



VERSO ®
FINANCIAL SERVICES (PTY) LTD

www.verso.co.za
An authorised Financial Services Provider

Code of Conduct and Ethics

pearls of wisdom...

Adopted by the Board of Directors on 3 November 2011

Just as an oyster takes time to harvest the perfect pearl, we combine our years of experience and knowledge in the retirement administration and employee benefit industry to provide you with the best possible service.

1 INTRODUCTION

- 1.1 As the companies within the VERSO Group strives to achieve excellence in all of its endeavours, its undertaking to all stakeholders is that it will conduct all activities honestly and ethically and that it will be a good corporate citizen.
- 1.2 VERSO believes that sound ethical practices and good corporate citizenship are not only appropriate, but will also ensure that its interests are best advanced in a sustainable manner.
- 1.3 VERSO philosophy is that an organisation and workplace that conducts itself ethically, with integrity and with the interests of the company at the forefront of its decisions and activities, will attract and retain employees with a similar ethos.
- 1.4 This Code of Conduct and Ethics ("THE CODE") is designed to provide guidelines to all of the VERSO Group's employees and directors in respect of the minimum standards expected, however, it does not prevail over statutory or common law. THE CODE should also be read in conjunction with any code of conduct that may have been or may in future be introduced in any particular subsidiary or business unit.
- 1.5 All employees and directors are requested to carefully read THE CODE, and to ensure that they comply both with the written word and its spirit. All share equally in the responsibility to uphold THE CODE and to take action if it is believed that it is not being followed.

2 POLICY

- 2.1 VERSO and all of its subsidiaries are committed to a policy of fairness and integrity in the conduct of their business. This commitment, which is actively endorsed by the VERSO Board of Directors, is based on a fundamental belief that business should be conducted honestly, transparently, fairly, legally and with integrity. VERSO expects all its employees to share its commitment to high moral, ethical and legal standards and therefore to actively reject any business practice which might reasonably be deemed to be improper.

3 UNDERSTANDING THE CODE

- 3.1 THE CODE is designed to:-
 - 3.1.1 Promote irreproachable behaviour;
 - 3.1.2 Raise ethical and moral awareness;
 - 3.1.3 Provide ethical guidelines for everyday events that occur in business;
 - 3.1.4 Support VERSO'S vision and values by informing employees of acceptable and unacceptable conduct and behaviour; and

- 3.1.5 Ensure that the integrity and reputation of VERSO is not compromised in any way.
- 3.2 THE CODE is applicable to all employees and directors within the VERSO Group (“AFFECTED PERSONS”). In the context of THE CODE “employees” includes all part-time employees; fixed term employees; temporary employees and independent contractors who consult to VERSO and/or its subsidiaries on a fixed contractual basis. Compliance with THE CODE can expect to enhance professionalism in dealing with clients, service providers, and fellow employees.
- 3.3 AFFECTED PERSONS are expected to apply sound judgment in deciding on the most ethical, fair and commercially competitive means of dealing with any given situation and compliance with THE CODE by all AFFECTED PERSONS is mandatory. If AFFECTED PERSONS become aware of, or reasonably suspect a contravention of THE CODE, they must promptly and confidentially advise VERSO of such as set out in clause 23 of THE CODE.
- 3.4 If AFFECTED PERSONS are in doubt about the application of THE CODE in any instance, they should discuss the matter with the Group Chief Executive (GCE).

4 COMPLIANCE WITH LAWS AND REGULATIONS

- 4.1 Unlawful conduct, whilst always unacceptable, has the potential to cause immeasurable reputational and commercial harm to the VERSO Group.
- 4.2 VERSO will not condone any violation of the law, governance issue or unethical business dealing by any AFFECTED PERSONS, including any payment for, or other participation in, an illegal act.
- 4.3 All AFFECTED PERSONS must ensure that their conduct can in no way be interpreted as being in contravention of applicable laws and regulations governing the operations of VERSO. AFFECTED PERSONS must bear in mind that legal compliance is essential, and must act accordingly.
- 4.4 All AFFECTED PERSONS should ensure that they are fully acquainted with the provisions of any law or governance issue that may be relevant to the conduct of VERSO’s business to enable them to understand their own obligations and responsibilities. If any affected person is in doubt as to their obligations and responsibilities regarding compliance with any law or governance issue they should discuss this with the GCE.
- 4.5 A failure on the part of AFFECTED PERSONS to inform and educate themselves regarding their responsibilities and obligations will in no way release AFFECTED PERSONS from these responsibilities and obligations and will not be a defence against any claim by VERSO against such AFFECTED PERSONS for enforcement or damages.
- 4.6 VERSO’s auditors are obliged by law and will report any unlawful act or omission by any AFFECTED PERSONS which:-

- 4.6.1 Has caused or is likely to cause material financial loss to VERSO or its creditors, members, clients or shareholders; or
 - 4.6.2 Is fraudulent or amounts to theft; or
 - 4.6.3 Represents a material breach of fiduciary duty owed by such person to VERSO or any member, shareholder, creditor.
- 4.7 All AFFECTED PERSONS are expected to conduct themselves ethically and morally especially when representing VERSO both during and outside of normal working hours.

5 CONFLICT OF INTEREST

- 5.1 VERSO requires AFFECTED PERSONS to perform their duties conscientiously, honestly and in the best interests of VERSO and therefore not for personal gain. It is each AFFECTED PERSONS fiduciary duty to act in the best interests of the VERSO Group. In addition, they are required to foster the highest possible standards of professional competence and to optimise the use of resources for which they are responsible.
- 5.2 AFFECTED PERSONS must not use their positions, or knowledge gained through their employment with VERSO, for private or personal advantage or in a manner that conflicts their personal interests with those of VERSO.
- 5.3 All AFFECTED PERSONS are obliged to formally declare any actual or potential conflict of interest. If AFFECTED PERSONS feel that a course of action which they have pursued, are pursuing or are contemplating pursuing, may cause a conflict of interest or a perceived conflict of interest, they must immediately, in writing, make all facts known to the person to whom they report, who must in turn immediately elevate it to one of the Senior Directors.

6 OUTSIDE ACTIVITIES, EMPLOYMENT AND DIRECTORSHIPS

- 6.1 AFFECTED PERSONS may not, without making full disclosure and obtaining written permission from the Managing Director, take up extraneous employment in any other business or undertaking other than that of VERSO. As a guiding principle, it is VERSO's preference that AFFECTED PERSONS do not have additional employment.
- 6.2 AFFECTED PERSONS, particularly directors, executives and senior management, who hold, or have been invited to hold, outside directorships or other offices, or who acquire any business interest or participate in any activity outside VERSO, should take particular care to ensure compliance with all provisions of this CODE. When outside business directorships are being considered, full disclosure must be made to the GCE.

7 RELATIONSHIPS WITH CLIENTS AND SUPPLIERS

- 7.1 VERSO recognises that in the course of AFFECTED PERSONS ordinary interactions with clients and suppliers it may create opportunities for unethical and/or dishonest persons to act in their personal interests and therefore contrary to the interests of the VERSO Group. For example, without limitation, these interactions create an opportunity for dishonest persons to gain from instances of corruption and bribery.
- 7.2 AFFECTED PERSONS must ensure that they are independent from any business organisation having a contractual relationship with VERSO or providing goods or services to VERSO unless full disclosure has been declared in terms of this policy.
- 7.3 All AFFECTED PERSONS have a responsibility to:-
 - 7.3.1 Treat all clients and suppliers with respect;
 - 7.3.2 Treat clients and suppliers fairly in all aspects of business transactions by applying fair, legally sound, equitable, consistent and transparent procurement processes;
 - 7.3.3 Ensure that the Group's business dealings are free from coercion;
 - 7.3.4 Foster long term stability in client and supplier relationships; and
 - 7.3.5 Focus on maintaining or improving VERSO's efficiency, reducing and minimising VERSO's costs and improving the quality of VERSO's products and services.
 - 7.3.6 AFFECTED PERSONS may not accompany or entertain any VERSO business interest at an adult entertainment/ gentleman's club or similar facility.

8 LEVELS OF AUTHORITY

- 8.1 Only AFFECTED PERSONS specifically authorised to do so may conclude agreements or create legal relationships or in any way bind VERSO, or any of the VERSO Group of Companies.
- 8.2 In the event of any AFFECTED PERSON being uncertain as to the levels of their authority, they should discuss the matter with an appropriate subsidiary or business unit executive.
- 8.3 It is the responsibility of AFFECTED PERSONS to ensure that all third parties with whom they do business on behalf of VERSO, including clients and suppliers, are made aware of the extent of such AFFECTED PERSONS levels of authority to ensure that the third parties only enter into agreements or other legal relationships after having been fully informed.
- 8.4 Preferably, AFFECTED PERSONS should obtain written confirmation of their levels of authority from the appropriate subsidiary or business unit executive.

9 PROHIBITED PRACTICES

- 9.1 VERSO adheres to all South African competition laws, which are designed to protect clients, and as such VERSO prohibits:-
 - 9.1.1 Agreeing or reaching an understanding with competitors to set minimum or maximum prices/commission structures;
 - 9.1.2 Agreeing or reaching an understanding with competitors not to deal with any client, supplier or competitor or any group of clients, suppliers or competitors;
 - 9.1.3 Pursuing any other similar prohibited practice.
- 9.2 AFFECTED PERSONS must at all times be sensitive to competition laws and must raise any such concerns with management.
- 9.3 Gathering information about competitors as a legitimate business activity must be done legally and ethically. Proprietary information about competitors must never be obtained – directly or indirectly – by improper means such as misappropriation, bribes, or misrepresentation.

10 GIFTS, HOSPITALITY AND FAVOURS

- 10.1 AFFECTED PERSONS may act contrary to VERSO's interests where they are offered gifts, hospitality or favours which may influence their judgement in relation to business transactions.
- 10.2 As a general rule, AFFECTED PERSONS must not accept gifts, hospitality or other favours - whether for themselves or their families - from VERSO's clients or suppliers of goods or services. The acceptance of the following would, however, not be considered contrary to such policy in that they are ordinarily not considered as being capable of influencing actions or as giving the appearance of being capable of influencing actions and as such are permitted as a business courtesy:-
 - 10.2.1 Advertising matter of limited commercial value;
 - 10.2.2 Occasional business entertaining such as lunches, cocktail parties or dinners; and
 - 10.2.3 Occasional personal hospitality such as tickets to local sports events or theatres, provided that contributions towards the cost of transport and accommodation, in particular towards flights, holidays and overseas trips or assistance in kind, are not permitted.
- 10.3 AFFECTED PERSONS may never accept money or a redeemable voucher from a client or supplier.
- 10.4 AFFECTED PERSONS are obliged to disclose all gifts, hospitality and favours received. Disclosure of all gifts, hospitality and favours received must be in writing.

- 10.5 Where gifts are delivered to an affected person and such deviation is not authorised by an appropriate manager in terms of THE CODE, THE AFFECTED PERSON must return such gift to the donor with an appropriate explanation of VERSO's policy in this regard. Should the gifts be perishable, they should be donated to charity and the appropriate explanation on the VERSO policy as well as the action taken communicated to the donor.
- 10.6 Where it would be culturally insensitive and/or inappropriate to return gifts, such items should be donated to charity and the donor diplomatically advised of the action taken and the reasons for such action.
- 10.7 Any deviations from THE CODE are to be specifically authorised by the GCE. When AFFECTED 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, either verbally or in writing.
- 10.8 No personal favours or other preferential treatment should be accepted by any AFFECTED PERSONS when they are offered because of the AFFECTED PERSONS position within VERSO and, therefore, might tend to place the recipient under an obligation. AFFECTED 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 VERSO.
- 10.9 Similarly, AFFECTED PERSONS must take care to ensure that when they host clients, suppliers or any other business associates, or give corporate gifts to these persons, they do so in a manner which would not be considered overly lavish or not in keeping with the spirit of this CODE.
- 10.10 The above provisions apply to all AFFECTED PERSONS at all times, even if the AFFECTED PERSONS is on leave at the time the offer is made.

11 PERSONAL INVESTMENTS AND INSIDER TRADING

- 11.1 VERSO respects the right of all AFFECTED PERSONS to make personal investment decisions as they see fit provided that these decisions do not contravene the provisions of THE CODE, any applicable legislation, or policy or procedure established at the various operations of VERSO.
- 11.2 AFFECTED PERSONS should ensure that no investment decision made for their own account could reasonably be expected to adversely influence their judgement or decisions in the performance of their duties on behalf of VERSO.

12 REMUNERATION

- 12.1 VERSO remunerates AFFECTED PERSONS based upon their contract of employment. No AFFECTED PERSONS may receive commissions or other remuneration except as specifically provided in terms of his/her terms of employment.
- 12.2 AFFECTED PERSONS may not receive any money or item of value other than regular remuneration and incentives, either directly or indirectly, for

negotiating, procuring, recommending or aiding in any transaction made on behalf of VERSO, nor have any direct or indirect financial interest in such a transaction.

- 12.3 All payments to AFFECTED PERSONS for regular remuneration and incentives must be made through the relevant company payroll system and no cash payments may be made.

13 POLITICAL SUPPORT

- 13.1 VERSO encourages the personal participation of AFFECTED PERSONS in the political process and respects their right to absolute privacy with regard to personal political activity. VERSO will not attempt to influence any such activity provided there is no disruption to work-place activities and it does not contribute to industrial unrest.

14 COMPANY FUNDS AND PROPERTY

- 14.1 All AFFECTED PERSONS who have access to VERSO's funds and property in any form must follow prescribed procedures for recording, handling and protecting such.
- 14.2 AFFECTED PERSONS must at all times, ensure that VERSO's funds and property are used only for legitimate company business purposes. Where an AFFECTED PERSONS position requires business funds to be spent, it is the individual's responsibility to use good judgement on behalf of the business and to ensure that appropriate value is received by the business for such expenditure.
- 14.3 AFFECTED PERSONS may not open or operate unauthorised bank accounts for the deposit of company funds.
- 14.4 If AFFECTED PERSONS become aware of any evidence that VERSO's funds or property may have been used fraudulently or improperly, they should immediately and confidentially advise VERSO as set out in clause 23 of THE CODE.
- 14.5 AFFECTED PERSONS have access to one or more forms of electronic media and services being computers, e-mail, telephones, voicemail, fax machines, external electronic bulletin boards, wire services, on-line services, the Internet, the World Wide Web, any future means, etc. all such electronic media and services provided by VERSO are company property, and their purpose is to facilitate company business. They are not to be used for knowingly transmitting, retrieving or storing any communications which are, inter alia:-
- 14.5.1 Discriminatory or harassing;
- 14.5.2 Derogatory to any individual or group;
- 14.5.3 Obscene or pornographic;

- 14.5.4 Defamatory or threatening in nature;
 - 14.5.5 So called “chain letters”;
 - 14.5.6 Unlawful in nature;
 - 14.5.7 Contrary to Company policy; or
 - 14.5.8 Contrary to VERSO’s interests.
- 14.6 Limited, occasional or incidental use of electronic media for personal, non-business purposes is acceptable; however, AFFECTED PERSONS must demonstrate a sense of responsibility and must not abuse the privilege.
- 14.7 VERSO will routinely monitor usage patterns for both voice and data communications. It reserves its right to review any electronic files and messages to ensure that electronic media and services are not excessively used for personal purposes and that their use is in compliance with the law and THE CODE.
- 14.8 AFFECTED PERSONS must familiarise themselves with the content of the Group IT Policy and ensure that they comply with the procedures and standards contained therein.

15 PROPRIETARY INFORMATION

- 15.1 Proprietary information is information or knowledge that belongs to VERSO, the disclosure of which information could disadvantage VERSO’s competitiveness or harm its financial well-being.
- 15.2 When a legitimate business need arises to disclose proprietary information outside VERSO, AFFECTED PERSONS must ensure that a non-disclosure agreement is entered into with the other party.
- 15.3 VERSO documents should not include any material that can be interpreted or characterised as suggesting that VERSO is planning or even considering any course of conduct that is exclusionary in terms of current competition law, predatory, anticompetitive, contrary to law, or otherwise contrary to VERSO’s commitment to ethical, and lawful competition and practices. All AFFECTED PERSONS who create documents (including notes and e-mail messages) should use with great care words that have special legal significance in matters of anti-competitiveness and regulatory contexts.
- 15.4 Proprietary information includes but is not limited to information about:-
- 15.4.1 VERSO ’s business, financial, marketing and service plans;
 - 15.4.2 Product information;
 - 15.4.3 Research and development activities and results, inventions and patent applications;

- 15.4.4 Client and employee records;
 - 15.4.5 Electronic network and communication infrastructure;
 - 15.4.6 Administration and service processes or know-how, and
 - 15.4.7 Any information that could reasonably affect the value of VERSO.
- 15.5 In the absence of a clear rule, AFFECTED PERSONS must assume that information received from internal sources as well as competitors and clients is to be held in confidence.
- 15.6 During the course of their employment, AFFECTED PERSONS are responsible for ensuring that proprietary information is protected from theft, unauthorised disclosure or inappropriate use and for compliance with security procedures for computer systems. AFFECTED PERSONS are urged to use common sense to prevent the inadvertent disclosure of proprietary information when answering questions from outsiders or using internal information systems. AFFECTED PERSONS must guard against being overheard when discussing proprietary information in public places such as restaurants, aeroplanes, elevators, etc. and when using cellular telephones. In addition, AFFECTED PERSONS should not discuss VERSO proprietary business with family or friends.
- 15.7 In all contact with competitors AFFECTED PERSONS must avoid discussing proprietary VERSO information.

16 DEALING WITH THE PUBLIC AND MEDIA

- 16.1 Disclosure of material information about VERSO, which is not in the public domain, is likely to be considered as insider information.
- 16.2 VERSO is committed to fair disclosure of material information to all its stakeholders, while avoiding selective disclosure.
- 16.3 VERSO will communicate with the investment community and its shareholders through the GCE.
- 16.4 No AFFECTED PERSONS is authorised to formally communicate material information, non-public, or financial information about VERSO without authorisation from the GCE. Material information can include but not be limited to:-
- 16.4.1 Financial news;
 - 16.4.2 Business and product news;
 - 16.4.3 Management news;
 - 16.4.4 Labour news;
 - 16.4.5 Litigation claims; and

16.4.6 Shareholding changes.

- 16.5 All media interviews are to be managed or coordinated by the GCE. All relationships with the media are to be handled in a professional manner and no AFFECTED PERSONS is permitted to deal directly with the media without consultation with or the support of the GCE.

17 INVENTIONS, PATENTS AND COPYRIGHT

- 17.1 Any inventions, improvements to inventions, copyrights, patents, formulae or other intellectual property which may arise out of employment with VERSO and/or use of VERSO facilities will automatically become the exclusive property of VERSO without exception and the ownership thereof will vest in VERSO.
- 17.2 AFFECTED PERSONS may in turn not reproduce, distribute or alter copyrighted materials from literature, computer software, visual or audio recordings without the permission of the copyright owners or their authorised agents. All computer software used in connection with VERSO's business must be properly licensed and used only in accordance with that license. Violations or suspected violations of computer security measures, controls or software/licensing agreements must be reported to the GCE.

18 COMPANY RECORDS

- 18.1 Company records include client, employee and payroll records, vouchers, bills, time sheets, measurement, performance and production records and other essential documents.
- 18.2 Accurate and reliable records of many kinds are necessary to meet VERSO's legal and financial obligations and to manage its affairs.
- 18.3 VERSO 's books and records should reflect all business transactions in an accurate and timely manner. Undisclosed or unrecorded revenues, expenses, assets or liabilities are not permissible, and the AFFECTED PERSONS responsible for accounting and record- keeping functions are expected to be diligent in enforcing proper practices.
- 18.4 Records should be retained according to legal requirements.

19 EMPLOYEES AND EMPLOYEE CONDUCT

- 19.1 VERSO is committed to the provision of a work environment that is free from discrimination based on race, colour, religion, nationality, gender, disability, marital status, ethnic or social origin, sexual orientation or any other distinguishing feature; complies with appropriate human rights legislation; and does not permit conduct that creates an intimidating or offensive work environment.
- 19.2 VERSO prohibits all forms of sexual harassment and immoral activity in the workplace. All AFFECTED PERSONS are responsible for ensuring that the

workplace is free from sexual harassment. Conduct that would constitute sexual harassment by AFFECTED PERSONS towards AFFECTED PERSONS, even if it occurs outside of the workplace and outside of working hours is also prohibited.

19.3 Business relationships with relatives, spouses and significant others or close friends can lead to a conflict of interest that can be difficult to resolve. Similarly, intimate relationships between AFFECTED PERSONS can, depending on the work roles and respective positions of such AFFECTED PERSONS, create an actual or apparent conflict of interest. When AFFECTED PERSONS are faced with the possibility of such a business or personal relationship, they must make full disclosure of the relationship known to the person to whom they report, either verbally or in writing. All such declarations must be reported to the GCE.

19.3.1 All reported relationships will be handled sensitively however it may be necessary to change the AFFECTED PERSONS working environment or reporting structure, including potentially transferring one or both of the AFFECTED PERSONS to avoid any conflict or perceived conflict.

19.3.2 Where it proves impossible to accommodate the relationship within the working environment or reporting structure, it shall be accepted that the relationship has negatively affected the efficiency of the AFFECTED PERSONS, which in turn has a detrimental effect on profitability and continuity of business. As such it will constitute grounds to request one or both of the AFFECTED PERSONS to resign from their position alternatively constitute grounds for disciplinary action.

19.3.3 Notwithstanding the aforesaid and in as far as any intimate personal relationship during or outside of working hours between AFFECTED PERSONS has an effect on either:

- VERSO's business in general; and/ or
- VERSO's operational effectiveness and profitability in the widest possible definition, then

the employment contracts of both AFFECTED PERSONS may be terminated on operation grounds.

19.3.2 Annexure A provides guidelines for approved relationships between AFFECTED PERSONS.

19.4 VERSO is committed to keeping personal information regarding AFFECTED PERSONS truly confidential. Only such information as is necessary to VERSO's business should be collected, used and retained. When personal information is needed, it should, wherever possible be obtained directly from the person concerned. Access to employee records must be limited to persons who need the information for legitimate business or legal purposes.

19.5 AFFECTED PERSONS who are required to consult with any third party or who are subpoenaed to give evidence in any legal proceedings regarding any matter involving or related to VERSO's business, should refer the matter to the GCE.

- 19.6 Any AFFECTED PERSONS who is not properly mandated to represent VERSO in any legal proceedings and who testifies or provides information on evidence without first referring the matter to the GCE will be subjected to disciplinary action. This misconduct may be serious enough to warrant dismissal.
- 19.7 AFFECTED PERSONS may not on an outing, visit an adult entertainment/ gentleman's club or similar facility where such outing could reasonably be deemed to be work related.

20 WORKING ENVIRONMENT

- 20.1 VERSO is committed to ensuring a safe and healthy work environment for all AFFECTED PERSONS. To this end all VERSO companies must comply with all applicable legislation relating to occupational health and safety as well as environmental management and conservation as pertains to the industries in which the VERSO subsidiaries and business units operate.
- 20.2 Physical violence or any perceived threat of physical violence against any AFFECTED PERSONS must be dealt with severely. Any AFFECTED PERSONS who has knowledge of prohibited conduct or has concerns regarding his/her safety or the safety of a colleague, client or supplier must immediately report these concerns to his/her manager.

21 SUBSTANCE ABUSE

- 21.1 VERSO is committed to a substance-free workplace. The misuse of illegal drugs and alcohol, including the use, possession, distribution or sale thereof, while on VERSO premises, in its vehicles or while conducting VERSO business, is prohibited. No AFFECTED PERSONS may conduct VERSO business while under the influence of recreational drugs or alcohol.

22 DURATION OF THE CODE

- 22.1 Parts of THE CODE endure after an affected person's employment terminates. These parts are:-
- 22.1.1 Proprietary Information; and
 - 22.1.2 Patents and copyright.
- 22.2 Should an AFFECTED PERSON breach these parts of THE CODE after the termination of employment with VERSO, VERSO will be required to enforce compliance through civil and/or criminal action.

23 CONTRAVENTION OF THE CODE

- 23.1 VERSO will regard any contravention of THE CODE, or if excluded in THE CODE, and generally accepted standards of workplace conduct and

behaviour as a serious matter which will be dealt with immediately. Any suspected or alleged contravention under investigation will be treated with utmost confidentiality by all parties involved.

- 23.2 If AFFECTED PERSONS feel that their own actions have, or may have, contravened THE CODE, they should advise an Executive Director.
- 23.3 If AFFECTED PERSONS suspect that a contravention of THE CODE has been committed by another AFFECTED PERSON of VERSO, they should promptly and confidentially report this, in writing, to their line manager or GCE.
- 23.4 As contravention of THE CODE is a serious matter it will result in disciplinary action and may result in the termination of employment. Certain breaches of THE CODE e.g. those relating to theft, fraud, embezzlement, corruption and misappropriation of property and cash, may also result in civil or criminal proceedings.

24 CONDUCT OFF SITE DURING OR OUTSIDE BUSINESS HOURS

- 24.1 Respect for personal privacy normally precludes any concern about AFFECTED PERSONS who are off duty, unless that conduct impairs the AFFECTED PERSONS performance at work, or affects the reputation or legitimate business interests of VERSO.
- 24.2 Where a group of two or more AFFECTED PERSONS engage in social activities while off duty and that social activity could reasonably be deemed to be work related then it will be deemed as such and THE CODE will apply.
- 24.3 VERSO respects and values the diversity and personal privacy of all AFFECTED PERSONS, however VERSO does expect all AFFECTED PERSONS to be law-abiding and to conduct their personal affairs like good and responsible citizens, especially where any indiscreet or antisocial behaviour could affect the individual's performance or reflect badly on VERSO.

25. PROFESSIONAL COMPETENCE

- 25.1 AFFECTED PERSONS should not undertake or continue with any professional services which he is not competent to carry out unless competent advice and assistance is obtained so as to enable him to satisfactorily perform such services. If an AFFECTED PERSONS does not have the competence to perform a specific part of the professional service, technical advice may be sought from experts such as consultants, lawyers, actuaries etc.
- 25.2 AFFECTED PERSONS have a responsibility to keep himself up-to-date in whatever field of activity he is engaged.

25.3 AFFECTED PERSONS should maintain professional knowledge and skill. This requires a continuing awareness of developments in the pension, IT and accountancy professions. including relevant regulations and statutory provisions.

26. RESPONSIBILITIES TO COLLEAGUES

- 26.1 All AFFECTED PERSONS are expected to conduct themselves in a manner which will promote co-operation and good relations between all departments and companies within the Verso Group.
- 26.2 While the Code prescribes certain specific actions in the area of relationships with colleagues, it should be understood that these prescriptions do not define the limits of desirable intra professional conduct. Such conduct should encompass professional consideration and courtesies. (Treat others as you would like to be treated)
- 26.3 It is a disciplinary offence to irresponsibly criticise one another, spread gossip or degrade another's character.

27. DUTY TO REPORT

Each employee has a duty to report:

- i. Financial malpractice, dishonesty, money laundering, corruption or fraud.
- ii. Failure to comply with a legal obligation that may result in criminal liability or damage to VERSO's reputation.
- iii. A serious breach of VERSO's policies relating to any criminal activity.
- iv. Any breach or potential breach of data privacy or unlawful disclosure of sensitive and confidential information.
- v. A serious breach of competition law (e.g. price fixing).
- vi. Endangering health and safety of employees or the public or serious environmental issues, including threats and assaults involving any AFFECTED PERSON.
- vii. Any other suspected criminal activity.
- viii. Serious conflict of interest without disclosure.
- ix. Sexual harassment or any other inappropriate behaviour.
- x. Any attempt to conceal any of the above.

The Audit Committee of the Boards has established special procedures that AFFECTED PERSONS may follow in order to communicate concerns or complaints regarding any of the above or breach of this CODE. These "Whistleblower Procedures" are set forth below:

Whistleblower Procedures

All persons are encouraged to submit good faith concerns and complaints without fear of retaliation of any kind. The Company will not discharge, demote, suspend, threaten, harass or in any other manner discriminate against any AFFECTED PERSONS in the terms and condition of his or her employment because the AFFECTED PERSONS has raised good faith concerns or complaints in accordance with these procedures. AFFECTED PERSON may communicate concerns anonymously in accordance with paragraph 27.2 below.

27.1 Submission of Concerns and Complaints

Any AFFECTED PERSON may submit a concern or complaint by bringing the matter directly to the attention of:

The GCE, PO Box 4300, Tyger Valley, 7536

27.2 Anonymous Submissions by Affected Persons

Concern may be submitted anonymously by writing to The GCE at the above address. This writing should include sufficient information and specificity to allow VERSO to review the subject matter.

Table of Contents

1	INTRODUCTION.....	2
2	POLICY.....	2
3	UNDERSTANDING THE CODE.....	2
4	COMPLIANCE WITH LAWS AND REGULATIONS.....	3
5	CONFLICT OF INTEREST.....	4
6	OUTSIDE ACTIVITIES, EMPLOYMENT AND DIRECTORSHIPS.....	4
7	RELATIONSHIPS WITH CLIENTS AND SUPPLIERS.....	5
8	LEVELS OF AUTHORITY.....	5
9	PROHIBITED PRACTICES.....	6
10	GIFTS, HOSPITALITY AND FAVOURS.....	6
11	PERSONAL INVESTMENTS AND INSIDER TRADING.....	7
12	REMUNERATION.....	7
13	POLITICAL SUPPORT.....	8
14	COMPANY FUNDS AND PROPERTY.....	8
15	PROPRIETARY INFORMATION.....	9
16	DEALING WITH THE PUBLIC AND MEDIA.....	10
17	INVENTIONS, PATENTS AND COPYRIGHT.....	11
18	COMPANY RECORDS.....	11
19	EMPLOYEES AND EMPLOYEE CONDUCT.....	11
20	WORKING ENVIRONMENT.....	13
21	SUBSTANCE ABUSE.....	13
22	DURATION OF THE CODE.....	13
23	CONTRAVENTION OF THE CODE.....	13
24	CONDUCT OFF SITE DURING OR OUTSIDE BUSINESS HOURS.....	14
25.	PROFESSIONAL COMPETENCE.....	14
26.	RESPONSIBILITIES TO COLLEAGUES.....	16
27.	DUTY TO REPORT.....	16

Annexure A

Guidelines to be followed when engaged in an relationship with an AFFECTED PERSON

1. **Don't allow yourself to react emotionally** to professional comments or criticisms about your partner. Equally, never gossip about your partner with colleagues or answer personal questions about him/her.
2. **Don't show overt or excessive affection**, Don't mix business and satisfaction on company time. Agree to date out of work hours, but don't turn a business lunch into an enchanting lunch Work is a place of professional conduct. Holding hands, exchanging endearments, kissing and sharing private jokes will make your colleagues feel excluded and awkward.
3. **Do understand your different roles.** At work you're colleagues, possibly with differing levels of authority. One of you may be entitled to more benefits or privileges than the other, and this should be understood and respected. Remain fair
4. **Do step outside your box..** Because you work together, make sure you take time out to enjoy outside activities, both as individuals and as a couple. This will energise the relationship by providing outside stimulation and giving you something else to talk about besides your mutual work environment.
5. **Maintain your professional conduct** when attending a work function as a couple. People may know you're involved, but you're still on business territory there.
6. **Keep your cool** if people tease you about a disclosed, or suspected, involvement at work. Don't over-react by flying off the handle, becoming defensive or collapsing in a heap of embarrassment. Rather smile and walk away
7. **Do not brag.** Your co-worker boyfriend or girlfriend may look like Brad Pitt or Angelina Jolie, however keep your feelings to yourself and your buddies outside of work.
8. **Do not have love spats at work.** If there are problems with the relationship, don't allow it to affect the working environment.

Be impeccable with your behaviour and your work. You are going to be under a lot more scrutiny in this relationship than you would be if you had been dating a person you didn't work with.

DECLARATION OF INTEREST

In terms of the Verso's Conditions of Employment and Code of Conduct and Ethics, Verso Financial Services (Pty) Ltd (Verso FS) requires all employees to complete an annual Conflict of Interest Declaration as a method of disclosing and ethically resolving potential conflicts of interest. Possible conflict of interest situations may exist when an employee has an outside personal economic interest that has the potential of being at variance with the best interests of Verso FS, its clients or members. Even though such interests may result in no financial detriment to the organization, they may nevertheless influence or impair the exercise of independent judgment by the individual involved. Without attempting to cover all possible relationships, conflicts of interest may arise under these types of situations with the organization's service providers, competitors, and clients:

1. Acting in the capacity of a director, officer, sole proprietor, partner, employee or paid consultant or advisor to any vendor, competitor, donor, or customer. Including, any interest in a business entity, or other occupation, or any other activity from which you derive income or remuneration in addition to your salary as an employee of Verso FS. (Shareholding in the Verso Group of Companies and shareholding of less than 5% in Listed Companies are excluded)
2. Having a substantial financial interest in any firm that does business with Verso FS. The nature of any relationship/s with (including family members employed by) any clients, suppliers or competitors which could impair your objectivity and independence, or create the perception that these might be impaired.
3. Engaging in any conduct that is competitive or potentially damaging to Verso FS.
4. Accepting loans, advances, or excessive gifts or entertainment from any organization that does business with Verso FS.

Furthermore, in terms of our service contract, "*THE EMPLOYEE shall devote the whole of his required working time to his duties, and shall not be engaged or take part directly in any other business, nor undertake any other work for remuneration during working hours.*"

Should any transaction or act of any employee constitute a possible conflict of interest or breach of contract, the individual is required to disclose all of the relevant facts for consideration to determine whether a conflict of interest actually exists, and if so, the manner in which it should be resolved. Failure to fully declare any of these details could result in a disciplinary action that could lead to dismissal.

Disclosure of interests in any business entities / contracts.

NAME Name of Business / Entity / Contract	INVOLVEMENT / CAPACITY Contractor; Consultant; Director; Shareholder; Member; Partner; Owner; Other; etc.	TIME Average time spent on this activity per month during Verso FS working hours	BUSINESS Nature of business	INTEREST Interest held (%)	RELATIONSHIP Relationship to Verso FS	CONFLICT Potential Conflict with Verso FS - Yes / No. If yes, provide full details.	APPROVAL To be completed in terms of a Board of Directors resolution Approved/ Not Approved

I hereby confirm that I have received a copy of the Code of Conduct and Ethics that will also be available on Verso’s intranet, furthermore having read and understood the Code, I declare that the disclosed information is correct and that no other situation of real, potential or apparent conflict of interest is known to me and I confirm that, notwithstanding this general notification, I am required to make immediate and full disclosure of any actual or perceived conflict of interest (including any of those referred to above) on any occasion where such may arise in the course of the performance of my duties at Verso FS.

Name

Signature

Date