious breaches will be reported to the applicable authorities, who may impose further penalties.

Any breach or suspected breach of these principles must be immediately reported by the BPL employee or business partner. An employee who reports a concern in good faith is protected from any retaliation. BPL's Business Partners are required to provide reasonable assistance into any investigation, and to protect their employees from retaliation for good faith reports. There are multiple potential avenues for reporting:

- Talk to your immediate manager;
- If you are not comfortable with this, you can talk to any other higher-level manager in your reporting line, your divisional Human Resources Manager or the Legal Executive; or
- If you wish to remain anonymous, you can make a report via the Bidvest Whistle-blower's Hotline on 0800 50 60 90 or Bidvest@tip-offs.com.



ETHICS

Compliance

BPL will conduct all business in accordance with the letter and spirit of all applicable local and international legal and regulatory requirements.

All BPL's business and commercial dealings will be transparently performed and accurately and timeously recorded. Records will be reliable and have their integrity maintained.

Financial statements, regulatory reports and publicly-filed documents will comply with all applicable and accepted accounting principles and statutory requirements.

BPL Internal References:

- *Legislation Updates Standard*
- *Internal Audit Standard*

Anti-Corruption

BPL does not tolerate any corrupt practices including but not limited to bribery, facilitation payments, kickbacks, money-laundering, fraud, conflicts of interest, insider trading, anti-competitive behaviour, or market abuse.

BPL strictly prohibits the use of third parties such as agents, subcontractors, or consultants acting directly or indirectly on BPL's behalf to carry out any corrupt practices.

Even the appearance or perception of engaging in corrupt practices can harm reputation. BPL thus ensures that all its employees are adequately trained on their obligations in this regard, and contractually requires all its business partners to train their employees accordingly.

BPL strictly prohibits the giving and receiving of bribes.

A bribe is defined as seeking, accepting, giving, paying, authorising or promising to pay money or anything of value or which will give advantage to a person in a position of trust in order to unduly influence the business judgment or conduct of that person. (For example, an expensive watch, a charitable donation or a job offer.) Cash payments or payments without supporting documentation are red flags and must be fully investigated.

The judgement or conduct being influenced could be to act or refrain from acting in the performance of official duties or to obtain or retain business or some other improper advantage in the conduct of business. (For example, not imposing a Customs penalty or being awarded a tender.) Business decisions must never be made on the basis of any personal benefit offered.

The person or entity being influenced could be an individual, an employee of another company, a commercial entity, a joint venture partner, a government official, a public officer or a political candidate. (For example, a potential client, a police officer or a political party member.)

BPL strictly prohibits facilitation payments, even though in some countries they are not prohibited by law and are part of local business practice.

A facilitation payment is defined as a small payment to an individual official to secure or speed up routine government non-discretionary actions to which the payer is legally entitled.

A routine action would include for example:

- Obtaining permits or licenses;
- Processing governmental papers, such as visas and work orders; and
- Scheduling inspections related to customs clearance.



BPL prohibits the giving or accepting of any gifts or the provision or acceptance of any hospitality or entertainment where there is a possibility of creating a conflict of interest or an intent to obtain an undue business advantage or create an obligation.

The prohibition extends to friends and family members of BPL employees or business partners.

Gifts, hospitality and entertainment may only be given or accepted if they are:

- not in cash or cash equivalents or loans;
- occasional and not during a period when an important business decision is being made;
- in line with relevant laws and acceptable according to local culture;
- offered, promised, given or received openly and unconditionally;
- given without the intention of obtaining or retaining any direct business advantage other than maintaining good business relations and reputation;
- of reasonable and modest value;
- in good taste and not inappropriate;
- part of business building activities (i.e. not a meal or event where the business partner is absent);
- properly recorded and documented.

Special note must be taken that the above may not apply to government and public officials, who may be prohibited by their internal codes from accepting any gifts (other than those of nominal value such as a cup of tea).

BPL prohibits contributions or donations in any form made by or on behalf of the company to a political party or campaign.

BPL conducts due diligence on its clients and service providers to avoid being exploited by criminals to launder money.

Money laundering occurs when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities, including financing of terrorism.

Suspicious or unusual transactions, including requests to make payment to, or receive payment from a different company must be fully investigated and reported if necessary.

BPL Internal References:

- *Corporate Governance Standard*
- *Travel expenditure Policy*
- *Travel re-imbusement Policy*

Conflicts of Interest

BPL requires its employees to fulfil their responsibility to act in the best interests of BPL at all times. This includes avoiding all conflicts of interest.

A conflict of interest arises when an individual's personal relationships, financial or other interests, participation in external activities or other ventures or contracts influences or could be perceived to influence business decisions.

For example:

- a family member working for BPL or any of its business partners or competitors or a government authority could negatively affect the obligation to act solely in the best interests of BPL; or
- an interest in a supplier to BPL could enable the use of position or influence for personal gain.



Where it is not possible for avoid a conflict of interest, it must be declared timeously and documented thoroughly. BPL reserves the right to impose any remedial action deemed necessary including but not limited to the withdrawal from a decision-making capacity in respect of the conflict.

Free Competition

BPL is firmly committed to fair and competitive enterprise, and will not engage in any unfair business practices or tolerate communication, agreement or other form of co-ordination or co-operation with any competitor that is unlawful or otherwise restricted or prohibited under applicable local and international free competition or anti-trust laws.

Free Competition (Antitrust) law protects free enterprise and prohibits behaviour that limits trade or that restricts fair competition. All business partners must be treated fairly and equitably.

The types of behaviour that are prohibited are:

- any discussions about or fixing of any elements of pricing with competitors;
- market or customer allocation or sharing (including agreements not to compete in certain markets or for certain clients);
- bid rigging with competitors;
- behaviours that aim to achieve or maintain monopoly; or
- boycotting any customers or suppliers except in connection with internationally imposed sanctions.

Special care must be taken when interacting with competitors at industry events or otherwise. If a competitor attempts to discuss any of the prohibited topics, BPL employees are required to stop the conversation immediately and report the incident.

Any competitor information obtained from a third party must be obtained and used legitimately and in compliance with all applicable laws and regulations.

BPL Internal References:

- *Procurement Standard*
- *Dawn Raids Procedure*

Sustainability

BPL will at all times engage in practices that promote the sustainability of its business, the local environment and the economy of South Africa. Economic, environmental and social considerations will be considered when making short- and long- term decisions.

BPL is represented on the Bidvest Freight audit committee, which has a combined assurance model to address risks and material matters through the aggregated efforts of assurance providers. This enables an effective control environment and ensures the integrity of information used for reporting and decision making. Simplicity and focus make it easier to manage the business, which is fundamental for transparency and good governance. Key stakeholder relationships are considered an essential element of strategy implementation and long-term sustainability objectives.

BPL supports and empowers the individuals, businesses and communities we serve. We acknowledge that transformation is key to long-term growth and sustainability.

BPL Internal References:

- *Corporate Social Investment Policy*
- *Bidvest Sustainability Principles*



SHERQ

Safety, Health and Environment

BPL has an integrated safety, health and environmental management system in line with OSHAS 18001 and ISO 14001.

BPL's employees are the company's most valuable asset. BPL is thus committed to:

- providing a safe, suitable and healthy workplace for its employees, contractors and visitors;
- controlling hazards and taking the best reasonably possible precautionary measures against accidents and occupational diseases;
- providing training and educating employees; and
- supplying its employees with the protective equipment necessary to perform their tasks safely.

No employee, contractor or visitor to a BPL site may use alcohol, illegal drugs, controlled substances or medication in a way that might harm the ability to conduct business safely and successfully.

BPL's recognises the importance of respect for the environment and is committed to using environmentally sound practices to protect and preserve the environment. BPL will conduct its operations in a manner that minimises pollution and the impact on natural resources.

BPL does not tolerate unlawful discrimination relating to employment (including hiring, compensation, advancement, discipline, termination or retirement).

Diversity in the workforce is actively embraced and employees must be judged based on their ability to do the job, whilst considering the requirements of black economic empowerment legislation.

Employees must be treated equally and provided equal opportunities irrespective of skin colour, race, ethnic origin, nationality, citizenship, social background, disabilities, sexual orientation, gender identity, religion, political conviction, trade union membership, pregnancy, marital status, HIV status or age.

BPL requires all employees to be treated with respect and dignity. BPL does not tolerate any form of harassment (physical, sexual, psychological or verbal), abuse or intimidation of its employees that creates an offensive, intimidating, hostile or humiliating work environment. This includes:

- behaviour (including gestures language or physical contact) that is sexual, coercive, threatening, abusive or exploitative, humiliating, intimidating or hostile;
- inappropriate or offensive jokes;
- distribution or display of offensive or derogatory material (including pictures);
- unwelcome sexual advances or remarks; or
- disparaging comments.

BPL ensures that all its employees have the right:

- to fair remuneration which meets or exceeds the legal minimum standards or compensation terms established by legally binding collective bargaining agreements;
- to paid leave;
- not to exceed the maximum number of legal working hours or be forced to work overtime;
- to free association of employees, trade union membership and collective bargaining;
- to employment documents that are freely agreed, and respect their legal rights;
- to transparent, fair and confidential grievance and disciplinary procedures; and
- to privacy and protection of their personal information.



BPL prohibits and does not tolerate:

- forced labour (including bonded labour, debt bondage, forced prison labour, slavery, servitude or human trafficking); and
- child labour or the exploitation of children.

BPL Internal References:

- SHE Management System Manual
- Clean Air Policy
- Alcohol in the Workplace Policy
- Employee Wellness Policy
- Substance Abuse Policy
- Waste Management Standard
- Employment Equity Policy
- HIV / AIDS Policy
- Performance Management Policy
- Promotion Policy
- Recruitment, Selection and Placement Policy
- Retrenchment Policy
- Sexual Harassment Policy
- Operational Control Standard
- Business Conduct Policy
- Children in the Workplace Policy
- Arrangement of Work Times Policy
- Grievance Policy
- Industrial relations Policy
- Leave Policy

Risk

BPL follows an enterprise wide risk management process based on ISO 31000 as a strategic part of its operations.

BPL employees and service providers are required to identify and mitigate risks at all times.

BPL Internal References:

- Enterprise Risk Management Standard

Quality

BPL has a quality management system which complies with the requirements of the international ISO 9001 standard and any additional quality-related standards that may be relevant.

BPL recognises the quality of the services provided to its customers as being critical. BPL employees are required to comply with all procedures and policies in this regard at all times.

BPL Internal References:

- Quality Manual
- Non-Conformity Management Standard



SECURITY

BPL's Security Risk Management Program has been aligned with and integrated into the Enterprise Risk and Quality Management System.

Information

Protecting confidential information is essential to build trust with BPL's employees, clients and business partners. BPL, its employees and business partners will take all reasonable measures to respect each other's privacy by protecting the confidentiality, integrity and availability of all information gained in the execution of duties and obligations.

Confidential information is information that is not available to the general public, but is known as a result of employment, a business relationship or transaction.

It may not be disclosed even after the termination of the employment or business relationship. Records and documents must be properly managed, updated, stored and destroyed.

BPL employees are required to exercise good judgement and to take care not to:

- Discuss confidential information in public places or with persons who do not need to know;
- Leave laptops, tablets, cell phones and flash drives unattended or unlocked; or
- Disclose confidential information in any form without the required authority (including photographs or comments on social media).

BPL, its employees and business partners will collect, access, use, store, disclose and destroy any personal information in accordance with legitimate and relevant business purposes.

Personal Information is information that defines an individual.

Data subjects must be informed about the personal information that is being collected, what it will be used for and how it will be secured against unauthorised access.

BPL prohibits insider trading which is the buying or selling of shares or other securities of a company on the basis of material non-public information about the company obtained during the course of employment at BPL. This includes revealing the information to anyone, including any member of your immediate family or household as a tip upon which basis they buy or sell securities.

Material non-public information is information about a company that is not known to the general public and that a reasonable investor would consider important when deciding whether to buy, sell or hold that company's stocks, bonds, options, or other financial instruments. It can also include rumours about such information.

BPL respects the intellectual property of its business partners, and will not use trademarks or allow its trademarks to be used without written permission.

Limited personal use of BPL IT communication devices is allowed for communication and storage of data, but it must be ethical, legal, occasional and in line with IT security measures and controls

BPL Internal References:

- Documented Information Standard
- Data Voice Infrastructure and Cybercrime Prevention Policy
- Password Policy
- Mail Etiquette Policy
- Telephone, Cell phone and 3G Policy
- Social media policy



People

People are our most valuable assets, and BPL prioritises the safety of its employees, and requires them to be constantly vigilant with regards to potential threats.

Comprehensive recruitment checks are carried out during the employee selection process to ensure the most appropriate and suitable individuals are selected for their position.

Physical security measures are implemented based on a comprehensive site by site risk assessment, and the security controls are designed to mitigate any potential threats to employees or visitors to BPL sites.

No violence, threats or weapons are permitted on BPL's sites (with the exception of those under the control of qualified armed security guards).

BPL Internal References:

- *Access Control Standard*

Client Goods

BPL maintains and supports a proactive supply chain security philosophy designed to protect and mitigate against loss and manipulation of goods. The supply chain is secured through the identification and mitigation of threats.

BPL prohibits any breach of export and import controls and / or trade sanctions.

These laws give countries legal control over the sale, shipment, electronic transfer or disclosure of information, software, goods and services across national borders into or out of their jurisdiction, and include duties, levies and taxes to be paid.

BPL will not:

- Import prohibited goods;
- bring restricted goods into the country without declaring them;
- export or import goods, technology, software or services across national borders without authorisation or the payment of all applicable duties, levies and taxes;
- import from a country to which sanctions apply, into a country which applied those sanctions.

BPL Internal References:

- *Security Manual*