



EKURHULENI WATER CARE COMPANY
CODE OF ETHICS

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

TABLE OF CONTENTS

I.	DOCUMENT HISTORY	2
II.	REVIEWERS AND APPROVERS	3
1.	PURPOSE	4
2.	POLICY STATEMENT	5
3.	VISION, MISSION AND COMPANY VALUES	6
4.	GOVERNING LEGISLATION AND RELATED DOCUMENTS	7
4.1	LEGISLATION.....	7
5.	SCOPE OF APPLICATION	7
6.	GOVERNING PRINCIPLES.....	7
7.	DIVERSITY AND INCLUSION.....	8
8.	INTERGRITY	9
9.	PROFESSIONALISM.....	10
10.	PRACTICAL APPLICATION OF THE CODE OF CONDUCT	10
11.	PROTECTION OF ERWAT INFORMATION.....	12
12.	DECLARATION OF INTEREST	12
13.	REWARDS, GIFTS AND FAVOURS.....	13
14.	ALCOHOL & SUBSTANCE ABUSE	13
15.	HARRASSMENT.....	14
16.	DISCRIMINATION.....	14
17.	ANTI-CORRUPTION AND FRAUD PREVENTION STRATEGY	15
18.	WHISTLE BLOWING	16
19.	RESPONSIBILITY FOR IMPLEMENTING THE POLICY	16
20.	COMPLIANCE, MONITORING AND REVIEW.	17
21.	CONFIDENTIALITY AND RECORD KEEPING	17
22.	DEFINITIONS AND ABBREVIATIONS.....	17
	ANNEXURE A	21

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

I. DOCUMENT HISTORY

Table 1

Owner	Risk Management
Ref. No.	CoE 1
Version	V1.2
Release	R3
Version Date (Last Saved)	28/06/2024
File Name	ERWAT – Code of Ethics

Copyright Notification

No part of this document may be reproduced or transmitted in any form or by any means without the express written permission of ERWAT.

Document control

Document enquiries may be directed to the Enterprise Risk Management department,
Hartebeestfontein Office Park
R25 (Bronkhorstspuit/Bapsfontein)
Kempton Park NU
1512

The document control log table, below, must be updated each time that this policy is reviewed and / or amended in order to track the changes made.

Table 2

No.	Version	Date	Description of changes	Status	Modified by
1	V0.1R1	01/06/2018	Development and documented first policy version	1 st Draft	Risk Manager
2	V.2	01/10/2020	Revised	2 nd Draft	Company Secretary

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

No.	Version	Date	Description of changes	Status	Modified by
3	V.3	27/06/2024	Information Added -the Vision Mission and Values in line with the Strategic Document -Policies under related documents -Governing Principles -Reworked Diversity and Inclusion to reflect one of our values RESPECT. -Aligned acceptable conduct to one of the values INTEGRITY -Changed prohibited conduct to Professionalism Information Removed -Information on Safety	3 rd Draft	Risk Manager

II. REVIEWERS AND APPROVERS

The signatories hereof, being duly authorised thereto, by their signatures hereto authorise or confirm their acceptance of the contents hereof and authorise the implementation / adoption thereof, as the case may be, for and on behalf of the parties represented by them.

Table 3


Signatory # 1	Zimasa Socikwa
Date	08/10/2024
Designation	Company Secretary
Sign	

Table 3


Signatory # 2	Kennedy Chihota
Date	09/10/2024
Designation	Managing Director
Sign	

Table 5

Signatory # 3	Dr Natalie Skeepers
Date	06/12/2024
Designation	Chairperson of the Board
Sign	NC Skeepers

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

1. PURPOSE

The Code of Ethics expresses ERWAT's stance on good governance and commitment to conducting business within the boundaries of ethical principles. It is designed to provide guidance to all ERWAT's employees and all stakeholders with regard to expected behaviours. It is the responsibility of all to always act with integrity and transparency when conducting all the affairs of the entity. Employees are expected to uphold the organisational values whenever they are representing the entity.

We are driven by the entity's core values that ultimately determine the culture of the entity and to embed it in the way we do business by applying high ethical principles and standards of acceptable behaviour within the entity. It forms part of ERWAT's initiatives to effectively manage ethics in the workplace and it is aimed at creating an ethical culture in terms of which ethical conduct is the norm within ERWAT and its stakeholders. ERWAT, as a responsible organisation and corporate citizen, is committed to conducting its affairs to the highest standards of ethics, integrity, honesty, fairness and professionalism, in every respect, without expectation of favours or benefits at all times. ERWAT recognises that while striving to accomplish its business goals, which are critical to the organisational success, equally important is the way in which these goals and objectives are achieved.

Every ERWAT employee (including directors) is expected to assess every business decision and actions to be in light of whether it is right, legal, fair and within acceptable behaviour. This applies at all levels of the organization, from major decisions made by the Board of Directors to day-to-day business transactions. The Code is intended to help employees and directors meet these expectations and make such assessments.

The Code of Ethics endeavours to encompass all the issues and policies that are pertinent to ethics in the workplace, taking into account business best practice and current legislation. As such it is intended to serve as the primary repository for the Company's ethics and ethics-related policies. All employees have a responsibility to comply with this Code of Ethics as well as all other policies that govern the company. The Company accepts accountability for all its actions and similarly expects its employees to be accountable for their conduct.

All ERWAT employees are expected to incorporate the guidelines outlined in this code, into their daily activities within the company, so as to minimise the risks of employee's action or activity from harming the reputation of the organisation. Conveying a strong ethical culture starts with the "tone from the top", and therefore, it is equally important for all of our leaders to consistently demonstrate unwavering integrity and to promote awareness and compliance with the Code

201
K C

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

2. POLICY STATEMENT

ERWAT is committed to ensuring that its business is conducted, in all respects and at all the times, according to rigours ethical, professional as well as in compliance with applicable standards and legislation, which prevail from time to time, in the same industrial sector in which it conduct its normal business. The entity is also committed to creating and maintaining a workplace that displays ethical behavior at all times, is free from harassment and discrimination, where co-workers are respected, and provided with an appropriate environment so as to encourage performance and good conduct.

The organisation is committed to maintaining the highest standards of ethical behaviour by upholding ethical standards in all its activities and by complying with all prevailing laws that are applicable to its business and the public environment in which it operates. The Company is further committed to fostering a work environment that promotes equal employment opportunities, prohibits discriminatory practices and endeavours to ensure that everyone is treated with respect and dignity. To achieve this goal, all ERWAT employees are expected to comply with all relevant laws and policies.

Since the Code of Ethics cannot address every specific situation, nothing in the Code of Ethics prohibits or restricts management from taking disciplinary action on any matter pertaining to an employee's unethical conduct, whether or not it is expressly discussed in this Code. It is also recognised that this Code of Ethics cannot provide guidelines for every situation that may occur. When employees are in doubt, have questions or require further guidance, they are requested to discuss the issue with their Line Managers, Risk and HR departments.

Employees are expected to always report misconduct that they observe through means by which they are comfortable. ERWAT is also committed to addressing all reported incidents of misconduct promptly and with the seriousness, it deserves. In addition, the culture of ethics is vitally important to the entire organisation and all of its stakeholders, and therefore it is expected of all employees and representatives of ERWAT, irrespective of their position or level within the organisation, to always lead by example in displaying and discharging of ethical conduct, when conducting any ERWAT affairs. ERWAT recognizes that a strong ethical culture is very instrumental towards the accomplishments of organizational objectives.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

3. VISION, MISSION AND COMPANY VALUES

3.1 Vision

ERWAT's vision is to be a global leader in water care and resource recovery.

"ERWAT is a leader in *sustainable water care and water resource recovery*, committed to delivering high-quality, environmentally responsible, and affordable services.

We achieve this through smart organisational practices, innovative technologies, and collaborative partnerships.

Collectively, we protect *water resources* and ensure a sustainable future for the City of Ekurhuleni and *beyond*."



3.2 Mission

ERWAT is a leader in sustainable water and resource recovery, committed to delivering high quality, environmentally responsible, and affordable services.

3.3 ERWAT's Values

ERWAT's core values are deeply embedded in our commitment to environmental stewardship, operational excellence, and community well-being. These values guide every aspect of the entity's work from its daily operations to its long-term strategic vision. They shape ERWAT's interactions with employees, customers, partners, and the broader community, fostering a culture of innovation, collaboration, and continuous improvement. By upholding these values, ERWAT aims to not fulfil its mandate as a leading water care and resource recovery provider but also to make a positive and lasting impact on the environment and communities it serves.

INTRINSIC VALUES	Respect	Accountability	Integrity	Efficiency
EXTRINSIC VALUES	Commitment to SHE sustainability	Service-centric customer focus	Innovation	Excellence in wastewater treatment

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

4. GOVERNING LEGISLATION AND RELATED DOCUMENTS

4.1 LEGISLATION

- (a) Municipal Systems Act 32 of 2000
- (b) The Prevention and Combating of Corrupt Activities Act 12 of 2004
- (c) Municipal Finance Management Act 56 of 2003
- (d) The Protected Disclosures Act 26 of 2000
- (e) Protection of Personal Information Act 4 of 2013
- (f) Basic Condition of Employment Act, 1997 (Act 75 of 1997)
- (g) Labour Relation Act (Act 66 of 1995)

4.2 RELATED DOCUMENTS

- (a) Whistleblowing Policy
- (b) Conflict of Interest Policy
- (c) Gifts Entertainment & Hospitality Policy
- (d) Anti-Fraud Policy
- (e) Supply Chain Management Policy

5. SCOPE OF APPLICATION

This Code of Ethics applies to all employees (permanent & non-permanent, stakeholders, partners and clients/consultants (current and potential)). It gives clear indication of the high level of integrity that is expected from us. This Code of Ethics does not operate in isolation; it must be read in conjunction with all other relevant good governance policies including the employment policies.

6. GOVERNING PRINCIPLES

We are all accountable to take full responsibility for our own work, make commitments in line with our duties, find solutions to the challenges without compromise and be accountable for results by:

- 6.1 Integrity:** We act with honesty and integrity in all our interactions, both within the organization and with external parties, we uphold our commitments and accountable for our actions.
- 6.2 Respect:** We treat everyone with dignity, respect, and fairness. Discrimination, harassment, or any form of inappropriate behaviour will not be tolerated.
- 6.3 Transparency:** We are committed to openness and transparency in our decision-making processes and communications. We commit to providing accurate information at all times to both our internal and external stakeholders.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

- 6.4 Compliance:** We comply with all applicable laws, regulations, and organizational policies. We recognize and respect the legal and regulatory framework in which we operate.
- 6.5 Confidentiality:** We protect the confidentiality of sensitive information and respect the privacy of individuals. We do not disclose confidential information unless authorized by the relevant internal authorities in line with internal policies or required by law.
- 6.6 Conflict of Interest:** We avoid conflicts of interest and disclose any potential conflicts to appropriate authorities within the entity. We make decisions based on the best interests of ERWAT.
- 6.7 Professionalism:** We conduct ourselves in a professional manner, striving for excellence in our line of duty.
- 6.8 Reporting:** create an environment in the workplace where irregularities and misconduct can be reported.

7. DIVERSITY AND INCLUSION

At ERWAT, we recognize that our strength lies in our diversity and our ability to create an inclusive environment where everyone can succeed. We are committed to embedding these principles into every aspect of our operations and ensuring that our Code of Ethics reflects our dedication to inclusion and diversity. By doing so, we aim to build a workplace that not only respects and values all individuals but also leverages our collective strengths to achieve our mission and goals. We will:

7.1 Respect

- (a) Commit to diversity in the workplace by treating all employees with dignity, respect opinions, and contributions of all individuals and stakeholders irrespective of their gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class or other character.
- (b) All employees (permanent, part time, full time or temporary) irrespective of their job grade, where they originate from, will be treated fairly and equally, and unfair discrimination of any racial group is prohibited.

7.2 Equal Opportunities for All

- (a) Create an environment that provides equal opportunities career advancement, training and development or any other benefit based on merit and their process will be transparent and not be biased.
- (b) Implement a fair recruitment and promotions process, and eliminate unfairness and ensure a level playing field for everyone within the entity based on their competence

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

- (c) Create a working environment where all employees feel included and can participate fully in the various business activities of ERWAT and good business practices.

7.3 Zero Tolerance for Discrimination and Harassment

- (a) Maintain a workplace free from discrimination, harassment, retaliation and enforce strict policies against discriminatory practices and behaviours.
- (b) Providing awareness on recognising and preventing harassment, and ensuring swift and appropriate action is taken against any violations.

7.4 Cultural Diversity: May not be required to understand the culture of others, however, there must be mutual respects among employees as we are from different cultural backgrounds pursuing a common goal.

7.5 Diversity in Leadership:

- (a) Promote diversity at all levels of the organization, including the high-ranking leadership positions and ensure that our leadership at different levels reflects the diversity of our workforce and communities.
- (b) Diversity is fully supported by management by regularly reviewing policies and practices to ensure that all Human Resources policies are inclusive and non-discriminatory, they are applied consistently and the policies have been agreed with employee representatives

7.6 The Entity Employee Assistance Programme is inclusive of all racial groups in line with the relevant Policies and prevents employees from victimisation.

8. INTERGRITY

Integrity means we are honest, trustworthy, truthful and open in our conduct and in our dealings with others and business. We will:

- 8.1. Avoid making any false or misleading statements to others who may rely on the accuracy and truthfulness of the information being provided.
- 8.2. Ensure that there is no crime committed against the entity and protect the entity's reputation and in addition, All ERWAT employees must at all times:
- (a) Act loyally in line with the policies of the entity
- (b) Perform their functions of office in good faith, diligence, honesty and in a transparent manner
- 8.3. Employees may from time-to-time be required to go on business trips to conduct the affairs of ERWAT and must never make or enter into formal or informal agreements using the name of the entity for their personal gain.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

8.4. Employees may not accept any gifts, donations, gratuity or other assistance from any contractors, clients doing any business with ERWAT or potential clients intending to do such business

8.5. No employee may issue a public statement or make any announcements on any platform with regard to the entity, unless delegated to do so by the Managing Director in line with internal policies.

9. PROFESSIONALISM

Professionalism refers to the conduct, behaviour, and attitude expected of someone in a workplace or business environment that will not bring the entity into disrepute. Employees of ERWAT are expected NOT to:

9.1 Engage in any formal business activities that contradict the Conflict of Interest Policy which requires disclosure of interests

9.2 Disclose to any potential tenderer sensitive information about the tender, allocated budgets, pricing of other tenderers, information about ongoing bids, terms and conditions of proposals.

9.3 Furnish information to anybody regarding the business or activities of ERWAT, without special permission from ERWAT, which becomes known to them in the course of their duties and is designated by ERWAT as confidential.

9.4 Behave in such a way (whether during working hours or afterhours in personal time) which result in his inability to continue to carry out his work on behalf of the company with credibility;

9.5 Behave in such a way (whether during working hours or afterhours in personal time) which result in the reputation of the entity being detrimentally tarnished.

9.6 Exhibit behaviours that are contrary to the fundamental human rights conferred by the Constitution of the Republic of South Africa, labour legislation and the policies, practices and procedures of the entity.

9.7 Use their position or any information obtained during their employment with the company, for personal benefit.

10. PRACTICAL APPLICATION OF THE CODE OF CONDUCT

10.1 This code does not address every specific ethical dilemma, however all employees are expected to apply the principles outlined in the code when exercising judgement or when faced with questions, concerns or issues that do not present obviously correct answers or approaches.

10.2 It is the general duty of all employees to fulfil their contractual obligations to the employer, to exercise due care and skill in their work, and to avoid conflicts of interest with their employer and clients.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

- 10.3** It is the general duty of the employer to fulfil its contractual obligations to its employees, to consider the best interests of its stakeholders, and to exercise due care and skill in decision making. It must be noted that the company will always strive to balance the needs and interest of all stakeholders and therefore there will be no stakeholder who will enjoy preferential treatment at an expense of the other.
- 10.4** In support of these duties, the entity has developed and implemented internal policies and procedures to guide conduct and enforce compliance to minimum standards. These standards are designed to be in accordance with South African legislation, regulations and industry practices.
- 10.5** Practical decision-making, however, often requires the balancing of competing interests, particularly when dealing with unforeseen circumstances. This means we need to balance the interests of our key stakeholders when making decisions in accordance with our values.
- 10.6** No particular value or stakeholder has priority over another and competing interests should be considered holistically and in the context of all the values and stakeholder interests in order to obtain the most appropriate outcome.
- 10.7** Where there are any questions regarding the ethics associated with a contemplated decision or action, every employee should follow the guidelines below:

Table: 1

GUIDELINES FOR PRACTICAL APPLICATION OF THE CODE OF CONDUCT	
Step 1:	Is this decision/ action in line with applicable laws, and regulations?
Step 2:	Are you still acting within the terms and conditions of your employment with ERWAT?
Step 3:	Does this decision/action comply with ERWAT's policies and procedures?
Step 4:	Is this decision/action consistent with ERWAT's values and behaviours?
Step 5:	Does this decision/action feel right?
Step 6:	Would you be happy if your manager, or colleagues knew about this decision or action?
Step 7:	Would you be happy to have this decision/action published on the newspaper?
Step 8:	Would you repeat this decision/action in front of other people?

If the answer to all these questions is an unqualified "yes", then it is likely that the particular decision or action is in accordance with our values and behaviours

In the event of uncertainty as to the most appropriate course of action, it is recommended that guidance should be obtained from senior management, risk or the human resource department.

The guiding principles towards acting out ethical decisions are transparency, fairness, honesty and integrity. Employees shall always strive to protect the reputation of the company

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

11. PROTECTION OF ERWAT INFORMATION

In today's digital age, the protection of information is a critical aspect of any organization. The entity handles a vast array of sensitive information which includes personal data, intellectual property, and proprietary business information.

- 11.1 Ensuring the security and privacy of this data is not only a legal and regulatory requirement but also essential for maintaining trust with clients, employees, and stakeholders.
- 11.2 As a result of employment within ERWAT, Employees may be entrusted with confidential information relating to the entity/or its affiliates, its customers and suppliers. Upon joining ERWAT all employees are required to understand and acknowledge the 'Confidentiality Agreement' clause in their Employment of Contracts before signing the contract.
- 11.3 Employees shall not disclose any confidential information relating to the entity's trade secrets, processes, formulae, methods, activities, prospective transactions, marketing plans, sales information or financial data unless such disclosure is authorized or is required by law to be disclosed.
- 11.4 Employees shall ensure that all information gained during their employment (and subsequent thereto) is kept strictly confidential between the entity and the employee. No employee shall divulge confidential information to any third party, unless required to do so by law.
- 11.5 No employee shall divulge confidential information obtained by the entity from its employees, clients, suppliers and/or associates. In this regard, the entity respects professional confidentiality and strives to ensure that procedures and safeguards are in place to ensure the confidentiality and privacy of its employees, clients, associates and partners are preserved.
- 11.6 The entity retains copyright over all work, inventions or work processes that any of its employees invent, formulate or design as part of the scope of their duties. All such work remains the property of ERWAT and employees have no vested right to use such intellectual property outside of the scope of their employment.
- 11.7 The entity retains all rights of whatsoever nature in and to any material created on its network facilities, and no person using the network shall acquire any rights of whatsoever nature to that material, which at all times shall be the exclusive property of the Company.
- 11.8 The entity reserves the right to take appropriate legal action in the event of a breach of confidentiality or the misappropriation of its intellectual property.

12. DECLARATION OF INTEREST

ERWAT subscribes to the principles of Ethics and Integrity, and is committed to doing business (and related activities) with honesty, fairness, due care, skills and diligence. The guiding principle is that all employees must disclose any conflict or potential

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

conflict of interest. The obligation of disclosure and avoiding of conflict of interest applies not only to situation directly involving the employee but also to those situation involving the employee's spouse, partner or immediate family member

- 12.1** All Employees have a personal responsibility of disclosing private interest, work outside ERWAT as well as offered, accepted and declined gifts, hospitality, favours, benefits or any form of gratification.
- 12.2** Private interest shall be declared annually, at the beginning of the financial year or at any point (within 30 days) when an employee's circumstance change during the course of the year.
- 12.3** Newly appointed employees shall declare their private interest within thirty calendar (30) days from assumption of duty.
- 12.4** In addition to annual declarations, all board members must declare any possible conflict before commencement of board meetings.
- 12.5** Every employee who is involved in a Supply Chain Management Process must declare possible conflict of interest before participating in such processes.
- 12.6** All employees who will be involved in any meetings pertaining to Supply Chain Management Process must declare all direct and indirect interests before such meetings.
- 12.7** All employee serving on HR Interview panels must declare possible conflict of interests before commencement of Interview.
- 12.8** Employees with no private interest must complete a declaration form indicating that they have got no interest to declare or disclose.
- 12.9** The financial or personal interest to be declared include but not limited to:

- (a) Membership of a company registered with CIPC as an owner or partner
- (b) Directorships as member of the Board;

13. REWARDS, GIFTS AND FAVOURS

- 13.1** No gifts and sponsorships are to be accepted. This is in line with the Municipal Finance Management Act and the Gift Entertainment and Hospitality Policy.

14. ALCOHOL & SUBSTANCE ABUSE

- 14.1** The use or possession of alcohol, illegal drugs, and other controlled substances in the workplace and being under the influence of these substances on the job and during working hours is strictly prohibited. However, possession of prescription medication for medical treatment is permitted.
- 14.2** There may be company-sponsored events where management approves the serving of alcoholic beverages. In these cases, all appropriate liquor laws must be followed,

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

including laws regarding the prohibition of serving of alcohol to those under the legally permissible age. However, under all such cases, excessive drinking, intoxication and misbehaviour at these events is prohibited and will be dealt with in accordance with the [Substance Abuse Policy](#).

15. HARRASSMENT

- 15.1** ERWAT is committed to providing and maintaining a work environment that is free of inappropriate behaviour, harassment on account of age, physical disability, marital status, race, religion, caste, sex, sexual orientation or gender identity.
- 15.2** Employees are responsible for supporting the Company in its endeavour to protect others from any form of such harassments.
- 15.3** In the course of business conduct of any Employee, wherever harassment occurs to any such Employee as a result of an act or omission by any third party or outsider, ERWAT shall take all steps necessary and reasonable to assist such affected Employee in terms of support and preventive action as documented in the Sexual Harassment Policy.

16. DISCRIMINATION

ERWAT acknowledges the value that employees from diverse backgrounds bring and add to the achievement of the Company's goals and objectives, and is fully committed to the objectives of the Employment Equity Act (No. 55 of 1998).

ERWAT is further committed to three guiding principles, namely the elimination of all forms of discrimination, equal opportunities and valuing diversity, and these principles shall be implemented through the development and implementation of the Company's Employment Equity Plan. The principles of the Employment Equity principles that addresses the following:

- 16.1** The application of the employment equity will be fair for all
- 16.2** Recruitment, selection and appointment of employment will be from a diverse background;
- 16.3** Remuneration and benefits of employees will be in line with their credentials and not be according to racial discrimination;
- 16.4** Training and development of all shall not be discriminated by age;
- 16.5** Promotions and transfers;
- 16.6** Performance management;
- 16.7** Work environment and facilities;

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

17. ANTI-CORRUPTION AND FRAUD PREVENTION STRATEGY

ERWAT is committed to the highest possible standards of openness, probity and accountability in all its affairs. It is determined to maintain a culture of honesty and opposition to fraud, corruption and bribery.

In line with this commitment, ERWAT has developed and maintained a comprehensive Fraud Prevention Strategy. It adopts a zero-tolerance attitude towards fraud, corruption and bribery, which contravene the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004) and goes against the Company's ethical standards. Any employee found to be involved in fraud, corruption or bribery, either soliciting or offering a bribe, within ERWAT or externally shall be dealt with in terms of the Disciplinary Code and Procedure. ERWAT reserves the right to institute legal action, including possible criminal prosecution and civil action, for the recovery of losses, irrespective of the amount involved.

This program sets out the ways in which employees, stakeholders or members of the public can voice their concerns about suspected fraud, corruption, theft or bribery, and outlines how the Company shall deal with such complaints. It also provides details of the Company's ethics hotline, which is an independent, confidential and safe channel for employees, stakeholders or members of the public to report knowledge of misconduct without threat of retribution.

17.1 The Fraud prevention strategy highlights and address some of the following issues:

17.1.1. To support the controls to the Fraud Prevention;

17.1.2. Fraud awareness;

17.1.3. Key fraud risk areas;

17.1.4. Whistleblowing;

17.1.5. Response plan;

17.1.6. Forensic investigations.

17.2 The Fraud Prevention strategy provides guidance for employees in the event that they suspect fraud, corruption or any irregular activity. While employees and others are encouraged to report misconduct, disciplinary action shall be taken against the person making an allegation that is made frivolously, in bad faith, maliciously or for personal gain.

17.3 The Fraud Prevention strategy includes important details about categories of fraud and corruption; procedures to report a suspected fraud or irregular activity; the investigative process; recovery of loss; and contact details for the anonymous ethics hotline.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

18. WHISTLE BLOWING

Employees who come forward to report violations of the company's Code of Ethics may disclose the issue to their respective managers, or directly approach the Risk or HR department. Victimisation of employees who raise concerns about misconduct in good faith will not be tolerated. ERWAT will protect the rights of all parties implicated.

Employees who wish to remain anonymous can report it via ERWAT's Ethics hotline. The hotline provides a completely independent, confidential ethics reporting/hotline service to provide a safe channel for employees, stakeholders and the public to report knowledge of misconduct without threat of retribution. This echoes the protection for reporting misconduct offered by the Protected Disclosures Act (No. 26 of 2000). Reports can be directed to any of the following services:

- 18.1 Toll free telephone number:
- 18.2 Toll free fax number:
- 18.3 Secure Email Address:
- 18.4 Free postal address:
- 18.5 Web-based address:
- 18.6 Other mechanism as outlined on Annexure A: Guidelines for reporting allegations of fraud and related unethical conduct.

It must be noted that the details on Annexure A are not part of this document and may be reviewed and updated separately from this document.

19. RESPONSIBILITY FOR IMPLEMENTING THE POLICY

- 19.1 The Managing Director has overall responsibility for the effectiveness operation of this policy.
- 19.2 The Risk department is responsible for monitoring and reviewing the operation of this policy and making recommendations for changes to minimise risks to our operations.
- 19.3 All staff members are responsible for their own compliance with this policy and for ensuring that it is consistently applied.
- 19.4 All staff should ensure that they take time to read and understand it. Any breach on ethics can be reported through the confidential ethics line.
- 19.5 Questions regarding the content or application should be directed to the Risk Department.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

20. COMPLIANCE, MONITORING AND REVIEW.

- 20.1** This code shall be reviewed every third year to ensure its relevance, effectiveness and alignment to applicable legislation and/or regulations.
- 20.2** Non-compliance with, or failure to adhere to the provisions of this policy may constitutes grounds for disciplinary actions and will be dealt with in accordance with the ERWAT Disciplinary Procedures.
- 20.3** Compliance breaches will be reviewed by Internal Audit, Risk Department or Human Resources Department and in conjunction with line management. Action plans to ensure that the risks associated with a breach are adequately mitigated, must be submitted with a breach report to the Risk Committee for acceptance.
- 20.4** All ERWAT employees are required to peruse a copy of this policy and to acknowledge in writing that he/she has perused the policy, understands the contents, and agrees to be bound by it.
- 20.5** This policy will become effective upon approval thereof by the Board of Directors of ERWAT

21. CONFIDENTIALY AND RECORD KEEPING

- 21.1** The disclosure of information related to this code is classified as confidential information and shall be treated as such.
- 21.2** ERWAT employees may not use, conceal or disclose information received in their official capacity in a way that advantages themselves, other individuals, organizations, and / or third parties.
- 21.3** ERWAT will promote the protection of personal information during this process by ensuring that the information collected is specific, explicitly defined and lawful purpose in accordance to the provisions of the Protection of Personal Information Act 4 of 2013 (POPI)
- 21.4** If during the course of this process, information becomes available that is personal in nature, such information shall be kept confidential and only be used for the purpose for which it is intended. All departments are responsible for safeguarding of records relating to the declarations and disclosure made in terms of this code.

22. DEFINITIONS AND ABBREVIATIONS

A list of definitions is included to ensure that readers have a clear understanding about the meaning of the issues, concepts and topics addressed in the Code of Ethics. However, the interpretation and identification of misconduct, as well as actions against misconduct, are not limited by these definitions, which are intended only as a guide.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

CONCEPT	MEANING
ADDICTIONS	Refer to substance abuse and dependency,
Alcohol Abuse	Refer to substance abuse and dependency
Bribery	The act of offering, giving, receiving or soliciting money, a gift or something of value for the purpose of influencing the action of another in the discharge of his/her business or public or legal duties
Company	"The Company" refers to Ekurhuleni Water Care Company.
Compliance	Observing and abiding by all applicable laws, by-laws, common law rules, all relevant regulatory, directive and supervisory requirements and all Company regulations, including the Code of Conduct and policies and procedures
Confidentiality	Not disclosing sensitive Company information, financial data or private information obtained by the Company from its employees, clients, suppliers and/or associates to any third party
Conflict of Interest	It is a situation that could potentially undermine the impartiality of a person in making a decision. It also includes, amongst other issues, employees taking on outside employment for remuneration or accepting any commission, fee or reward (monetary or otherwise) in respect of the performance of his/her duties
Corporate Citizenship	Implies an ethical relationship of responsibility between the Company and the society in which it operates. As responsible corporate citizens, companies not only have rights, but also legal and moral obligations in respect of their economic, social and natural environments, which entails that companies shall protect, enhance and invest in the wellbeing of the economy, society and the natural environment
Corporate Governance	The system by which companies are directed and controlled, with specific focus on the roles and responsibilities of the Board
Corporate Social Responsibility	The Company's effort to be more aware of the impact of their business on the rest of society, including their own stakeholders and the environment as well as to take full accountability of such impact by delivering social, economic, and environmental benefits for all stakeholders
Corruption	Includes the private use of public resources, bribery, improper favouritism and the dishonest or fraudulent conduct by those in power; any wilful action that by means of bribery or attempted bribery, extortion, intimidation, fraud or misinterpretation of facts sways or attempts to sway the natural course of events from open, fair and equitable practices; wilful disregard of legislation, regulations, instructions or directives for personal gain
Designated Group	In line with the Employment Equity Act, this mean all employees, including job applicants, who have been disadvantaged on the grounds of race, gender and disability as a result of past legislation, social conditions and company practices
Dishonesty	Includes dishonesty, misrepresentation, forgery, theft, attempted theft, unauthorised possession (for example of stolen goods) and material non-disclosure e.g. prior to employment
Disorderly Conduct	Includes, amongst other issues, insubordination; insolence; abusive language; improper or disgraceful conduct; threats of violence or physical

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

CONCEPT	MEANING
	violence; assault or attempts to assault; fighting; riotous behaviour; victimisation; intimidation; racial or sexual harassment; indecency; unauthorised possession of and/or unauthorised entry to the workplace with firearms or other dangerous weapons; sleeping on duty; and negligence.
Electronic Communications	Encompasses all communication via the Company's information and communication technology (ICT) resources, including computers, mobile devices, reports and other information shared via the intranet, internet, email, telephone and/or cellular facilities
Employees	"All employees" are deemed to comprise all directors, officers, permanent employees, contractors, students who work from time to time and casual or part-time employees who work for ERWAT
Employment Equity	Entails valuing diversity; promoting equal opportunities for designated groups; the representation of designated group's at all occupational levels and within all job categories; eradicating all forms of unfair discrimination in employment practices in order to address the imbalances of the past; and includes specific affirmative action measures to accelerate the advancement of designated groups
Environmental Responsibility	Refer corporate citizenship
ERWAT	Refers to Ekurhuleni Water Care Company
Ethics Hotline	An anonymous reporting system operated by an external Company that allows employees and others to report misconduct or ethical breaches without fear of reprisal
Fraud	Encompasses an array of irregularities and illegal acts characterised by intentional deception or wilful misrepresentation causing deprivation or loss to the victim. It can be perpetrated for the benefit of the perpetrator or to the detriment of the organisation, and by persons outside as well as inside the Company. Fraud shall involve manipulation, falsification or alteration of records or documents; misappropriation of assets; suppression or omission of the effects of transactions from records or documents; recording of transactions without substance; corruption; and all acts of dishonesty.
Forgery	The intentional falsification or illegal or unauthorised copying of any material.
Organisation /Business	Refers to Ekurhuleni Water Care Company
Health and Safety	This refers to health and safety standards in the workplace that comply with the provisions of the Occupational Health and Safety Act 1993, as amended.
Intellectual Property Rights	Acknowledges that the Company retains copyright over all work, inventions or work processes that any of its employees invent or design as part of the scope of their duties.

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

CONCEPT	MEANING
King IV	The King IV Report on Corporate Governance in South Africa, published by the Institute of Directors Southern Africa, which outlines what, is necessary to ensure sound corporate governance.
Material Non-Disclosure	The intentional withholding of relevant information that is likely to have affected the consequent action or decision
Misrepresentation	The intentional distortion or falsification of the facts or true circumstances
Narcotics Abuse	Refer to substance abuse and dependency
Non-Discrimination	Refers to the removal of all forms of unfair discrimination in conditions of service, employment practices and Company actions
Outside Activities and Employment	Prohibits employees from performing work for remuneration outside the scope of their employment
Racial Harassment	Any form of conduct based on the race of another person that offends the dignity of that person, and includes, but is not limited to, derogatory comments about appearance, behaviour and work performance, and other actions associated with it
Partner	Means a person who permanently lives with another person in a manner as if married.
Safety	Refer health and safety definition
Sexual Harassment	Unwanted and unsolicited conduct of a sexual nature or other conduct based on sex, which can include unwelcome physical, verbal or non-verbal conduct. Sexual attention becomes sexual harassment if the behaviour is persistent, if the recipient has made it clear that the behaviour is considered offensive, and/or if the perpetrator shall have known that the behaviour is regarded as unacceptable
Social Responsibility	Refer corporate citizenship
Stakeholders	
Substance Abuse and Dependency	The overindulgence in and/or dependence on an addictive substance such as alcohol or drugs
Triple Bottom Line	The principle that an organisation shall not only pursue an economic bottom line, but shall also take responsibility for contributing to social and environmental issues
Unauthorised Possession	The illegal possession of goods or items or the possession of stolen goods and items
Use of Company Property and Facilities	Includes all the Company's assets, property, resources and facilities, as well as the Company's information and communication technology resources
Whistleblowing Hotline	Refer to anti-corruption hotline. A disclosure to encourage employees to safely report observed misconduct, create organisational culture where Whistleblowing is accepted and protected (Also referred to as Ethics hotline)

	Public	Policy Document
	Code of Ethics	Enterprise Risk Management

ANNEXURE A

Guidelines for reporting allegations of fraud and related unethical conduct.

It is the responsibility of all ERWAT employees to ensure that anyone suspected of soliciting, offering or accepting an inappropriate gift, hospitality or any form of gratification are reported anonymously through the Anti-fraud and Corruption Hotline platforms provided below

Toll free telephone number: 0800-204-860.

This Annexure is not part of this policy and may be reviewed and updated separately from the policy document