



WOOLWORTHS FINANCIAL SERVICES (WFS)

Supplier Code of Ethics

Sourcing

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Introduction

This Supplier Code of Ethics (“the Code”) has been developed to ensure that Woolworths Financial Services’ (WFS) values and ethical standards are clearly articulated to and supported by our suppliers. The Code determines the ethical values, standards, principles, and guidelines that bind our suppliers inclusive of their sub-contractors, in all their dealings with WFS and intends to offer a harmonised approach to responsible sourcing while effectively managing risks and opportunities.

As a well-established financial services institution, we understand that we need to lead by example in the way that we do business. We seek to reinforce our business integrity by striving to improve the service that we provide, making responsible decisions in how we manage the business and actively managing the social and environmental impacts of what we do to help individuals, communities, businesses, and economies progress and grow. As a joint venture partner of Woolworths Proprietary Limited and Absa Group Limited, WFS believes that only in an inclusive society founded on human dignity, equality and the sustainable use of natural resources can our clients, customers and businesses thrive, so we have committed to using our products, services and relationships (including suppliers) to support and accelerate the fundamental changes in our economies and lifestyles necessary to achieve shared prosperity for both current and future generations. This is in keeping with the Principles for Responsible Banking under the United Nations Environment Programme – Finance Initiative, that Absa is a founding signatory to.

We comply with applicable laws and regulatory requirements in the jurisdiction in which we operate and require our suppliers do the same. We seek mutually beneficial relationships with suppliers and third-party service providers based on merit. We provide competitive bidding opportunities to a diverse base of qualifying suppliers, ensuring fair and equal treatment during selection as guided by our Procurement Policy and its supporting standards. We also require suppliers to conduct themselves in a way that avoids conflicts of interest. We honour commitments made to suppliers by complying with the terms and conditions of third-party contracts.

The Code in itself, is not a means to an end, but rather the first step in the development of a constructive dialogue between the supplier and WFS. The principles outlined in this Code will be periodically updated to reflect changes in laws, regulations, policies, and standards.

1. Environmental management

In fulfilling its environmental responsibilities, WFS complies with applicable environmental legislation, standards and operating procedures. WFS integrates environmental considerations and implications into its business decisions.

WFS requires its suppliers to comply to and partner in similar environmental efforts, including:

1.1 Environmental policies and systems

Implementing environmental management policies/systems as appropriate to their businesses to support compliance with local government regulations and strive towards best practices.

1.2 Environmental impact management

Aligning with best practice activities, including the setting of environmental targets, reducing operational environmental impacts and disclosing information to demonstrate environmental performance.

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2. Human rights

WFS seeks to operate in accordance with the Universal Declaration of Human Rights and the associated International Bill of Human Rights, and takes account of other internationally accepted human rights standards, including the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the Convention on the Elimination of all Forms of Discrimination Against Women and the International Labour Organisation Core Conventions and Treaties, the International Labour Organisation (ILO) conventions and treaties, the South Africa Constitution including the Bill of Rights. WFS' commitment to upholding these rights is firmly entrenched in our WFS Values and Code of Ethics Policy, Transformation Equity and Belonging strategy as well as our People and Culture policies and practices. WFS supports human rights through its supply chain by insisting on behaviours and practices that are in line with our own standards and policies; with specific consideration for health and safety, freely chosen employment, avoidance of child labour, working hours, fair wages and benefits, freedom of association and diversity and inclusion. This will be enabled by rigorous due diligence before entering into relationships with key suppliers, to avoid adverse human rights impacts. WFS welcomes relationships with its suppliers as opportunities to improve and evolve practices with respect to human rights. These behaviours and practices specifically consider:

2.1 Occupational health and safety

Provision of a safe and hygienic working environment through proactive management and controls that minimise health and safety risks and support accident prevention for all personnel, based on knowledge of the industry and legislation. Where delivery of products and services are performed on WFS premises, Contractor House Rules are signed by the suppliers (supporting documentation will guide these activities).

2.2 Freely chosen employment

Ensuring that all work is completed voluntarily and without slavery, servitude, forced or compulsory labour and human trafficking.

2.3 Avoidance of child labour

Child labour practices must not be employed. All labour practices must comply with the minimum age for work and prioritising mandatory schooling age.

2.4 Working hours

Ensuring that all workers are entitled to work and be paid for a minimum level of working hours as governed by the respective employee contracts, that working hours are not excessive and that maximum working hours comply with national laws.

2.5 Wages and benefits

Being responsible for employee compensation and payment of fair wages. All employees to be paid a fair wage commensurate with prevailing industry conditions or the minimum wage, whichever is higher. Any overtime should be voluntary and compensated appropriately.

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2.6 Employee freedom of association

Respecting the rights of workers to exercise freedom of association and collective bargaining. Where the right of freedom of association and collective bargaining is restricted under law, suppliers will not hinder the development of alternative means for informing/consulting with employees.

2.7 Avoidance of discrimination and harassment

Promoting a workplace free from discrimination, harassment (sexual, physical, mental, emotional), victimisation, or any other form of inappropriate behaviour or abuse on any grounds, including but not limited to, age, disability, ethnic origin, gender, gender identity, nationality, marital status, parental status, physical appearance, political convictions, pregnancy, race, religious beliefs, sexual orientation, social origin or status, economic status, union affiliation or employment status.

2.8 Grievances

Implementing formal mechanisms allowing employee grievances regarding human and labour -rights violations to be properly filed, addressed and resolved without fear of perceived or actual retaliation.

3. Diversity and inclusion

WFS uses fair and objective employment practices to ensure that all employees are recruited, employed and upskilled based on merit, qualifications, skills and competency to do the job, not on personal bias or prejudice. This is achieved by dealing fairly and ethically and we do not tolerate any form of discrimination, bullying or harassment in the workplace. Inclusion and belonging forms an integral part of our overall strategy, led by WFS executive members and championed by a group of senior leaders from across all areas of our business. We are dedicated to creating an inclusive environment where everyone's perspective is valued. We achieve this by cultivating a working environment in which the unique talents of each employee are fully utilised and respected. These achievements are supported through our values, a series of internal policies, programmes and colleague support networks and are underpinned by the following key areas:

- Gender
- Multigenerational
- Disability
- Multicultural
- Non-binary genders such as lesbian, gay, bisexual, transgender and intersex.

WFS will take action if it observes inappropriate or unacceptable behaviour. Our suppliers must align with us to achieve excellence in equality, diversity and inclusion through, among other things:

3.1 Workplace inclusion and development

Actively demonstrating commitment by documenting an approach to equality, diversity, and inclusion through all aspects of workplace operations and management.

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3.2 Inclusive supply chain management

Our inclusive procurement practices and supply chain development programmes provide entrepreneurs with access to business opportunities, addressing the challenges that they may experience. Our suppliers must, as appropriate, drive active management of downstream supply chains as part of their commitment so that the principles of diversity and inclusion are encouraged through their supply chain. As part of this active management, our suppliers must utilise and develop diverse businesses such as ownership-diverse or emerging small and medium enterprises.

4. Society

WFS recognises the impact that our procurement practices may have on local society. Our suppliers must avoid decisions that may have a negative social or economic impact on society and are encouraged to establish initiatives designed to foster local development and the prompt payment of suppliers and sub-contractors.

5. Products and services responsibility

WFS has made a commitment to deliver products and services that are responsibly sourced, produced and delivered to our customers, clients and employees. Our supply chain partners must be aligned to support this commitment through:

5.1 Customer-focused accessibility and inclusion

Embedding relevant standards, innovation and best practice to deliver inclusive products and services for our customers and stakeholders. Encouraging suppliers to demonstrate commitment and ability to support WFS' aim to deliver products and services that meet the needs of our diverse customers and stakeholders, including the needs of people with disabilities.

5.2 Product and services responsibilities

Products and services are designed, produced and distributed in such a manner as to comply with laws, regulations and voluntary codes through their lifecycle. All products supplied to WFS must meet the minimum standards along with relevant safety information, where applicable.

5.3 Avoidance of disputed products and services

Demonstration of avoidance of the sale, use, marketing and communications, including the advertising, promotion and sponsorship of disputed products or services, as defined by regulations and voluntary codes.

5.4 Fair dealing with customers

Sales or performance incentives are designed and controlled in such a manner as to comply with regulations, voluntary codes and WFS incentive principles and standards, as well as provide transparency and offer safeguards to prevent moral hazard and conduct risk that could negatively impact customers.

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6. Extending WFS values and behaviors

The WFS Code of Ethics Policy outlines our values and expected behaviours when engaging with our fellow employees. We are therefore committed to upholding the highest possible ethical standards and exacting levels of governance and compliance. Our dedication to these ethical standards underpins all our actions, both corporate and personal. This code is not a set of regulations, but instead is a rest against which every WFS employee must measure their decisions. The values that guide our actions are

WFS VALUE	BEHAVIOUR
CUSTOMER FIRST	Make every moment memorable
INTEGRITY	Do what you say, say what you mean
COLLABORATION	Work and grow together
RESPONSIBILITY	Do the right thing, the right way
QUALITY	Live it every day in every way
INSPIRATION	Discover the difference
IN TOUCH	Be relevant, accessible, on trend

Our suppliers are expected to collaborate with us, by ensuring that all their employees and sub-contractors who interact with WFS personnel, clients and customers on WFS' behalf demonstrate these values and behaviours. Where appropriate, suppliers are to communicate the information contained in the WFS Code of Ethics policy to their employees to help them reflect and demonstrate the WFS values in their interactions with WFS employees, clients and customers. Supplier personnel should be aware of rules and restrictions that regulate interaction with WFS employees and must not cause non-compliance with laws and policies, specifically:

6.1 Avoidance of conduct risk

WFS is committed to conducting its activities free from any form of bribery or corruption. We adopt a zero-tolerance approach to any acts of bribery or corruption perpetrated by WFS employees, suppliers and others with whom we do business or who act on our behalf. Any suspicions of or attempts at bribery or corruption or suspected or actual breaches of the WFS Anti-bribery and Anti-Corruption policy or standards must be reported. The whistleblowing and contact details sections provided later in this document will explain the process.

6.2 Gifts and entertainment

We do not offer, accept, or solicit gifts or entertainment inappropriately as an incentive or means of influencing actions or opinions which amount to or create the impression of bribery. We do not offer, accept or solicit gifts or entertainment inappropriately as an incentive or means of influencing actions or opinions which amount to or create the impression of bribery. If a supplier wants to offer a WFS employee a gift or entertainment, the employee will under the WFS Gifts and Entertainment Policy.

Employees who know or suspect that G&E expenditure is being used as an inducement for the purpose of obtaining any improper advantage or favour, must escalate this to their line manager, the ABC Team and/ or People and Culture.

Observed or suspected unethical behaviour must be reported promptly via any of the following avenues:

Tip-offs Anonymous by: - Phoning: Free Call 0800 204 626

Sending an e-mail to: wfs@tip-offs.com

SMS: 32840

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WFS respects the right of individuals to retain their anonymity when reporting irregularities if they wish to do so.

6.3 Conflicts of interest

In line with regulations and ethical responsibility, WFS has policies and controls managing conflicts of interest, and takes appropriate measures to properly identify and manage potential conflicts. WFS employees are required to seek approval for outside affiliations, including those with suppliers. Our suppliers are obligated to support our conduct risk initiatives and notify us of any known or perceived conflicts of interest.

6.4 Fraud

WFS has zero tolerance for fraud and other dishonest actions. Notably, as organisational controls become more robust, fraudsters are increasingly targeting customers, suppliers, and employees directly. Our suppliers must support our organisation's efforts to combat fraud by being vigilant, maintaining processes and procedures that have built-in fraud controls and taking proactive steps to report incidents.

7. Raising a concern (whistleblowing)

We expect everyone to speak up if they believe that something is not right including misconduct, fraud or illegal activity or if they feel that our standards are not being met. All stakeholders should act in good faith by only reporting information that you reasonably believe to be true. We prohibit malicious and false reporting. Concerns raised are taken seriously, treated sensitively and, where appropriate, investigated independently. No person will be treated less favourably or discriminated or retaliated against because they have raised a concern.

We expect our suppliers to make their employees aware of how to whistleblow and strongly encourage their employees to raise concerns (whistleblow) to WFS regarding inappropriate conduct by WFS or our employees.

Suppliers must inform their employees that they will not be subjected to retaliation by their employer, WFS, or WFS' employees as a result of raising a concern; and that if they are retaliated against, this should be reported to WFS.

Employees should report any knowledge or suspicion of bribery and corruption to their line manager and/or the ABC Team.

However, any Employee who is uncomfortable with reporting an incident/suspicion to their line manager and/or the ABC Team, may alternatively report the incident/suspicion using any of the methods set out in the WFS Whistleblowing Policy.

8. Monitoring and due diligence

WFS has a responsibility to conduct appropriate due diligence before entering into relationships with suppliers. This will include, but is not limited to, reviewing copies of employment and health and safety policies and undertaking due diligence with the aim of establishing that none of our suppliers have any association with activities linked to adverse human rights, financial crimes, environmental breaches or other unethical practices. All suppliers are required to self-monitor their compliance with our Supplier Code of Ethics and to inform us of any non-compliance. WFS further requires that suppliers whose services are segmented as high and medium risk to WFS are to conduct an annual self-certification against our Supplier Code of Ethics. All suppliers are obligated to provide us with responses to our requests for information about compliance with our Supplier Code of Ethics. Key suppliers will be subject to on-site audits from time to time. Any suppliers not meeting our requirements (through either self-certification or on-site review), will be subject to measures that may include a remediation process and where no suitable resolution is reached, the termination of services.

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9. Definitions

Supplier means any juristic or natural person that provides a product or service to WFS or to any of its clients either directly or indirectly.

Sustainability risk results from the failure to implement responsible operational, procurement and lending practices, has a direct and indirect negative impact on the environment and society in which we operate and may reduce value over the long term.

Ownership diverse refers to businesses that are owned and operated by a “disadvantaged” member/s of the population, which could be women, minorities, people with disabilities and black economic empowerment (BEE) or other businesses deemed disadvantaged due to their size, location or due to being socially or economically disadvantaged.

Related documents: [WFS Expenditure Anti-Bribery and Anti-Corruption \(ABC\) Standard](#)

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