

# CODE OF CONDUCT



[www.highlandessentialoils.co.za](http://www.highlandessentialoils.co.za)

Code of Conduct  
- guidelines for  
communication,  
decision-making and  
actions



# INDEX

1 Why Do We Need a Code of Conduct?

**2 What is a Code of Conduct?**

**3 What Guides Our Behaviour at HEO**

3.1 The Basis for Our Code of Conduct:

3.2 Our Compliance Guidelines

The Basis of Our Success: Our Values

The Basis for Our Future: Sustainability

**4 The Code of Conduct: The Guidelines**

**4.1 At Work**

Respect and Fairness

Health and Safety at Work

Product Safety

Company Property

Data and Information Technology

Alcohol and Drugs

**4.2 In Business Relationships**

Market and Competition

Conflicts of Interest

Corruption and Bribery

Gifts and Invitations

Financial Contributions

Finances

**4.3 Handling Information**

Confidentiality and Data Protection

Insider Information

Inquiries from External Sources

Intellectual Property

**5 Contact**



# **1. Why do we need a Code of Conduct**



- The Code of Conduct is an instrument that allows HEO to create this basis on an ethical and legal foundation.
- The Code of Conduct is therefore one of the most important components of our compliance program. It provides us with a proven framework within which to make business decisions.
- By complying with our Code of Conduct, we have built up an outstanding reputation as a reliable company with integrity. This reputation is a vital asset to our company: It isn't just a facade – it's part of our daily business. In this sense, please continue to comply with the Code of Conduct



# **2 What is a Code of Conduct**



- Our Code of Conduct at **HEO** is a set of compulsory ethical guidelines that apply to every employee, regardless of position, location or task and irrespective of any and every personal characteristic such as age, gender, language or culture.
- The Code of Conduct provides the framework for interactions with our essential stake holders: Employees and colleagues, customers and suppliers, shareholders and investors, neighbours, society, national and local governments as well as government agencies, opinion leaders, media and the public.
- The Code of Conduct is based on our values and principles. By following it, we guarantee that every person is handled fairly and with respect while ensuring that our behaviour and business activities remain transparent, honest and consistent



# **3. What Guides Our Behaviour at HEO?**



- Decisions are a part of our daily work. We all know to consider more than just business interests and success – legal and ethical aspects must also be taken into account. One wrong decision can have far-reaching consequences for the entire company. If you are unsure of how to act in a given situation, check your decision against the following criteria:
- Does my decision align with the applicable laws, Code of Conduct and other company rules?
- Can I make an unbiased decision in the best interests of the company, completely free from my own competing interests?
- Would my decision be approved if a third party were to check it?
- Will my decision protect the company's good reputation?
- If you cannot answer every question with “Yes”, then you should seek out advice from one of our contacts



# **3.1 The Basis for Our Code of Conduct:**

## **Our Compliance Guidelines**



- The term compliance means observing all of the applicable laws and regulations at local, national and international levels. We at **HEO** act in accordance with the laws and constantly strive to conduct ourselves in an ethical manner. The basis for this is formed by the **HEO** compliance guidelines. They are the foundation for all specific and broader statements as summarized here in the Code of Conduct:
- We comply with the applicable legal provisions and our internal standards at all times.
- We strengthen the trust placed in us by customers and stakeholders by upholding our high ethical standards.
- We avoid conflicts of interest. If conflicts of interest exist, we deal with them openly.
- We maintain transparency in order to handle conflicts of interest in an appropriate manner.
- We condemn every form of corruption. Corruption has no place in our business practice and poses an obstacle to development and advancement



# 3.2 The Basis of Our Success: Our Values

- **Customer service** - We consistently provide exceptional service to satisfy the needs of our customers We are constantly improving – because we know that only a positive approach, yields efficiency and customer satisfaction
- **Communication and People development** - We promote good human relations, and the opportunity to be creative and innovative.
- **Participation and Empowerment** - We develop an environment in which our employees can experience involvement that matters, accountability for problem-solving, creativity and decision-making so as to add value to our company.
- **Safety Health and Housekeeping** - We maintain the highest possible standard of safety and health in the work place environment.



- **Community responsibility-** We uplift our community through job creation and enhance tourism to the area with tourist attractions, tours, workshops, visit to fields and a factory shop.

**Quality and Productivity** - We guarantee our products to be of a consistently top quality, meeting and ensuring customer satisfaction through continuous improvement.

**Consistent quality and product safety are central to our business – and we recognize that our inspiration, development efforts and customers' time would be wasted if we did not constantly re-invest in these all-important areas. Regulations from governments and industries across the world are also changing at a rapid pace, and are becoming increasingly demanding**



# 3.3 The Basis for our future: Sustainability

IN PARTNERSHIP  
WITH NATURE  
TO BUILD A  
SUSTAINABLE  
FUTURE

- Sustainability means assuming responsibility for the future.
- HEO is active in four fields in this respect:
  - ❖ Environment (Caring for Nature),
  - ❖ Employees (Respecting People),
  - ❖ Society (Serving Society)
  - ❖ Economy (Securing Access)



# 4. Guidelines



# 4.1 At the workplace

- **Fair employment**

- We strive to have a workplace where teamwork and mutual trust are promoted and where employees are treated with dignity and respect. To this end, HEO expects all managers and employees to be fair and honest in their business dealings with colleagues and business partners and to comply with the following principles:

- To be truthful and conscientious in their approach to, and the performance of, their work.

- To avoid relationships or interests, whether direct or indirect, that could adversely influence or impair their capacity to act with integrity and objectivity.

- To treat clients, customers, colleagues, competitors and third parties with dignity, integrity and respect and to

- communicate courteously.

- To observe a high standard of business ethics in all commercial operations.

- To comply with laws, regulations and the group's rules relating to dishonesty, corruption and/or breach of the

- director's or employee's duty of good faith towards the group.

- To respect the diversity of people and avoid victimisation harassment, bullying or abuse of fellow employees whether due to gender, class, race, creed, colour, sexual orientation, marital or family status, age, nationality, association or disability or for any other reason

- HEO neither engages in nor supports the use of forced labour, bonded or involuntary labour or child labour. HEO therefore complies with the standards of the International Labour Organisation and the minimum age requirements in all countries in which HEO conducts business.



# Respect & Fairness

Honesty, respect and fairness in our behaviour and communication with one another are absolutely vital. Our employees are hired, trained and promoted based on these principles.

We respect the personal dignity, personal rights and privacy of our colleagues, customers, suppliers and every other stakeholder with whom we have contact.

We do not tolerate discrimination, neither in regards to gender, ethnic identity, skin colour, nationality, age, religion, sexual orientation or disability, nor in regards to any other personal characteristic.

We also do not tolerate expressions or actions that promote a hostile working climate and/ or that have the exclusion of colleagues as their goal.

We do not accept any statements that could be understood as inappropriate or illegal, regardless as to whether the point of view expressed is technically correct or not.



HEO is committed to providing its employees with a safe and healthy working environment and every employee can contribute to the overall level of health and safety at work, too.

We encourage our employees to do just that. The basic rules in this regard are as follows:

- We observe our company's safety rules and regulations.
- We always use the ergonomic aids provided and appropriate safety equipment.
- We immediately seek out help in the case of accidents and report every incident to our superiors without delay.
- We report inadequate safety standards, dangerous working conditions and violations of work safety provisions.
- We provide suggestions for improving safety

Health  
&  
Safety

**HEO CONSIDERS THE  
HEALTH & SAFETY  
OF ITS EMPLOYEES TO BE OF  
UPMOST IMPORTANCE**



Directors and employees are expected to follow applicable environmental laws and regulations and the group's own sustainable development policy.

HEO recognises that sustainable development and economic, social and environmental protection are global imperatives that result in both opportunities and risks for business.

Environmental  
protection

Company  
property

- We handle HEO's property with care and protect it from improper use, damage and theft.
- We do not use company property without the necessary permission to do so.
- HEO property is not to be sold, borrowed, given away or removed from the company grounds.
- We only use company property for its intended purposes.
- Misuse, including personal use, illegal or other unauthorized use, is not permitted



The intellectual property must be protected against unauthorised use. Directors and employees, while working for the group and thereafter, must keep confidential and not disclose, any of the group's trade secrets, confidential documentation or information, technical know-how and data, drawings, systems, methods, software, processes, client lists, programmes, marketing and/or financial information to any person other than to persons employed and/or authorised by the relevant company who are required to know such secrets or information for the purpose of their employment and/or association with the group.

Intellectual  
property and  
confidentiality

Alcohol  
&  
drugs

- Directors and employees are expected to perform their company-related work in a safe manner, free of the influences of alcohol or controlled substances.
- The use of illegal drugs, violence and threatening behaviour in the workplace will not be tolerated.
- We are not under the influence of drugs or alcohol while at work.
- We do not consume any alcohol or other legal intoxicants while working – regardless whether the work is on site or some where else. The same applies to the possession or consumption of illegal substances.
- **We report every case of drug or alcohol abuse.**



# Market & competition

## 4.2 Business Integrity

HEO aims to outperform competitors fairly and honestly. We seek competitive advantages through superior performance, not through unethical or illegal business practices.

Competition laws, among other things prohibit agreements and understandings between competitors that reduce competition;

Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent and the like are prohibited.

Each director and employee must respect the rights of HEO customers, suppliers, competitors and employees.

No director or employee should take unfair advantage of any third party through misuse of their intellectual property, misrepresentation of material facts or any other illegal trade practice.

No director or employee may engage in illegal price fixing, bid rigging, allocation of markets or customers, or similar illegal anti-competitive activities.



# Conflict of Interest

Conflict of interest arises when a person participates in a decision about a matter (including any contract or arrangement of employment, leasing, sale or provision of goods and services) which may benefit or *be seen to* benefit that person because of his/her direct or indirect monetary or financial interests affected by or involved in that matter. It is the duty of any person working at Highland Essential Oils to adhere to the Conflict of Interest Policy at all times. In the event that such a matter arises, the person shall formally disclose the interest, refrain from attempting to persuade or influence other persons participating in the decision, and shall not cast any vote on the matter.

- HEO expects its employees to avoid situations where any personal or financial interest may come into conflict with their duties and responsibilities to HEO at all times.
- Directors and employees must remain free from any influence, interests or relationships that could impair their objectivity or impartiality. Directors' and employees' objectivity could be compromised by, for example:
  - – holding a direct or an indirect financial interest in any enterprise with which the group does business;
  - – acting in a fiduciary capacity for such enterprises; or
  - – making loans to and taking loans from such enterprises, other than a financial institution in the normal course of business.
- In addition, any gift or entertainment that would be illegal, or which is personally paid for in order to avoid having to report or seek approval for it, is not acceptable.



# Corruption & Bribery

HEO believes it is crucial that all its employees demonstrate the highest standards of personal integrity under all circumstances in order to evade unethical business practices, including bribery and other improper conduct. Hence, HEO supports the notion of ‘zero tolerance’ with regard to such behaviour, both internally and with third parties. HEO general policy towards its employees is aimed at giving clear guidance to ensure personal and organisational integrity are safeguarded and maintained.

## **Bribery and illegal payments**

HEO does not tolerate bribery and is committed to bribery prevention. HEO has established internal guidelines on bribery for its employees

Consequently, the employees of HEO are prohibited from engaging in bribery and from accepting bribes, illegal payments, or other illegal methods.

When HEO directors and employees interact with officials from governments, governmental enterprises and agencies and regulatory authorities they must ensure that:

- the interaction is for a legitimate business purpose;
- is permitted under local laws and regulations and this policy;
- is not designed or intended to improperly influence the official to use his/her authority for the group’s business benefit;
- any gifts, entertainment and hospitality provided to the official is consistent with this policy.



## Gifts

- HEO employees must refrain from offering or accepting gifts which may influence their professional behaviour or in circumstances where the outcome of a transaction may be influenced by the gift.
- HEO employees may offer or accept certain gifts or invitations that are of modest value and that are customary in the normal business practice and compliant with applicable laws.
- Gifts in the form of cash may never be offered or accepted.
- No director or employee, regardless of position, shall directly or indirectly solicit gifts or any other favours or benefits from any firm or individual dealing with any company in the group, or accept anything other than ordinary social invitations, reasonable business entertainment or reasonable items such as calendars, pocketbooks, etc or corporate gifts generally regarded as advertising or promotional material
- Directors and employees may not, under any circumstances, directly or indirectly accept payment of any kind from suppliers, competitors or customers. This includes, but is not limited to, expensive entertainment, vacations or pleasure trips, except those that are customarily accepted as common courtesy associated with proper business practice in each relevant market.
- • Personal favours or preferential treatment offered or given to gain an improper advantage, are not to be accepted when offered by virtue of the director's or employee's position, as this may tend to put such a director or an employee under an obligation

## Financial

### **Accurate and complete records**

The group's funds and assets are to be used for lawful corporate purposes only, and directors and employees should reflect all transactions and events appropriately, timely and accurately in the accounting and administrative records of the group



# 4.3 Handling Information

Confidentiality

## Privacy and employee confidentiality

HEO respects the confidentiality of employees' personal data and acquires and keeps only such employee personal information as is required either for the group's effective operation or by the law in those places where the group conducts business.

All departments in the group are required to ensure that they deal with the personal data of employees in accordance with the company's obligations in terms of applicable data protection and privacy legislation.

Please observe these guidelines when dealing with external inquiries:

We do not answer any inquiries without authorization that do not belong to our competency or area of work, but forward them to the correct contact.

In cases of doubt, we go to our superiors for advice

We always protect HEO's lawful interests when answering any inquiries.

Financial information is considered insider information and is confidential.

We deal and communicate with governments, authorities and non-governmental organizations in an honest and transparent manner and in compliance with the applicable laws.

We ensure that recordings and documents in connection with an official inquiry or audit are preserved for the statutory durations and are not destroyed or deleted.

We always deal with information in this way within the company.

Inquiries  
from  
External  
Sources



# Intellectual property

We respect and protect intellectual property of every kind, regardless of whether or not it was developed by one of our companies or by third parties, and regardless of its commercial value.

We use third-party publications only with the expressed consent of the rights holder.

We do not procure confidential information on third parties and do not use such information without a corresponding agreement.

We especially respect patents and trademark rights of third parties and do not use these rights without previous approval.

We do not use any software without a license agreement



**“IT IS OUR MAIN PRINCIPLE  
TO  
COMPLY WITH ALL  
APPLICABLE  
LAWS AND REGULATIONS.”**



# 5. Contact Details:

- Flip Minnaar.
- E-Mail: [flip@highlandessentialoils.co.za](mailto:flip@highlandessentialoils.co.za)
- Tel: +27 (0)51 943 0317
- Cell: 083 303 8253

