

Massmart + Walmart 



Code of Ethical Conduct

2017

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A message from Massmart's Chairperson

Kuseni Dlamini,
Massmart Chairperson

The beliefs that have always set us apart from others – respect for the individual, service to our customers and striving for excellence rest on a foundation of integrity. It has always defined who we are as Massmart. We know that how we treat our colleagues, suppliers, customers and key stakeholders is important for our reputation, but it has also always been a part of our DNA. We are all collectively responsible and need to champion integrity in our words and actions as we deliver on our key purpose of helping people save money to live better.

Perhaps even more importantly, we need to speak out when we see and hear about inappropriate conduct. We need to consistently make the right ethical decisions in what seems to be an increasingly ambiguous world. This is part of our belief in doing well by doing the right thing, at all times, in all the areas and communities where we operate. We need the moral courage and conviction to proactively challenge and eradicate unethical behaviour wherever we may encounter it. Massmart is committed to being a positive and powerful force for good in the economies and communities where we operate.

We as board members have committed to the Massmart Code of Ethical Conduct. We call on you to do the same, so we can make Massmart the best place for employees to work; the best place for customers to shop; the best place for suppliers to distribute their goods and the best place for shareholders to invest.



A stylized, handwritten signature in black ink, enclosed within a light blue, hand-drawn bracket shape that points downwards towards the signature.

Kuseni Dlamini
Chairperson
Massmart Holdings Ltd.

A message from Massmart's Chief Executive Officer

Guy Hayward,
Massmart CEO

It is Massmart's desire to be Africa's most trusted retailer. By each of us committing to doing the right thing, regardless of the circumstances, we will earn the trust of our employees, customers, suppliers, shareholders and business partners. Trust is the cornerstone to all effective relationships, personal and business, and so is something that should come naturally to us.

We know that unethical practices in our business, whether involving internal or external stakeholders, have the potential to damage our brand, undermine stakeholder trust and tarnish our reputation. To help our employees fully understand our expected standard of ethical behaviour, we have developed the Massmart Code of Ethical Conduct, which is consistent with the Walmart Statement of Ethics. I encourage you to read this Code of Ethical Conduct.

By living up to these high ethical standards, and having the courage to speak up when they are not being followed, we can help build and sustain the trust of all our employees, customers, suppliers, shareholders and business partners.

Thank you for all you do to serve our customers while operating with the highest level of integrity, everyday!



A stylized, handwritten signature in blue ink, which appears to read 'Guy Hayward'. The signature is written in a cursive, flowing style. Above the signature is a decorative blue bracket-like shape that spans across the width of the signature.

Guy Hayward
CEO
Massmart Holdings Ltd.

A message from Walmart Inc. Chief Executive Officer

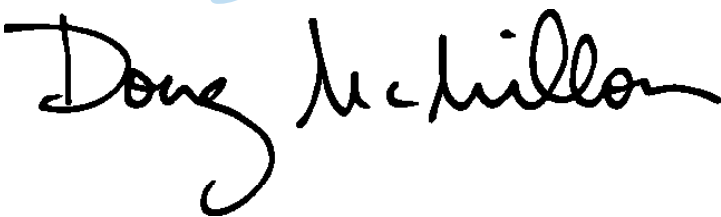
Doug McMillon,
CEO Walmart Inc.

Our unique culture drives our purpose of saving people money so they can live better, and the foundation of our culture is a commitment to operating with integrity. Even as we change to meet the needs of our customers, Walmart will stay true to the values, beliefs and behaviors that have guided us over the last 50 years.

Regardless of where each of us works in our global company, this Statement of Ethics is the guide to exemplifying integrity as a Walmart associate. It's a daily resource for making honest, fair and objective decisions while operating in compliance with all laws and our policies. This Statement of Ethics applies to me, the board of directors and all associates at every level of our organization.

Through your ethical behavior and willingness to speak up for the highest standards, we earn and keep the trust of our customers, each other and our local communities. We believe in everyday low cost and everyday low prices, but only if accomplished through our everyday integrity.

Thank you for your commitment to our Statement of Ethics. It means more than making ethical decisions; it demonstrates you care about Walmart, our reputation and our customers.



Doug McMillon

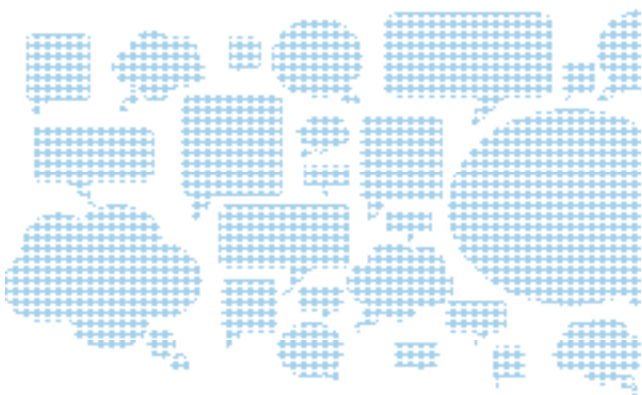
Doug McMillon
President and CEO
Walmart Inc.

Using the Code of Ethical Conduct

Our Code of Ethical Conduct will introduce you to the behaviours and conduct that create an honest, fair and objective workplace while operating in compliance with all laws and our policies. It will help you recognise situations that might arise in your job or in your workplace which could be a violation of our company ethics. You'll also learn what to do if you have any questions about what is considered ethical conduct.

How the Code of Ethical Conduct is Organised

- Inside the front cover, Guy Hayward (Massmart CEO), Kuseni Dlamini (Massmart Chairperson) and Doug McMillon (Walmart President and CEO) point out how important it is for all of us to follow our Code of Ethical Conduct and to report anything that we feel might be a violation of those ethics.
- The next page features Our Beliefs. These are Massmart's fundamental beliefs for all forms of conduct, including acting with integrity.
- The Introduction section explains that it is everyone's responsibility to comply with our Code of Ethical Conduct and to report what you feel might be a violation of our policy or legislation.
- The section Raising Concerns & Speaking Up instructs you how to request an opinion before you take action and how to report what you think might be a violation of ethics, including how to make a report anonymously without giving your name.
- This guide gives you an overview of many, but not all of Massmart's policies. Some frequently asked questions are included to help explain the policies better. There are also examples of how this Code of Ethical Conduct and other Massmart policies apply in all countries in which we operate.



Massmart Policies & Local Laws

Massmart publishes several policies, this Code of Ethical Conduct being one of them, which are designed to give employees guidance that is applicable to all locations. It's our responsibility to know all of the policies that might apply to all the areas of our business. If you're not sure about the policies that need to be adhered to, please talk to your manager, HR Manager, Legal Department or Massmart Ethics.

Massmart conducts business in many countries. Our employees are citizens of many countries. As a result, our operations are subject to many different laws, regulations, policies, customs and cultures. Our operations must comply with all applicable local legislation, policies and regulations in the countries in which we operate, in addition to this Code of Ethical Conduct. In some instances, the laws of two or more countries may conflict with the Code of Ethical Conduct. When you encounter a conflict, contact Massmart Ethics for guidance on how to apply the Code of Ethical Conduct in your own country.



Our Beliefs



Massmart is an ethically led organisation based on values. Our beliefs are the core values that guide our decisions and our leadership.

Respect for the Individual

We value every employee, own the work we do and communicate by listening and sharing ideas

Service to our Customers

We are here to serve customers, support each other and give back to our local communities

Strive for Excellence

We work as a team and model positive examples while we innovate and improve every day

Act with Integrity

We act with the highest level of integrity by being honest, fair and objective, while operating in compliance with all legislation, policies and guidelines

Vision Statement

The vision of Massmart Ethics is to promote ownership of Massmart's ethical culture to all stakeholders.

Are you making the right decisions?

When faced with making any decision, you should ask yourself the following questions:

- Is it consistent with Our Beliefs?
- Would I want others to know about it?

If the answer to either question is no, then consider whether your potential action complies with our Code of Ethical Conduct. If it does not, identify a better plan of action. If you are unsure about a decision, talk to your manager, the Legal Department, HR Manager or Massmart Ethics Office.

“

Ethics is about doing the right thing, even if no one is watching

”

Guy Hayward
Massmart CEO



Who is Covered by the Code of Ethical Conduct?

Employees and Directors

Our Code of Ethical Conduct applies to all employees across levels of the organisation, as well as all members of the board of directors of Massmart Holdings Limited. It also applies to all employees and directors of Massmart-controlled subsidiaries.

Third Parties

Massmart expects all suppliers, consultants, law firms, public relations firms, contractors and other service providers to act ethically and in a manner consistent with this Code of Ethical Conduct. If you hire a third party, you should take reasonable steps to ensure the third party is aware of this Statement of Ethics or Code of Ethical Conduct, has a reputation for integrity and acts in a responsible manner consistent with our standards.

Employee Responsibilities

Every Massmart employee has the responsibility to:

- Follow the law at all times. If you see any employee violating the law, or if you're asked to do something you believe may violate the law, discuss it immediately with your manager or Massmart Ethics.
- Read and understand Our Beliefs and use them in your job and around the workplace every day.

- Learn the policies that applies to their job. No one expects an employee to memorise every policy, but it's good to have a basic understanding of the issues covered by each policy.
- Ask for help from their manager, Massmart Ethics or other Massmart resources when they have questions about the application of this Code of Ethical Conduct or other Massmart policies.
- Immediately raise any concern they or others may have about possible requests or acts that may be a violation of this Code of Ethical Conduct or any other Massmart policy.
- Raise any ethical concerns with a manager or by contacting Massmart Ethics. If you raise an ethical concern through a manager and the issue is not resolved, then raise it again through a different manager or through Massmart Ethics. The various ways to raise concerns are described in more details further in this guide.
- Cooperate with Massmart's investigations and report all information truthfully.



Additional Responsibilities for Management

All management employees are responsible for creating an environment that encourages compliance with our Code of Ethical Conduct. Supervision of responsible business practices is as important as supervision of performance. To help us maintain the highest ethical standards, you should:

- Contact Massmart Ethics if you are made aware of an ethics issue covered by the Immediately Reportable Criteria on page 11, or for assistance with handling an ethical question or concern.
- Meet with your direct reports periodically to review Our Beliefs and our Code of Ethical Conduct.
- If there is a conflict between our ethical standards and business objectives, ensure that our ethics always come first.
- Lead by example and encourage your employees to act with integrity in all dealings to avoid even the appearance of a violation of our ethical standards.
- If an ethics issue arises with one of your employees, make sure that other employees in your area are not making the same mistake.
- Ensure open communication by encouraging employees in your department or division to ask questions concerning our Code of Ethical Conduct.
- Never cover up or ignore any unethical problem. Address the matter timeously and seek guidance if necessary.
- Appreciate employees who raise issues.
- Never victimise against anyone for raising an ethics issue, assisting in an investigation or participating in any proceeding relating to an alleged violation of any government regulation, law or rule or alleged fraud against shareholders.
- Once an ethical concern is raised, do not interfere with any investigation into the matter.
- Encourage self-reporting of business conduct violations. If an employee voluntarily reports that he or she was involved in an ethics violation, self-reporting may be considered as a mitigating factor when determining the appropriate disciplinary action to be taken.

Discipline for Violations

Appropriate disciplinary action, up to and including termination of employment, may be taken against any employee who violates our Code of Ethical Conduct, or applicable laws, regulations, or policies.

“ Even if you are the minority of one, the truth is the truth ”

Mahatma Gandhi
Pacifist and Philosopher
(1869 – 1948)



All of us should constantly strive to maintain a work environment that encourages employees to raise concerns about possible violations of our Code of Ethical Conduct. We often hear stories of other companies where employees were aware of problems, but did not feel comfortable about coming forward. No one should ever feel that way at Massmart. Please report possible ethics-related issues immediately so that they can be resolved before more serious consequences develop. Massmart prohibits victimisation against any employee who raises a concern.

Ethics Opinions

In the normal course of business, you might encounter a situation in which you're not sure if your conduct violates the Code of Ethical Conduct or not. When you have an ethics question, you are encouraged to contact Massmart Ethics for a verbal or written opinion before you take action.



Opinion requests may be submitted to Massmart Ethics under the “Request for Guidance” option at www.walmartethics.com or via the Massmart Ethics Line or Massmart Ethics.

What Happens When an Ethics Concern is Raised?

Massmart takes all reported concerns seriously. We confidentially investigate ethics allegations to determine if any legislation, policy or the Code of Ethical Conduct has been violated. Massmart has a compelling interest in protecting the integrity of every investigation, including protecting reporters and witnesses from harassment, intimidation and retaliation; keeping evidence from being destroyed; ensuring that testimony is honest as well as identifying and addressing the root causes. If you report a violation, Massmart Ethics will make every effort to keep your identity private and to secure any data relating to the investigation. Massmart Ethics may also reasonably impose a requirement that witnesses must maintain a particular investigation and their role in it in strict confidence. In such cases, you must maintain confidentiality and not discuss your report, or the investigative process, with others. Massmart Ethics does not generally disclose investigation details, but you will be informed of the status of the investigation.

Non-Victimisation

Employees who come forward with concerns play an important role in maintaining a healthy, respectful and productive workplace, as well as protecting our stakeholders. These employees help our company address problems early – before more serious consequences develop. It's important for each of us to create a work environment where everyone can raise concerns of ethical issues without fear of victimisation.

Victimisation against employees who raise concerns or pose questions about misconduct will not be tolerated. Concerns should be raised in good faith, which means that you have made a genuine attempt to provide honest and accurate information, even if it is later proven that you have been mistaken. Massmart reserves the right to discipline anyone who knowingly makes a false accusation or has acted improperly. However, if an employee voluntarily reports that they were involved in a violation, self-reporting may be considered as a mitigating factor when determining the appropriate disciplinary action to be taken.

Massmart will not terminate employment, demote or otherwise discriminate against employees for raising concerns. It is also important for co-workers not to isolate employees who have raised concerns – such employees should be treated with respect. Any change in treatment toward an employee who has raised a concern could be seen as a form of victimisation.

Massmart has an established process to deal with victimisation issues. Employees who believe they have experienced victimisation after raising an ethics concern should report the issue via the Massmart Ethics Line.

How to Raise a Concern

Massmart provides a variety of resources for you to raise a question or concern. Depending on the nature of the issue, it may be easiest to talk about your concern directly to the person responsible, thereby providing the person with an opportunity to clarify the situation. If you don't feel comfortable talking to the person responsible, then you should consult one of the resources listed alongside. Self-reporting is encouraged and may be taken into consideration when determining appropriate disciplinary action.

Use the Open Door Communications Process

The Open Door Communications Process is the most direct way to voice any concern to a manager. If you believe your immediate manager is involved in the problem, discuss the issue with the next level of management, someone who is not involved or use one of the other resources described below.



Contact Massmart Ethics

Massmart has a Massmart Ethics Line, which is available to employees 24 hours a day, seven days a week and is equipped to handle most local languages. The Massmart Ethics Line is run by an organisation that operates independently of Massmart and, to the extent possible (and in conformity with local regulations), callers may remain anonymous. In all cases, employee privacy will be respected to the fullest extent possible under the law. The call centre will relay the information to Massmart Ethics and will provide the employee with a reference number. Contact information for the Massmart Ethics Line is provided below. The Immediately Reportable Criteria outlined on page 11 must be reported through these channels.

Massmart Ethics Line Contact Information

Phone

South Africa:
0800 203 246

Specific phone numbers for other African countries are listed at the back of this document.

SMS

South Africa: 32846

Rest of Africa: +27 72 014 4445

E-mail

Massmart@ethics-line.co.za

Website

www.walmartethics.com

Immediately Reportable Criteria

Employees may raise concerns regarding conduct that may violate our Code of Ethical Conduct through the various channels listed in the Raising Concerns & Speaking Up section. However, there are certain types of allegations that must immediately be reported to Massmart Ethics. They are:

1. Bribery

- Providing, offering, promising, requesting or receiving any improper or unearned benefit.
- Any violation of the Global Anti-Corruption Policy or related procedures, as well as any relevant South African legislation and regulations concerning corruption and bribery, as listed below.
- All suspected violations of anti-bribery laws should also be reported, including any violations of the anti-bribery restrictions in the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act.

2. Officer/Senior Employee Misconduct

- Violations of the Code of Ethical Conduct by company officers, senior employees or direct reports to any Divisional CEO.

3. Fraud or Theft Greater Than US\$100,000 and Involving an Employee

4. Incorrect Records and Accounts

- Interfering with audits or internal controls, falsifying, misrepresenting, or destroying financial records, reports, or data, or improperly concealing, altering, or manipulating financial records, reports, or data.

5. Information System Hacking

- Any conduct involving an employee maliciously gaining unauthorised access to company information systems.

6. Global Corporate Brand Reputation Risks

- Threats to human life, slave or forced labour, human trafficking, or child labour.
- Serious criminal misconduct, such as:
 - Bid rigging, price fixing, market or customer division or allocation, or other anti-competitive collusion.
 - Insider trading.
 - Trade sanctions and export regulation violations.
 - Money laundering.

Checklist when contacting the Massmart Ethics Line

- Alleged wrongdoing you are reporting
- Date and time of wrongdoing
- Names of people involved in wrongdoing
- How was the wrongdoing committed
- Where did the wrongdoing take place
- Are there any witnesses



Non-Victimisation

Q I reported an allegation six months ago. Ever since, my manager has stopped including me in several meetings. Is this victimisation?

A Significant changes in how you're treated may be victimisation. If your manager treats you differently after you reported an allegation, then you should raise your concern to management through the Open Door Communication Process or by contacting Massmart Ethics.

Q One of my employees called the Massmart Ethics Line and made a false claim against me. I think she did it to hurt my career. Can I give her a lower rating on her evaluation since she is obviously trying to spread lies about me?

A We should believe employees who report concerns do so in good faith. Taking action against an employee because the employee reported a concern is victimisation and may result in disciplinary action against you as a manager. Victimisation will not be tolerated at Massmart. It prevents an open-reporting environment and encourages a culture of fear.

Q Is protection from victimisation only available if I report my concerns through the Massmart Ethics Line?

A Victimisation is unacceptable no matter how you report your concern, whether through management, Human Resources or Massmart Ethics. If you believe you have been victimised, report your concern to management through the Open Door Communication Process or contact Massmart Ethics.

“**Business must harness the power of ethics, which is assuming a new level of importance and power.**”

James A. Joseph
Former US Ambassador to South Africa



Alcohol & Drug-Free Workplace

Massmart is committed to fostering a safe and healthy workplace for everyone. The possession, solicitation or use of illegal drugs, or being under the influence of such drugs while at work, is prohibited and will not be tolerated.

Massmart strictly forbids the improper use of drugs and alcohol.

Massmart strictly forbids the improper use of drugs and alcohol. All employees should ensure their performance and judgement are unimpaired by alcohol consumption during working hours. Employees should not report to work under the influence of alcohol nor should they consume alcohol on company property. In some instances, employees of the legal drinking age may consume alcoholic beverages at company-sponsored events, if the consumption of alcohol is approved in advance by the Divisional CEO or the corporate executive for the business unit sponsoring the event. Massmart will take customary practices into consideration in countries where a moderate consumption of alcohol with a business meal is common.

Discrimination & Harassment Prevention

One of our basic beliefs is “respect for the individual”. Each of us is responsible for creating a culture of trust and respect that promotes a positive work environment. This means treating one another with fairness and courtesy in all of our interactions in the workplace. We are committed to maintaining a diverse workforce and an inclusive work environment. Massmart prohibits discrimination in employment, employment-related decisions or in business dealings on the basis of an individual's race, colour, ancestry, age, sex, sexual orientation, religion, disability, ethnicity, national origin, veteran status, marital status, pregnancy or any other status protected by applicable legislation or local policy. We should provide an environment free of discrimination for our employees, customers, members and suppliers.

We believe in a positive and respectful work environment for all employees.



Harassment in the workplace is prohibited regardless of whether it is welcome or unwelcome.

We believe in treating one another with respect, whether it's a co-worker, supplier, customer or anyone doing business with us.

Harassment is conduct which inappropriately or unreasonably interferes with work performance, diminishes the dignity of any person or creates an intimidating, hostile or otherwise offensive work environment based on an individual's legally protected status. Verbal, visual or physical conduct of a sexual nature is not acceptable in the workplace and may be determined to be sexual harassment. Examples include:

- Sexual advances, requests for sexual favours, sexually explicit language, off-colour jokes, remarks about a person's body or sexual activities.
- Displaying sexually suggestive pictures or objects, suggestive looks, leering or engaging in suggestive communication in any form.
- Inappropriate touching, both welcome and unwelcome.

We also prohibit other forms of harassment based on an individual's legally protected status, such as:

- Using slurs or negative stereotyping.
- Verbal kidding, teasing or joking.
- Intimidating acts, such as bullying or threatening.
- Any other conduct that shows hostility toward, disrespect for or mistreatment of an individual based on the individual's legally protected status.

Harassing conduct in the workplace, such as that described above, is prohibited regardless of whether it is welcome or unwelcome and regardless of whether the individuals involved are of the same or different sex, sexual orientation, race or other status. Again, Massmart prohibits victimisation and will not terminate employment, demote or otherwise discriminate against employees for reporting concerns.

Inappropriate Conduct

We believe in maintaining a working environment free of inappropriate conduct such as obscene, profane, gross, violent, discriminatory, bullying or similarly offensive language, gestures or conduct. Massmart will not tolerate such conduct, which violates our belief of respect for the individual.

While posting information online can be a great way to connect with others, always conduct yourself online in a manner that is consistent with Massmart's ethics and Our Beliefs. Inappropriate conduct of the type described herein is strictly prohibited, even if it occurs online.

Salary & Wages



We are committed to:

1. Complying fully with all applicable laws and regulations dealing with wage and hour issues, including off-the-clock work, meal and rest breaks, leave, overtime pay, termination of employment pay, minimum wage requirements; and
2. Fair and just practices relating to salary and wages.

As Massmart employees, we must:

- Comply fully with all corporate policies and procedures related to salary and wage issues,
- Comply fully with all applicable laws and regulations pertaining to salary and wage issues,
- Report any violations related to remuneration and working hours or other basic conditions of employment laws or policies through the Open Door Communication Process or by contacting Massmart Ethics.

It is a violation of labour legislation and Massmart's policy for you to work without compensation or for a supervisor to request you to work without compensation. You should never perform any work for Massmart without compensation.



Conflict of Interest

General

We have a responsibility to all our stakeholders to make decisions strictly on the basis of Massmart's interests, without regard for personal gain. A conflict of interest can arise when our judgment could be influenced, or might appear to be influenced, by the possibility of personal benefit. Even if it's not intentional, the appearance of a conflict may be just as damaging to your reputation (as well as Massmart's reputation) as an actual conflict. We should always be on the lookout for situations that may create a conflict of interest and do everything we can to avoid them.

It's your responsibility to tell your manager about any situation you think creates, or could create, a conflict of interest. Managers are requested to bring such matters to the attention of Massmart Ethics for advice. You may also contact Massmart Ethics or with any enquiries you may have.

Conflict of interest situations can arise in various ways. The following sections outline some of the possibilities.

Financial Investments

You have a responsibility to make sure your personal financial activities are not in conflict with your responsibilities to the company. A financial conflict of interest can arise when your judgement could be influenced, or might appear as being influenced, by the possibility of personal financial gain.

Examples of conflicting financial investments are:

- Financial interest in a supplier of Massmart, if an employee has a direct or indirect involvement in our business with that supplier.
- Receiving personal compensation from a supplier, if an employee has a direct or indirect involvement in our business with that supplier.
- Using confidential company information for personal gain.

Additionally, ownership of stock held by competitor with a market value in excess of R1,000,000 must be disclosed in writing to Massmart Ethics. Massmart Ethics will determine whether or not a conflict, or a potential conflict, exists and how it should be handled.

Outside Employment

Employees should avoid employment or outside interests that may create, or give the appearance of creating, a conflict of interest. For example, management employees working for a competitor is deemed to be a conflict. Non-permanent employees should check with their managers before accepting employment with a competitor to determine if a conflict exists. Factors for consideration include similarity of position and job responsibilities. Similarly, employees may not work for a supplier if they have any influence (either direct or indirect) over the supplier's product or the supplier's business with Massmart.

Employees may operate and work in a side business as long as it does not create a conflict of interest with their work at Massmart. This means the side business cannot interfere with your responsibilities as a Massmart employee, be similar in nature to your role as an employee, benefit from the use of Massmart assets, supply products to Massmart or reflect negatively on Massmart.

If you have a question about whether outside employment is a potential conflict, contact either your manager or Massmart Ethics.

Former Employment

A conflict of interest may exist if a former employee is calling on Massmart in an area in which the employee worked or had influence while employed at Massmart. If the former employee was a Walmart officer, a conflict may exist regardless of the area in which the officer worked.

When a former employee takes a position with or on behalf of a supplier, Massmart will not do business with that employee for a period of one year following his or her separation if the former employee is dealing with a business area in which he or she worked or had business influence. Massmart will not do business with former officers for a period of one year, regardless of the area in which the former officer worked. Massmart Ethics may, in partnership with senior business leadership, determine that a different time period is reasonably warranted under the circumstances. All conflict determinations must be submitted to Massmart Ethics in advance for a written opinion.

Personal Relationships with Suppliers

Employees should not have social or other relationships with suppliers if the relationship would give the perception that a business influence is being exerted. We believe our relationships with suppliers are based on efficient, fair and lawful business practices. The selection of suppliers must be made on the basis of objective criteria, including integrity, quality, price, delivery, adherence to schedules, product suitability, maintenance of adequate sources of supply and Massmart's purchasing practices and procedures.

The selection of suppliers must be made on the basis of objective criteria.

We must treat our suppliers with respect, fairness and honesty. We must not take undue advantage of a supplier by using Massmart's business influence. We should also expect our suppliers to follow all applicable legal requirements in their business practices, as well as conforming to our supplier standards.

If you believe you may be perceived as having an inappropriately close relationship with a supplier, or appear to be exerting a business influence on the supplier, inform Massmart Ethics.

Gifts & Entertainment

Accepting any form of gifts and entertainment services can cause a conflict, or the appearance of a conflict, between personal interests and professional responsibility. Massmart's culture is to never accept any kind of gifts or entertainment services from any supplier, potential supplier, government agent or any other third party whom the employee has reason to believe may be seeking to influence business decisions or transactions. Employees may also not accept any kind of gift or gratuity from a customer for work performed by the employee in a Massmart facility, except as required by relevant local or national policy.

We may not accept any kind of items donated to Massmart by suppliers for the purpose of raising funds for charities or non-profit organisations. We should also never ask for, accept or approve of suppliers making donations on behalf of Massmart. Furthermore, employees should not provide a list of our suppliers to charitable organisations for the purpose of fundraising.

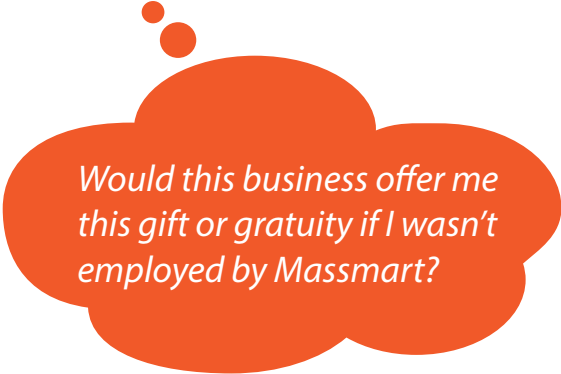
Our policy on gifts and entertainment services stems from our values of complete transparency and objectivity and our principle of maintaining Everyday Low Costs. Since such gifts and entertainment services increase the cost of doing business, we try and help our suppliers to give us lower costs on products by not expecting the gifts and entertainment services they may have to spend on other customers. As a multi-national company, we realise that we may encounter situations in which local practices could come into play. Massmart Ethics will review these situations on a case-by-case basis.

When you are establishing a new business relationship, make sure that all parties are aware of our policy regarding gifts and entertainment services. In some countries where the presenting of gifts is a custom or tradition, you should politely explain this policy to your customers and suppliers, especially prior to holiday periods, in order to manage expectations.

JUST SAY...
No, thank you.



ASK YOURSELF...



Would this business offer me this gift or gratuity if I wasn't employed by Massmart?

You should always be aware of how the act of accepting a gift or gratuity might be perceived by the public, by other suppliers or by other employees. When dealing with external businesses, you should ask yourself: "Would this business offer me this gift or gratuity if I wasn't employed by Massmart?" If the answer is "no", or is unclear, you should not accept it.

Occasionally there may be times when returning a gift would be impractical or embarrassing. In those rare instances the gift should be managed in a fair and objective manner that does not benefit you personally, such as donating it to a charity organisation. You should immediately tell your manager and Massmart Ethics about any gift you've been offered or received if you feel that gift might be a violation of our policy. If you have any questions about gifts and entertainment services, you should seek assistance from your manager or Massmart Ethics.

Personal Relationships with Other Employees

At Massmart we want to maintain a work environment in which employees can perform effectively and achieve their full potential. We all are responsible for creating a climate of trust and respect and for promoting a productive work environment.

A conflict of interest exists when you manage someone with whom you have a family, romantic or close relationship. A family relationship includes the following: relatives by birth, adoption, marriage, domestic partnership or civil union. Relatives include spouse, children, parents, siblings, grandparents or grandchildren, as well as anyone who is currently a member of your household, whether or not you are related. It may also include other close personal relationships such as godparents. Even if you're acting in good faith, your relationship will likely be seen as influencing your judgement. This can damage morale and disrupt workplace productivity. Therefore, you may not directly or indirectly supervise any

family members or any employee with whom you have a close personal relationship, are dating or romantically involved with. This includes situations in which you may be able to influence that employee's terms and conditions of employment or that employee may be able to influence the terms and conditions of your employment.

Massmart strives to eliminate personal relationships that interfere with work performance or which may constitute harassment.

You should ask for guidance from your manager or Massmart Ethics, or contact Massmart Ethics whenever an issue comes up regarding a personal relationship.



At Massmart, we seek to maintain a work environment in which employees can perform effectively and achieve their full potential.

Massmart Assets

We have a responsibility to our shareholders to use Massmart property and assets for Massmart business purposes and not allow them to be used for any type of personal gain. You're responsible for maintaining Massmart property under your control and should take reasonable steps to protect it from theft, misuse, loss, damage or sabotage. Where permitted by law, employees have no expectation of privacy as to the use of Massmart communication tools, such as email or voice mail. Massmart has the right to, and does, monitor communication tools, including the content and usage of such tools.



Alcohol & Drug-Free Workplace

Q I was asked to take a drug test before accepting a promotion into management. Is this standard?

A Where permitted by law, job applicants may be drug screened as part of the post-offer hiring process or prior to accepting a promotion into management. Any applicant who tests positive for illegal drug use will not be hired or promoted and his/her employment may be terminated. In addition, Massmart may require you to submit to drug testing, where permitted by local legislation, following certain on-the-job injuries or if there are reasonable grounds to suspect you're under the influence of drugs.

Q Is there somewhere I can go for help if I have a drug or alcohol problem?

A Massmart provides assistance to employees through an Employee Wellness Programme, which provides employees with access to counseling and referral services when dealing with a substance abuse problem. The Employee Wellness Programme can be contacted 24 hours a day, seven days a week, on 0800 004 770 for telephonic support.

Q I'm attending a Massmart-sponsored group meeting where alcohol will be served. May I drink alcohol while I'm there?

A With prior approval from the Divisional CEO or the corporate executive for the business unit sponsoring the event, alcohol may be served at some company-sponsored events. Employees of the legal drinking age may consume alcohol at these events.

Discrimination and Harassment Prevention

Q In the tea room, another employee called me a disrespectful name associated with my race. What should I do?

A Report the incident to management immediately through the Open Door Communication Process, or contact Massmart Ethics.

Q A department manager regularly comments about how attractive I am, which makes me feel uncomfortable. What should I do?

A We encourage you to tell the person to stop. If you're not comfortable talking to the person, or if the activity does not stop, then report the issue immediately to management through the Open Door Communication Process or contact Massmart Ethics.

Q Is my desk calendar with occasional stereotypical and sexual jokes appropriate in the workplace?

A No. It could be offensive to someone else in the workplace. If you're in any doubt whatsoever then remove the item from the workplace.

Q A colleague used a word in a meeting that is offensive to me. What should I do?

A Speak up and tell the person if you feel comfortable. Some words are universally offensive but some are not. The colleague might not know the word could be offensive to someone else. You also can exercise the Open Door Communication Process or contact Massmart Ethics.

Inappropriate Conduct

Q A customer continues to call me bad names while standing in my checkout line. What should I do?

A Contact a member of management or the HR Representative in your store.

Remuneration and Working Hours

Q My manager asks me to gather shopping trolleys each evening on my way out to my car. Is this acceptable?

A No. You should tell your manager you have already clocked out and it is a violation of company policy for you to work off-the-clock. You also should report the issue to management through the Open Door Communication Process or contact Massmart Ethics.

Conflict of Interest

Q I've recently invested in my bank's mutual fund programme. The fund may invest some of the money in either competitor or supplier shares. Is this a violation?

A If you have no direct control over the investment strategy of the fund, then no it's not a violation.

Q Someone told me I cannot own shares in a supplier. Is this correct?

A Maybe. The restriction is that you may not have any direct financial interest in a supplier whose business you have direct or indirect influence over in terms of your position at Massmart. There are no restrictions against financial interests in suppliers whose business you do not influence.

Q I recently joined Massmart and I own more than approximately R1,000,000 of stock in a key competitor. Must I sell this stock?

A You should disclose the information to your manager and Massmart Ethics. Massmart Ethics will advise you regarding any potential conflict of interest.

Q There's a contracting company I do business with as part of my position with Massmart. They've asked me if I know of an engineer they could hire. My son is qualified and would like to work for this company. May I refer my son for the position?

A No. Even though the contracting company sought your recommendation, it may appear that you are using your position with Massmart to get your son a job. That would be a conflict of interest that could compromise your reputation as a representative of Massmart.

Q My neighbour is one of my suppliers. He invited my family and I to a neighbourhood party. Would it be a conflict of interest if we went to the party?

A It is not a violation to attend, as long as the party is open to the neighbourhood and you're invited because you're a neighbour, not because of your position within Massmart. Remember to ask yourself: If another supplier or other employees knew of this situation, would it appear as if you are giving preferential treatment to your neighbour as a supplier, or that the supplier was trying to influence you?

Q Our team is attending a training session hosted by a supplier to learn about a new item the supplier is launching. The supplier said we will each get a free T-shirt for attending the training session. Can we accept the T-shirts?

A Because the T-shirts are coming from the supplier and are not related to the product or gaining an understanding of the product, the team should not accept the T-shirts. Politely decline the T-shirts and explain our standard on gifts and entertainment services to the supplier.

Q I have been requested to speak on a panel at an event sponsored by a supplier. The supplier has offered to pay for all expenses incurred by all speakers. Is it appropriate for the supplier to cover my expenses?

A No. Due to our business relationship with the supplier, Massmart should incur the costs associated with the event.

Q I work in finance and received a birthday gift from a close personal friend who happens to be employed by a Massmart toy supplier. Can I accept the gift?

A In your role, you have no direct or indirect influence over the business relationship with the supplier, so it would not be a violation to accept the gift from your friend.

Q It is customary for suppliers to offer beverages, such as coffee, tea or soft drinks and other small snacks during business meetings or visits to their facilities. Can I accept these refreshments?

A You may accept customary refreshments such as a coffee, soft drink or small snack. However, you should not accept food and beverages that would be considered a meal.

Q A supplier I work with has offered me two tickets to the World Cup if I pay face value for them. Can I buy the tickets?

A No. Although you may be paying face value for the tickets, it may not actually reflect the market value of the item. Some areas allow you to resell tickets and you might be able to make a profit if you sold them. This can also be considered to be a gift of prestige because having the opportunity to attend a coveted event such as the World Cup is not readily available to everyone.

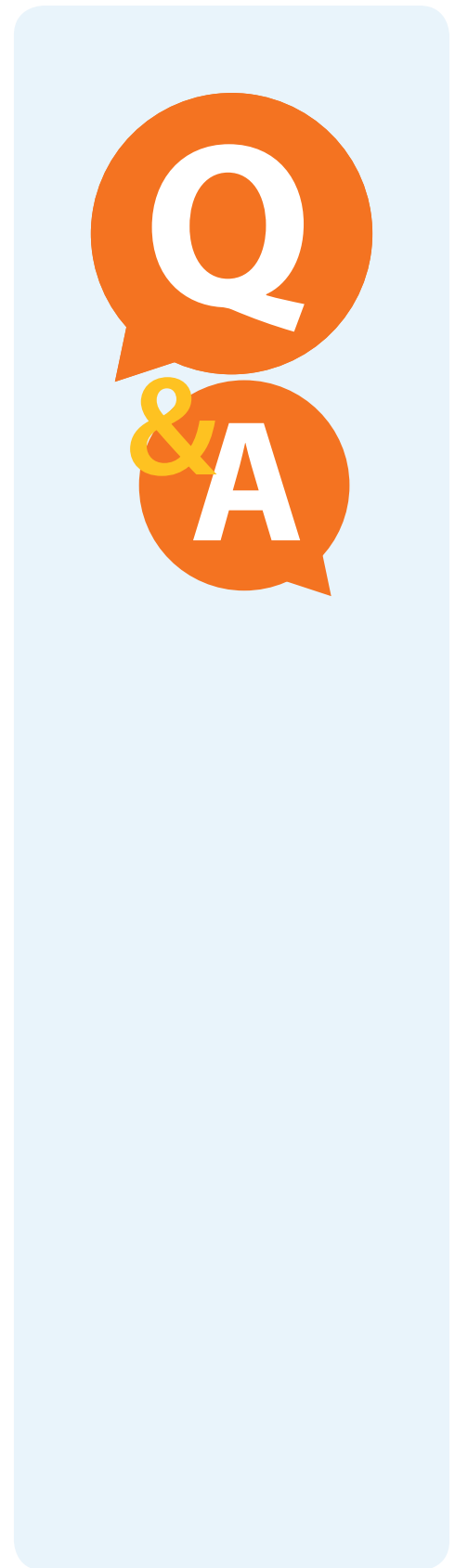
Massmart Assets

Q I often have to travel for my job. Can I use my company laptop to check my bank account online while I am traveling?

A Yes, as long as it does not interfere with your work performance.

Q My manager told me that when I travel with my laptop, I should carry it on the plane with me. Is this really necessary?

A Yes. When traveling with a company-issued laptop, you must carry it on the plane with you. It may not be checked in with your baggage. It is necessary to protect the laptop and the information contained on it from theft, loss, misuse or damage.



“Great peacemakers are all people of integrity, of honesty and humility”

Nelson Mandela

South African President from 1994 – 1998, anti-apartheid leader, philanthropist and statesman(1918 – 2013)



Fair Competition & Fair Dealing

We are committed to complying with all competition, fair dealing and anti-trust laws applicable to our global businesses. These laws help to protect competition, enable open markets and enhance productivity, innovation and value for customers. Our policies and actions demonstrate our interest in encouraging competition complying with all applicable Competition and Anti-Trust laws, as well as by engaging in truthful and accurate sales and marketing practices. In doing so, we will thrive as a company and continue to help our customers around the world to save money and live better. Contact your Legal Department for specific information on applicable local legislation or to seek advice.

Intentional Dishonesty

Striving for excellence means operating our business with high integrity and never conducting or participating in deceptive, dishonest or fraudulent activities. These activities are not only unethical, but may also be a violation of law. You should manage your particular area of business with as much transparency as possible. You also should encourage a work environment that supports the contributions of your employees and is based on our company's ethical values and Our Beliefs. Acts of fraud or dishonesty are more likely to occur in environments with insufficient control mechanisms or unrealistic expectations. To maintain excellence in our operations, we encourage transparency, honesty and realistic expectations.



Financial Integrity & Accounting Irregularities

Massmart requires honest and accurate recording and reporting of financial information in order to make responsible business decisions. All financial books, records and accounts must accurately reflect financial transactions and events. They must conform to generally accepted accounting principles and to Massmart's system of internal controls. No Massmart document or record may be falsified for any reason whatsoever. No undisclosed or unrecorded accounts of Massmart's funds or assets may be established for any purpose.

Insider Trading

It is illegal to buy or sell stock or other securities on the basis of material, non-public information or inside information. Inside information is any material, non-public information that a reasonable investor is likely to consider important when making an investment decision. Some common examples include periodic sales or earnings information for Massmart Holdings Limited or its subsidiaries, Walmart U.S., Walmart international or the total company prior to the public release of such information, projections of future earnings or loss or news of a significant event such as a pending merger, a change in operational structure or a change in executive management.

It also is illegal to communicate or tip inside information to others so that they can buy or sell shares or other securities on the basis of such information. If you are aware of any inside information about Massmart, Walmart or any other company, including our suppliers or business partners, you are prohibited from trading directly or indirectly or tipping off others to trade in shares or other securities in that company. These same restrictions apply to any person living in your household or who is financially dependent upon you, as well as to any entity or securities account you may control. As Massmart employees, we must all must remember to:

- Never buy or sell shares or other securities in any company while you have inside information about that company.
- Never recommend anyone to buy or sell shares or other securities in any company while you have inside information about that company.

- Never disclose inside information about Massmart or Walmart to anyone outside of Massmart (including your family members), unless such information has been released to the general public or unless such disclosure has been approved by the Legal Department and, in such instances, only after the Legal Department has informed you that adequate steps have been taken to prevent the misuse of information.
- Disclose inside information to people within Massmart only on a need-to-know basis.
- Never attempt to manipulate market prices, or spread market rumours or false information.
- Never buy or sell Massmart or Walmart shares while the trading window is closed if you are subject to trading windows, as described in Massmart's Fiscal Policy or related policies.

If you have any questions or concerns about insider trading, refer to Massmart's Fiscal Policy, or contact the Legal Department or Massmart Ethics.

Restrictive Trade Practices

We will not participate in any activity intended to restrain trade or promote a refusal to conduct business with customers, members or suppliers in any country where such a refusal would be in violation of applicable law. If you learn of a refusal to conduct business or any related communications regarding such a refusal, contact the Legal Department.



Intentional Dishonesty

Q An industry trade association has contacted me about participating in a benchmarking study for members of their association. This seems like a good way to obtain information about our competitors. Should we participate?

A There is nothing wrong with participating in benchmarking activities in the industry. However, this should never be used as a means to obtain confidential information about competitors.

Q Our department has several employees who are behind on their online training. To avoid a late report being elevated to my manager, can I have my office colleague take their online training and then cover the material with my colleagues during our team meetings?

A No. Having your office colleague complete the online training for other colleagues would not only be an act of intentional dishonesty, but also an unethical directive by the manager. This would compromise your integrity, as well as the integrity of the office colleague and the colleagues who should be taking the online training. In addition, online training is used to ensure our employees are appropriately trained to handle specific situations which they may encounter in their jobs or workplace. If you do not allow your colleagues to take their assigned online training, you are potentially putting your colleagues, customers and the company at risk.

Q I am applying for another job at Massmart. A requirement of the job is a university degree. I am actually due to finish my degree in a few months. Can I state that I have the degree on my CV?

A No. You should be honest about your qualifications when looking for a job. Misrepresenting your education, experience, certifications or licensing is a dishonest act that could potentially put our company at risk as well as provide an unfair advantage in the candidate selection process.

Q My manager has stated that due to the difficulty involved in reaching the high bins in the backroom, we should acknowledge in the system that a bin audit has occurred when, in fact, it has not. What should I do?

A What your manager is suggesting you do is to falsify bin audits, which is not only a dishonest act, but could also be detrimental to our business. By not properly conducting your bin audits, you are potentially impacting the level of customer service at the store as well as affecting the store's ability to maintain accurate stock levels. Additionally, your manager asked you to engage in a dishonest act. You should report this to management through the Open Door Communication Process or contact Massmart Ethics.

Financial Integrity

Q My manager told me to mark several items down to zero, but leave them on the shelves to sell because it will “help our inventory.” Is this acceptable?

A No. The manipulation of markdowns is not only dishonest, but it could also affect the store's profitability. If you're being instructed to do this, report it to Massmart Ethics immediately.

Q A colleague near me says she makes adjustments to our financial information so our “good months” will help our “bad months.” Could this be an issue?

A The manipulation of accounts and allowances is not only intentionally dishonest, but is also a financial integrity concern that can have serious consequences, both personally and as a company. You should report this immediately to Massmart Ethics.

Insider Trading

Q I have inside information from a publicly listed vendor about an amazing new product the company is going to launch. Can I buy that public company's shares?

A No. Any shares sold or purchased based on material, non-public information is considered insider trading.

Q Could I encourage a friend to buy it?

A Encouraging others to purchase the shares would still be considered insider trading and is commonly known as “tipping.” The friend would be liable for insider trading, if he or she purchased shares based on your tip and you would be liable for insider trading for giving the tip, even though you did not buy any shares in the public company's shares.

Restrictive Trade Practices

Q I was told I should boycott one of my suppliers because they conduct business in a certain country. Should I not do business with that supplier?

A Although restrictions are sometimes placed on certain countries and individuals, it's always best to speak to either the Legal or Compliance Department before taking any action if you are instructed to boycott a specific supplier or country.

“ If it is not right, do not do it.

If it is not true, do not say it ”

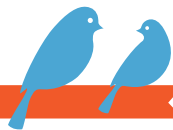
Marcus Aurelius

Roman Emperor from AD 161 to 180,
writer and philosopher (AD 121 – 180)

Anti-Corruption

Massmart believes in fair, free and open markets. We also believe in promoting good governance. We do not tolerate bribery, corruption or unethical practices of any kind.

Our stance on improper benefits is firm — regardless of local practice or custom, or even harm to our business.



Massmart strictly prohibits anyone acting on behalf of Massmart, whether directly or indirectly, from making or receiving bribes or improper payments. The Global Anti-Corruption Policy forbids us from paying, offering or authorising payment of money (or anything that has value) to improperly influence anyone. This also applies to payments made through someone unaffiliated with Massmart, such as a third party acting on Massmart's behalf. Our prohibition also covers small or minor benefits to influence someone improperly. Our stance on improper benefits is firm — regardless of local practice or custom, or even harm to our business.

We must avoid any interaction with a public official, employee of a publically owned company or political organisation that could even appear improper. This includes any person who performs a public function or who works for any government at any level (e.g. customs clearance officer, members of the military and law enforcement), a political party or campaign, (including unpaid staff), a public international organisation (e.g. the World Bank) or a government-owned or government-controlled enterprise (e.g. employees at state-owned utilities, energy companies, hospitals, etc.). A contract with a state-owned or public entity requires prior written approval from the Legal Department as well as approval from the Anti-Corruption Compliance team.

You must immediately report any suspected violations or any requests for a bribe. For further guidance on this topic, contact the Anti-Corruption Compliance team or Massmart Ethics.

Anti-Money Laundering

We are committed to ensuring full compliance with all applicable anti-money-laundering laws throughout the world. Some countries also have laws related to the reporting of cash or other suspicious transactions that we must obey.

Be alert to the following activities:

- Types of payments associated with money laundering, such as: multiple money orders, volume purchases of prepaid products, such as gift cards or large cash transactions.
- A customer or other third party who is reluctant to provide complete information, provides false or suspicious information or is anxious to avoid reporting or record-keeping requirements.
- Unusual domestic or foreign fund transfers that indicate scam activities or fraudulent schemes.
- Structuring a transaction to avoid specific requirements, such as conducting multiple transactions below the reportable threshold amounts.

Massmart has established rules concerning acceptable forms of payment. For further guidance on this topic, please contact the Compliance Department.

Authority to Work

We strive to be good corporate citizens. We will subsequently not hire, recruit or refer for a fee, anyone not legally authorised to work in the country in which employment is sought. It is our responsibility to inspect, verify and document the identity and employment authorisation of every new employee, including employees on global assignment in a country different from their home country. We are also responsible for reverifying the continuing employment eligibility of each employee by requesting further documentation when the initial work authorisation has expired.

All persons we hire, or send on a global assignment to a country other than their home country, must provide proper documentation and verification of their authorisation to work in the country in which they are to be employed.

In complying with immigration laws, it is important that we follow our policy against employment discrimination on the basis of national origin or possible citizenship or residential status.

We require all employment agencies, contractors and others doing business with us to fully comply with all immigration laws.



Environmental Responsibility, Health & Safety in the Workplace

We must all serve as responsible stewards of the environment and care for the safety and well-being of our employees, members, customers and communities.

Environmental Responsibility

Massmart is committed to conducting its business in a socially responsible and ethical manner. We are committed to environmental protection and the preservation of our natural resources. We are also responsible for complying with all applicable environmental legislation and regulations. This responsibility is a core foundation of our commitment to environmental sustainability. We must all act ethically regarding environmental issues to further our goal of helping people live better and to ensure a better world for future generations.

Health & Safety

Massmart is committed to protecting the health and safety of our employees, customers and communities because we care for one another's well-being. Conducting our business in compliance with all health and safety laws is crucial to the well-being of our employees and the communities where in which we do business. As employees of Massmart, we must always comply with all relevant health and safety laws and policies and never ignore a potential health and safety concern. Acting ethically with regards to health and safety issues is critical to our corporate goal of providing a safe shopping and working environment.

If you have questions regarding environmental or health and safety issues, please contact the Compliance Department or Massmart Ethics.

Product & Food Safety

At Massmart, product and food safety are more than a priority or regulatory requirement; they're part of our culture. As Massmart employees, we must comply with all applicable product and food safety laws and regulations in our daily business. With thousands of suppliers from around the world, we realise we have an important obligation to ensure that our suppliers adhere to stringent product and food safety expectations, laws and regulations. If you have any questions or concerns regarding product and food safety and the regulations or requirements that apply to your area of the business, please contact the Compliance Department or Massmart Ethics.

Protecting Personal & Business Information

In our daily business we may be exposed to personal and business information about employees, customers, members, suppliers and our own company. It's our responsibility to protect this information in accordance with applicable laws as well as our own policies, which include our records retention requirements and our company beliefs.

Information may be physical (on paper) or electronic. You should only collect or save company business information that is needed to perform your job. You must manage such information securely through its lifecycle and in accordance with Massmart's records management requirements. Confidential company information is divided into three categories of data: highly sensitive (high security), sensitive (medium security) and non-sensitive (low security).

Examples of ways in which to protect highly sensitive or sensitive information include:

- Accessing the information for business purposes only.
- Sharing it with other employees for legitimate business purposes only.
- Preventing unauthorised access (for example, locking up highly sensitive data).
- Returning all highly sensitive and sensitive information to Massmart along with any other Massmart property upon termination of employment.
- If there is no business need for keeping the data and no hold for legal purposes, dispose of it by placing it in a shredder or confidential bin; never throw it in the dust bin.

In addition to protecting our trade secrets, it's our policy to respect the trade secrets of others.

If you believe you have confidential company information that needs to be shared outside the company, seek approval from your manager, the Legal Department, Massmart Ethics or the Compliance Department before sharing information.

Trade secrets are an example of business data we must protect. In our pursuit of striving for excellence we have invested in the development of systems, processes, products, business procedures and technology — our trade secrets — which have made us a leader in the retail industry and given us a competitive edge. All trade secrets are highly sensitive data and must be kept secure. In addition to protecting our trade secrets, it's our policy to respect the trade secrets of others. No employee may reveal the trade secrets of the companies with which we conduct business or companies in which they were previously employed.

All employees should ensure their use of social media does not compromise the confidentiality of Massmart trade secrets, highly sensitive or sensitive business information.

Personal information about customers, members, suppliers and vendors must also be securely managed. Do not access or collect such information unless necessary to perform your job and only as directed by your manager. If you suspect there may be a breach of such personal information, notify a member of management, Human Resources or Massmart Ethics. Treat employee medical information the with the same care.

Specific departments within our company may have special privacy rules or procedures. We must read, understand and stay abreast of information that applies to our specific areas of the business and job functions. Furthermore, we must follow the applicable records management requirements. If you have any questions about the record keeping requirements that apply to your work, please contact the Compliance Department for assistance.

Governmental & Political Activities

Governmental Contracts and Inquiries

We should not enter into any contract or agreement with any governmental entity for any purpose without prior written approval from the Legal and Anti-Corruption Compliance departments. This specifically includes accepting bids, contracts or purchase orders for products and services. Failure to follow this requirement may result in Massmart incurring significant compliance obligations and related expenses.

You must immediately report all inquiries from governmental entities or investigators to your manager or contact the Legal Department. All inquiries from government entities and investigators must be answered accurately and completely.

Political Involvement

Participation in the political process outside the workplace and during non-working hours is admirable. You can make lawful contributions of personal funds to political activities. Please note that Massmart will not reimburse you for those activities unless required by law. Corporate funds shall not be provided to political candidates, entities or organisations without the express knowledge and written consent of Massmart's Corporate Affairs Department. You cannot use your job title or company affiliation in connection with personal political activities unless that information is required by law.

International Trade

All countries regulate international trade transactions covering activities such as imports, exports and financial transactions. For example, all inbound merchandise entering the commerce of a country must clear the Customs and Excise Department prior to being released and delivered to the recipient. At the Customs and Excise Department, merchandise is examined for compliance with local regulations and assessed for the payment of all duties and taxes, where applicable.

It's important we all keep the following points in mind:

- Make sure a thorough check of all regulatory requirements has been performed before attempting to import and export merchandise. Regulatory requirements apply to both the merchandise and the documentation.
- Documentation must be complete and accurate, including description, prices and the parties involved in the transaction.

- Internal controls must be established to ensure compliance with all regulatory requirements, including any record keeping obligations.

As a Massmart employee, you must be familiar with the various trade rules and regulations that apply to your work, including not only the trade laws of your own country, but also the laws and regulations in all other countries that may affect your work at Massmart. For example, some governments may administer a variety of trade restrictions, such as embargoes and sanctions against a number of countries, including nationals of those countries. Transactions with certain designated individuals and organisations, such as terrorist organisations, narcotics traffickers and weapons proliferators, are also prohibited, even though those individuals or organisations may not be associated with any particular country's embargo. Always consult the Compliance Department prior to entering into international trade negotiations or transactions.

Media Statements

Communication in the age of social media has changed the way we live and work. When events are unfolding or when people are simply looking for information, you may be viewed as a source of information about the company. As you talk with family members, customers and friends, we encourage you to share your Massmart story. If you are asked any questions and are unsure of the answers, please contact Massmart Corporate Affairs or your divisional marketing departments.

With regards to making public statements to media outlets such as television, news stations, local newspapers or trade publications, Massmart has designated communications professionals in the Massmart Corporate Affairs and divisional marketing departments who perform an external communication function. You must refer any queries to these professionals for response.



Anti-Corruption

Q Local police officials have recently stopped trucks leaving our distribution centre and threatened to delay deliveries unless the driver pays approximately R100 in cash to the official. My manager said we should carry approximately R100 in gift cards with us. Is it permissible?

A No. Massmart policy prohibits all unofficial payments to government officials to influence government action. This prohibition applies to cash, gifts or other valuable items. You should report this immediately to Massmart Ethics.

Q A store is seeking a permit from the Department of Transport in South Africa. The store usually gives holiday baskets to various local officials. This year, the store manager suggested that a R300 gift card be included in the basket for the head of the Department of Transport. Is this acceptable?

A No. The policy does not allow the gift card because it's something of value and is apparently intended to influence the Department of Transport. The policy does permit certain small customary gifts, such as promotional items bearing the Massmart logo that are of low or little value and are not intended to influence anyone. However, an approval process must be followed prior to giving a gift of any kind to a government official. If you have questions about providing a gift to any government official, please contact the Anti-Corruption Compliance team or Massmart Ethics.

Anti-Money Laundering

Q A customer refuses to provide her address for a money transfer to another country. Should I report this as a “suspicious person”?

A Any customer reluctant to provide the requested information should be reported as a “suspicious person” when processing financial transactions. Contact a member of management to assist you.

Q A customer asked me if I could split a large transaction into a few transactions which does not seem right. Should I process the transaction this way?

A No. If it's truly the same transaction, it should be processed as one transaction. This would be considered a suspicious or unusual transaction and should be reported. Contact a member of management to assist you.

Authority to Work

Q Should I report suspected non-authorized workers if they're technically employed by a contractor and not Massmart?

A Yes. We require all of our contractors to use only work-authorized employees at our facilities. If you suspect there are unauthorized workers at our work sites, please report this to management through the Open Door Communication Policy or contact Massmart Ethics.

Q What should I do if an employee arrives ready to begin work and they cannot show evidence of work authorisation?

A Follow your country's policies regarding employment authorisation. This includes verification for new employees as well as visiting employees on an expatriate or transition assignment. An employer must terminate the employment of an employee who is unable to show evidence of work authorisation within a certain time period.

Environmental Responsibility, Health and Safety in the Workplace

Q While working in the backroom, I noticed employees were placing boxes or pallets in front of the emergency exit, blocking the door. I reported this to my manager who stated he saw no problem with the practice since it was just temporary and would be moved when the merchandise went out on the sales floor. Is this a problem?

A Yes. Blocking emergency exits endangers employees and customers should an emergency occur at the store. In addition, we may face potential fines and liabilities for safety hazards such as the blocking or locking of emergency exits. It is crucial that emergency exits be accessible for immediate use in the event of a fire or other emergency. You should report this information immediately to Massmart Ethics.

Q An employee is asked to dispose of several containers of damaged household cleaning chemicals. He knows there is a standard operating procedure that governs the proper disposal of these kinds of items, but instead of following it, he simply moves the chemicals outside the building and leaves them there. How should this be handled?

A Chemicals should never be stored outside and subjected to the elements, especially if they are damaged. They may leak or deteriorate, allowing the chemicals to be released into the environment. Employees should ensure all chemicals are stored safely in approved areas with proper containment to prevent them from being released into the environment. Employees should always follow corporate standard operating procedures regarding environmental issues. If an employee discovers leaking or improperly stored chemicals, he/she should notify management immediately and report the information to Massmart Ethics.

Protecting Personal and Business Information

Q A creditor's employee is married to a supplier who works with the buyers at Massmart. I've seen her call her husband and inform him of the cost of the products that we're buying from his competitors. Is this a violation?

A Yes. Although she does not have influence over the business section he works with at Massmart, she has access to confidential information that may be giving her husband's company an advantage over other suppliers.

Q A co-worker has recently submitted her resignation. Since then, she's been emailing supplier contact information to her home computer so she can start her own business. Is this a violation?

A Yes. The supplier information she obtained through her position at Massmart is considered confidential company information. She should not be using it for her personal business endeavours. You should report this to Massmart Ethics.

Q A friend of mine said he could give me information regarding a competitor's upcoming confidential advertising strategy. Should I accept the information?

A No. We have no desire or need to know or learn about the confidential information of other companies.

Q My manager told all my peers about my medical condition when I called in sick yesterday. Is this a violation?

A It could be. Your peers do not have a business need for knowing your medical condition. In many cases, however, this type of information is shared out of genuine care and concern for you as an important and valued member of the team. Talk to your manager and tell him/ her about your concern. If you don't feel comfortable talking to your manager, contact your Human Resources manager or Massmart Ethics.

Q I have an anonymous blog that I write on a regular basis. Can I post information I've learned in my role at Massmart?

A While posting information online can be a great way to communicate with others, it's important to consider some of the risks and rewards that are involved. You must ensure that you maintain the confidentiality of company business information related to Massmart, its partners and the personal information of customers, members and suppliers, as well as employees' medical information. You are ultimately responsible for what you post.

Q My friend and I work in the same department. We both work with sensitive information. I recently learned confidential information that could impact her role. Can I share this information with her?

A No. Although the two of you are friends and work in the same department, you should not discuss or share sensitive information with anyone who doesn't have a business need to know it.

Governmental and Political Activities

Q We have a representative from the government here to inspect our food products. What should I do?

A Contact your manager or Compliance Department immediately. Ensure you follow the notification process for your market.

Q My team is interested in purchasing products from a government-owned business. What should I do?

A Contact your Anti-Corruption Compliance Team and Massmart Ethics before taking any action or making any commitment on behalf of Massmart.

Q My team is interested in submitting a Request for Proposal to become the exclusive provider of food items for the local feeding programme. What should I do?

A Contact the Legal Department before making any commitment and discuss the issue with the government contracting team.

Q I would like to get involved with a School Governing Body (SGB). Am I allowed to do this as a manager at Massmart?

A Yes. You must ensure your position with Massmart and any influence related to it is kept separate from your involvement in the SGB. You should also be transparent with your manager about your involvement with the SGB.

International Trade

Q I believe one of our imported items was classified incorrectly on the paperwork. What should I do?

A Contact your manager and the Compliance Department immediately. There are fines and tariffs in many countries for misclassifying import information on products.

Q I was told one of my new suppliers appeared on some sort of government list and I shouldn't do business with the supplier. What should I do?

A Contact the Compliance Department for guidance on how to proceed or correct the issue. Many governments keep a list of countries and people with which businesses may not enter into transactions.

Media Statements

Q I think my new store will be opening on a certain date. Can I call the local media to tell them about the grand opening and activities involved?

A You should contact the Corporate Affairs Department or your divisional marketing departments prior to contacting the media. Corporate Affairs or your divisional marketing departments will provide you with the resources and official information you may share with your local community and the media.



Massmart Ethics Line Numbers*

*Numbers subject to change

Call		SMS	
Botswana		0800 600 644 BTC ¹ 1144 ¹ 71119602 ¹	South Africa 32846 Rest of Africa +27 72 014 4445
Ghana		233 544 315 491 ¹	Email Massmart@ethics-line.co.za
Kenya		0800 722 626 Safaricom ¹ Essar and Airtel ²	Website www.walmartethics.com
Lesotho		80022055 Econet only ¹ ¹ +2731 571 5488 ⁴	
Malawi		847 ZAIN, ACCESS, and TNM ¹ 80000847 MTL ¹	
Mozambique		800112233 TDM ¹ 800 333 312 Vodacom ¹	
Namibia		0800 003 313 Namibia Telecoms Fixed ¹ 08191847 Mobile MTC ¹	
Nigeria		+234 708 060 1872 ² +234 809 993 7319 Mobile ⁹ ¹	
South Africa		0800 203 246 All networks ¹	
Swaziland		800 7006 SPTC Only ¹	
Tanzania		0800 780026 Airtel ¹ , Vodacom ² , Tygo ²	
Uganda		+2731 571 5488 ⁴ 800100255 UTL Only ¹	
Zambia		50800 Airtel ¹ 260-971231250 Airtel ¹ , Other Networks ²	
Rest of Africa		+27 31 571 5488	

¹ Toll free

² Domestic rates apply

³ International rates apply

⁴ International rates to SA applies

To ask a question or report a violation, contact the Massmart Ethics Line on 0800 203246 in South Africa or Massmart@ethics-line.co.za. For other locations, consult the back of this Code of Ethical Conduct. Massmart strictly prohibits victimisation against any employee who reports a concern. Reports can be made anonymously or confidentially. All reports will be treated confidentially by Massmart.



Final Disclaimer

This Code of Ethical Conduct provides an introduction to the responsibilities of all employees, along with an overview of certain important policies. It's an important part of your employment with Massmart; however, it's not intended to create an express or implied contract of employment in and of itself. It is also not inclusive of all applicable company policies. Furthermore, the policies of Massmart may be modified at our sole discretion, without notice, at any time. Employment with Massmart is on an at-will basis where permitted by law; meaning employees are free to resign at any time for any or no reason. Violations of this Code of Ethical Conduct may result in disciplinary action up to and including termination.

Massmart Ethics Contact Information

International access numbers may change.

Refer to www.massmart.co.za for the most updated access numbers by country if you experience difficulties.

Checklist when contacting the Massmart Ethics Line

- Alleged wrongdoing you are reporting
- Date and time of wrongdoing
- Names of people involved in wrongdoing
- How was the wrongdoing committed
- Where did the wrongdoing take place
- Are there any witnesses

Massmart Ethics Line Contact Information

Phone

South Africa: 0800 203 246

Specific phone numbers for other African countries are listed at the back of this document.

SMS

South Africa: 32846
Rest of Africa: +27 72 014 4445

E-mail

Massmart@ethics-line.co.za

Website

www.walmartethics.com

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