
ADCOCK INGRAM HOLDINGS

1. PURPOSE AND SCOPE OF THIS CODE OF CONDUCT AND ETHICS

- 1.1. The purpose of this Code of Conduct and Ethics ("Code") is to promote and enforce ethical behaviour, business practices and standards throughout the Adcock Ingram group of companies ("Adcock Ingram"), thus upholding Adcock Ingram's integrity and reputation.
- 1.2. This Code reflects Adcock Ingram's core values and policy on conduct and ethics and accordingly should be carefully studied as it articulates the expectations Adcock Ingram has of all its employees and stakeholders i.e. customers, suppliers, partners and service providers. An acceptance of employment with Adcock Ingram is deemed to be an acceptance of the principles and values set out in this Code.
- 1.3. Adcock Ingram subscribes to the principles of the King Reports on Corporate Governance, which principles are embodied in this Code and the directors and employees of Adcock Ingram are committed to the highest standard of good governance in controlling the affairs of Adcock Ingram. Furthermore, by approving this policy, the Board wants to ensure that integrity permeates all aspects of Adcock Ingram and its operations are ethically sound. Accordingly, all employees and directors must ensure that their conduct adheres to this Code.
- 1.4. The Code is also intended as a guide in day-to-day decision making. It can also be used in training programmes and to help assure customers, suppliers, partners and competitors of the integrity with which Adcock Ingram directors and employees conduct business.
- 1.5. This Code must be read in conjunction with other related policies of Adcock Ingram and applies to Adcock Ingram's board of directors, employees and other relevant stakeholders of Adcock Ingram. Where necessary they should seek guidance from Adcock Ingram's Ethics Officer or Group Company Secretary both of whom are members of Adcock Ingram's Secretariat and Legal Department.
- 1.6. The Board hereby delegates to management the responsibility for implementation and execution of the Code and exercise ongoing oversight of the management of ethics.

2. OUR MISSION, VISION AND VALUES

- 2.1. Adcock Ingram's stated mission is "*Adding Value to Life*" and its vision is "*To provide quality products that improve the health and lives of people in the markets we serve.*"

ADCOCK INGRAM HOLDINGS

- 2.2 In addition to our mission and vision, Adcock Ingram's values are:
- 2.2.1 acting with Integrity at all times;
 - 2.2.2 believing in Transparency and open Communication;
 - 2.2.3 believing in Empowerment of our people, thus encouraging entrepreneurship, innovation and accountability;
 - 2.2.4 practising Non-Discrimination and offering equal opportunities; and
 - 2.2.5 respect for People, the Society and the Environment.
- 2.3 The mission, vision and values of Adcock Ingram are all an embodiment of the standard of conduct that is expected of Adcock Ingram's directors, employees and all its stakeholders.

3. CODE OF CONDUCT

- 3.1 **Conduct of employees towards fellow-employees and/or Adcock Ingram:** Adcock Ingram's employees shall:
- 3.1.1. deal courteously with each other, having regard to individual sensitivities and dignity; and recognise fellow employees' fundamental human rights as set out in the Constitution of the Republic of South Africa;
 - 3.1.2. not engage in unlawful and/or unethical conduct;
 - 3.1.3. at all times act honestly, refuse to bribe or be bribed and to report any harmful activity, suspected misconduct, acts of corruption, fraud, theft or any other wrongdoing at the workplace or elsewhere within Adcock Ingram through the appropriate channels, for example to Adcock Ingram's Ethics Officer, the Group Company Secretary or the whistle-blowing hotline;
 - 3.1.4. perform their duties diligently and efficiently, and in particular support and assist each other to fulfil Adcock Ingram's commercial and ethical obligations. Consequently, they

ADCOCK INGRAM HOLDINGS

- 3.1.5. must always strive to reduce inefficiencies in Adcock Ingram and avoid waste and/or misuse of Adcock Ingram's resources;
- 3.1.6. not use their employment and/or position in Adcock Ingram to gain an advantage for themselves, or for another person other than for Adcock Ingram or knowingly cause harm to Adcock Ingram;
- 3.1.7. perform their functions and/or duties in good faith, for a proper purpose, in the best interests of Adcock Ingram and with the degree of care, skill and diligence that may reasonably be expected of employees in similar position;
- 3.1.8. respect and adhere to the terms and conditions of employment applicable within Adcock Ingram, including all applicable policies and operating procedures;
- 3.1.9. not accept any large or expensive gift, the value of which (exclusive of VAT) exceeds R1,000-00 (one thousand rand), from any person associated with Adcock Ingram without having obtained the written approval of the Group Company Secretary in accordance with the Gifts policy;
- 3.1.10. declare to the Group Company Secretary all gifts received from service providers and/or customers or any person associated with Adcock Ingram including those with the value of less than R1000-00 (one thousand rand);
- 3.1.11. prepare diligently and be punctual for all meetings related to the business of Adcock Ingram;
- 3.1.12. declare any personal financial interests to their Line Manager and the Group Company Secretary so that same can be registered in the register of interests and future instances of potential conflict of interest are managed properly; and
- 3.1.13. recuse themselves from decisions which relate to matters that involve their personal financial interest. Should employees be uncertain about how to treat issues related to potential conflicts of interest, the Group Company Secretary should be consulted for guidance.

3.2 **Conduct of the company towards employees:** Adcock Ingram shall:

ADCOCK INGRAM HOLDINGS

- 3.2.1 give due attention to the training and development of employees, provides safe working conditions, including adequate resources and competent supervision;
 - 3.2.2 ensure a safe workplace that is free from racial, sexual or any other form of harassment, victimisation and does not discriminate on any ground except to the extent required by an inherent requirement of a particular job or as permitted by law;
 - 3.2.3 provide employment and promotion opportunities for those employees from historically disadvantaged backgrounds and who belong to designated groups in terms of the Employment Equity Act 55 of 1998, as amended ("Employment Equity Act");
 - 3.2.4 recognise employees' efforts by fair and adequate remuneration and other means;
 - 3.2.5 comply with all South African employment laws, including *inter alia*, the Labour Relations Act 66 of 1995, as amended, Employment Equity Act and the Basic Conditions of Employment Act 75 of 1997, as amended; and
 - 3.2.6 create a conducive environment for employees to excel in their areas of responsibilities and strive to promote internal talent.
- 3.3 **Conduct of employees towards the Company's assets/property:** Adcock Ingram's employees shall:
- 3.3.1 not allow Adcock Ingram's services including the use of labour, workshops, training centres and/or resources which do not normally form part of any employees' service benefits, to be used for private purposes, unless special written approval has been obtained prior by the employee from the Managing Director/Executive member of the respective Adcock Ingram business unit/department, which approval shall be subject to the employee paying for the use of the service on the basis of cost to Adcock Ingram; and
 - 3.3.2 not use Adcock Ingram's assets and/or property for personal gain.
- 3.4 **Conduct involving customers of the Company:** Adcock Ingram and its employees shall:

ADCOCK INGRAM HOLDINGS

- 3.4.1 market Adcock Ingram's products accurately, honestly and in accordance with governing laws, regulations and other recognised codes and practices and where applicable, charge the agreed price or fee, considering the relevant governing principals or, where no price was agreed, a fair price;
 - 3.4.2 disclose relevant practical and scientifically validated product information which customers cannot reasonably learn for themselves and package the product according to relevant regulations or, in a manner which is not misleading and meets the customers' reasonable expectations;
 - 3.4.3 not knowingly supply a defective or dangerous product and shall provide customers with a ready means of lodging complaints about the quality of the Company's products and replace any product which is below the required standard within set time-lines; and
 - 3.4.4 not engage in any restrictive horizontal and/or vertical practices that are prohibited by the Competition Act 89 of 1998, as amended from time to time.
- 3.5 **Conduct involving suppliers of the Company:** Adcock Ingram and its employees shall ensure:
- 3.5.1 good procurement practices with suppliers of Adcock Ingram and in particular shall inform suppliers of any bribe or attempted bribe by the supplier's personnel, terminate dealings with any supplier which bribes or attempts to bribe employees of Adcock Ingram and ensure that no bribe is paid to personnel of a supplier of Adcock Ingram; and
 - 3.5.2 compliance with debt obligations to suppliers to Adcock Ingram on credit, manage Adcock Ingram in a way which does not unjustifiably increase the risk to shareholders and other stakeholders of Adcock Ingram and report honestly on the financial position of Adcock Ingram to its creditors.
- 3.6 **Conduct involving Adcock Ingram's competitors:** Adcock Ingram and its employees shall:
- 3.6.1 achieve successes through the quality and affordability of Adcock Ingram's products, making sure Adcock Ingram's business methods and dealings are honourable,

ADCOCK INGRAM HOLDINGS

professional and legal and do not use unfair and unethical methods of competition such as colluding or agreeing to fix purchasing or selling prices for products with competitors or unfair or deceptive acts or practices in commerce which may have the effect or possible effect of minimizing or eliminating competition in the marketplace;

3.6.2 refrain from making dishonest or disparaging allegations concerning competitors of Adcock Ingram or their products, nor do Adcock Ingram and its employees cause any

damage to competitors other than by lawful and/or accepted commercial competitive practices; and

3.6.3 not acquire confidential information of a competitor by espionage or any unlawful manner, the subordinating of the competitor's employees or any other improper means, for example bribing competitors' or customers' employees.

3.7 **Conduct towards society at large**

Due regard shall be given to public health considerations and Adcock Ingram and its employees participate, within the means of Adcock Ingram, in projects which uplift the communities in which Adcock Ingram operates.

3.8 **Conduct towards the environment:** Adcock Ingram is committed to:

3.8.1 the management and conservation of the environment in a sustainable manner throughout all of its operations by considering the needs of its employees, the community at large and the environment, thus ensuring that in all spheres of activity Adcock Ingram conducts itself in a way that is safe and environmentally friendly;

3.8.2 continuously develop environmental objectives and targets, and implement programs to achieve them;

3.8.3 comply with applicable laws, regulations, appropriate codes of practice and environmental legislation;

ADCOCK INGRAM HOLDINGS

3.9 Political affiliation

- 3.9.1 Adcock Ingram acknowledges the rights of all citizens as guaranteed by the Constitution of the Republic of South Africa. These rights include but not limited to freedom of choice and association.
- 3.9.2 Employees may, in their individual capacity, be involved in political and/or religious activities provided that these activities take place (1) in the employee's own time and therefore do not clash or interfere with any contractual or required company activities and (2) do not take place on any of the company's business premises.
- 3.9.3 Employees are precluded from wearing of clothing and/or other regalia depicting the names, logos of any political party and figures associated with political figure during work time and /or when they are on Adcock Ingram's premises.

3.10 Labour Relations

- 3.10.1 Adcock Ingram acknowledges the rights of all citizens to fair labour practices as guaranteed by the Constitution of the Republic of South Africa. These include employees' rights to form and join a trade union; to participate in the activities and programmes of a trade union; and to strike.
- 3.10.2 Adcock Ingram further acknowledges every trade union's right to engage in collective bargaining subject to compliance with appropriate legislation regulating collective bargaining.
- 3.10.3 Notwithstanding the provisions of clauses 3.10.1 and 3.10.2 above, Adcock Ingram reserves the right to take any legal action, including holding either the trade union and/or its members/supporters liable, should the trade union and/or its members/supporters be involved in acts/conduct that causes damage/harm to Adcock Ingram, its property, service providers, suppliers or employees.

4. TIP-OFFS ANONYMOUS OR WHISTLE BLOWING LINE

- 4.1 In order to ensure compliance with various applicable statutes, to protect the reputation of Adcock Ingram as well as to build public trust, to avoid potential victimisation of whistle blowers

ADCOCK INGRAM HOLDINGS

and to prevent or address harm to Adcock Ingram, Adcock Ingram has set up a whistle-blowing hotline under the auspices of Tip-offs Anonymous, an independent organisation.

4.2 This whistle-blowing facility enables employees, suppliers and customers of Adcock Ingram and the public in general to confidentially and anonymously report any suspected misconduct, corruption, fraud, theft or any other wrongdoing with a view to have it investigated and acted upon by Adcock Ingram.

4.3 This whistle-blowing facility is available 24 hours per day, 365 days per year and can be accessed as follow:

FreeCall: 0800 212 762
Email: Adcock@ethics-line.com
FreeFax: 0800 00 77 88
FreePost: KZN 138, Umhlanga Rocks, 4320
Website: www.tip-offs.com

4.4 As an alternative to the whistle-blowing facility, any suspected misconduct, corruption, fraud, theft or any other wrongdoing may also be reported directly to management of the Company or to a representative of the Human Resources Department/Legal Department of the Company.

4.5 Adcock Ingram commits itself to properly investigate any and all reports received and to institute appropriate proceedings where necessary.

This Code shall be reviewed annually or when a need arises to ensure that it remains relevant.