

## **SUPPLIER CODE OF CONDUCT**

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## 1 ABBREVIATIONS, TERMINOLOGIES AND DEFINITIONS

ABBREVIATIONS	DEFINITIONS
B-BBEE	Broad-Based Black Economic Empowerment Act No 53 of 2003 as amended
CEO	Chief Executive Officer
CFO	Chief Financial Officer
GMA	Gautrain Management Agency
MANCO	GMA Management Committee
PFMA	Public Finance Management Act No. 1 of 1999 as amended
PPPFA	Preferential Procurement Policy Framework Act No. 5 of 2000
SCM	Supply Chain Management

TERMINOLOGIES	DEFINITIONS
Brand Identity	Means the outward expression of a brand (which is the Gautrain) which includes its name, trademark, communication and visual appearance.
Five Pillars of Procurement	Means the holding foundation of a procurement system which are - fair, equitable, transparent, competitive and cost effective as mentioned in the Constitution of the Republic of South Africa, Act 108 of 1996, Section 217.
Purchase Order	Means a legally binding document between a GMA and a Supplier, detailing the items/services that GMA agrees to purchase at a certain price point. It also outlines the delivery date and terms of payment.
Suppliers	GMA suppliers and service providers, and their employees, agents, and subcontractors, including prospective suppliers and service providers, as well as their employees, agents, and subcontractors. (Collectively referred to as "Suppliers").
Visual Elements	Means the logo and framework or architecture which specifies how it is used.

## 2 PURPOSE OF SUPPLIER CODE OF CONDUCT

The purpose of this code of conduct is to define behaviors and actions which GMA suppliers must commit to abide by during SCM processes, and, where applicable, the discharge of their contractual obligations towards the GMA.

## 3 APPLICABILITY/SCOPE

This code of conduct is applicable to all GMA Suppliers.

## 4 PREAMBLE

Whereas the GMA is committed to SCM processes that are fair, equitable, transparent, competitive, and cost effective, and to receiving value for money from all its Suppliers; the GMA desires to outline standards to which its Suppliers are required to adhere to. The GMA further expects its Suppliers to replicate these standards further down their supply chains.

## 5 INTRODUCTION

The GMA aims to conduct its business in a manner that is fair, equitable, transparent, competitive and cost effective (five pillars) as underpinned by Section 217 of Constitution of the Republic of South Africa, and its core values. The five pillars are not only a prescription of standards of behavior, ethics and accountability but are a statement of GMA's commitment to a procurement system which would enable the emergence of sustainable small, medium and micro business and sustainable environment, consequently adding to the common wealth of GMA and its stakeholders.

This Code of Conduct captures the principles that the GMA expects its Suppliers to uphold. It contains globally aligned standards and guidance in each of the following areas:

- Ethics
- Labour
- Safety, Health, Environment and Quality; and
- Management Systems

## 6 ETHICS

Suppliers are expected to conduct their business in an ethical manner and act with integrity. Where unethical practice comes to light, a Supplier commits to taking appropriate action to report and remedy it. Ethical requirements include the following aspects without limitation:

### 6.1. Business Integrity

Suppliers are expected not to practice or tolerate any form of corruption, extortion, embezzlement, dishonesty, or unethical conduct of any kind. Consequently, Suppliers commit not offer or accept bribes or any other incentives that may nullify the Five Pillars of Procurement. A Supplier is expected not to donate, on behalf of the GMA, the GMA's employees/ agents/ board members, or offer or accept any gratification that may appear to be aimed at influencing a decision of the GMA or the GMA's current and potential business partners in the Supplier's favour. Suppliers are, furthermore, required to comply with all legal requirements applicable to them.

### 6.2. Conflict of Interest

Suppliers must avoid potential or actual conflict of interest. Suppliers must not deal directly with any GMA employee whose spouse, domestic partner, or other family member or relative holds a significant financial interest in the Supplier. In the event of a Supplier becoming aware of the potential breach of the foregoing principle, during the course of negotiating the Supplier agreement or performing the Supplier's contractual obligations, the Supplier shall declare the conflict of interest to the GMA's management.,

### 6.3. Fair Competition

Suppliers shall not engage in collusive bidding, price fixing, price discrimination, or other unfair trade practices not in line with fair competition and in accordance with all applicable anti-competition laws that govern the jurisdiction in which it conducts business.

### 6.4. Privacy and Intellectual Property

Suppliers must safeguard and maintain confidential and proprietary information or trade secrets of the GMA, and use such information only for the authorised purpose. Suppliers shall, to the foregoing end, implement measures aimed at restricting access to the GMA's confidential and proprietary information to persons requiring such access for the purpose of discharging the Supplier's obligations towards the GMA.

## 6.5. Reputation Management

Suppliers must acknowledge the importance and relevance of the Gautrain Brand Identity (the Brand) and visual identity. Suppliers shall, to the foregoing end, follow relevant GMA policies, procedures, directions and guidelines to ensure that the Brand and corporate visual elements is reflected positively and appropriately in order to maintain a good reputation of the GMA.

## 7 LABOUR AND HUMAN RIGHTS

Suppliers are expected to give effect to the human rights of their employees and treat them with dignity and respect. This includes the following aspects without limitation:

### 7.1. Diversity and Inclusion

The GMA encourages Suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees as well as their decisions to select subcontractors. Suppliers are expected to act lawfully in this regard.

### 7.2. Child Labour Avoidance

The GMA does not subscribe to child labour. Suppliers must, therefore, comply with all minimum working age laws or regulations and not use child labour. Suppliers cannot employ anyone under the legal minimum working age for employment. The GMA only supports the development of legitimate workplace apprenticeship programs, for the educational benefit of young people, and will not do business with those who abuse such systems. Workers under the legal working age cannot perform hazardous work and may be restricted from night work, with consideration given to educational needs.

### 7.3. Freedom of Association

Suppliers must comply with all applicable laws that pertain to freedom of association and collective bargaining and will not discriminate on the basis of affiliation or non-affiliation. Suppliers will respect employees' rights to seek representation and will not disadvantage employees who act as workers' representatives.

### 7.4. Abuse/Harassment/Disciplinary Action

While the GMA recognizes and respects cultural differences, Suppliers are required to provide their employees a workplace free of harsh and inhumane treatment, without any

sexual harassment, sexual abuse, corporal punishment or torture, mental or physical coercion or verbal abuse of employees or threat of any such treatment. Suppliers must treat all employees with respect and dignity and comply with applicable legislation on disciplinary practices.

#### **7.5. Fair and Equal Treatment**

Suppliers' terms and conditions of employment, including hiring, training, working conditions, compensation, benefits, promotions, discipline, termination or retirement are based on the individual's qualifications, performance, skills and experience.

#### **7.6. Forced Labour**

Suppliers will employ all employees on a voluntary basis and do not use any prison, slave, bonded, forced labour or engage in any other forms of slavery or human trafficking.

#### **7.7. Working Hours**

Suppliers commit to complying with all applicable laws regarding regular working hours, rest periods and overtime hours. Suppliers will not force employees to work overtime and employees will not be punished, penalised or dismissed for refusing to work overtime.

#### **7.8. Compensation and Benefits**

Suppliers will fairly compensate all employees by providing wages and benefits in accordance with all applicable laws.

## **8 SAFETY, HEALTH, ENVIRONMENT AND QUALITY**

Suppliers are expected to provide a safe and healthy working environment and, if applicable, safe and healthy company living quarters, and to operate in an environmentally responsible and efficient manner. Suppliers will comply with all applicable laws and regulations pertaining to health, safety, environment and quality in the workplace. GMA recognizes its social responsibility to protect the environment and expects its Suppliers to share its commitment by responding to challenges posed by climate changes and working toward protecting the environment. Suppliers commit to continuously strive to improve performance in all these areas

by integrating sound safety, health and quality management practices into all aspects of business without limitation:

#### **8.1. Occupational Health and Safety**

Suppliers will protect their employees from any chemical, biological and physical hazards and physically demanding tasks in the workplace as well as from risks associated with any infrastructure used by their employees. Suppliers will provide appropriate controls, safe working procedures and preventative maintenance and necessary technical protective measures to mitigate health and safety risks in the workplace.

#### **8.2. Product Safety**

Suppliers will make available material safety data sheets containing all necessary safety-relevant information for all hazardous substances and will be provided to GMA and other parties in case of legitimate need.

#### **8.3. Resource Conservation and Climate Protection/Waste and Emissions**

Suppliers will minimise or eliminate negative impact on the environment and climate at their source or by practices such as the modification of production, maintenance and facility processes, material substitution, conservation, recycling, material reutilisation, use of climate-friendly products, processes to reduce power consumption and greenhouse gas emissions. Suppliers will have systems in place to ensure safe handling, movement, storage, recycling, reuse and management of waste, air emissions and wastewater discharges. Suppliers will have systems in place to prevent or mitigate accidental spills and releases into the environment.

#### **8.4. Quality Requirements**

Suppliers will meet generally recognised or contractually agreed quality requirements in order to provide goods and services that consistently meet GMA's needs, perform as warranted and are safe for their intended use.

## **9 MANAGEMENT SYSTEMS**

Suppliers are encouraged to fulfil the expectations set forth in this Supplier Code of Conduct by implementing management systems to facilitate compliance with all applicable laws and to promote continuous improvement and sustainability performance. Suppliers must communicate the principles set forth in this Supplier Code of Conduct to their employees and supply chains,



and are expected to take disciplinary action against any of its employee or business partner, involved in discharging the Supplier's obligations towards the GMA, who acts contrary to the letter or spirit of this Code of Conduct.

Suppliers are expected to self-monitor and demonstrate their compliance with this Code of Conduct. Where non-compliance is detected, the GMA may, at its sole discretion:

- immediately remove from GMA premises, a Supplier who behaves in a manner that is inconsistent with this Code of Conduct or any GMA policy; or
- suspend any Purchase Order from the Supplier until satisfactory corrective action is implemented;
- terminate its relationship with the Supplier;
- facilitate the listing of the Supplier in the National Treasury Register of Restricted Suppliers or its equivalent; and/or
- report the Supplier to appropriate authorities or associations.

Suppliers are responsible for prompt reporting of actual or suspected fraud, corruption, theft, financial misconduct, dishonesty, or unethical conduct, relating to SCM processes in which they are involved, or the discharge of their contractual obligations towards the GMA, to the GMA's management, or the GMA's Fraud Hotline.

## 10 ROLES AND RESPONSIBILITIES

Responsibility	Designation	Level of Responsibility / Accountability
Accounting Officer	Chief Executive Officer (CEO)	<ul style="list-style-type: none"> <li>• The Chief Executive Officer is responsible for articulating the core values for the GMA.</li> </ul>
Responsible Authority	Chief Financial Officer (CFO)	<ul style="list-style-type: none"> <li>• Responsible for communicating this code to the Suppliers and providing guidance on the management of exceptions to this code.</li> <li>• Responsible for implementing suitable systems to support the</li> </ul>

		implementation of this code of conduct.
<b>Executing Authorities</b>	All GMA employees and Suppliers	<ul style="list-style-type: none"> <li>• Responsible for upholding and putting into action this code of conduct.</li> <li>• Responsible for ensuring compliance and reporting non-compliance to this code of conduct.</li> </ul>
<b>Administrative/Revisions/Amendments Responsibility</b>	Executive Manager: SCM	<ul style="list-style-type: none"> <li>• Responsible for the annual review of the code and/or amending of the code as necessary.</li> </ul>
<b>Enquiries</b>	Chief Financial Officer (CFO)	<ul style="list-style-type: none"> <li>• Responsible for the overall management and implementation of GMA SCM policies. Proposed Corrections and/or amendments to this document must be forwarded to the Executive Manager: SCM in the Finance Department.</li> </ul>

## 11 RELATED DOCUMENTS

Content of this Code of Conduct is informed by the following legal standards:

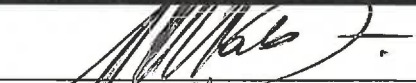

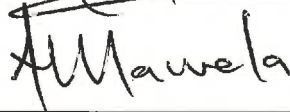

- i. The Constitution of the Republic of South Africa, act 108 of 1996, Section 217;
- ii. Occupational Health and Safety Act, 1993;
- iii. Public Finance Management Act (PFMA) of 1999;
- iv. Preferential Procurement Policy Framework Act (PPPFA) of 2000 and its related Regulations;
- v. Construction Industry Development Board Act of 2000 and its related Regulations;
- vi. Prevention and Combating of Corrupt Activities Act of 2004;
- vii. Gautrain Management Act of 2006;

- viii. Broad-Based Black Economic Empowerment Act (B-BBEE) and Codes of Good Practice of 2013 and its related Regulations;
- ix. GMA Supply Chain Management Policy;
- x. GMA Fraud Prevention and Whistle Blowing Policy;
- xi. GMA Brand Policy; and
- xii. GMA Strategic Plan for 2018/19 to 2020/21.

**12. REVIEW OF THE SUPPLIER CODE OF CONDUCT**

This will be reviewed as and when there are regulatory or GMA business changes which impact on the principles articulated in this document.

**13. APPROVAL OF THE SUPPLIER CODE OF CONDUCT**

DESIGNATION	SIGNATURE	DATE SIGNED
HEAD OF UNIT : CFO		07/03/2018
CHIEF EXECUTIVE OFFICER		2018.03.19
CHAIRPERSON: FINANCE AND ASSET COMMITTEE		2018/03/27
CHAIRPERSON: GMA BOARD		27.03.2018

# GAUTRAIN MANAGEMENT AGENCY



## 14. REVISION HISTORY

REVISION NO.	REASON FOR REVISION	CHANGES	PAGE NUMBER/ REFERENCE PARAGRAPH	DATE OF APPROVAL FOR REVISION CHANGES
1.0	Governance requirement	New document		