

## STANDARD TERMS REGARDING ANTI-BRIBERY, CORRUPTION, SANCTIONS AND THE GRINDROD SUPPLIER CODE OF ETHICS AND CONDUCT

| POLICY SUMMARY   |  |
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| Policy owner     | Group Secretarial, Group Legal and Insurance |
| Cluster          | Governance                                   |
| Last review date | October 2024                                 |
| Next review date | April 2025                                   |

### 1. DEFINITIONS

Unless a contrary intention clearly appears, the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

- 1.1 **“ABC Laws”** means any and all local and / or foreign anti-bribery and corruption laws that are directly or indirectly applicable from time to time to
  - 1.1.1 Any of the Parties;
  - 1.1.2 The subject matter of the Agreement; and / or
  - 1.1.3 The arrangements contemplated in the Agreement, including, without limitation the South African Prevention and Combating of Corrupt Activities Act, 2004, the US Foreign Corrupt Practices Act, 1977, the UK Bribery Act, 2010, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997, and the UN Convention Against Corruption, 2003;
- 1.2 **“Affiliate”** means with respect to a corporate entity, any person that directly or indirectly Controls, or is Controlled by, or is under common Control with, that corporate entity;
- 1.3 **“Agreement”** means the written agreement to which Grindrod is a Party to;
- 1.4 **“Annexure”** means these standard terms set out hereunder with the agreed terms regarding anti-bribery, corruption, sanctions and the Grindrod Supplier Code;
- 1.5 **“Control”** or **“Controlled”** means in the case of a company, the ability, directly or indirectly (whether alone, or together with a Related Party, or in concert with another), to
  - 1.5.1 Exercise, or control the exercise of, a majority of the voting rights associated with the shares of that company;
  - 1.5.2 Elect, appoint or remove or control the election, appointment or removal of directors who can exercise a majority of the votes at a meeting of the board of that company; or
  - 1.5.3 Materially influence the policy of that company in a manner comparable to a person who, in ordinary commercial practice, would be able to exercise an element of control referred to in clauses 1.5.1 or 1.5.2;

- 1.6 “**Governmental Authority**” means any government or governmental body (national, provincial, regional, district, municipal or local), administrative, regulatory, fiscal or judicial authority, agency, body court, department, commission, tribunal, registry or any state-owned, state controlled or legislatively constituted authority, agency or commission which principally performs public, governmental or regulatory functions;
- 1.7 “**Grindrod**” means Grindrod Limited (registration number: 1966/009846/06), a company duly incorporated under the laws of South Africa;
- 1.8 “**Grindrod Supplier Code**” means the Grindrod Supplier Code of Ethics and Conduct as amended by Grindrod from time to time (a copy of such code as at the Signature Date is attached as Appendix 1);
- 1.9 “**Grindrod Group**” means Grindrod and all the companies or other entities in which it directly or indirectly holds any interest;
- 1.10 “**HMT**” means His Majesty’s Treasury of the United Kingdom;
- 1.11 “**OFAC**” means the Office of Foreign Assets Control for the US Department of Treasury;
- 1.12 “**Parties**” means the parties to the Agreement, and “**Party**” means any one of them as the context may indicate;
- 1.13 “**Related Parties**” means
- 1.13.1 Any director, officer, employee, agent or subcontractor of a Party;
- 1.13.2 Any Affiliate of a Party;
- 1.13.3 Any director, officer, employee, agent or subcontractor of any Affiliate of a Party;
- 1.13.4 Any other person who is authorised to act for or on behalf of a Party, or any of the persons referred to in clauses 1.13.1 to 1.13.3;
- 1.14 “**Sanctioned Transaction**” means any transaction that is prohibited by, or would cause any breach of, Sanctions;
- 1.15 “**Sanctions**” means trade, economic or financial sanctions, embargoes or restrictions imposed or applied pursuant to applicable laws and regulations which are administered or enforced from time to time by any Sanctions Authority;
- 1.16 “**Sanctions Authority**” means the United Nations, the European Union, the government of the United States of America, the government of the United Kingdom, the government of the Republic of France, and any of their applicable and authorised governmental authorities, including, without limitation, OFAC, the US Department of Commerce, the US State Department or the US Department of the Treasury, HMT, the Bank of England and the French Ministry of Finance;
- 1.17 “**Sanctions List**” means the Specially Designated Nationals and Blocked Persons List maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investments Ban List maintained by HMT, and any similar list maintained, or a public announcement of a Sanctions designation made by any Sanctions Authority, in each case as amended, supplemented, or substituted from time to time;

1.18 “**Signature Date**” means the date on which the last Party signs the Agreement.

## 2. ANTI-BRIBERY AND CORRUPTION

2.1 Each Party hereby warrants in favour of the other that, as at the Signature Date, to the best of its knowledge and belief after having made due and careful enquiries, neither it nor any of its Related Parties have:

- 2.1.1 Breached any ABC Laws;
- 2.1.2 Engaged in any act of corruption in terms of applicable ABC Laws,
- 2.1.3 Whether in relation to the conduct of any business or operations, or otherwise.

2.2 Each Party shall:

- 2.2.1 At all times comply, and take all reasonably practicable steps to ensure that all of its Related Parties comply, with all ABC Laws;
- 2.2.2 Notify the other Party / ies in writing immediately if it becomes aware of:
  - 2.2.2.1 An actual or suspected breach of any of the provisions of this clause **2**;
  - 2.2.2.2 An actual or suspected breach of any ABC Laws by that Party or any of its Related Parties; or
  - 2.2.2.3 Any investigation into that Party or any of its Related Parties by any Governmental Authority for any suspected or alleged breach of any ABC Laws.

## 3. SANCTIONS

3.1 Each Party hereby warrants in favour of the other / s that, as at the Signature Date, to the best of its knowledge and belief after having made due and careful enquiries, neither it nor any of its Related Parties:

- 3.1.1 Have been or is targeted under any Sanctions;
- 3.1.2 Have violated or is violating any applicable Sanctions; or
- 3.1.3 Is party to or have participated in any Sanctioned Transaction.

3.2 Each Party shall not (and shall ensure that none of its Related Parties shall) at any time participate in a Sanctioned Transaction, or in any manner contravene any Sanctions.

## 4. GRINDROD SUPPLIER CODE

4.1 The Grindrod Supplier Code shall be incorporated into and form part of the Agreement.

4.2 The Parties agree that they shall, and shall procure that their Related Parties shall, comply with the Grindrod Supplier Code.

4.3 In the event of any conflicting provisions between the Agreement, this Annexure and the Grindrod Supplier Code, the provisions shall prevail in the following order:



- 4.3.1 The provisions of the Agreement;
- 4.3.2 The provisions of this Annexure; and
- 4.3.3 The provisions of the Grindrod Supplier Code.

## **5. BREACH, REMEDIATION AND TERMINATION**

- 5.1 Where a Party becomes aware of a breach of this Annexure by the other Party or any of its Related Parties, the innocent Party may either:
  - 5.1.1 Immediately terminate its business relationship with the defaulting Party (including the Agreement); or
  - 5.1.2 Require the defaulting Party to produce a remediation plan specifying the actions that it shall take that shall lead to compliance with this Annexure, and present it to the innocent Party within 30 (thirty) days of being requested to do so.
- 5.2 If the defaulting Party fails to produce the remediation plan referred to in clause 5.1.2 within the required timeframe or fails to implement it within a reasonable time, the innocent Party may immediately terminate its business relationship with the defaulting Party (including the Agreement). The innocent Party may in its absolute discretion provide the defaulting Party with support and resources to assist with remediation. The innocent Party may also suspend the business relationship with the defaulting Party while remediation is ongoing.

### SUPPLIER CODE OF ETHICS AND CONDUCT

#### 1. THE GRINDROD WAY OF DOING BUSINESS

Our **PURPOSE**, which drives our strategy, is to make a positive difference in Africa's trade with the world, touching lives of the communities in which we operate.

In achieving our **PURPOSE**, we are committed to the highest standards of integrity and ethical behaviour, recognising that good conduct, underpinned by ethics, is fundamental to the sustainability of our business. Good conduct is evidenced through the daily behaviours of Grindrod's people and exhibited in individual and collective actions and decisions.

We expect all Grindrod stakeholders including our directors, employees, business partners and customers, communities, suppliers, contractors and anyone else representing Grindrod's interests to adhere to the **HIGHEST ETHICAL STANDARDS**.

Grindrod is committed to **RESPONSIBLE SOURCING** and Grindrod is aware of its corporate responsibility towards people, communities and the environment and supports the global sustainable development agenda. As embodied in our **PURPOSE**, we strive to contribute to the communities in which we operate by providing employment opportunities and sourcing locally where practicable.

Our **SUPPLIERS** are essential to our success and we aim to build **STRONG, PROACTIVE** and **LONG-TERM WORKING RELATIONSHIPS** with them. At Grindrod, suppliers are defined as suppliers of all goods and services, including suppliers of all materials, services, contractors, consultants, outsourcing services, distributors and business partners.

Grindrod's **SUPPLIER CODE OF ETHICS AND CONDUCT** (the 'Code') sets out the minimum standards and expectations for social, environmental and ethical performance for all our suppliers. The Code states the key standards that direct our conduct and enable our policies. It encourages all those with whom we do business to observe the same standards and we require our suppliers to act in a manner consistent with our Code, and cascade these down throughout their own supply chain, especially in key risk areas such as modern slavery, child labour, bribery and corruption, and worker and human rights protections.



Xolani Mbambo  
Chief Executive Officer

## 2. PURPOSE AND OBJECTIVES OF THE CODE

The purpose of the Supplier Code of Ethics and Conduct is to help ensure that suppliers share Grindrod's values with regard to labour standards, health and safety, environmental impacts and business ethics, thereby ensuring that that our suppliers are acting in a manner that is aligned with Grindrod's ethical principles and values.

## 3. APPLICATION AND SCOPE

This Supplier Code of Ethics and Conduct applies to all Grindrod's suppliers, service providers or vendors and their subcontractors, as well as customers and any other third-party, both locally and internationally. References to "suppliers" in this Code should therefore be read as including all of the aforementioned categories of third parties.

Grindrod expects its suppliers to meet the relevant local, national and regional laws and international treaties. Where our Code represents a higher standard than these, we expect our suppliers to follow this Code. We understand that not all of our suppliers will immediately meet every requirement of this Code and we will work with them to implement appropriate corrective actions where minimum standards are not being met.

- Grindrod requires suppliers to maintain a reciprocal open and transparent dialogue with us regarding actual, suspected, or anticipated breaches of this Code including high-risk issues in your key suppliers related to business with Grindrod
- Suppliers must provide Grindrod with reasonable access to documentation relating to compliance with the requirements of this Code should the need for audits arise
- Any known or suspected non-compliance with this Code can be reported either directly to Grindrod management or via Grindrod's independently operated and anonymous channels, as more fully detailed in section 5 below
- This Supplier Code of Ethics and Conduct replaces the Supplier Sustainability Code

## 4. GRINDROD'S SUPPLIER CONDUCT AND ETHICS PRINCIPLES

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| <b>Principle 1:<br/>Labour and<br/>Human Rights</b> | <p>Grindrod expects its suppliers to observe and respect internationally recognised human rights as described in the International Labour Organization (ILO)'s conventions, United Nations Universal Declaration of Human Rights, the UN Guiding Principles for Business and Human Rights and the United Nations Global Compact. Our suppliers must have a zero tolerance for any form of modern slavery and child labour in their operations and down their supply chains and actively work. We require our suppliers to comply with Grindrod's Anti-Slavery and Anti-Trafficking policy.</p> <p>We require our suppliers to</p> <ul style="list-style-type: none"><li>• Ensure that all work shall be voluntary, and workers shall be free to leave work or terminate their employment upon reasonable notice</li><li>• Not tolerate (have a zero tolerance approach toward) any modern slavery (slavery, forced, compulsory or bonded labour, servitude, human trafficking) both in their own business and in that of their subcontractors and other persons in their supply chain</li></ul> |
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|  | <ul style="list-style-type: none"> <li>• Respect the right of their employees to form and join trade unions of their choice and to bargain collectively without fear of retaliation or discrimination. Where the right to freedom of association and collective bargaining is restricted under law, the employer should facilitate, and not hinder, the development of parallel means for independent and free association and bargaining</li> <li>• Not tolerate (have a zero tolerance approach towards) any instances of child labour (any person below the age of 15) and ensure that special protections are in place for young workers (those below the age of 18 and above legal minimum working age) in both their own business and in that of their subcontractors and supply chain</li> <li>• Provide their employees fair wages, benefits and working hours that meet legal or industry standards as a minimum</li> <li>• Treat all employees, contractors or other workers fairly and respectfully and to prohibit discrimination or harassment on the grounds of gender, marital or parental status, ethnic or national origin, social background, sexual orientation, religious belief, political affiliation, age, disability, or union membership</li> <li>• Ensure their workplaces are kept free of harassment, harsh treatment, violence, intimidation, corporal punishment, mental or physical coercion, intimidation and verbal or sexual abuse, threats of violence as a method of discipline or control such as retaining employees' identification, passports, work permits or deposits as a condition of employment. Not tolerate any forms of inhumane treatment of employees or contractors</li> <li>• Employ workers who are legally authorised to work in their facilities and are responsible for validating employees' eligibility to work through appropriate documentation. All employees of a Grindrod supplier must have employment contracts</li> <li>• Duly map its human rights impacts whenever the need for such action is agreed</li> <li>• Have in place adequate remedial mechanisms in case of any human rights violations</li> <li>• Conduct appropriate risk-based supply chain due diligence to ensure compliance with the above requirements</li> </ul> |
| <p>Principle 2:<br/><b>Compliance with and respect of the law</b></p>                                | <p>Grindrod expects its suppliers to comply with the applicable laws, legislation and regulations in all areas in which it operates.</p>  |
| <p>Principle 3:<br/><b>Business ethics, anti-bribery and corruption and sanctions compliance</b></p> | <p>Grindrod expects its suppliers to have a zero tolerance for fraud, bribery and corruption. Grindrod does not tolerate any form of bribery or corruption or fraudulent behaviour by our employees, suppliers and those with whom we do business. All our employees and suppliers are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Grindrod Group.</p> <p>We require our suppliers to</p> <ul style="list-style-type: none"> <li>• Conduct their business in an open and transparent manner, and in accordance with this Code and Grindrod's Anti-Bribery and Corruption policy. All parties shall obey all antitrust and other competition laws</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>• Not tolerate any form of bribery or corruption and to neither give nor accept bribes nor permit others acting on their behalf or in their supply chain to do so</li> <li>• Prohibit facilitation payments in any form, and to conduct all their dealings with governments and public officials in a transparent and ethical way, promoting honest and constructive engagement</li> <li>• Not offer, promise or provide money or any improper or unlawful benefit to a government or public official in the commercial marketplace</li> <li>• Not offer, give or receive any gifts or hospitality which is intended, or may be construed, as a bribe, or which may place, or be perceived to place (directly or indirectly) the other under an obligation towards the party offering or giving such gift or hospitality, regardless of local custom. Gifts of cash or cash equivalents are strictly prohibited</li> <li>• Inform Grindrod immediately if any of its employees, related parties or associates has a financial interest in its business with Grindrod which might cause a conflict of interest</li> <li>• Comply with applicable sanctions laws, and immediately notify Grindrod if it or any of its related parties is designated or otherwise targeted under any sanctions (including secondary sanctions), or is subject to any investigation by a sanctions authority in respect of any suspected violation of any applicable sanctions, is party to or have participated in any sanctioned transaction</li> </ul> |
| <p>Principle 4:<br/><b>Occupational health and safety</b></p> | <p>Grindrod expects its suppliers to provide a safe, secure and healthy working environment for their employees and contractors.</p> <p>We require our suppliers to</p> <ul style="list-style-type: none"> <li>• Demonstrate senior management’s commitment to occupational health and safety</li> <li>• Develop and implement a documented health and safety management system in accordance with an international standard such as ISO 45001</li> <li>• Develop and implement an occupational health and safety policy relevant to their operations</li> <li>• Set goals, commitments and/or actions for continuous improvement in health and safety performance</li> <li>• Identify, assess and manage hazards and associated risks by implementing reasonable and necessary controls to reduce risks of accidents, injuries and exposure (especially where hazardous materials are present)</li> <li>• Ensure that controls are effectively communicated to all employees</li> <li>• Develop and implement appropriate emergency preparedness and response procedures and plans</li> <li>• Ensure employees and contractors receive regular and appropriate occupational health and safety training</li> <li>• Report and investigate health and safety incidents and implement additional controls to prevent reoccurrence</li> <li>• Conduct periodic workplace inspections and audits</li> <li>• Measure and monitor occupational health and safety performance</li> </ul>  |

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| <p>Principle 5:<br/><b>Communities</b></p>                    | <p>Grindrod expects its suppliers to respect the communities in which they operate</p> <p>We require our suppliers to respect and protect the human rights and interests of the communities in which they operate and Identify the impacts of their activities on their communities, and mitigate against negative impacts.</p>   |
| <p>Principle 6:<br/><b>Environment and climate change</b></p> | <p>Grindrod expects its suppliers to not only comply with all applicable environmental, health and safety laws, regulations and directives, but also conduct operations in a manner that protects the environment and minimises waste, emissions, energy usage and greenhouse gas emissions.</p> <p>We require our suppliers to</p> <ul style="list-style-type: none"> <li>• Demonstrate senior management’s commitment to environmental protection and management by adopting an effective Environmental policy. The policy should include consideration of climate change and set goals, commitments and actions for continuous improvement in environmental performance</li> <li>• Document and implement a relevant Environmental Management System (aligned with international standards such as ISO 14001) to identify, control and mitigate significant environmental impacts</li> <li>• Minimise impacts to ecosystems, environment and climate by optimising the use of non-renewable natural resources</li> <li>• Implement and demonstrate sound measures to prevent pollution and minimise / eliminate generation of solid waste, wastewater and air emissions and have in place systems and processes to adopt suitable preventive and corrective measures</li> <li>• Comply with all applicable environmental laws and regulations regarding hazardous materials, air emissions, waste and wastewater discharges, including the manufacture, transportation, storage, disposal and release to the environment of such materials</li> <li>• Have in place an energy and climate change programme that includes measurable goals for improving energy efficiency and minimising / eliminating greenhouse gas emissions</li> <li>• Engage in the development and use of climate-friendly products and processes to reduce energy consumption and greenhouse gas emissions</li> </ul> |
| <p>Principle 7:<br/><b>Data privacy and security</b></p>      | <p>The right to privacy is an integral human right recognised and protected in the South African Constitution and in the Protection of Personal Information Act 4 of 2013 (POPIA). Grindrod is committed to compliance with POPIA and other applicable legislation, protecting the privacy of data subjects and ensuring that their personal information is used appropriately, transparently and securely. Please refer to Grindrod’s POPIA policy.</p> <p>Grindrod requires its suppliers to</p> <ul style="list-style-type: none"> <li>• Protect Grindrod’s confidential assets and information, and safeguard this against misuse, mishandling, and improper disclosure</li> <li>• Have designed, implemented and are maintaining processes for the appropriate protection of personal information</li> </ul>   |

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|  | <ul style="list-style-type: none"><li>• Comply with POPIA and all applicable data protection laws in the jurisdictions in which they operate</li></ul> |
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## 5. DUTY TO REPORT

Grindrod is committed to integrity in all its business dealings and to ethical and lawful conduct throughout its operations. GRINDROD'S WHISTLEBLOWING POLICY sets out the processes to follow and mechanisms available to those needing to report unethical activity, and the rights and responsibilities of those making and those receiving such reports (report recipients). Suppliers and their supply chains are obligated to report wrongdoing through any of the reporting channels provided.

The rights and responsibilities of those making reports (reporters) apply not only to employees of Grindrod, its subsidiaries and joint ventures, regardless of geographic location, but to former employees and stakeholders including agents, contractors and their employees. Depending on the contractual relationship between Grindrod and a third party, both employers may be jointly liable for legal compliance in respect of employees.

In order that all stakeholders can report unethical activity in Grindrod as easily as possible, a variety of channels are made available. Those wishing to make a report are encouraged to use whichever of the channels is most suited to the circumstances.

### Direct reporting through a Grindrod management representative

Suppliers can raise their concerns with a senior manager or executive within the Grindrod operation that is their primary point of contact, or via the Group Ethics Officer / Group Company Secretary.

If a report is directed to a member of management and the reporter has reason to believe that it has been ignored, the report can be re-reported to the Group Ethics Officer. Reports can be made verbally or in writing.

When making a direct report you are welcome to advise of any sensitivities or confidentiality preferences that you wish to be considered when pursuing your report. It is Grindrod policy that disclosure reports should be appropriately escalated for attention, and that only personnel essential to the handling of the matter will be advised of the report details.

### Contact details

Group Ethics Officer / Group Company Secretary

**P** +27 31 302 7145

**E** vicky.commaile@grindrod.com

If a reporter has reason to be uncomfortable using these normal business channels, they should use one of Grindrod's **two reporting mechanisms that provide assured anonymity**, as described below.

### Independently managed Grindrod Ethics Hotline

The Grindrod Ethics Hotline is independently operated by Deloitte Tip-offs Anonymous (Tip-offs), a specialist ethics hotline service provider. Tip-offs is annually certified by The Ethics Institute as meeting the requirements of the 'SafeLine-EX' standard for independent ethics hotline providers. Find more information about Tip-offs at <https://www.tip-offs.com/>.



Reports can be made telephonically, via a web-based form, email, mail or fax, and are received and handled in a secure environment by professionally trained personnel at Tip-offs Anonymous.

No information that reveals the identity of the person making a report will be included in the information provided by Tip-offs Anonymous to Grindrod, if the person has chosen to remain anonymous. Only if the reporter has given their express consent will their contact details be communicated to Grindrod. Tip-offs will also facilitate any further communication between the reporter and Grindrod.

Users of the Grindrod Ethics hotline operated by Tip-offs can make a report of suspected or known unethical conduct using one of the following channels

- A dedicated telephone number
  - South Africa and Namibia - 0800 213 118 (Free Call)
  - Mozambique - 800 333 312 (Free Call)
  - UAE - 800035703346 (Free Call)
  - Other countries - (+27 800 213 118)
- Online submission via a webform at: [www.tip-offs.com](http://www.tip-offs.com)
- Email to: [grindrodethics@tip-offs.com](mailto:grindrodethics@tip-offs.com)
- Post to (Ethics Officer, PO Box 1, Durban, KwaZulu Natal, South Africa, 4000) or from within South Africa use Free Post KZN 138, Umhlanga Rocks, 4320
- Fax +27 31 560 7395 (international) or Free Facsimile from RSA and Namibia: 0800 00 77 88
- Send an SMS to 32840 at a cost of R1.00 per SMS (SA only)

### **The EthicsDefender interactive chat system**

The EthicsDefender web-based service, independently operated by FraudCracker, is a technology system that enables anonymous and confidential interactive communication between a reporter and the designated senior manager in Grindrod. FraudCracker is annually certified by The Ethics Institute as meeting the requirements of the 'SafeLine-EX' standard for Digital Safe Reporting Service Providers. Find more information about EthicsDefender at <https://grindrod.ethicsdefender.com/>.

The EthicsDefender system provides an electronic shield that means that Grindrod cannot access the contact details of the reporter unless they choose to disclose these. At the same time the reporter is able to interact electronically and directly with Grindrod without having to communicate via the third-party (Tip-offs). Reporters wishing to report unethical activity at Grindrod can do so at: <https://grindrod.ethicsdefender.com/>.

## **6. ADDITIONAL RESOURCES**

### **INTERNAL**

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ILO Declaration on Fundamental Principles and Rights at Work

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UN Guiding Principles on Business and Human Rights

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Paris Agreement Under the UN Framework Convention on Climate Change

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UN Sustainable Development Goals

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UN Global Compact

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Prevention of Corrupt Activities Act, Act 12 of 2004 in South Africa

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The Foreign Corrupt Practices Act of 1977 (FCPA)

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UK Bribery Act 2010

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