



**NORTHAM PLATINUM LIMITED**

**CODE OF ETHICS**

## **Northam's Code of Ethics**

A message from the chairman and chief executive

Since its inception, this company has always conducted its affairs, both internally and with its stakeholders, with the utmost integrity and according to a set of ethical standards which are rigorously applied.

This document is available on the company's website: [www.northam.co.za](http://www.northam.co.za). It sets down for directors, managers and employees a set of standards and guidelines in order to maintain the highest ethical standards in our dealings with all our stakeholders.

This Code of Ethics embodies Northam's commitment to conduct its business in accordance with all applicable laws, rules and regulations. We urge all directors and employees to take careful heed of the contents of the Code and to ensure that they comply with both the written word and the spirit of the Code. If you are uncertain about any of the stipulations of the Code, we strongly advise you to speak to your line manager or, the group financial controller or, the chief financial officer.

**UPDATED AND APPROVED BY THE NORTHAM BOARD OF DIRECTORS ON  
TUESDAY, 20 FEBRUARY 2018**

<b>1</b>	<b>INTRODUCTION</b>	
	1.1	<p><b>PURPOSE AND APPLICATION OF THE CODE</b></p> <p>The Code describes the fundamental principles which govern the everyday business conduct of the company in its dealings with its various stakeholders, and applies to all employees, irrespective of seniority.</p> <p>The Code does not set out detailed rules and procedures. These are recorded in freely available policies and procedure manuals.</p>
	1.2	<p><b>COMPLIANCE WITH LAWS AND OTHER STANDARDS</b></p> <p>Directors and employees should be conversant with the laws, regulations, professional or industry codes and the company's policies and procedures to which their position and related activities are subject. They must ensure that they comply with these laws and standards at all times.</p>
	1.3	<p><b>POLICY</b></p> <p>The company is committed to a policy of dealing fairly and with integrity in the conduct of its business. This policy, which is actively endorsed by the board of directors, requires that employees should at all times act with the utmost honesty, integrity and in good faith, and comply with both the spirit and letter of those laws, regulations, professional or industry standards and company policies and procedures that apply to their occupation.</p>
<b>2</b>	<p><b>THE COMPANY AND ITS EMPLOYEES</b></p> <p><b>Shared responsibility</b></p> <p>While all employees are expected to adhere to the Code, supervisors and managers must take all reasonable steps to ensure that the people for whom they are responsible are aware of and uphold the guidelines set out in the Code.</p> <p>This includes the constant demonstration of exemplary behaviour, undertaking activities to foster a culture in which employees understand their responsibilities and feel comfortable to raise concerns without fear of retaliation or victimisation, ensuring mandatory policies, standards and procedures are accessible and understood and responding promptly to legitimate concerns.</p>	

2.1	<p><b>SAFETY AND HEALTH</b></p> <p>The company acknowledges that all its employees have a right to work in a safe and healthy environment.</p> <p>This commitment is supported by the assessment of risks and providing ongoing training in occupational health and safety and the provision of comprehensive medical care for its employees.</p> <p>The company provides relevant training to employees to promote their awareness of health and safety risks in the workplace. Employees are required to comply with all training procedures and standards set by the company.</p> <p>Employees should report all potential risks, sub-standard conditions or incidences of non-compliance that they identify to their supervisor so that the necessary remedial action can be taken.</p> <p>The company respects the rights of employees to refuse to work in areas which they deem to be unsafe.</p>
2.2	<p><b>EMPLOYMENT PRACTICES</b></p> <p>All employees are entitled to fair employment practices. These include fair remuneration and the opportunity for advancement or promotion based solely on knowledge, competence, experience and performance.</p>
2.3	<p><b>EMPLOYMENT EQUITY</b></p> <p>The company is committed to providing equal opportunities for all its employees, guided by South African labour legislation and the provisions of the South African Mining Charter, as envisaged by the Mineral and Petroleum Resources Development Act 2002 (MPRDA).</p>
2.4	<p><b>DISCRIMINATION AND HARASSMENT</b></p> <p>The company respects and defends the rights of all its employees to a working environment free of discrimination on the basis of race, gender, sexual orientation, religious belief, political affiliation, age or disability.</p>
2.5	<p><b>FREEDOM OF ASSOCIATION</b></p> <p>All employees have the right to freedom of association and to act out this freedom within the bounds of the law, collective agreements and the rights of others.</p> <p>Employees and their elected representatives must shoulder the duties and responsibilities that attach to this right.</p>

	2.6	<p><b>DISCIPLINARY ACTION</b></p> <p>The company's policies and procedures provide for disciplinary action to be taken under various circumstances.</p> <p>The primary objective of such action is not to punish such affected employees, but rather to bring them into line with required standards of work behaviour and performance.</p> <p>It is the duty of the company to ensure that all employees are acquainted with these required standards.</p> <p>Any disciplinary action must be fair and lawful, both in substance and procedure, and the company is committed to protecting employees against arbitrary action which could lead to their unfair dismissal.</p>
	2.7	<p><b>GRIEVANCES</b></p> <p>Employees are encouraged to use the established procedures to alert management to any dissatisfaction or feelings of injustice arising out of their employment.</p> <p>The company is committed to give due attention to such grievances, and where appropriate, to take all reasonable action to rectify the situation.</p>
3	<p><b>THE COMPANY AND THE ENVIRONMENT</b></p> <p>The company recognises that the environment represents a strategic resource for both current and future generations, and is committed to minimising the impact its operations have on the environment by applying appropriate, cost effective measures to foster environmentally sustainable development.</p> <p>The company expects all its employees to assist in this regard by both minimising the impact that they have on the environment, and by reporting both existing environmental degradation and any situation which may potentially be environmentally damaging to management.</p>	
4	<p><b>THE COMPANY AND ITS SUPPLIERS, CONTRACTORS, CUSTOMERS AND PEERS</b></p> <p>The company recognises that relationships with suppliers, contractors, customers or its peers may give rise to situations where conflicts of interest, real or perceived, may arise.</p> <p>Directors and employees must ensure that they are independent, and are seen to be independent, from any business organisation having a contractual relationship with the company for the supply or purchase of goods or services.</p>	

4.1		<p><b>FINANCIAL INTEREST IN A SUPPLIER OR CUSTOMER</b></p> <p>Employees or their direct family members should not invest in nor acquire a financial interest, directly or indirectly, in any supplier, contractor or customer where this interest could influence, or create the impression or perception of influencing their decisions in the performance of their duties on behalf of the company.</p> <p>Employees are permitted to make <i>bona fide</i> investments. However, should the nature of their work require them to negotiate with any supplier, contractor or customer in whom they or their direct family members have a financial interest, they must disclose the nature and extent of their interest to management, and recuse themselves from any decision making process.</p>
4.2		<p><b>GIFTS, HOSPITALITY AND FAVOURS</b></p> <p>Employees should not accept any gift, hospitality or favours from suppliers, contractors or purchaser of goods or services. However, acceptance of the following would not be considered contrary to this policy:</p>
		<p>(a) Advertising matter of a nominal commercial value;</p>
		<p>(b) Occasional business entertainment such as lunches, cocktail parties or dinners which are necessary to promote or expedite business matters are acceptable. Caution should however be exercised to ensure that such lunches do not become a regular occurrence with selected suppliers or that the impression is given that such lunches are a requirement for doing business.</p> <p>Prior permission must be obtained from the employees functional head of department before accepting an invitation to attend any of the above, and the relevant details must be entered in the gifts and entertainment register which is kept by the functional head of department.</p>
		<p>(c) Occasional personal hospitality such as tickets to local sporting events or theatres, provided that the cost of any accommodation and transport is borne by the recipient.</p> <p>Prior permission must be obtained from the employees' functional head of department to attend a function or accept tickets to the theatre or to sporting events, provided that the cost of any transport, air tickets or accommodation is borne by the employee. The request for permission must be done in writing and clearly state the purpose of the function. In addition the relevant details must be entered in the gifts and entertainment register which is kept by the functional head of department.</p> <p>Transport provided by a contractor or supplier from a central place to transport their customers to and from a stadium is acceptable. Participation in sponsored sporting events is acceptable.</p>

	4.3	<p><b>BRIBES AND/OR PERSONAL GAIN</b></p> <p>All large and expensive gifts are regarded as bribes. Examples of these are amongst others, TV sets, refrigerators, sponsored holidays including weekend trips such as fishing and hunting trips, flight tickets and cases of liquor. Such gifts may not, under any circumstances be accepted by employees from any supplier, even if an employee has paid a portion of the cost. Offers of this kind must be firmly declined or immediately returned to the sender.</p> <p>Employees are in no way to be involved in the authorization of or giving effect to any transaction in which they or any member of their families could gain, whether financially or otherwise in a transaction involving the company, either directly or indirectly.</p> <p>Employees are also precluded from giving or taking steps to acquire or to give gifts or money of any value from or to a supplier, customer, employee or agent of any entity with which the company does business which could or may influence or which could give the appearance of being capable of influencing the actions of suppliers, customers, clients or entities with which the company does business, including their employees and their agents.</p> <p>Employees have a duty to report any approach made to them or of which they are aware, by any person seeking favour or preference in any respect concerning the company on the basis of offering any form of inducement to any person having an influence in the company.</p>
5	<p><b>THE COMPANY AND POLITICAL AFFILIATION</b></p> <p>The company acknowledges individuals' rights to freedom of association and party-political affiliation.</p> <p>Formal and informal structures are in place to engage with stakeholders.</p>	
6	<p><b>COMPANY AND THE COMMUNITY</b></p>	
	6.1	<p>The company recognises that we all share a responsibility to contribute to our local community, and the company encourages employees to participate in religious, charitable, educational and civic activities.</p> <p>Employees should however avoid involvement in any activity which would create or appear to create:</p>
		<p>(a) Excessive demand on their time, attention and energy which would deprive the company of their best efforts on the job; or</p>
		<p>(b) A conflict of interest which could jeopardize the independent exercise of judgement and which could prejudice the company's interests.</p>

<b>7</b>	<b>OUTSIDE EMPLOYMENT AND DIRECTORSHIPS</b>	
	7.1	<b>OUTSIDE EMPLOYMENT</b> Employees may not take up outside employment without the prior approval of the General Manager.
	7.2	<b>OUTSIDE DIRECTORSHIPS</b> Employees may not hold external directorships without the prior approval of the company, and employees and directors should avoid any external directorships that would create or appear to create:
		(a) Excessive demand on their time, attention and energy which would deprive the company of their best efforts on the job; or
		(b) A conflict of interest which could interfere with the independent exercise of judgement in the company's best interests.
		(c) Directors should inform the Chairman or in his absence the CEO, of their intention to take up a directorship.
	7.3	Employees who hold, or have been invited to hold outside directorships must take particular care to ensure compliance with all provisions of this Code.
<b>8</b>	<b>USE OF COMPANY ASSETS</b> Employees must take care of all company assets which they have in their possession or have been allocated to them to facilitate the performance of their duties. Individuals are required to protect Northam's assets from loss, damage, theft, misuse and waste. In particular:	
	8.1	<b>COMPANY MOTOR VEHICLES OR ACCOMMODATION</b> Employees who are entitled to the use of a company owned motor vehicle or the use of company owned or leased accommodation must take due care of the relevant assets, and may not use them for any purpose other than for their stipulated or intended use.
	8.2	<b>USE OF COMPANY WORKSHOPS OR OTHER FACILITIES</b> Employees may not undertake any private work in a workshop or other facility belonging to the company, or make use of company equipment without the permission of the functional head of department and the approval of the General Manager.



	8.3	<p><b>USE OF COMPANY OWNED OR CONTROLLED LAND</b></p> <p>Employees may not carry out farming or trading activities for personal profit on land owned or controlled by the company.</p>
	8.4	<p><b>USE OF COMPANY OWNED OR LICENSED COMPUTER SOFTWARE</b></p> <p>Employees may not use, copy or distribute any licensed computer software.</p>
	8.5	<p><b>USE OF COMPANY COMPUTERS</b></p> <p>Employees may not use company computers for private work, and shall at all times comply with the company's IT Policy regarding the use of software, e-mail and internet facilities.</p>
	8.6	<p><b>INTELLECTUAL PROPERTY</b></p> <p>Employees may, during the course of their employment, be involved in the development of new processes or designs. Such processes or designs, whether patented by the company or not, shall at all times remain the property of the company, and employees may not use such processes or designs for personal gain without permission.</p> <p>Employees are not permitted to reproduce, distribute or alter materials under copyright. These materials include books, journals and articles without the express permission of the copyright owner or authorized owner.</p>
<b>9</b>		<p><b>CONFIDENTIAL INFORMATION</b></p> <p>Employees are expected to treat all information pertaining to the company, and which is not public knowledge, in the strictest confidence, and may not divulge such information to any party without permission.</p> <p>This confidentiality requirement applies to all employees whether or not they continue to serve or be remunerated by the company.</p>
<b>10</b>		<p><b>SHARE INVESTMENTS</b></p> <p>The company recognises the right of employees to make bona fide share investments, either in the company or in any other entity. However:</p>
	10.1	<p>Directors and employees are reminded that it is a criminal offence for them or their direct family members to deal in the company's shares if they are in possession of any information that is, or could be construed to be, price sensitive. That is if the release of that information to the public would be likely to affect the price of the company's shares on the JSE Limited.</p>

	10.2	Directors and employees, or their direct family members, may not purchase or sell the company's shares for speculative purposes.
	10.3	Directors and employees are required to obtain prior approval for dealing in the company's shares by either them or their direct family members. Such approval will not be unreasonably withheld, but will not be granted during any embargo or closed periods. It is incumbent on the employee to establish when these closed periods apply.
		Directors and employees should bear in mind that the prohibitions and requirements of the above apply whether such dealings are to be done by them directly, whether in their own name or through their nominee, or by any entity in which they have a significant interest.
<b>11</b>	<b>EXTERNAL LIAISON OR COMMUNICATION</b>	
	11.1	<p><b>COMMUNICATION WITH BUSINESS PARTNERS AND OTHER STAKEHOLDERS</b></p> <p>Employees must communicate timeously and effectively with business partners and stakeholders. In doing so, however, employees remain subject to the confidentiality requirements of this Code and any relevant legislation as well as the company's requirements for the release of information.</p>
	11.2	<p><b>PUBLIC PRESENTATIONS</b></p> <p>The content of any public presentations being made by employees must be approved by the chief executive officer or his/her designated representative prior to such employee agreeing to make such a presentation. It must be noted that once any paper or presentation has been made in a public domain it becomes public information.</p>
	11.3	<p><b>COMMUNICATION WITH THE PRESS AND/OR INVESTMENT COMMUNITY</b></p> <p>Communication with the press and/or the investment community must be channeled via the company's approved communications and investor relations advisers, following approval from the chief executive officer or his/her designated representative.</p>

	11.4	<p><b>REPORTS, PRESENTATIONS AND ACADEMIC PAPERS</b></p> <p>In making public presentations on behalf of the company, employees should at all times take steps to protect and enhance the reputation of the company and its employees.</p> <p>No employees are permitted to make reports, presentations or academic papers available to anyone outside the organisation without having channeled such information through the company's communications and investor relations advisors, after having been approved by the chief executive or his/her designated representative.</p>
<b>12</b>	<b>BRIBERY, FRAUD AND CORRUPTION</b>	
	12.1	<p>The company does not condone the fraudulent or improper use of its funds or property, and shall institute disciplinary action whenever it becomes aware that an employee may have committed fraud or used the company's funds or property improperly.</p>
	12.2	<p>Should an employee be found guilty of fraud or the improper use of the company's funds or property he or she may be liable for summary dismissal, and may also be liable for criminal action.</p>
	12.3	<p>Northam prohibits all employees from accepting, making or offering illicit or inappropriate payment of any kind to deliberately interfere with a proper decision-making process to secure unfair commercial advantage or to coerce an individual to enter into a dishonest arrangement.</p> <p>The company does not condone facilitation payments of any kind to obtain services to which Northam is otherwise legally entitled.</p> <p>Should an employee be found guilty of fraud or the improper use of the company's funds or property he or she may be liable for summary dismissal, and may also be liable for criminal action.</p>
	12.4	<p>If employees become aware of any evidence that the company's funds or property may have been used in a fraudulent or improper manner, they should immediately and confidentially advise the company as set out in the Breach of Code section of this booklet.</p>

**13**

**BREACH OF CODE**

Any breach of this code, or any rule or procedure based thereon, will be viewed in a serious light, and persons committing such breach could be subject to disciplinary action, and may in addition be liable to face civil or criminal action.

Employees who believe that their own actions have, or may have contravened this code, should immediately advise the person to whom they report or a member of management.

Employees who become aware of a breach of this code by another employee should immediately bring such breach to the attention of management or should contact the company's independent Fraud Hotline on **0800 15 25 39**, where it will be dealt with promptly and equitably and with due regard to confidentiality.

Employees, commonly referred to as "whistle-blowers", who disclose a breach by a fellow employee will be protected against any form of victimization or occupational detriment provided disclosures have been made in accordance with the provisions of the Protected Disclosures Act (no. 26 of 2000).