
Code of Conduct and Standards March 2013 (As amended)



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PREAMBLE

This Code covers, governs and informs the governmental, parliamentary and political, advocacy, lobbying, policy, legislative, regulatory, communications, stakeholder, research and analysis activities of ETHICORE Political Consulting, as a leading political consultancy in South Africa and in the international territories in which it operates and where it is required to engage, interact, liaise and interface with governmental, parliamentary, political, regulatory and state institutions and which the company fully subscribes and adheres to in all its practices and operations.

Governmental, regulatory and political public affairs, consulting, advocacy and lobbying are an integral part of democratic governance and decision-making processes. Elected public office bearers, governmental official and political office bearers are continuously making legislative, regulatory and public policy decisions that affect the vital interests of individuals, civil society, professional and trade associations and the business community. These public decision makers need to receive factual information from interested and affected parties and to understand their views and concerns in order to make informed decisions. In exercising their rights to inform and influence these decision-making processes, interested and affected parties may choose to employ ETHICORE Political Consulting as its professional representatives, advisors, consultants and facilitators to monitor developments and to act accordingly on their behalf.

To help preserve and advance public trust and confidence in these democratic decision-making processes, ETHICORE Political Consulting as a professional agency specialising in its niches areas of expertise, has an unwavering obligation and commitment to always act in the highest ethical manner in its dealings with all parties mentioned above and concerned. ETHICORE Political Consulting also has a duty to advance public understanding of the political consulting and lobbying profession within its niche areas of focus and operations.

Accordingly, ETHICORE has adopted this Code of Conduct and Standards to provide a basic guideline and framework of reference as its own internal benchmark and barometer of conduct, as well as a tool by which others organizations and individuals (i.e. clients, suppliers, stakeholders, the media, government, parliament, political parties, state agencies, regulators, civil society, citizens and staff) can judge its performance by.

In general, this Code is intended to apply to the leadership, management, staff, partners, associates, suppliers, service providers, clients and stakeholders of ETHICORE and to strengthen our image and approach, as well as to advance our role as a vital and respected link in the democratic governance and decision-making process. However, we do encourage its adoption and application and utilisation with our consent, as a model by various organisations involved in similar and/or related areas of work as part of our contribution to best practice and as a responsible corporate citizen

It is a condition of working with ETHICORE that staff, clients, partners, associates, suppliers, service providers and stakeholders will accept and agree to abide by this Code and to observe the principles and duties set out in it in relation to its dealings with ETHICORE.

Other conditions include undertaking an annual compliance procedure in respect of the Code.

The Code of Conduct applies the principles that as a public affairs agency specialising in governmental, regulatory and political consulting, ETHICORE should be open and transparent in its dealings with representatives of governmental, regulatory and political institutions; and that there should be no financial relationship between them. ETHICORE is determined to act at all times with the highest standards of integrity and in a professional and ethical manner reflecting the principles applied by this Code and Standard. In the view of ETHICORE, it is inappropriate for a person to be both an elected

public office bearer, public servant or political advisory and a governmental, regulatory and political consultant.

DEFINITIONS

“Governmental and Political Institutions” mean all central, regional and local government bodies and agencies, Parliament and provincial legislatures, regulators, state agencies and parastatals, public bodies and political parties in the territories in which ETHICORE provides services and solutions and conducts its business activities.

“Governmental, parliamentary and political affairs and lobbying activities” means offering any consulting advice, representation, research, monitoring, lobbying, advocacy, communication, facilitation and liaison, stakeholder management, reputation and relationship management or administrative assistance in the territories in which ETHICORE provides these services.

ARTICLE 1 – INDEPENDENCE, HONESTY AND INTEGRITY

- 1.1 To act, behave and conduct ourselves with uncompromising honesty, integrity and objectivity towards and in our dealings with governmental and political institutions, and our clients and stakeholders within this context.
- 1.2 To be truthful in communicating with governmental and political institutions, elected public office bearers and public servants, clients and stakeholders, and with other interested persons, including seeking to provide factually correct, evidence-based, current and accurate information.
- 1.3 If it is determined that a governmental and political institutions, elected public office bearers and public servants, clients and stakeholders has been provided with factually inaccurate information

of a significant, relevant and material nature, ETHICORE will promptly provide the factually accurate information to the interested party and person concerned.

- 1.4 If a material change in factual information that ETHICORE provided previously to a governmental and/or political institutions, elected public office bearers and public servant, client and stakeholder causes the information to become inaccurate and ETHICORE knows that a governmental and political institutions, elected public office bearers and public servant, client and stakeholder may still be relying upon the information, ETHICORE will provide accurate and updated information to the party and person concerned.
- 1.5 ETHICORE will use reasonable endeavours to satisfy itself of the truth and accuracy of all statements made or information provided to clients or by or on behalf of clients to governmental, regulatory and political institutions.
- 1.6 To be non-partisan in our approach to our work, when fulfilling and delivering on client mandates and engaging political parties directly. As such, we shall not perform work and provide services to political parties directly for neither a fee, nor of a gratis nature, nor shall we favour one party over another or allow our professional conduct to be directed and informed by personal political preferences and affiliations; thereby maintaining and upholding our independence and avoiding any potential conflict of interests.

ARTICLE 2 – COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND RULES

- 2.1 ETHICORE will comply with all laws, regulations and statutes of governmental institutions and regulatory authorities in the territories in which we operate. This includes any statute and resolution of an institution of government adopted to regulate conduct and standards in public life, including payments to political parties, This includes

compliance with prevailing law, including those governing lobbying regulation, anti-corruption and political campaign finance and donations and that we shall not engage in a violation of these laws.

- 2.2 In making or facilitating representations to governmental and political institutions and stakeholders, to be open in disclosing the identity of our clients and not misrepresent their interests.
- 2.3 To advise clients where their activities to deliberately and intentionally interact with governmental and political institutions and stakeholders may be illegal, unethical or contrary to professional practice, and to refuse to act for a client in pursuance of any such activity where such violation occurs.
- 2.4 To not make misleading, exaggerated or extravagant claims to clients about, or otherwise misrepresent, the nature or extent of our access to, relationships with and standard of influence over governmental and political institutions and stakeholders or to persons in those institutions.
- 2.5 Save for reasonable entertainment, subsistence and token business mementoes, to not offer or give, or cause a client to offer or give, any financial, material or other incentive to any person in public office, whether elected, appointed or co-opted, that could be construed in any way as a bribe or solicitation of favour. ETHICORE will not accept any financial or other incentive, from whatever source, that could be construed in any way as a bribe or solicitation of favour.
- 2.6 To keep strictly separate from our professional duties and activities as any personal activity or involvement on behalf of a political party, including as an office holder or as a potential candidate for public office and to provide such notification to the company and our clients as required.

- 2.7 To abide by the rules and conventions for the obtaining, distribution and release of documents and information published by governmental and political institutions and their associated disclaimers, as well as those given to us by individuals in these institutions based on trust, confidentiality or any stipulated conditions, to the extent that we are well within our legal rights to be in possession of such documents and information.
- 2.8 To conduct ourselves in accordance within the rules of any governmental and political institution while within the precincts and premises of these institutions, in order to fulfill and execute our professional duties and responsibilities.
- 2.9 ETHICORE will not employ any sitting elected public or political officer bearer (e.g. Member of Parliament, Head of State, Minister or Deputy Minister, Member of Provincial Legislature, municipal Councillor, political advisor or civil servant).
- 2.10 ETHICORE will not make any award or payment in money or in kind (including equity in the firm) to any elected public or political officer bearer (e.g. Member of Parliament, Head of State, Minister or Deputy Minister, Member of Provincial Legislature, municipal Councillor, political advisor or civil servant) or to connected persons or persons acting on their account directly or through third parties.
- 2.11 ETHICORE will ensure that it does not benefit unreasonably by actions of any third party, which if undertaken would be considered a breach of this Code.
- 2.12 ETHICORE will not hold any pass conferring entitlement to access to the premises and building of governmental and political institutions in the territories in it operates. The only exceptions are:

- a) Where the relevant institution is a client of ETHICORE and requires ETHICORE's staff to hold a pass to enter their premises.
- b) Where ETHICORE staff holds a pass as a spouse or civil partner of a member or former member of the relevant institution, in which case the pass must never be used whilst the consultant is acting in a professional capacity.
- c) Where holding such a pass is legally allowed and permissible. For e.g. a dedicated 'Lobbyist' or 'Observer' pass to the Parliamentary precinct for the regular attendance of meetings to facilitate ease of access and timeliness.

2.13 ETHICORE will always abide by the internal rules on declaration and handling of interests laid down by any public body on which it serves.

2.14 ETHICORE will not exploit public servants or abuse the facilities or institutions of central, regional or local government in the territories in which its operates.

2.15 We shall not cause a public official to violate any law, regulation or rule application to such public official.

ARTICLE 3 – PROFESSIONALISM

We shall conduct ourselves at all times in a fair and professional manner, with due regard to:

3.1 Having at least a basic understanding of the governmental, parliamentary, political, policy, legislative and regulatory process in the territories in which we operate in and such specialized knowledge as is necessary to represent clients or an employer in a competent and professional manner.

- 3.2 We should maintain our understanding and specialized knowledge in respect of 3.1 above through appropriate methods such as continuing study, seminars and similar sessions in order to represent clients or the company and engagement with governmental and political stakeholders and institutions in a competent and professional manner.
- 3.3 We shall participate and undertake appropriate and required training and development in areas such as new laws, regulation, compliance and ethical standards applicable to our profession.

ARTICLE 4 – CONFLICT OF INTEREST

- 4.1 We shall not continue or undertake representations that may create conflicts of interest without the informed consent of the client or potential client involved.
- 4.2 We shall avoid advocating a position on an issue if we are also representing another client on the same issue with a conflicting position.
- 4.3 If work for one client on an issue may have a significant adverse impact on another client's interests, we should inform and obtain consent from the other client whose interests may be affected of this fact even if we are not representing the other client on the same issue.
- 4.4 We should disclose all known conflicts to the client or prospective client and discuss and resolve the conflict issues promptly.

- 4.5 We should inform the client if any other person is receiving a direct or indirect referral or consulting fee due to or in connection with the client's work and the amount of such fee or payment.

ARTICLE 5 - DUE DILIGENCE & BEST EFFORTS

- 5.1 We should vigorously and diligently advance and advocate the client's interests.
- 5.2 We shall devote time, attention, and resources to the client's or employer's interests that are commensurate with client expectations, agreements, and compensation.
- 5.3 We shall exercise loyalty to the client and/or company's interests.
- 5.4 We shall keep the client or employer informed regarding the work that we are undertaking and, to the extent possible, should give the client the opportunity to choose between various options and strategies.

ARTICLE 6 - COMPENSATION AND ENGAGEMENT TERMS

- 6.1 When retained by a client we should have a written agreement with the client regarding the terms and conditions for the services, including the amount of and basis for compensation. The agreement should include the subject of expenses, and we should charge only those expenditures made on behalf of the client and in furtherance of the objective pursued on the client's behalf.
- 6.2 The fees we charge should be reasonable, taking into account the facts and circumstances of the engagement.
- 6.3 We shall disclose to other clients and, if requested, to government officials the existence of any agreement for the receipt of contingent

fees or bonuses for obtaining or preventing the enactment of legislation.

- 6.4 Upon termination of representation, we shall take steps to the extent reasonably practicable to protect the company or client's interests, such as giving reasonable notice to the employer or client, allowing time for employment of another lobbyist, and surrendering papers and property to which the employer or client is entitled.

ARTICLE 7 – CONFIDENTIALITY

7.1 We shall maintain appropriate confidentiality of client or employer information.

7.2 We shall not disclose confidential information without the client or company's informed consent.

7.3 We shall not use confidential client information against the interests of a client or the company or for any purpose not contemplated by the engagement or terms of employment.

ARTICLE 8 - PUBLIC EDUCATION

8.1 We shall seek to ensure better public understanding and appreciation of the nature, legitimacy and necessity of lobbying in democratic governmental process. This includes the Constitution of the territories we operate in and relevant enacted legislation.

8.2 We shall strive to devote a not insubstantial amount of time each year to providing lobbying or related services to persons or organizations

that are pursuing objectives that advance the public good, but who do not have the resources to compensate us to represent them in that endeavor.

ARTICLE 9 - DUTY TO GOVERNMENTAL INSTITUTIONS

- 9.1 In addition to fulfilling duties and responsibilities to the client, we shall exhibit proper respect for the governmental and political institutions before which we represents and advocates clients' interests.

- 9.2 We shall not act in any manner that will undermine public confidence and trust in the democratic governmental process.

- 9.3 We shall not act in a manner that shows disrespect for government and political institutions and persons therein.