



ANTI-BRIBERY AND CORRUPTION
POLICY OF THE neXgro GROUP OF
COMPANIES

1. INTRODUCTION

- 1.1 Bribery and corruption, no matter how it may manifest itself, is a growing concern for corporates across the globe. Failure to manage bribery and corruption risks have the potential of resulting in substantial fines and penalties, reputational harm, diversion of attention and funds, and of course criminal prosecution.
- 1.2 neXgro prides itself as a market leader in the agricultural industry that operates on the foundational principles of honesty, integrity, fairness, and ethics.
- 1.3 neXgro understands that the attitude with which a Company's management tasks any aspect of its business, is the key factor forecasting the successful conclusion of such task or not. The Board of Directors, with the adoption of this policy, along with its no tolerance mandate, reiterates its commitment to conduct all its business dealings and relationships lawfully, ethically and in line with all applicable legislation¹.

2. POLICY STATEMENT

- 2.1 neXgro has a zero-tolerance approach towards acts of bribery and corruption and expects all its employees and business partners to comply with the principles and requirements of this policy and to act in the best interest of neXgro at all times.
- 2.2 Our business practices and relationships will always be aligned with the applicable legislation as well as the robust policies and procedures adopted internally that are aimed at preventing and combating bribery and corruption. Employees are encouraged to propose procedures that can assist to mitigate identified risks.
- 2.3 The Board, along with its executive and senior management team, endorses this policy and will lead the practical and consistent implementation thereof.

¹ Refer to *Companies Act, 71 of 2008, Prevention and Combating of Corruption Activities Act, 12 of 2004, Prevention of Organised Crime Act 121 of 1998, Protected Disclosures Act 26 of 2000* and any legislation of similar import.



3. SCOPE OF THE POLICY

- 3.1 This policy applies to neXgro (inclusive of its affiliates and subsidiaries), as well as its executive and non-executive directors, managers, full – and part time employees and all other business partners to the extent that they are involved with neXgro and is applicable when conducting business in both the public and private sectors.
- 3.2 Everyone to whom this policy applies, is expected to familiarise themselves with this policy and to comply with its principles.

4. POLICY PRINCIPLES

- 4.1 Corruption and bribery may be used interchangeably in this policy and can informally be defined as any act of unfairly or illegally influencing a decision-making process through the giving or the promise to give or receiving of a benefit by the person making the decision or a third party connected to the decision maker.
- 4.2 It is important to take cognisance of the fact that the successful acceptance of a bribe is not required to constitute a violation of the relevant legislation or this policy. Therefore the offering of anything improper and similarly, a bribe that did not result in an improper advantage is still a bribe and accordingly constitutes a violation of this policy.
- 4.3 Corruption in all its forms is strictly prohibited and it is never acceptable to offer or accept a bribe, irrespective of the purpose.
- 4.4 This policy prohibits (and if the context so requires, restricts):

4.4.1 BRIBERY AND KICKBACKS

- 4.4.1.1 neXgro does not pay, or receive any bribes or kickbacks, either directly or indirectly and prohibits its employees and business partners from engaging in such activities.
- 4.4.1.1 It is important to note that bribery and corruption may be disguised in various non-traditional forms and in neXgro's context includes, by way of example, the influencing of role players to tamper or interfere with

grain samples for the purposes of grading, keeping a “traders book” at higher prices backed by a producer’s contract or offering producers lower than usual base prices.

4.4.1.3 Staff is expected in all instances not to act in any way or offer or accept anything that may cause a conflict of interest and that may broadly speaking not be in the best interest of neXgro.

4.4.2 FACILITATION PAYMENTS

4.4.2.1 Facilitation payments are payment or donations made or received to speed up a routine transaction or process.

4.4.2.3 neXgro does not pay nor does it accept any facilitation payments and we expect our employees and business partners to adopt the same stance.

4.4.3 GIFTS, HOSPITALITY AND EXPENSES

4.4.3.1 neXgro takes cognisance of the fact that the giving and receiving of corporate gifts, meals and hospitality may play an important role in the establishment and maintenance of sound long term business relationships, but it is not ignorant of the fact that some gifts may be given or received with ulterior motives.

4.4.3.2 Accordingly, neXgro adopted a comprehensive gifts declaration policy that sets out the guiding principles to be adhered to by all employees to ensure ethical conduct *vis-à-vis* suppliers, customers, competitors intermediaries and stakeholders as far as it relates to the giving and receiving of gifts, courtesies, benefits, events, awards and so forth as well as the obligation to make declaration thereof to ensure openness and transparency. The policy is available internally via our intranet and may be updated from time to time.

- 4.4.3.3 It is reiterated herein that no employee or business partner may offer or accept a gift, meal, hospitality, award, or other incentive that could influence that person's independence, impartiality or decision-making ability or can be perceived as constituting a bribe.
- 4.4.3.4 Modest gifts, given or received openly, unconditionally, and transparently may be given, or accepted, when such gift is reasonable and proportionate taking into consideration the value and frequency with which the gift is offered or accepted and when otherwise aligned with the forementioned gifts declaration policy.
- 4.4.3.5 Modest gifts, offered with the intention to gain an improper advantage may not be given and when offered, must be declined.

4.4.4 CHARITABLE AND POLITICAL DONATIONS

- 4.4.4.1 South Africa is faced with a myriad of economic challenges and many people and organisations are completely reliant on donations and financial support from corporates for their survival. Accordingly, neXgro supports charitable giving to charities that serve a legitimate purpose and who are transparent and accountable. Donations must be for purely charitable purposes with no intention of influencing a specific business decision. Charities shall however be subject to due diligence and any donations, gifts, sponsorships, or financial support shall be approved by neXgro's Exco.
- 4.4.4.2 neXgro does not make contributions, donations or otherwise to any politician or political party and we require our business partners to avoid or strictly and transparently manage the corruption risks faced in this sphere.

4.5. DEALING WITH GOVERNMENT OFFICIALS

- 4.5.1 As government officials are often able to solicit bribes and/or facilitation payments due to their positions of power it goes without saying that any payment to such an official is open to greater scrutiny.
- 4.5.2 neXgro has a zero-tolerance approach towards the bribing of government officials and we implore our employees and business partners to conduct their dealings with government officials in such a fashion that same will be beyond reproach.
- 4.5.3 The directors, employees, managers and other neXgro business partners are prohibited from, either directly or indirectly, offering, promising, or authorising **anything of value** to a government official with the intent to influence the official in any way or to gain an improper advantage.

5. THIRD PARTIES

- 5.1 Business partners include but are not limited to vendors, suppliers, consultants, contractors, clients and the like.
- 5.2 neXgro expects its business partners to be familiar with this policy, to comply with its provisions and to take the same approach towards incidents of bribery and corruption.
- 5.3 Business partners must undertake to comply with all applicable anti-bribery and corruption legislation and must undertake steps to ensure that to none of its affiliates, directors, managers employees, contractors etc offers or take any bribes, kickbacks, facilitation payments or the like.
- 5.4 On the other hand, vigilance is required during contractual engagement and ongoing management of business relationships with third parties.
- 5.5 Business partners must be selected through a transparent, competitive, and fair processes and fees, commissions and other remuneration must be reasonable and justifiable under the circumstances.

- 5.6 Business partners are expected to fully cooperate with neXgro when there is a request of information regarding compliance to this policy.

6. **COMMUNICATION AND TRAINING**

- 6.1 This policy will be made available to all employees, initially during onboarding and thereafter periodically through our own learner management system and will always be accessible via the intranet.
- 6.2 Externally, the policy will be communicated to all business partners at the onset of the relationship and thereafter periodically, if appropriate whilst copies will be made available on our website.
- 6.3 As far as may be possible, the provisions of this policy will also be required to be adhered to by our clients, through the incorporation of the principles hereof as conditions of our Standard Trading Terms and Conditions, thereby creating contractual obligations for compliance therewith by neXgro clients.

7. **GOVERNANCE**

7.1 **RECORD KEEPING**

- 7.1.1 Complete and accurate financial records must be kept in accordance with best practise and appropriate internal controls must be in place to evidence the business reason for making or receiving payments.
- 7.1.2 All expense claims relating to hospitality, gifts and other expenses incurred toward third parties must be recorded along with a reason for such expenditure.

7.2 **REPORTING VIOLATIONS & NON COMPLIANCE**

- 7.2.1 Any actual or suspected policy violations must be reported directly to the applicable line – or business manager.
- 7.2.2 Should an employee be dissatisfied with a manager's response, alternatively not be comfortable to report a matter to the applicable manager, the employee should report the matter to

the anonymous tip-off line, managed by an independent third party, as follows:

Toll Free Telephone number: 0800 007 039

Email: unigrain@whistleblowing.co.za

Toll Free Fax: 0800 212 689

SMS: 33490

Whatsapp: +27 31 308 4664

- 7.2.3 The tip-off line may, similarly, is available to third parties to report irregularities.
- 7.2.4 Any non-compliance to this policy will be deemed in a serious light.
- 7.2.5 Employees guilty of non-compliance will be subject to disciplinary proceedings and their employment may be terminated.
- 7.2.6 If there is reasonable suspicion that a business partner violated these policy conditions, neXgro may re-evaluate, restrict, or possibly terminate the relationship.
- 7.2.7 Where legally obliged, neXgro will report non-compliance to the relevant external regulators and authorities.

Version number	Version date	Effective Date	Summary of changes made
1	28 November 2023	1 December 2023	First version
2	28 February 2024	1 March 2024	Updated the contact information of the anonymous tip-off line