

Code of Ethics

04 July 2013



1. Purpose

- 1.1 This Code of Ethics (COE) is designed to ensure the fair and respectful treatment of clients by SEF and its staff. The COE outlines and defines the behaviour expected of SEF and its staff towards clients and the wider community in which SEF operates. This code provides clarity to staff, clients and external observers on the conduct expected of and demanded by SEF. As such this COE is to set high standards of proper SEF employee behaviour.
- 1.2 All SEF employees should know their rights and how they should act towards colleagues, clients and the community. The COE is not meant to be an exhaustive document but rather to work in concert with SEF's other guiding documents such as the Operations Manual, Staff Pledge, Employment Contract and Disciplinary Code.

2. Institutional Mission and Values:

- 2.1 This Code is guided by the basic values, mission and vision of SEF and uses them as a first point of reference for all content. The Values, Mission and Vision of SEF are:

Values

We believe in:

Respect for all

Having a positive impact on the lives of our stakeholders

Striving for operational efficiency and self-sufficiency

Mission

Our mission is to work aggressively towards the elimination of poverty by reaching the poor and very poor with a range of financial and non-financial services to enable them to realize their potential.

Vision

Our vision is a world free of poverty.

3. Rules of conduct:

3.1 Behaviour towards clients

- 3.1.1 All SEF employees are bound by the Staff Pledge:

“We are entrusted by SEF to help the poor improve their lives through loans, disbursed to all poor irrespective of race, religion or potential affiliation, provided the poor are willing to help themselves”

“In undertaking this trust, we are not allowed to receive any item from the client in return of any favours.”

- *“Our commitment and actions will bear witness to this pledge.”*

3.1.2 Bound by this pledge, their employment contracts and the values, mission and vision of SEF, all SEF staff are committed to acting in a fair, respectful and ethical manner towards clients. SEF staff therefore make the following commitments to:

- *At all times respect our clients culture and traditions*
- *Never interact with our clients under influence of alcohol or any intoxicating substance*
- *Not to use abusive language or be abusive to clients in any way*
- *Never interfere with our clients personal or family matters*

3.1.3 SEF staff commit not to engage in any financial relationships or transactions with our clients. This includes but is not limited to:

- *Touching or handling money from clients*
- *Accepting any gifts or money from clients*
- *Giving clients personal or unofficial loans*
- *Accepting any favours from clients or their immediate families*
- *Engaging in any gambling activities with clients*
- *Being involved in stockvel activities with clients*

3.1.4 SEF is committed to never lead our clients to over indebtedness. SEF understands that in order to make an informed decision a client should be aware of all the facts. SEF also understands that financial decisions are the individual's and should be respected. SEF staff therefore commit to:

- *Be honest and transparent to our clients about the details and costs of their loans.*
- *Ensure our clients understand the full financial implications of taking a loan.*
- *Never force or coerce an individual to join SEF.*
- *Never force our clients to stay with SEF if they feel they don't need our service anymore.*
- *Always give support to our clients whenever they struggle with repayments.*
- *Maintain the confidentiality of clients' information.*

3.2 Behaviour towards the community and environment

3.2.1 SEF commits to improving the lives of all its clients and the communities in which they live. SEF recognizes this requires the fair and respectful treatment of those clients and their communities.

3.2.2 The simple delivery of SEF products is not sufficient, but the ethical behaviour of all SEF employees is critical.

3.3 Behaviour of SEF employees (towards SEF, SEF management and SEF staff)

3.3.1 SEF employees are expected to meet high standards of personal conduct and commit to:

- *Carry out duties loyally, conscientiously and honestly.*
- *Respect the culture of SEF.*
- *Be courteous, reasonable and fair in their dealings with all fellow employees and members of the public, irrespective of race, religion, gender, disability, sexual orientation, ethnic or national origin or any other factor.*
- *Exercise particular care to ensure that their dealings with fellow employees, friends or relatives at work are not open to abuse, misrepresentation or exploitation on either side.*
- *Not abuse their official position to further their private interests.*
- *Not to bring discredit to the organisation in respect of their conduct on and off duty.*
- *Not tolerate any kind of harassment and discrimination and more especially sexual harassment.*
- *Protect all information that is held in confidence.*
- *Not accept any gift or favour of such a nature which may imply an obligation to the receiver and to report the offer of any such gifts/favours to their Supervisor.*
- *Report to their Supervisor/Manager, without reservation , any corrupt or unethical behaviour observed by them.*

3.4 Employee Rights

3.4.1 All employees should be aware of their rights as SEF staff.

3.4.2 See the SEF Basic Conditions of Employment as well as the summary of the Basic Conditions of Employment Act, 1997 which is displayed in SEF offices.

4. Code regulations

4.1 Two copies of the Code of Ethics are to be kept at each branch office.

4.1.1 One on display for all staff and any visitors to see and one on file for reference.

4.1.2 All SEF Staff must sign the COE.

4.2 All SEF clients must be aware of the COE.

4.2.1 The COE must be explained to all SEF Clients.

4.2.2 All SEF clients must be aware that they can report COE violations and how they can do this.

5. Sanctions for Code violations

5.1 As we are committed to the fair and respectable treatment of all our clients any violation of this COE will be treated seriously.

5.2 Details of what constitutes a Code violation and their respective sanctions can be found in the SEF Disciplinary Code in the HR Department Policy File.

6. Reporting Code Violations and Whistleblowing

- 6.1 All SEF staff commit to report Code violations if they witness them or are made aware of them by clients or other staff members.
- 6.2 All reports of code violations are to be submitted to the employee's supervisor.
- 6.3 In the case where the supervisor is the person who committed the violation then it is to be reported to the supervisor's manager.

7. Updating the Code Of Ethics and providing feedback

- 7.1 Any staff member who feels that the COE needs improvement should report their concerns to their supervisor.
- 7.2 Where appropriate the supervisor will refer the matter to the R&D Manager.
- 7.3 Where appropriate the R&D Manager will refer the matter to the COO.
- 7.4 Where appropriate the COO will refer the matter to the Managing Director.
- 7.5 Where appropriate the Managing Director will refer the matter to the Board of Directors.
- 7.6 In the above procedure before forwarding the matter to the next level of authority each responsible person is to consider the request for improvement and only refer those requests that have merit.
- 7.7 They are then to inform the manager or employee who presented the matter to them of the action that is being taken and the reason therefore.
- 7.8 Should any person at the lower level feel that the matter raised was not dealt with appropriately then they may raise the matter directly with the R&D Manager or the HR Manager or they may raise a grievance in terms of SEF's Grievance Procedure.
- 7.9 Where the Board approves changes to the COE then those changes will be distributed to the whole of SEF:
 - 7.9.1 Changes and updates to the COE will be accompanied with explanations for all staff
 - 7.9.2 Such changes and updates to the COE will again be explained at the next HR Road Show.

This Code of Ethics was approved by SEF's Board of Directors on 04 July 2013.

Board Chairperson