



GEPF™

your investment, your future

ETHICS MANUAL

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1. PREFACE BY THE ETHICS OFFICE

The GEPF Ethics Manual is meant to assist employees to understand the Staff Code of Ethics, how to disclose in terms of gifts received and the disclosure of private business interests.

Ethics awareness prevents violations and fosters compliance, increase stakeholder trust and confidence.

The GEPF Staff Ethics Code was adopted to assist all Employees in understanding the difference between 'right' and 'wrong' and in applying that understanding to their decisions.

2. INTRODUCTION

Ethics Management consists of four aspects which the Board has embraced for implementation. Each of these four aspects is briefly outlined below.

During the first aspect, a risks and opportunities profile was compiled. Stakeholders were engaged to ascertain whether there were negative risks which the GEPF was exposed to. Negative ethics risks refer to unethical behaviours (e.g. fraud, abuse of company assets, gender inequality or racial discrimination), unethical practices (e.g., corrupt supply chain processes) or unethical beliefs (e.g. a belief such as "lying to avoid a penalty") which might exist in our organisation. Ethics opportunities are ethical behaviours, practices and beliefs from which the organisation will benefit.

During the second aspect of the ethics management process, ethics policies and standards were developed. GEPF's ethics profile had both positive and negative risks which shaped the development of the Staff Code of Ethics. GEPF ethics practices were updated to include conflict and business interest disclosure processes as well as gift disclosure guidelines.

During the third process of the ethics management process, the ethics policies and standards were implemented. The changing of the GEPF's organisational culture and behaviours includes various interventions such as on-going training and communication, safe reporting mechanisms, reward systems, and disciplinary measures.



During the final aspect of the ethics management process, internal and external audit reports to Exco and the Board on the adequacy and effectiveness of the GEPF ethics management programme. Ethics management performance will be reported on in the GEPF's annual report so that GEPF stakeholders have confidence in their ethics practices.

The GEPF will build on its ethical corporate culture and live the values as transparently as so that ethics becomes ***"the way we do things"*** at the GEPF.

3. OUR VISION, MISSION AND VALUES

Our **VISION** is to be a global leading and reputable pension fund that delivers quality service to beneficiaries.

Our **MISSION** is to ensure the sustainability of the Fund; the efficient delivery of benefits; whilst empowering our beneficiaries through effective communication.

We VALUE

Integrity, Transparency, Client Centricity, Accountability and Innovation



4. LEADERSHIP MESSAGE

We have a good organisation. We are performing well, and we are perceived as being professional. In striving to be leaders in good governance, we would like to build on this solid platform and go to the next level. In a professional, innovative environment such as ours, people perform best if they are given room to apply their own sound judgement to everyday challenges. This judgement is however not without parameters, and this code clarifies the GEPF's approach to ethics.

We believe we perform optimally without being constantly monitored. This approach can however only work in an environment where we share the same set of values. Not only on paper, but in 'the way we do things' - even when no one is watching. This supportive culture is dependent on each of us living up to the values on a daily basis. As the leadership of the GEPF we commit to creating an organisational culture that supports all employees in living our values. We commit to creating an environment where all employees get a consistent message about how to do things. We commit to creating a trusting environment where we all work in unity to achieve a common purpose. We commit to setting the right tone at board and organisational levels respectively. We call on all trustees, employees, and all other stakeholders to join us in this commitment.



Principal Executive Officer

5. CODE OF ETHICS

5.1 Purpose of the Code

The Code sets out the GEPF's values and what it means in practice. These values should guide employees in all their decisions and actions. When faced with a dilemma (as individuals or as an organisation) employees should use the Code as a source of clarity. GEPF values are important and if employees don't live up to them it can have very real consequences for people who depend on such employees, and for the GEPF as an organisation. The Code should not only serve as a tool for constructively building the culture in the GEPF, but where people clearly go against the spirit of the Code it can also serve as an enforceable standard. The Code applies to all GEPF employees. The GEPF calls on all other stakeholders to support the code and help live these values.

5.2 Integrity

We are truthful and act in good faith

We act in the best interest of GEPF

5.3 Transparency

We are open to scrutiny and oversight

We are accountable to our stakeholders

We avoid conflicts of interest and make decisions objectively

We communicate openly and clearly with our stakeholders

We are open to scrutiny and oversight

As an organisation, our decisions can impact many people and we are therefore accountable to all our stakeholders. These include our clients, but through our investment decisions, we also impact on all the people of South Africa. People should know that they can trust us with this immense responsibility. They, therefore, have a right to know that we are well governed and that we are making sound decisions. That is why we are an open organisation. Our decisions should always be objective, rational and well considered. We are always willing to share information on our governance and decision-making to ensure that these stand up to public

scrutiny. However, we need to balance our transparency with the need for confidentiality, but we commit to doing so in good faith.

We avoid conflicts of interest and make decisions objectively

Our public responsibility also means that we make sure that none of our decisions are influenced by irrelevant factors. We avoid conflicts of interest (or even the perception of such conflicts) at all cost. We are not influenced by personal motivations, or by affiliations with political parties or other interest groups. Again – all our decisions must stand up to public scrutiny. This is specifically important when it comes to making investment decisions. We do not receive gifts or entertainment which could be seen as inappropriate.

We communicate openly and clearly with our stakeholders

We proactively and frequently communicate information that may be of benefit to our clients. And we ensure that this information is accurate. We aim to communicate in a clear and understandable manner so that as many people as possible get the message. We also ensure clear and timely communication within the organisation. We ensure that everybody is informed and are not relying on rumours, as this is detrimental to a trusting culture. As managers, we keep our team members informed on the activities of the fund. Showing them the bigger picture allows them to take pride in the functions they are fulfilling.

5.4 Client Centricity

We care for our clients

We work collectively and co-operatively with our partners

We respect each other as employees

We treat everyone fairly and with dignity

We care for our clients

We never forget that we are primarily here to serve people. These are pensioners and members who depend on us for peace of mind, and sometimes for a basic living. We treat them with care and respect, but more importantly, we develop and maintain the fund's systems and processes to ensure that our clients are cared for sustainably and treated with dignity.

We work collectively and co-operatively with our partners

We do not achieve our goals on our own. We are dependent on the Government Pensions Administration Agency (which administers the fund), and the Public Investment Corporation (which is responsible for implementing our investment strategy). Our clients do not perceive us as different organisations, and we should therefore act with unity of values and purpose. We commit to give our partners support to fulfil their mandate.

We respect each other as employees

We will not achieve our objectives if we, as employees of the fund, do not first respect each other, acknowledge the important role that we all play, and support each other in the work we do.

We treat everyone fairly and with dignity

We respect all people and treat them with dignity. This means that we also treat everybody in the organisation fairly and apply our policies consistently. It almost does not need saying that we do not discriminate against people on any grounds.

Furthermore, The GEPF endeavours to actively foster impartiality and create an environment where people are treated equitably and with respect, where an individual's rights are respected, and efforts and achievements are recognised.

5.5 Accountability

We create an open and trusting work culture

We ensure the highest standards of governance

We are diligent and committed to our work

We ensure that we are competent as individuals and as an organisation

We respect the confidentiality of information

We use resources responsibly

We act responsibly

We behave professionally

We create an open and trusting work culture

It is critically important that we have a trusting, responsible, open and supportive work environment. This is the glue that binds us. It provides the stability needed to enable the innovation, excellence and meaning that we aim for in the work we do. We all have a role to play in achieving this. We aim for authentic, sincere, committed and supportive relationships.

We ensure the highest standards of governance

We ensure that our governance processes and systems are world class. These systems are however only as good as the people who implement them. We therefore also commit to upholding our policies consistently, fairly, and in good faith.

We are diligent in our work

When people walk into our office, it should be clear that we are a high-performing organisation. Each individual takes responsibility for their own work, but we also contribute to the performance of the team. We, therefore, make sure that the quality and timeliness of our work can always be relied on.

We acknowledge our responsibility to work the hours we are paid for. We do not do any external remunerative work without written permission from the Principle Executive Officer.

We ensure that we are competent as individuals and as an organisation

Each employee is an important part of the team. We, therefore, always try to improve our knowledge and skills to enable us to achieve more. This may be through formal training, but more importantly, by having a learning mindset. We aim to attract the best talent possible and make sure that our appointment process is fair.

We respect the confidentiality of information

We have access to important information which is entrusted to us because of the role we need to fulfil. We are always careful not to break this trust and we are very careful not to disclose confidential information. We use our good judgement to decide what information needs to be shared and what we should keep confidential. We must be especially vigilant about not sharing confidential information with those close to us. We may have information about investment decisions that we may not abuse to enrich ourselves or others as this would be tantamount to insider trading. All employees, but specifically managers, may have access to other employees' personal information. We are sensitive to people's need for privacy and dignity and we do not break the trust placed in us by disclosing such information without

consent. We only disclose confidential information when we are required to do so by law or official duty.

We use resources responsibly

We also recognise that we are working with money belonging to people who often have a modest income. We therefore carefully consider the necessity of our expenditure and guard against extravagance. As employees we use the resources of the organisation responsibly and for official purposes only.

We behave professionally

We do not say or do things that can bring the organisation into disrepute. This can never be interpreted to mean that we will hide our failures as an organisation.

5.6 Innovation

We take the lead on environmental, social and governance issues

We champion research and development in the retirement fund industry worldwide

We collaborate with others to ensure joint ownership of initiatives

We take the lead on environmental, social and governance issues

We pride ourselves on being leaders in promoting corporate responsibility in terms of environmental, social and governance (ESG) issues. We also commit to these same principles in our own operations.

We champion research and development in the retirement fund industry worldwide

In a changing world there are always better ways to do things. We pride ourselves on the fact that we are always looking for ways to improve what we do, not only for the benefit of our clients, but for the entire retirement fund industry.

We collaborate with others to ensure joint ownership of initiatives

We realise that industry innovation is more likely to succeed if more people are part of the process. We aim to bring others on board where necessary. We realise it is not about owning the innovation, but sharing it.

6. DISCLOSURE OF FINANCIAL AND OTHER PRIVATE INTERESTS

- 6.1** All employees must disclose their financial interests on an annual basis. Financial interests may take the form of shares, directorships or property which has the potential of conflict with official duties.
- 6.2** Financial disclosures must be made to the responsible unit within the GEPF annually. The Ethics Officer should assist with ensuring information submitted is inspected to ensure compliance.
- 6.3** The onus rests on employees to alert the Fund to any actual, potential or perceived conflict of interest, financial or otherwise. Hence, they must disclose situations where their private interests may conflict with their official duties and take steps to avoid such conflict.
- 6.4** Employees should disclose all their registrable interests according to the prescribed form and procedures. Should circumstances change drastically after an initial disclosure has been made, and new or additional facts become material, staff should disclose the further information?
- 6.5** Employees should not allow themselves to be improperly influenced by personal relationships. They should recuse themselves from any decision when there might be a conflict between their personal relationship/interest and the public interest.
- 6.6** Employees should perform the duties of her/his office impartially, uninfluenced by fear or favour. Employees should not use information obtained in the course of official duties to gain direct or indirect advantage of her/himself or for any other person.

7. GIFT ACCEPTANCE AND DISCLOSURE

7.1 Conflicts of Interest can arise where Employees are offered Gifts, Hospitality, Entertainment or other benefits, of any value, which might, or could be perceived to interfere with the objective exercise of Employees's duties or influence a Employees's independent judgment. In order to protect the integrity of Employees and GEPF and to assist them in dealing with ethical challenges that can be posed by the offering or acceptance of Gifts, Hospitality and other benefits, it is necessary to put measures in place to manage any form of Conflict of Interest that may arise as a result of the offering and acceptance of Gifts, Hospitality, Entertainment or other benefits.

7.2 Employees must observe the following guidelines with regard to the acceptance and offering of Gifts, Hospitality, Entertainment and other benefits:

7.2.1 In accordance with an Employees' obligation to act in the best interest of the members, beneficiaries and GEPF, Employees are prohibited from demanding, soliciting, accepting or receiving, or from agreeing to solicit, accept or receive any rewards, favours or Gifts directly or indirectly. If any Employee accepts gifts of any kind or value from a potential service provider, a potential conflict of interest is created. The only exceptions will be in the following instances:

- GEPF approved educational experiences or programmes, whether local or international, where the entire trip is fully paid for by the Conference Organiser and/or Invitee. Any trips of this nature must be fully substantiated by relevance and value-add and approved by the Head of the division, Chairperson or Vice-Chairperson of the Board.
- Any conference attendance or workshop, whether local or internationally, requires a post-conference report to be tabled to the relevant Committee and Board.

Gifts or acts of hospitality which have a nominal value or a practical purpose, i.e. calendars, chalk message boards, food items, not more than R500.00 may be accepted.

- Gifts or acts of hospitality may be accepted from other pension funds or similar organisations with a value not exceeding R1 000.00 in total.

7.2.2 Declaration of Gifts received must be made to the responsible unit within the GEPF.

8. BUSINESS INTERESTS OR EMPLOYMENT OUTSIDE OF THE GEPF

- 8.1 As mentioned above, employees must place the whole of their time at the disposal of GEPF. They must not perform remunerative work outside their employment without permission from the Principal Executive Officer. The Code of Conduct also stipulates that an employee does not, without approval, undertake remunerative work outside her/his official duties or use office equipment for such work.
- 8.2 In considering requests to engage in outside employment, the Principal Executive Office should establish whether the outside employment would interfere with the proper performance of employees' duties and whether it would give rise to a conflict of interest.
- 8.3 Any outside/secondary work or unpaid activity should not place the employees in a conflict with her/his official duties, and must not adversely affect the efficiency/performance of the employee. Such work must be performed entirely after normal working hours.
- 8.4 Employees must disclose remunerated work outside GEPF. By completing the prescribed form, a member of staff is not exempted from the requirements of obtaining approval for performing remunerative work outside GEPF.
- 8.5 All GEPF assets provided should be used for official purposes only.
- 8.6 When applying for permission to engage in outside employment, staff should provide the following information:
- 8.6.1 details of the proposed outside employment including the proposed hours of employment;
 - 8.6.2 whether the employment will adversely affect her/his efficiency and effectiveness in the performance of official duties; and
 - 8.6.3 whether it is likely to cause (or be perceived to cause) any conflicts or difficulties in relation to the Fund's requirements.
- 8.7 Employees may under no circumstances be employed on a part time basis by any institution or organisation that could be deemed as being in opposition to GEPF.
- 8.8 Employees who are nominated to represent the GEPF on Boards of other organisations may not receive any remuneration for their participation on such

Boards. Any remuneration paid by the organisation on which GEPF employees serve must be paid to the GEPF.

- 8.9 The GEPF will pay for any subsistence and travel expenses for employees who the GEPF nominates to serve on Board of Directors of non-profit organisations. The provisions of the current GEPF Subsistence and Travel Policy will be applicable in such an instance.

Ethics Team