

**Supply Chain Social and Environmental  
Responsibility Code of Conduct**



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## **Background**

Invicta Holdings Limited, a JSE Listed, South Africa-based international group of companies, is committed to growth founded on socially-responsible actions and behaviours in all countries in which it operates and in all fields in which it does business. Invicta Holdings is committed to high standards of business ethics, as reflected in our own employee Code of Conduct & Business Practices, and to best practice and continuous improvement in the broader sustainability performance of our business and projects.

Invicta Holdings is committed to adhere to the principles based on the Universal Declaration of Human Rights, the international Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.

## **Application**

Within the framework of invitations to tenders, Invicta Holdings considers social, environmental and fair economic business principles as key elements in business awarding decision, both for new and existing suppliers. Supplier compliance with standards that match our own as outlined below is of utmost importance for Invicta Holdings.

Invicta Holdings reserves the right to carry out, at any time, audits at Supplier's various sites, by Invicta Holdings or by a third party appointed by Invicta Holdings, in order to verify conformance of the Supplier's practices with the Invicta Holdings requirements.

# **Invicta Holdings Code of Conduct for Sourcing & Supply Chain:**

## **Commitments**

### **1. Obey the Law**

Suppliers must respect and comply in all areas with the laws and regulations in force in all of the countries in which it operates and/or sells. When legislation is lower than the international standards outlined below, suppliers are still required to converge to these latest standards.

### **2. Responsible Supply Chain Management**

Suppliers should prevent any contravention of human rights and prevent or mitigate environmental impacts that its enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships.

Suppliers should carry out human rights and environmental assessments, in order to identify, prevent, mitigate and account for how they address their potential adverse impacts. Suppliers shall apply this code throughout its own supply chain.

## **Labour & Social Policies**

### **3. No Child Labour**

Suppliers are prohibited from employing children in violation of the stipulations of the International Labour Organisation's convention (ILO Convention No's 138, 182). The minimum age for employment shall be the country's legal minimum age, or the age for completing compulsory education in that country, whichever is higher. In any case, suppliers will not employ children under the age of 16, and will comply with the provisions of the ILO regarding the health, safety and morality of young people aged between 15 and 18. As an example, but not limited to, suppliers should ensure workers younger than 18 do not exceed the prescribed working hours within the countries it operates.

### **4. No Forced Labour**

Suppliers must not, under any circumstances, resort to forced or compulsory labour. Forced or compulsory labour is any work or service which is forced upon any person under the menace of a penalty and which the person has not entered into of his or her own free will. Forced labour can include practices such as restricting people's movement; withholding wages or identity documents to force them to stay on the job; or entangling them in fraudulent debt or wage deductions from which they cannot escape; or developing their dependency of in-kind payments; or deprivation of food, shelter or other necessities; applying compulsory overtime; or loss of social status; etc. (see ILO Conventions No's 29, 105).

Suppliers should ensure that workers understand their rights with regard to payment of wages, overtime, retention of identity documents, etc.

Migrant workers, workers who are part of a group that has suffered from long-standing discrimination, young people & unskilled or illiterate workers, and women among these groups,

constitute populations which may not be aware of their legal rights. Therefore, suppliers will ensure that they are treated fairly and their rights are respected.

In the case whereby workers are recruited by third parties, suppliers will pay particular attention that these principles are properly applied.

## **5. Working Hours**

Working hours (including overtime), as well as break times and periodic days off, shall be compliant with applicable laws & regulations, collective-bargaining agreements and international conventions. Overtime work should be voluntary and paid as such. Work or service outside normal daily working hours shall not be imposed by exploiting a worker's vulnerability under the menace of a penalty. For example, employers shall not set performance targets that result in an obligation to work beyond normal working hours because of the worker's need to be able to earn the minimum wage.

## **6. Fair Wages**

Suppliers shall comply with all applicable laws and regulations, including those relating to minimum wages, overtime hours and legally mandated benefits. In places where no legal requirement exists for defining a minimum wage, ILO Convention No 131 can serve as a basis for the definition. Workers must be paid in a fairly and timely manner, and the basis on which workers are being paid must be clearly conveyed.

## **7. Non-Discrimination and Equal Remuneration**

Suppliers must not discriminate against any worker based on race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, social origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, termination and retirement (see ILO Convention No's 100, 111).

## **8. Freedom of association**

Suppliers must respect the right of workers to associate freely, form and join workers organization of their own choice, seek representation, and to bargain collectively, as permitted by and in accordance with the applicable laws and regulations. Suppliers shall ensure that representatives of such personnel are not the subject of discrimination and that such representatives have access to their members in the workplace as well as adequate working space in order to work effectively and without interference (see ILO Convention No's 98, 87). Where the right to freedom of association and collective bargaining is restricted under law, suppliers should provide workers a parallel mechanism to make their views known to the management, and take those into consideration.

## **Health and Safety**

### **9. Health and Safety**

Suppliers shall ensure that the health and safety (H&S) risks to their policyholders, employees, contractors and members of the public which arise from its operations are reduced as far as it is reasonably practicable. We require that our suppliers carry out their operations in a safe manner in line with relevant regulation, approved codes of practice and industry best practice and in a way that does not expose any person to the risk of injury or ill health. Accordingly, its chosen contractors or suppliers are expected to demonstrate a clear commitment to Health and Safety Management and that they maintain effective policies and procedures.

The social impact of accidents can be incalculable and may indicate a weakness in H&S controls and training. We therefore consider the incidence of accidents together with reactive monitoring very seriously and require full disclosure of statistics. Suppliers shall then provide Invicta Holdings their H&S indicators, risk assessment and associated H&S improvement plan, if requested. Suppliers shall adopt a continuous improvement approach, based on the collection and analysis of occupational incident and accident data and feedback. Suppliers shall also respect worker's rights of participating in such activities and H&S decisions.

Invicta Holdings believe that employee involvement is critical to the success of an organization and this principle applies as strongly to H&S Management. We expect that suppliers will have provided training to its employees and anyone else impacted by their activities, where the details may include training in use of work equipment; manual handling; risk assessments; fire safety, emergency response and preparedness; first aid; personal protective equipment and training relevant to the particular health and safety risks relevant to or created by that organization's operations.

Suppliers should ensure the provision and maintenance of protection equipment, at no cost to the workers. Under the hierarchy of control measure personal protection equipment is deemed the last line of defence and as such must offer the necessary protection against foreseeable hazards.

## **Environment**

### **10. Environment**

Environmental Policy: Suppliers shall not only comply with all environmental laws and regulations, but also implement measures contributing to the protection of the environment. Therefore, they should strive to minimize the adverse environmental impact of their products and services during the whole product life cycle: conception, development, production, transport, use and disposal or recycling. To this end, we encourage the supplier to be ISO 14001 certified or equivalent.

Innovation & product life cycle: Invicta Holdings is particularly attentive to bringing to market, in all countries, products with better standards of environmental performance and endeavours to research and promote innovative technical solutions contributing toward this. Consequently, and if applicable, Suppliers commit to adopt a voluntary policy in the field of research in order to develop its products to achieve an ever-higher standard in terms of respect for the environment.

Suppliers are expected, not only to consider the environmental impacts of their products during their design phase, but also in their production & procurement processes as well.

Natural resources preservation: Suppliers should be focussed on reducing the use of raw materials and resources as well as to eliminate the waste produced by all its activities. This goal will be achieved through the improvement of production, maintenance and cleaning processes, modes of conservation and transportation, as well as the substitution, re-use and recycling of materials, design, process changes, innovations, etc.

Prohibited substances and materials: Products or parts bought from Suppliers by Invicta Holdings, whether they are standard or specifically-developed by the Suppliers for Invicta Holdings, must not contain any product, material or substance prohibited by the legislation or regulations applicable in the Suppliers' countries, more generally, in all of the countries in which these supplies, products or parts are used and should be validated beforehand by Invicta Holdings. Invicta Holdings may also, in some cases, ask its suppliers to provide disclosure on the use and provenance of certain substances and materials for legislation and regulations compliance purpose. Suppliers are to establish policies, due diligence frameworks, and management systems, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, that are designed to accomplish this goal. As an example, suppliers could have to disclose whether the products they manufacture or contract to manufacture contain "conflict minerals", which means minerals that directly or indirectly finance or benefit armed groups in specific countries.

CO2 emission reductions: The Suppliers shall promote the development of technologies limiting CO2 emissions as well as energy saving and recycling solutions, and implement logistic strategies that minimize environmental impact.

## **Economic practices**

### **11. No Corruption & Bribery**

Suppliers shall prevent and fight all forms of corruption, bribery, extortion and improper advantage, and comply with all applicable laws pertaining to these issues.

Suppliers should not, directly or indirectly, offer, promise, give, demand or accept any bribe or other undue advantage, to Invicta Holdings employees, public officials or other private or public actors, with the intention to obtain or retain business or any other improper advantage. Suppliers should develop and adopt adequate internal controls, ethics and compliance programmes or measures for preventing and detecting bribery. These may include promoting employee awareness of the company policies against bribery and a system of financial and accounting procedures, reasonably designed to ensure the maintenance of fair, transparent and accurate books, records, and accounts.

### **12. Fair Business Practices**

Suppliers shall strive for fair business practices, and in any case, suppliers must comply with all applicable laws and regulations related to fair competition.

Suppliers shall also commit to communicate its financial health, on business activities, evolution and forecast to business stakeholders.

A conflict of interest exists when an employee or a close relative liable to benefit personally from a transaction involving a company in the Invicta Holdings Group. Conflicts of interest shall be addressed by avoiding, identifying and revealing situations where there is an actual risk of conflict of interest in association with Invicta Holdings employees or their relatives.

Invicta Holdings has strict policy as for the acceptance of gifts and gratuity from suppliers, for details please refer to the “Code of Conduct & Business Practices”.