



BROKKR (PTY)LTD

GIFTS & ENTERTAINMENT POLICY

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1. INTRODUCTION

- 1.1. Brokkr (Pty) Ltd (“Brokkr”) expects its workforce to act in an ethical and respectful manner at all times and to avoid situations where a Conflict of Interest or Corruption or even suspected Corruption may arise.
- 1.2. Brokkr has consistently upheld our commitment to ethical business practices, and therefore it is imperative that we diligently ensure that we avoid any conduct that could be perceived as Corrupt or otherwise unlawful.
- 1.3. While imprisonment and individual and corporate fines are well-publicized penalties, reputational damage is another major problem faced by companies found guilty of activities that could be perceived as Corrupt or otherwise unlawful.
- 1.4. This Policy reflects and expands on the provisions of Brokkr’s Codes of Conduct, as well as our Anti-Bribery and Anti-Corruption Policy and Anti-Money Laundering Policy.

2. DEFINITIONS

In this Gifts and Entertainment Policy, the following words and expressions bear the meanings ascribed to them –

- 2.1. **Applicable Laws** refers generally to all local, national, and international laws, regulations, and statutes that govern anti-bribery and/ or anti-corruption practices but specifically incorporates the following legislation:
 - 2.1.1. Prevention and Combating of Corrupt Activities Act 12 of 2004 (“**PRECCA**”);
 - 2.1.2. Prevention of Organised Crime Act 121 of 1998 (“**POCCA**”);
 - 2.1.3. Financial Intelligence Centre Act 38 of 2001 (“**FICA**”);
 - 2.1.4. Financial Advisory and Intermediary Services Act 37 of 2002 (“**FAIS**”);
 - 2.1.5. Criminal Procedure Act 51 of 1977 (“**CPA**”);
 - 2.1.6. The UK Bribery Act, 2010;
 - 2.1.7. The Criminal Finances Act 2017; and
 - 2.1.8. The Foreign Corrupt Practices Act of 1977 (“**FCPA**”).
- 2.2. **Bribery** refers to the offering, giving, receiving or soliciting of anything of value as an inducement or reward directly or indirectly for an action that is illegal, unethical, a breach of trust, or to gain an improper advantage for Brokkr.
- 2.3. **Company** means Brokkr (Pty) Ltd, a private company with registration number 2002/005793/07, duly incorporated in terms of the company laws of South Africa.
- 2.4. **Conflict of Interest** refers to a situation where an Employee’s personal, financial or other interests or affiliations may potentially compromise their ability to make objective decisions in the best interest of Brokkr.
- 2.5. **Corruption** refers to any conduct, whether directly or indirectly, where a Stakeholder of Brokkr,

accepts any gratification, including but not limited to Gifts and/or Entrainment, OR when a Stakeholder of Brokkr offers or gives any gratification, including but not limited to Gifts and/or Entertainment, in order to influence the receiver of such gratification to conduct herself or himself or itself in a way that directly or indirectly benefits the Company, alternatively the receiver of such gratification.

- 2.6. **Entertainment** refers to, but is not limited to, meals, tickets to events, travel expenses, accommodation, and other hospitality activities provided in connection with business interactions.
- 2.7. **Employee** Refers to a person, other than an independent contractor who is employed by the Company and who receives or is entitled to received, any remuneration, and who in any manner assists in carrying on or conducting the business of the Company and “employs” and “employment” have corresponding meanings.
- 2.8. **Gift(s)** refers to any item of value, whether tangible or intangible, given or received in connection with a business relationship.
- 2.9. **Gifts and Entertainment Register:** Refers to the Company’s register for each Employee wherein Gifts and Entertainment offered and received are recorded, setting out the following:
 - estimated monetary value of the Gift and/or Entertainment;
 - description of the Gift and/or Entertainment;
 - details of the Stakeholder that offered or received the Gift and/or Entertainment;
 - date when the Gift and/or Entertainment was offered or received; and
 - name of the Employee who accepted or offered the Gift and/or Entertainment.
- 2.10. **Policy:** Refers to this Gift and Entertainment Policy.
- 2.11. **Service Provider:** Means an individual, company, or entity that provides goods, services, or support to Brokkr as part of a contractual arrangement. Service Providers may include vendors, contractors, consultants, and other external parties involved delivering products or services to the Company.
- 2.12. **Third Party:** Means external entities that are not Employees or direct representatives of Brokkr. This includes individuals, organisations, or entities that interact with Brokkr but are not part of its internal structure.
- 2.13. **Workplace:** Refers to the place specified by the Company where it is expected from an Employee to perform tasks and projects in line with the Employee’s employment agreement.

3. PURPOSE

The purpose of this Policy is to promote ethical conduct within our Company and ensure compliance with Applicable Laws and regulations regarding Bribery and Corruption.

4. POLICY STATEMENT

- 4.1. Giving and accepting Gifts, benefits and Entertainment is common courtesy in business practice and the Company recognizes that such activity enhances, develops and improves business relationships.
- 4.2. Part of the Companies core values is to uphold the highest ethical standards of honesty and integrity. The Company must therefore ensure that Gifts, benefits and Entertainment offered or received by Employees are of a value and frequency that would not give rise to an actual or perceived conflict of interest.
- 4.3. In addition, the Company does not tolerate Bribery or Corruption. A zero-tolerance approach will be applied in this regard. It should further be noted that Bribery and Corruption are punishable by imprisonment and or fines, as well as causing serious damage to our unblemished reputation. It is with this in mind that we commit to preventing Bribery and Corruption in the Company and take our legal responsibilities in this regard serious.
- 4.4. This Policy does not cover all situations that may arise. If any Employee is in doubt as to whether giving or accepting a Gift, benefit or Entertainment is appropriate, such Employee is required to consult management or the Company Secretary for advice/decision.

5. APPLICATION OF THIS POLICY

- 5.1. This Policy applies to all Employees employed at the Company, irrespective of the type of contract held.
- 5.2. This Policy also applies to any and all Trustees, board members, and committee members at any level.
- 5.3. Any arrangement our Company makes with a Third Party is subject to clear contractual terms, including specific provisions that require a Third Party to comply with minimum standards and procedures relating to anti-Bribery and Corruption.

6. BRIBERY FORMS

- 6.1. Gifts, benefits, Entertainment and Bribery can take many forms, monetary or non-monetary and could include, but without limitation, the following:
 - 6.1.1. Tangible goods (food, liquor, mobile phones etc.);
 - 6.1.2. Lunches/dinners;
 - 6.1.3. Tickets to cultural or sporting events;
 - 6.1.4. All expenses paid conferences;
 - 6.1.5. Flight tickets, travel, pleasure trips, accommodation, holidays;
 - 6.1.6. Services;
 - 6.1.7. Secret commissions or kickbacks;
 - 6.1.8. Donations or contributions;

- 6.1.9. Sponsorships; and
- 6.1.10. Special privileges.

7. PROHIBITION ON ACCEPTING AND OFFERING GIFTS, FAVOURS AND ENTERTAINMENT

- 7.1. Employees are strictly prohibited from accepting Gifts, favours, Entertainment or any other items of value from Service Providers or Third Parties involved in business transactions with the Company, with the intent to obtain or retain business or otherwise to gain an improper advantage for such Service Provider or Third Party. This prohibition extends to personal Gifts, as well as Gifts that may be offered to an Employee in the course of their professional duties.
- 7.2. Should an Employee be offered a Gift, favour or Entertainment or any other item of value from any Service Provider or Third Party and the monetary value of such Gift and/or Entertainment are the equivalent of, or less than R 1000.00 (one thousand rand), then the Employee may accept such Gift and/or Entertainment subject to completing the Gifts and Entertainment Register. The Gifts and Entertainment Register must be up to date at all times and the said Employee must submit their Gifts and Entertainment Register to the Companies Legal department (email to head of Legal Department) by no later than the last business day of each consecutive month.
- 7.3. Should an Employee be offered a Gift and/or Entertainment from any Service Provider or Third Party, and the monetary value of such Gift and/or Entertainment are more than R 1000.00 (one thousand rand), then the Employee must immediately report such Gift and/or Entertainment offered to management for approval before the Employee will be allowed to accept such Gift and/or Entertainment. Any approved Gift and/or Entertainment must be documented and disclosed appropriately in the Gifts and Entertainment Register.
- 7.4. The Company shall keep complete and accurate records in accordance with applicable accounting and auditing standards, in relation to Gifts and/or Entertainment accepted or offered by Employees.
- 7.5. Should a Gift and/or Entertainment be approved by management then and in such an event the Gift and/or Entertainment may not be in the form of cash or cash equivalents (including but not limited to gift cards, meal vouchers or store credit).
- 7.6. We appreciate that the practice of giving business Gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the Gift or Entertainment is reasonable and justifiable. The intention behind the Gift and Entertainment should always be considered.
- 7.7. If it is not appropriate to decline the offer of a Gift, the Gift may be accepted, provided it is then declared to the employee's manager, and recorded in the Gifts and Entertainment Registry.
- 7.8. There is a duty on persons who hold a position of authority or who knew or ought reasonably to have known or suspected that any person has committed an offence or made itself guilty or ought to make itself guilty of theft, fraud, extortion, forgery or uttering, to report such offence to the South African Police Services as well as to the Company Secretary. Failure to report is an offence in terms of with the consequence of the Directors being held personally responsible for the conduct.

8. GENERAL RULES FOR OFFERING AND RECEIVING GIFTS AND/OR ENTERTAINMENT

8.1. Gifts:

- 8.1.1. No Gifts may be offered or received in excess of R1 000.00 (one thousand rand), and without prior written approval of the company's directors ("Legal and Compliance").
- 8.1.2. In the event where the offering of a Gift was approved by the Company's directors, such Gift may not be offered or provided to the same Service Provider or Third Party more than once in any calendar year, without prior written approval of the Company's directors.
- 8.1.3. Gifts offered or received may never comprise of cash or cash equivalents, including gift cards, restaurant or store cards, or store credits.
- 8.1.4. In exceptional circumstances where Gifts offered or received were approved, such Gift must have a legitimate business purpose, and no exception will be granted.
- 8.1.5. Gifts offered may only comprise inexpensive items containing the Company logos, such as stationary or mugs, as these are promotional items that are consistent with normal business practices. The offering or receiving of Gifts that create the perception of Corruption or other illegal or unethical dealings are strictly prohibited.
- 8.1.6. No Gifts may be offered or given to spouses or family members of Service Providers or Third Parties, without prior written approval of the directors.
- 8.1.7. Exceptions to the above may be considered, to the extent that it is reasonable under socially accepted standards, and not offered or received in violation of any laws or regulations and subject to approval by the Company's directors. Any approved exceptions must be documented and disclosed appropriately.

8.2. Entertainment:

- 8.2.1. The accepting or offering of Entertainment to and from Service Provider or Third Party may be required in some instances, however all such instances must have a legitimate business purpose and in general may only comprise breakfast, or lunch, or dinner and beverages, as these are common business courtesies. In no event may Entertainment take place at casinos or other gambling establishments or involve any illegal or immoral activities.
- 8.2.2. No Entertainment may be offered or given in excess of R1 000.00 (one thousand rand), without prior written approval of the Company's directors.
- 8.2.3. In the event where the offering of Entertainment was approved by the Company's directors, Employees must take cognisance of the rule that Entertainment may not be offered or received to the same Service Provider or Third Party more than once in any calendar year, without prior written approval of the Company directors.
- 8.2.4. Entertainment may not be offered or given to spouses or family members of Service Providers or

Third Parties, without prior written approval of the Company's directors.

- 8.2.5. Tickets to sporting, cultural or other events at which Employees are present will be considered Entertainment and subject to the restrictions of this section.
- 8.2.6. Exceptions to the above may be considered, to the extent that it is reasonable under socially accepted standards, and not offered or received in violation of any laws or regulations and subject to the approval by the Company directors. Any approved exceptions must be documented and disclosed appropriately.

9. ACCOUNTING AND BUSINESS RECORDS

- 9.1. Anti-Bribery and Anti-Corruption laws, such as the Prevention and Combatting of Corrupt Activities Act, Act 12 of 2004 ("PRECCA") emphasize the need to keep accurate and timely records of Company expenses. Trying to hide or disguise Bribes or other inappropriate expenditures through false accounting entries is not only against the law, but it will be treated as an exacerbating factor when penalties are being assessed. All records to demonstrate compliance with this Policy must be retained in accordance with the relevant rules on retention of compliance related documents of H. Pistorius & Kie.

10. PERSONAL LIABILITY

- 10.1. In addition to the fines that may be imposed on companies for breaches of Anti-Bribery and Anti-Corruption laws, in terms Section 34A of PRECCA Directors and Senior Managers of companies may now be held personally liable if someone associated with the Company (i.e. Service Providers or Third Parties) give or agree to give or offer to give Bribes to obtain or retain business or an advantage for our Company (with or without their knowledge), this may include both personal fines and imprisonment.

11. SUSPICIONS AND REPORTING VIOLATIONS

- 11.1. It is expected from Employees to report any actual or suspected instance of a breach of this Policy to the Company secretary of by email to hermine@pistorius.co.za. You may report anonymously, unless prohibited by law.
- 11.2. Brokkr will never retaliate against an Employee or tolerate harassment, discrimination or retaliation by others, if the reporting was done in good faith, unless prohibited by law.

12. GIFTS AND ENTERTAINMENT FORM

- 12.1. Attached hereto are the Gift and Entertainment Form [n Policy nr] that needs to be completed each time a Gift, favour, or Entertainment are accepted by any of our Employees. The form must be sent to the Company Legal department (email to head of Legal Department) for record keeping purposes.

13. ENFORCEMENT

13.1. Brokkr regards any breach in terms of this Policy as a serious violation and Employees found in breach of this Policy will in addition to criminal charges also be subject to disciplinary measures, up to and including termination of employment. Additionally, violating this Policy may expose Brokkr to legal and reputational consequences, for which the responsible Employee will be held liable for.

14. POLICY UPDATE AND DOCUMENT CONTROL

14.1. This Policy may be reviewed when deemed necessary by the Company and the Company reserves the right to amend, delete or replace any of the rules or procedures contained herein in order to ensure that is relevant and current to the Company.

14.2. Employees are expected to familiarise themselves with and adhere to this Policy. Any Questions or concerns regarding this Policy should be directed to the Company Secretary (hermine@pistoius.co.za).

14.3. This Policy has been reviewed and approved by the relevant Stakeholders.

15. DISTRIBUTION

This Policy is to be distributed to all Employees.

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