



SAICA GROUP

Employee Conflict of Interest Policy

Document control

Managed by	Governance
Policy Owner	Executive Director: Governance
Policy Sponsor (if different from owner)	Executive Director: Governance
Date Approved ExCo	4 September 2023
Version	3.0
Next Review Date	3 September 2026
Status	Approved

Contents

1.	Introduction & Purpose	3
2.	Interpretation & Definitions	3
3.	Scope & Application	4
4.	Policy Statement	5
5.	Roles & Responsibilities	6
6.	Reporting	6
7.	Remedial Action	6
8.	Approval & Effective Date	6
9.	Review	7



1. Introduction & Purpose

- 1.1. This policy sets out the minimum expected principles and standards regarding Conflict of interest between SAICA and its Employees.
- 1.2. This Policy is designed to assist an Employee in identifying situations that could present potential Conflict of Interest and to provide SAICA with a procedure which, if observed, will allow a transaction to be treated as valid and binding even though an Employee has or may have a Conflict of Interest with respect to the said transaction.

2. Interpretation & Definitions

- 2.1. **“CEO”** refers to SAICA’s Chief Executive Officer;
- 2.2. **“Conflict of Interest”** occurs when there is a direct or indirect competing interest, in fact or in appearance, between the interest of an Employee and SAICA, this includes financial, economic, and other interest in any opportunity from which SAICA may benefit, as well as use of the property of SAICA, including information. This includes an Employee’s Related Parties holding such interests;¹
- 2.3. **“Contract” or “Transaction”** refers to any agreement or relationship involving a sale or purchase, loan or grant, and any other type of pecuniary relationship or benefit. **“Transact”** shall have a corresponding meaning;
- 2.4. **“Corporate opportunity”** means when an opportunity, to acquire property or to seize some financial, economic, business advantage or any other opportunity from which SAICA may benefit comes to the attention of an Employee or as a result of his/her relationship to SAICA in a way that would permit its personal realisation, and is relevant to SAICA's present or prospective purposes or goals;
- 2.5. **“Employee”** means any person, excluding an independent contractor, who works for SAICA and who receives, or is entitled to receive, any remuneration; and any other person who in any manner assists in carrying out or conducting the business of an employer “employed” and “employment” have meanings corresponding to that of Employee;
- 2.6. **“Fair value”** refers to the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction;
- 2.7. **“Financial Interest”** refers to a financial interest of any kind and value in view of all the circumstances would, or reasonably could, affect an Employee’s or an individual with whom an Employee has a Personal Relationship’s judgment, with respect to transactions to which the entity is a party. This includes all forms of compensation;
- 2.8. **“Gift”** refers to a thing given willingly to someone without payment, including any cash, cash equivalent, voucher, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive, or valuable consideration;
- 2.9. **“Outside Activity”** means a type of Conflict of Interest, which may include, but not limited to: an Employee competing with SAICA in the rendering of services or in any other Contract or Transaction with a third party;

¹ Definition for ‘Conflict of Interest’ as per King IV.



or an Employee having a Financial Interest in or serving as a director, officer, Employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative of, or consultant to, an entity or individual that competes with SAICA in the provision of services or in any other Contract or Transaction with a third party;

- 2.10. **“Outside Interest”** means a type of Conflict of Interest, which may include, but not limited to: a Contract or Transaction between SAICA and an Employee or an individual with whom an Employee has a Personal Relationship; a Contract or Transaction between SAICA and an entity in which an Employee or an individual with whom an Employee has a Personal Relationship has a Financial Interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative; or an Employee having an interest in a business, even though that business is unrelated to the business of SAICA and such business does not necessarily transact business with SAICA;
- 2.11. **“Personal Relationship” or “Related Member or Parties”** when used in respect of two persons, means an individual who has a personal friendship with an Employee or an individual related to an Employee if they are married, or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or adopted consanguinity or affinity, for example: spouse, partners, children, siblings, aunts, uncles, cousins, nephew and nieces, or an individual who is related to a juristic person if the individual directly or indirectly controls the juristic person;²
- 2.12. **“Private Work”** refers to direct or indirect interest, engagement, or concern with, or employment by any business, trade, undertaking or concern with or employment by any business, trade, undertaking or concern of an Employee, other than that of SAICA, whether for remuneration or not;
- 2.13. **“Profession’s Contributions”** includes any representative role assigned to or by appointment of an Employee by virtue of their employment by and or membership with SAICA, with or without remuneration;
- 2.14. **“SAICA”** Refers to the South African Institute of Chartered Accountants; and
- 2.15. **“SAICA Controlled Entities”** means those Entities that are controlled by SAICA, i.e., Thuthuka Education Upliftment Fund, SAICA Enterprise Development and The Hope Factory and any other legal entity that may from time to time be established and controlled by SAICA.

3. Scope & Application

- 3.1. This Policy applies to SAICA, its business activities and operations, and all Employees and service providers and other stakeholders who have adopted this Policy or the principles thereof via a contractual agreement or otherwise. irrespective of whether an offence has actually been committed or where there is only a suspicion of an offence being committed.
- 3.2. This Policy further applies to SAICA Controlled Entities its business activities and operations, and all Employees, service providers and other stakeholders who have adopted this Policy or the principles thereof via a contractual agreement or otherwise. irrespective of whether an offence has actually been committed

² See definition for ‘Related Party, as per King IV and the Companies Act, 71 of 2008.



or where there is only a suspicion of an offence being committed, to the extent to which the Entity has adopted a similar policy.

4. Policy Statement

4.1. SAICA requires its Employees to comply with its core values, ethical aspects and its various codes of conduct, it expects the highest standards of ethical business conduct from its Employees in fulfilling their duties and responsibilities towards SAICA, including declaring any Conflict of Interest between SAICA and Employees. pursuant to this, SAICA has adopted the following policy statements:

4.1.1. **Policy Statement 1:** A Conflict-of-Interest Register (including any Profession Contributions) shall be established and maintained.

4.1.2. **Policy Statement 2:** Employees shall immediately address and declare any (potential) Conflict of Interest and Financial Interests when it comes to his/her attention, alternatively as soon as reasonably possible in accordance with the **Conflict-of-Interest Declaration Manual**.

4.1.3. **Policy Statement 2:** An Employee shall not pursue a corporate opportunity without first presenting such an opportunity to his or her line manager for approval.

4.1.4. **Policy Statement 3:** An Employee who has a Conflict of Interest shall not participate in or be permitted to hear a committee, forum or any other type of meeting discussion should he/she believe that the members of the committee, forum or any other type of meeting will act or vote on a Contract, Transaction or any other type of matter, in which he/she has a Conflict of Interest, except to disclose material facts and to respond to questions. An Employee shall not attempt to exert his/her personal influence with respect to the matter, either at or outside the committee, forum or any other type of meeting.

4.1.5. **Policy Statement 4:** An Employee who has a Conflict of Interest with respect to a Contract or Transaction that will be acted or voted on at a committee, forum or any other type of meeting shall not form part of the quorum for purposes of the vote and shall be ineligible to take part in the or be present when the vote on a Contract or Transaction or any other agreement or understanding is taken.

4.1.6. **Policy Statement 5:** An Employee who has a Conflict of Interest with respect to a Contract or Transaction, not subject to a committee, forum or any other type of meeting shall refrain from any action that may affect SAICA's participation in such a Contract or Transaction or any other agreement or understanding.

4.1.7. **Policy Statement 6:** An Employee shall be required to declare any third-party Gift, over the Fair Value of R2000 (two thousand rand) where it results out of the course of the Employee's duties towards, or relationship with SAICA. The giving or receipt of common courtesies, occasional meals, or reasonable entertainment appropriate to the business relationship and associated with business discussions are regarded as consistent with sound business practice, declarations must be in accordance with the **Conflict-of-Interest Declaration Manual**.

4.1.8. **Policy Statement 7:** For all intents and purposes SAICA views the conduct of private work as a Conflict of Interests, however, given the nature of SAICA and its need to retain talent. the conduct of private



work by an Employee of SAICA may be allowed, subject to the provisions of this Policy and the required written approval in terms of the **Conflict-of-Interest Manual**.

- 4.1.8.1. **Policy Statement 8:** The Profession's Contributions does not constitute Private Work, as such any Profession's Contributions shall be approved in accordance with the Delegation of Authority framework.
- 4.1.8.2. **Policy Statement 9:** No employee shall be remunerated for additional work outside of the scope of the employment agreement without prior approval.
- 4.1.9. **Policy Statement 10:** An Employee shall not disclose or use any SAICA information or information relating to the business of SAICA for the personal profit or advantage of the Employee or any third party.
- 4.1.10. **Policy Statement 11:** An employee shall on an annual basis, as required by SAICA and as and when changes occur, complete a declaration form (as issued and amended by SAICA from time to time), identifying any relationships, positions, or circumstances in which the Employee is involved that he/she believes could contribute to or result in a Conflict of Interest.,

5. Roles & Responsibilities

- 5.1 Management should ensure that all SAICA Employees, and all relevant service providers and stakeholders are familiar with the content of this Policy and the relevant regulatory requirements, as well as subsequent amendments thereto from time to time.
- 5.2 Employees shall adopt, adhere, uphold, promote, enforce, and have conceptual knowledge of the content of this Policy, including the necessary skill to apply, practice and resolve to implement this, Policy.
- 5.3 The Governance Division shall enforce this Policy and ensure that all SAICA Employees understand their responsibilities in terms of this Policy. The Governance Division shall develop and maintain a Conflict-of-Interest Register (including any Profession Contributions), as well as any supporting documentation.

6. Reporting

- 6.1. This Policy imposes a duty and responsibility on Employees to report non-compliance of this Policy to the Policy Owner. Alternatively, must report such via SAICA's Anonymous Tip-off Hotline. Please refer to the Whistleblowing Process for guidance on how to report.
- 6.2. In turn, the Policy Owner shall report non-compliance and any declarations of Conflict of Interest in terms of this Policy to the Compliance Function on a monthly basis and provide continuous status updates on the reported non-compliance.

7. Remedial Action

It should be noted that should the Employees, fail to adhere to this Policy, such conduct may result in disciplinary action being taken in accordance with SAICA's Disciplinary Code, Disciplinary Procedure, and other relevant legal procedures.

8. Approval & Effective Date

This Policy shall be approved by ExCo and shall come into effect 1 (one) month after approval by ExCo, subject to the completion of implementation and the necessary training awareness created by the Policy Owner.



9. Review

- 9.1. This Policy will be reviewed every 3 (three) years or as required, in order to ensure that the terms are current, fair, and representative of relevant corporate and industry conditions.
- 9.2. SAICA reserves the right to change this Policy at any time, without prior notice and will communicate such changes to all affected parties.

POLICY SIGN-OFF AND OWNERSHIP DETAILS

Policy Title	Employee Conflict of Interest Policy
Related Legislation Applicable	Companies Act and King IV
Related Policies, Procedures, Guidelines, Standards, Frameworks	Employee Code of Ethics, Employee Code of Conduct, Disciplinary Code, Policy, and Procedures etc.
Replaces	Conflict of Interest Policy V2.0 (2020)
Policy Owner	Executive Director: Governance
Policy Sponsor (if different from Policy Owner)	Executive Director: Governance
Application	SAICA and SAICA Controlled Entities, including their Internal and External stakeholders
Functional Owners	Governance Division
Status	Approved
Final Approval by	ExCo
Approval Date	4 September 2023
Version	3.0
Next Review Date	3 September 2026

Sign-off:

The following party is a signatory to the content of this policy:

Signed by the Chairman of the ExCo Committee

Chairman of the ExCo

Date: 4 September 2023

Revision History

Version	Date	Revision Description & Summary of Changes (for audit trail purposes) Note: The Change Risk Management process must be followed where significant changes are made to this policy.	Policy Owner & Policy Sponsor
1.1	[DD.MM.YY]	Minor Amendments	
2.1	4:09:2023	Minor Amendments	Executive Director: Governance
2.0	14:09:20	Major Revision: (Approval required)	Executive Director: Governance
1.0	06:08:10	First draft: new policy	CEO Office

End of Policy