



CODE OF ETHICS

OCTOBER 2019

Santam is an authorised financial services provider (licence number 3416)





Insurance, good and proper.

Conducting business with integrity. At Santam, it's one and the same thing.

Everyone agrees that integrity in business is important yet it can easily become another hollow word with little substance. At Santam, integrity underpins everything we do which is why it is also the first ethical principle in our updated Code of Ethics.

Integrity means keeping your promises and being both reliable and dependable. It is illustrated in your honest and genuine dealings with others. It's always doing the right thing even when you know no one else is watching.

This type of behaviour builds trust. And our real value is the trust that our clients, business partners and shareholders have in us to do insurance properly. This trust is more important than channel, product, or price. It is the entrenchment of the values with which we have chosen to do business and is the cornerstone of our company.

Without trust our business will suffer immensely. The Code serves as our guide in any and all of our professional interactions:

- Adhering to good governance practices shows our trustworthiness and builds our reputation (principle 2)
- We build trust by being objective and not letting our private interests interfere with Santam's interests (principle 3)
- Integrity means that we respect one another and the environment (principle 4)
- Integrity means that we use company resources effectively and responsibly (principle 5)
- Trust is built by being fair in dealing with others (principle 6)
- Our stakeholders trust us to lead with excellence (principle 7)

Trust and integrity is a way of being and therefore the Code places emphasis on ethical decision-making. This Code is more than simply applying a set of rules. We are not machines; we need to take care when making decisions; **that** is doing business, good and proper. Do not allow anything – meeting targets, competitive instincts or even a direct order from a manager to compromise our commitment to doing business with integrity.

One of the important decisions that you will have to make is reporting misconduct when you witness it. We have various reporting channels and you have a responsibility to report it. The Code explains how you can do this and we will not tolerate retaliation against anyone who raises matters that demand our attention.

Santam's unwavering commitment to integrity and building trust is a process that is never complete. It needs on-going exploration and consideration of new situations and possibilities and requires of us to ask questions continually.

Please join me in making a personal commitment to the highest levels of trust and integrity which will further enhance Santam's proud history and reputation and, in turn allow us to share a sense of pride in what we have achieved together.

Regards

Lizé Lambrechts

SUMMARY

- **Always** act with **honesty** and **integrity**
- **Private** interests **should not interfere** with **Santam's interests**
- **Protect** Santam's **reputation** by adhering to **good governance** practices and **honouring confidentiality**
- **Value** the **rights** and **dignity** of **others** and the **environment**
- **Use** Santam's **resources responsibly** and **effectively**
- **Treat all** clients, business partners, suppliers and competitors **fairly** and **appropriately**
- **Do insurance with excellence:** We are **dedicated** to the **highest levels of professionalism** and **partnership**



1. HOW TO USE THE SANTAM CODE OF ETHICS

The Code acts as a behavioural guideline for all of us at Santam and defines minimum acceptable behaviour within which we are empowered to act.

The Code cannot describe every rule or requirement that may apply to you. The Code is principle based and sets out broad principles as standards of behaviour. It contains various expectations and obligations to ensure that we do business with integrity. It provides the basis of, and common reference point of, all current and future policies in the Santam Group and should be used as the first reference point to resolve any ethical issue. Reference is made to policies and procedures that are very specific to certain issues and these policies can prescribe a HIGHER obligation, but never a LOWER one. The Code does not apply to the exclusion of Santam's policies, and in an event of inconsistency, this Code prevails.

Expectations about what we must or ought to do are indicated by the use of the word 'should'. In all cases of non-compliance the consequences will be considered in context, on merit and on a case-by-case basis. Failure to comply with the Code, both in letter and spirit, will result in disciplinary action. The Santam Group may from time to time amend this Code and these changes will be communicated to all interested stakeholders.

2. WHO IS COVERED?

The Code must be adhered to by all those who work for, and act on behalf of or represent Santam. This includes employees, directors and other officers, contractors and consultants (where they are under a relevant contractual obligation) and third parties (when acting on behalf of or representing Santam). It also includes independent non-executive directors of the Santam Group when acting in an official capacity.

Partnering companies, such as suppliers, joint ventures and intermediaries, not under Santam's control are encouraged to adopt similar principles and standards.

In instances of shared service agreements (such as within the Sanlam Group), this Code must be adhered to.

3. MAKING DECISIONS

The Code does not spell out appropriate behaviour for every situation and it is therefore expected that employees exercise good judgement on good and proper behaviour.

Whenever you make a decision, consider using the Ethics Quick Test – if you are unsure about any of the answers, your decision may NOT be ethical and compliant with the values, principles and guidelines in the Code. There may be an ethical issue related to your behaviour or course of action, and you should seek guidance.

4. ETHICS QUICK TEST

1. What does our code of ethics / policies and procedures say?

2. Is it legal?

3. The Butterfly Test

Ethical conflict often manifests itself physically with a sense of discomfort commonly called butterflies. How does your stomach feel? Are you bothered or upset by the decision you are about to make? Do you have doubts? Do you wish you didn't have to choose?

4. The Mamma Test

In this test we ask how you would feel if people in authority, whose opinion of you matters to you, were aware of the dilemma you are facing. Not so much the outcome, but rather the values you are choosing to compromise. How would you feel if they could hear your internal debate?

5. The Golden Rule Test

What is the impact on others?

6. The Newspaper Test

Would you be willing to have your internal outcomes published for friends, neighbours and family to see? How would it look in tomorrow's newspaper?

4. SEEKING GUIDANCE AND REPORTING

If you are unsure about the meaning of any part of the Code or have concerns about how to apply the principles, you should raise this with your supervisor or manager immediately. Where this is not possible or appropriate, contact your Human Resources representative. You can also contact The Ethics Office for advice. More specifically, where the matter relates to potential or an actual instance of fraud or economic crime, always report it either confidentially or anonymously to Forensic Services via the different channels indicated on our intranet.

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1. ACT WITH HONESTY AND INTEGRITY

Acting with integrity requires us to be truthful, honest, consistent and transparent in all our actions and decisions. This means that we interact truthfully with all stakeholders, report accurately on performance and achievements and produce accurate and reliable statements and reports.

Some examples of compromised honesty and integrity:

- Taking your partner out for dinner on the company credit card
- Unauthorised use of company property

Always

- Keep your promises
- Act consistently
- Give clear and honest feedback
- Report expenses truthfully
- Ensure that all expenses are accurately recorded
- Be thrifty (wisely economical) with company expenses
- Cooperate fully with internal and external auditors
- Ensure that your manager is aware of your business travel
- Use Santam's contracted travel provider for business travel bookings
- Consider carefully offers of sponsored travel. If there is a valid business purpose to attend an event, Santam will pay travel and accommodation costs

Never

- Abuse Santam resources or your position or influence at Santam to promote or assist an external activity
- Manipulate stats or other information to make targets
- Circumvent review and approval procedures
- Authorise without appropriate documentation
- Make false, misleading or malicious statements
- Accept a bribe or kickback
- Engage in criminal activity
- Falsify your sick-leave or lie about being absent from work
- Authorise your own expenses or the expenses of an employee more senior than you
- When in a group the most senior employee should pay for the expense

Further guidance

- Document retention
- Delegation of authority
- Original document filing system
- BEEC policy
- Crime response plan
- Disciplinary code
- Sanlam Group Procurement policy and supporting sub-policies (stationery, travel, etc.)
- Broad-based Black Economic Empowerment Act
- Financial Advisory and Intermediary Services Act
- Companies Act



2. PRIVATE INTERESTS SHOULD NOT INTERFERE WITH SANTAM'S INTERESTS

A conflict of interest exists where our judgement, objectivity, independence and ability to make impartial decisions is compromised. It refers to a situation where private interests (financial or otherwise) or personal considerations, may affect, or may even be perceived to affect, our judgement in acting in the best interest of Santam. A conflict of interest can also exist where a business partner's ability to make impartial decisions is or may be compromised by our (Santam's) action.

We should not accept or provide gifts and entertainment if it unduly influences – or appears to unduly influence – business decisions. Furthermore, we should adhere to the Conflict of Interest Management policy with regard to offering gifts to intermediaries or receiving gifts from intermediaries.

We should not use company funds, services, products or facilities as contributions to assist political parties, candidates or campaigns.

We should not get involved in external business activities if it overlaps with or conflicts with our duties at Santam, or with its business.

Some common examples:

- Holding outside jobs and affiliations
- Business decisions involving or affecting your family, friends, relatives or associates
- Opportunities providing you with personal material gain
- Demands of outside activities that interfere with your job
- Selection of business partners because they provide you with gifts and entertainment

Always

- Act in the best interest of Santam and avoid conflicts of interest
- Disclose in writing (via the conflict of interest declaration) any outside interests, financial interests or relationships that may involve you in a conflict of interest or the appearance of one
- Conduct all business relationships in a professional, impartial and competitive manner
- Avoid business dealings and personal relations that may cause conflicts of interest with your obligations to Santam
- Excuse yourself from any decision-making process where you have an interest that influences, or is perceived to influence, your ability to make an objective decision in the best interests of Santam
- Make sure new business relations are aware of our policy/ policies regarding gifts and entertainment, including this Code
- Assess the potential for a conflict of interest when offering or accepting gifts or hospitality
- Obtain appropriate approval before accepting an officer or director position with another company or organisation

Never

- Abuse your official position for personal gain
- Hire, promote or directly manage a close relative, unless this has been specifically authorised
- Request a personal gift or entertainment from a supplier, client or business partner.
- Offer or accept gifts and entertainment from an organisation involved in a bid or tender or evaluation and/or selection process with Santam until the process has been fully concluded
- Accept cash or cash vouchers from suppliers
- Personally pay for a gift or hospitality in order to avoid complying with Santam standards

Further guidance

- Entertainment and gifts policy
- Conflict of interest management policy
- Declaration of interest process
- Financial Advisory and Intermediary Services Act



3. PROTECT SANTAM'S REPUTATION BY ADHERING TO GOOD GOVERNANCE PRACTICES AND HONOURING CONFIDENTIALITY

We should protect Santam's reputation by not engaging in activities that could bring the company into disrepute. We should cultivate and protect Santam's image and demonstrate loyalty and commitment.

We should ensure that Santam is well-directed and governed. We should comply with applicable legislation, regulations, industry guidelines and company policies and procedures. Especially, we prohibit bribery and corruption in all our business dealings in every country. Do not trade when in possession of insider information.

We should respect confidentiality and not use confidential information improperly.

Examples of exposing our name:

- Disclosing client information when not authorised to do so
- Talking to the media without approval
- Directing spend to a specific supplier because you are offered or have received a benefit from them
- Engaging in any criminal activity, even though this has no direct impact on Santam
- Cause harm to Santam's reputation by making derogatory statements about the company on social media platforms

Always

- Attempt to comply with the law at all times and seek to uphold the spirit of the law
- Learn and understand which legal and regulatory requirements apply to your work
- Be particularly cautious of making statements about Santam at informal events or social media platforms
- Store and use client information in your possession responsibly
- Contact the Communications department first when approached for media comment
- Respect confidentiality and protect Santam data in your possession
- Be transparent and honest with our regulators

Never

- Attempt to violate the law
- Disclose information to a third party (including media), unless you are authorised to do so
- Disclose information about confidential company products, plans or business transactions without the appropriate authorisation
- Make a comment on behalf of Santam to the media unless your comments have been approved in accordance with the Santam Media policy
- Access personal information unless appropriately authorised to do so and given a clear business need for that information exists
- Provide personal employee information to anyone inside or outside Santam without proper authorisation
- Become involved in dealing in relevant investments such as shares whilst in possession of non-public price sensitive information (insider trading)
- Give or accept bribes or engage in any form of corruption

Further guidance:

- Anti-Corruption, Bribery, etc.
- IT usage policy
- Insider trading policy
- Brand usage policy
- Sponsorships
- Corporate identity
- Media policy
- Electronic Communications and Transactions Act
- Delegation of Authority
- Companies Act
- Prevention and Combatting of Corrupt activities Act
- Financial Intelligence Centre Act
- Protection of Constitutional Democracy Against Terrorist and Related Activities Act



4. VALUE THE RIGHTS AND DIGNITY OF OTHERS AND THE ENVIRONMENT

We respect the dignity and worth of everyone and help to create a peaceful and harmonious working environment. We strive to create a working environment that is free of any form of inappropriate action, conduct or behaviour.

We should take all reasonable steps to ensure a safe working environment and to sparingly use and protect our environment. In line with our commitment to providing a safe and healthy working environment, Santam employees should be able to function at an acceptable level of conduct and performance of company business.

Examples of harassment:

- Verbal harassment: derogatory comments, slurs, innuendo's
- Visual harassment: derogatory, offensive, or graphic written, printed or electronic materials
- Physical harassment: unwelcoming touching or physical interference

Always

- Treat everyone with dignity, respect and courtesy
- Respect, preserve and enhance the quality of the work environment
- Foster a working environment that is free from harassment and discrimination
- Encourage our business partners to engage in responsible stewardship practices to minimise the impact on the environment

Never

- Create, send or forward e-mail messages that contain statements or material that anyone could reasonably perceive to be offensive, including inappropriate pictures or cartoons
- Assume that what is acceptable in one culture is equally acceptable in another
- Behave in a manner that could reasonably be perceived as offensive, insulting, intimidating, malicious or humiliating. This includes jokes or comments that are racial, ethnic, religious, sexual, or related to age, physical appearance or disability
- Work (including driving to and from work and attending work functions) when you are impaired by alcohol or drugs (illegal, legal, or prescribed)
- Engage in off-duty use of alcohol or drugs in a way that adversely affects your ability to perform your job
- Possess, use, or transfer illegal drugs or other illegal substances on company premises
- Ignore a case of substance abuse if you witness it

Further guidance:

- Sexual harassment
- Health and safety
- Substance abuse
- Environmental policy
- HIV policy
- Office etiquette
- Smoking policy
- Tobacco Products Control Act
- Promotion of Equality and prevention of Unfair Discrimination Act
- Labour Relations Act



5. USE SANTAM'S RESOURCES RESPONSIBLY AND EFFECTIVELY

We should safeguard Santam property and appropriately utilise the assets under our control. We should not utilise Santam assets for personal benefit.

We should exercise good judgment when spending money on Santam's behalf and make sure we get value for our expenditure.

Examples:

- Santam assets include property, time, proprietary information, company cars and computers
- Careless or personal use of company property
- Wasting of company property
- Authorising expenses without checking its validity

Always

- Give an honest day's work every day
- Take care to prevent loss, damage, abuse or theft of Santam assets
- Be mindful of wasteful or fruitless expenses
- Take care when authorising an expense or activity

Never

- Be slack and waste time
- Use Santam property for personal use
- Use Santam equipment to access offensive material
- Spend excessive time on the internet
- Charge personal items to your hotel bill

Further guidance:

- IT usage policy
- Hours of work
- Internet banking
- Cell phone policy
- Tool of trade vehicle policy
- Travel policy



6. TREAT ALL CLIENTS, BUSINESS PARTNERS, SUPPLIERS AND COMPETITORS FAIRLY AND APPROPRIATELY

We should treat all clients, business partners, suppliers and intermediaries fairly and not give anyone an unfair advantage.

We should allow suppliers to compete fairly for Santam's business based on the value offered. Procurement decisions should be based on the best value proposition, taking into account the merits of price, quality, performance, BBBEE profile, suitability, etc..

We should win consumers for our products and services by virtue of quality and value, by consistently delivering fair outcomes to consumers and not by creating unfair disadvantage for our competitors and business partners.

Examples of unfair dealings:

- Designing products that do not meet the needs of consumers
- Giving clients unclear information and not keeping them informed
- Giving unsuitable advice
- Unreasonable post-sale barriers

Always

- Base your decisions regarding purchases solely on merit
- Consider competition laws when interacting with a competitor, a supplier, or a service provider
- Maintain Santam's independence of judgment in pricing, marketing and selling
- Seek business partners who share our commitment to integrity
- Help our business partners understand Santam's compliance and business conduct requirements
- Seek to obtain a competitive bid
- Resolve client complaints quickly and fairly
- Do whatever you can to settle a claim, rather than look for excuses not to
- Always check a third party's (including contractor) reputation and qualifications. There should be no history of improper business practices and no relationships that could be used to improperly influence decisions

Never

- Agree to a contract or commitment that includes an illegitimate exchange of favours
- Give unjustifiable special terms to an intermediary, supplier or service provider
- Agree or reach an understanding with any competitor relating to prices, clients, terms or conditions of sale
- Trade when in possession of insider information

Further guidance:

- Treating Customers Fairly
- Competition and anti-trust
- SAIA Code of Conduct
- Sanlam Group Procurement policy and supporting sub-policies (stationery, travel, etc.)
- Policy on Insider Trading
- Claims policy and philosophy
- Financial Advisory and Intermediary Services Act
- Short-term Insurance Act
- Broad-based Black Economic Empowerment Act



7. DO INSURANCE WITH EXCELLENCE: WE ARE DEDICATED TO THE HIGHEST LEVELS OF PROFESSIONALISM AND PARTNERSHIP

We should focus our energy to be committed and passionate about what we do. We should imagine and create bold new solutions that challenge old thinking. We should lead the market in standards of performance and service.

Examples of excellence:

- Resolve client complaints
- Staying motivated when things go wrong
- Working with urgency and a sense of purpose
- Do what it takes (go the extra mile for clients and partners, be exceptional and extraordinary)

Always

- Acknowledge the successes of others
- Put forward your ideas clearly
- Challenge preconceived ideas
- Tolerate bona fide mistakes as part of learning
- Be willing to test new ideas
- Take informed risks (rather than miss out on opportunities)

Never

- Engage in destructive office politics
- Claim credit for other people's work
- Say: "We've always done it that way around here"
- Give poor quality service
- Spread rumours
- Point fingers and blame others
- Miss important deadlines

Further guidance

- Company values
- Your performance contract
- Your development plan
- Financial Advisory and Intermediary Services Act
- Short-term Insurance Act
- Electronic Communications and Transactions Act





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