



GRINDROD SHIPPING POLICY

ANTI-CORRUPTION

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1. INTRODUCTION

Integrity, Respect, Fairness, Transparency, Accountability and Professionalism are core values of Grindrod Shipping Holdings Ltd., its subsidiaries and joint ventures (the “Company” or “Grindrod Shipping”) and are the foundation on which the Company conducts its business and engages with its stakeholders. These values are embraced in all relevant anti- corruption laws where we conduct our business including (but not limited to) the Singapore Prevention of Corruption Act, the Singapore Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, the South Africa Prevention and Combatting of Corrupt Practices Act (2004), the South Africa Companies Act (2008) and Regulations, the United Kingdom Bribery Act (2010) and the United States of America Foreign Corrupt Practices Act. It is these core values that underlie Grindrod Shipping’s zero tolerance for bribery, fraud, extortion and all other forms of corruption in our business.

2. PURPOSE AND SCOPE

The purpose of this Anti-Corruption Policy (hereinafter referred to as “this Policy”) is to document the minimum behavioural standards required to comply with Anti-Corruption laws and to combat corruption at every level within the business. This policy applies to all directors, officers, employees (whether permanent or temporary), technical and other consultants, agents or any other person associated with acting or acting on behalf of Grindrod Shipping. Our Company and employees shall observe the anti-corruption laws and regulations of all the countries where we have business activities and shall not engage in any corrupt or improper practices, which are typically made in order:

- to secure commercial, contractual or regulatory advantage for Grindrod Shipping in a manner which is dishonest, improper, unfair or unethical; or
- to provide personal advantage or favour, pecuniary or otherwise, for the employee or persons connected with the Employee in a manner which may influence or compromise the employee’s ability to make objective and fair business decisions on behalf of Grindrod Shipping; or
- to put a person or persons connected with the said person in fear of harm to body, mind, reputation or property, or under duress, in order to gain an improper advantage in any business dealing or transaction.

This Policy is complemented by various other Policies that promote the Company’s core values such as the Conflict of Interest Policy, Gifts Policy and Whistle Blowing Policy, all of which are available on the company’s intranet.

3. DEFINITIONS AND KEY CONCEPTS

For the purposes of this Policy, the following definitions have been used:

- 3.1 Corruption is defined broadly as ‘the misuse of a position of power or office for undue gain’ and bribery, ‘kickback’ and fraud are considered to be aspects of corrupt practices. Misuse of a position includes misuse by an individual of his/her position, as well as the inducement of another individual to misuse his/her position.
- 3.2 Bribery is the receiving, offering, promising or giving, authorizing or providing “anything of value”, either directly or via a third party, to any customer, business partner, vendor or other third party in order to secure, induce or keep an unfair advantage.
- 3.3 “Anything of value” is not only cash, and includes (but not limited to) cash equivalents like gifts, services, employment offers, loans, travel and entertainment, sponsorships, business opportunities, favourable contracts.
- 3.4 A ‘kickback’ is the unethical or illegal return of part of payment already made or to be made in a legitimate business transaction. For example, an unethical supplier may offer to pay a purchasing manager a ‘kickback’ comprising an amount of money or other benefit in kind in exchange for the award of a supply contract by that manager to that supplier.
- 3.5 It is the responsibility of the employee extending or receiving a gift, hospitality, travel and entertainment benefit to ensure that it is not, and cannot be construed as, a bribe and is in accordance with the Gifts Policy, Conflict of Interests Policy and Code of Ethics. If there is any doubt as to the appropriateness of giving or receiving gifts, entertainment or hospitality, guidance must be sought from a line manager, a Grindrod Shipping General Manager or Executive or the Ethics Officer.
- 3.6 Facilitation Payments are the payments or fees requested by government officials to expedite or facilitate the performance of routine government action. Facilitation payments are a form of bribery. Even though facilitation payments may be considered a normal, albeit illegal, practice in certain jurisdictions, it is strictly prohibited by Grindrod Shipping. No employee or any Third Parties should make any facilitation payments for and/or behalf of the Company. If you are in doubt as to whether a payment is a facilitation payment, you should only make the payment if the government official can provide a formal receipt of the payment or written confirmation of the legality of the payment. In any event, the prior approval of the Ethics Officer and/or the Chief Executive Officer for such payment should be obtained.

- 3.7 Extortion (also known as blackmail) is the act of utilizing, either directly or indirectly, one's access to a position of power to demand unmerited co-operation or compensation as a result of a threat or other form of pressure to induce a person to act in a desired manner.
- 3.8 Fraud refers to any conduct, statement or activity involving any form of dishonesty or deception and which has the potential to cause harm in any way to Grindrod Shipping or its stakeholders and must be reported to the Ethics Officer or to the Tip Offs Anonymous Line.
- 3.9 Grindrod Shipping prohibits the making of contributions to any political party or politician either directly or through third parties on behalf of the Company. Contributions to community and social upliftment projects, charities and enterprise development activities are permissible provided they are made in good faith and approved by the Chief Executive Officer and/or Board.
- 3.10 Grindrod Shipping does not allow its employees to promise or offer to give any benefits such as commissions, gifts in cash or kind, gifts that are more than nominal value, or any other service, favour or advantage of any description, to any individual or external parties with whom they deal with in the course of the employment.
- 3.11 Third Parties refers to any individual or organization which Grindrod Shipping's employees come into contact with during the course of their work, including but not limited to, existing or potential customers, suppliers, consultants, agents, advisers.

4. COMPLIANCE AND RESPONSIBILITY

Every individual employee, director, agent, representative and other intermediary of the Company is responsible for complying with this Policy.

General Managers are responsible for ensuring effective system of internal controls, accurate and detailed record keeping, financial reporting and monitoring of transactions to minimise the risk of undetected instances of corruption.

Gifts Register

Without detracting from an employee's obligations to avoid conflicts of interests, and to disclose to his/her immediate supervisor and/or the Ethics Officer for review any relationship or activity which could or would influence, or appear to influence, an employee's performance of his/her duties to the Company, as set out in the Conflict of Interest Policy, and in furtherance of this Anti-Corruption Policy (including but not limited to clauses 3.5 and 3.10 hereof) a Gifts Register will be maintained by the Company Secretary. All employees are required to promptly report to the Company Secretary the value and nature of any gift or benefit (including entertainment and meals whilst on business) received from / given to existing or prospective suppliers, vendors, contractors, subcontractors, customers or competitors in excess of US\$500.

For Grindrod Shipping to effectively combat corruption within the organisation, all stakeholders are required to report suspicions of corruption in one of the following ways:

- Employees should consult with their line manager; or
- Consult with any other Grindrod Shipping Executive; or
- Consult with the Ethics Officer by contacting Jeremy Miles on +27 (0)31 3021834 or via e-mail jeremym@ivs-int.com and/or
- Report via the independently operated and anonymous Tip Offs helpline by telephoning 0800 111 938 (from within South Africa) / +27 31 308 4736 (International) or grindrodship@whistleblowing.co.za or via the website www.whistleblowing.co.za.

Grindrod Shipping shall protect the identity of all complainants. Bona fide complainants shall not suffer any form of prejudicial treatment as a result of a bona fide complaint or report.

The Ethics Officer is responsible for oversight of this Policy. Reported incidents may be investigated internally by the Internal Audit Services Department or externally by the relevant authorities. To this end, the investigators shall have unlimited and unrestricted access to management, employees, activities, physical locations and to all information necessary to fully discharge his/her obligations. All stakeholders are obliged to co-operate fully in any investigation into allegations of corruption. The members of the Audit and Risk Committee ("ARC") will be updated on reported incidents and the reports from the anonymous Tip Offs helpline will be updated in the ARC meetings.

If our employees are established to have been involved in prohibited practices, they will be subjected to disciplinary actions, including immediate dismissal of employment and/or referral to relevant law enforcement authorities.

This policy shall be reviewed annually by the Executive committee to ensure its continued application and relevance.

5. WORKING WITH THIRD PARTIES

Employees who deal with Third Parties that are engaged for the provision and/or supply of goods and services are responsible for taking reasonable precautions to ensure that the Third Parties conduct their business ethically. Grindrod Shipping does not condone corrupt actions by our agents, representatives and other intermediaries acting for us, whether with or without our knowledge. Such parties are required to understand and comply with this Policy. Grindrod Shipping will avoid engaging in business dealings with such parties, as well as other Third Parties known or reasonably suspected to be engaging in corruption.