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THE LEWIS GROUP CODE OF ETHICS

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1. LEADERSHIP PLEDGE

At Lewis we want to be successful, responsible and ethical in order to create long-term sustainability for the Group. To achieve this, we have adopted the Lewis Group code of ethics to guide our behaviour regarding what is good, right and fair. This code lays down the boundaries for responsible business conduct so that all stakeholders know what to expect from the company and what the company expects from them. By truly living our values set out in this code, we continue to build a solid reputation, which is fundamental to our long-term success. By living our values, our customers and other stakeholders will continue to put their trust in us.

We should always protect the valuable reputation that we enjoy as a company. As Chief Executive of Lewis I am committed to upholding our core values and live by the highest ethical standards. Please join me in making sure that individually and collectively we always do the right thing. I would like to urge you to challenge any unethical, dishonest or illegal conduct in our business and to speak up if you notice any violation of our standards.

Let's practice what we preach.

Mr Johan Enslin
CEO The Lewis Group

2. OBJECTIVES OF THIS CODE OF ETHICS

Lewis is committed to doing honest and ethical business. This code outlines and describes our mission, vision and core values. The principles that underpin each of our core values are explained, setting a common, expected standard for us all. These standards should be respected and adhered to in our daily activities and business operations.

3. SCOPE

Our chosen values are universal and form part of our conditions of service. They apply to all employees at all levels, irrespective of seniority or position.

We also implore all our business partners, contractors, agents and suppliers to uphold our values, thereby contributing to a healthy society.

4. OUR MISSION AND VISION

4.1 THE LEWIS GROUP VISION

To be the leading furniture group, preferred and trusted throughout Southern Africa.

4.2 THE LEWIS GROUP MISSION

To create sustainable stakeholder value by offering affordable, exclusive and quality household goods to all consumers.

5. OUR ETHICAL VALUES

At Lewis we want to be successful and ethical in all we do. We pride ourselves in having integrity and striving for excellence. By working together as an efficient team and respecting others, we are able to deliver outstanding quality and service.

The values of respect, integrity, responsibility and excellence are our foundation and help us to do the right thing, even when it is inconvenient or requires sacrifice. Our core values guide our decisions and actions regarding what is good, right and fair. None of our values should ever be compromised in the interest of self-gain. By practising our proclaimed values, we will be seen and recognised as an ethical company caring for its employees, customers, the community and the environment.

These values apply to all employees, irrespective of seniority or position. By adopting these values, we commit to living up to the highest standards of ethical behaviour.

5.1 RESPECT

We regard all people as our equal, we are committed to treating customers, colleagues and other stakeholders with respect and dignity. Respectful communication forms a key component of an ethical workplace culture and confirms that we value all our stakeholders. We are committed to upholding the following principles:

- **Always communicate in a respectful manner**
- **Promote fairness at all levels of seniority**
- **Embrace diversity**
- **Value all our stakeholders.**

5.1.1 Communicate in a respectful manner

Open and respectful communication is key to successful teamwork and an ethical culture. We will always:

- actively listen to others and give them our full attention
- allow others the opportunity to state their views
- value all opinions, even if these are different from our own
- refrain from using words or phrases that may be offensive to others
- be aware of our body language
- ensure that our actions are not disruptive or harmful to effective teamwork or decision-making
- avoid office gossip and ensure that all our written and spoken communication is truthful
- promote a professional style of verbal and non-verbal communication in the workplace.

5.1.2 Promote fairness at all levels of seniority

We value our employees as our most important asset. We are committed to treating everyone fairly. We will therefore:

- treat one another the way we would like to be treated
- support fair and equal opportunities for all
- support equal and democratic rights for everyone
- apply our policies and values in a consistent way
- ensure that everyone is held to the same high standards
- where possible, explain the reasons for our decisions.

5.1.3 Embrace diversity

A diverse work team gives us a competitive edge and increases work productivity, we will therefore:

- acknowledge and accept the differences between people in respect of age, class, race, ethnicity, gender, health status, disability, religion or sexual orientation
- proactively create a fair and safe working environment where everyone is treated as a team member and has access to opportunities
- not tolerate any form of discrimination against, or unfair treatment of anyone
- never allow any form of victimisation against whistle-blowers who report wrong-doing in good faith
- refrain from any conduct, whether legal or part of our personal culture, that could offend others in the workplace.

5.1.4 Value all our stakeholders

We rely on the support and loyalty of our stakeholders. We will therefore:

- partner with our stakeholders and build lasting working relationships
- regularly and transparently engage with stakeholders
- deliver value to all our stakeholders
- develop the communities in which we trade.

Stakeholders are defined as, customers, employees, shareholders, regulators, labour unions, suppliers and communities in which we trade.

5.2 INTEGRITY

Our honesty and commitment to keep our promises builds relationships based on trust. Our integrity is non-negotiable, we are committed to upholding the following principles:

- **Operate with honesty and transparency**
- **Honour our commitments, and deliver on our promises**
- **Protect confidentiality of information**
- **Communicate effectively.**

5.2.1 Operate with honesty and transparency

Honesty in all we do enhances our reputation. Our integrity is non-negotiable, we are committed to upholding the following principles:

- Never engage in any dishonest business practices
- Be open and transparent in our approach
- Always be upfront about rights and obligations
- Report any dishonest practices as soon as possible
- Always consider the ethical implications of our decisions.

Refer to the following:

- Lewis Group leave policy
- Lewis Group conflict of interest policy
- Lewis Group whistle-blowing policy
- Lewis Group gift, hospitality and entertainment policy

5.2.2 Honour our commitments and deliver on our promises

At Lewis we pride ourselves in being true to our word. To protect our reputation and build our good name, we will:

- aspire to exceed the expectations of our stakeholders
- always deliver on our promises
- never give assurances that we know are unreasonable in order to finalise a deal or hold onto a customer
- inform the client at the earliest opportunity of any problems, that may affect our ability to deliver on time
- never compromise our professional standards and ethical values to reach performance targets.

5.2.3 Protect confidentiality of information

We are committed to protecting the personal information of our employees and our customers. We will therefore:

- treat all personal information as confidential
- comply with laws relating to the protection of personal information
- safeguard and respect our intellectual property and the intellectual property of others
- only disclose confidential information when duly authorised to do so or in the fulfilment of a contractual relationship or a legal obligation.

Refer to the following:

- Lewis Group IT policy
- Lewis Group information security policy.

5.2.4 Communicate effectively

We are committed to communicating effectively. Therefore we will:

- provide relevant and truthful information in a timely manner to all stakeholders
- avoid misrepresenting facts or withholding important information
- promote open communication and collaboration across business units in the pursuit of our common goals
- communicate in a courteous and professional manner
- provide regular, quality feedback on job-related performance
- effectively communicate our policies, procedures and rules to all relevant parties.

Refer to the following:

- Lewis Group social media/IT policy

5.3 RESPONSIBILITY

Serving the best interests of the company creates sustainable growth and increased shareholder value. Lewis not only complies but acts within the spirit of all relevant legislation and consumer protection requirements. We are committed to building and protecting our reputation by:

- **Taking responsibility for our actions**
- **Serving the best interests of the Lewis Group**
- **Being a loyal brand ambassador of the Lewis Group**
- **Using our resources and time responsibly**
- **Respecting the environment.**

5.3.1 Take responsibility for our actions

All stakeholders of the company must take responsibility for their actions and decisions. As management and employees, we will:

- take ownership of our individual duties and responsibilities
- be diligent and attentive in the performance of our duties

- hold ourselves and our colleagues accountable
- take responsibility when things go wrong, own up to mistakes and take remedial action where needed.

5.3.2 Serve the best interests of the Lewis Group

Our commitment and loyalty serves the best interests of the company. We will therefore:

- act in good faith and think before we do
- always do our very best and go the extra mile in the best interest of the company and customers
- use our position of trust for company purposes only and not for personal gain
- not abuse our position of authority
- avoid any conflict of interest
- not pursue private business interests at work
- be accountable to our stakeholders.

5.3.3 Be a loyal brand ambassador of the Lewis Group

We are all brand ambassadors of the company, within and outside the workplace. We will therefore:

- protect the good name and reputation of the company
- be loyal to the Lewis Group brand
- represent the company, within and outside the workplace, making stakeholders proud to be associated with Lewis
- make ethical behaviour a personal quest and set a good example to others
- dress appropriately and professionally for work.

5.3.4 Use our resources and time responsibly

Take care of our time and property, by:

- being punctual and striving to meet deadlines
- using company resources responsibly and only for the purpose intended
- treating company vehicles with respect
- not wasting time or keeping others from being productive.

5.3.5 Be a good steward of our environment

To protect and conserve the environments within which the company operates, all our stakeholders must:

- adhere to applicable environmental laws
- promote sustainable development
- reduce our carbon footprint as much as possible
- recycle, re-use and reduce consumables
- save the natural resources of the places where we operate or do business
- encourage active involvement in the communities within which we operate.

Refer to the following:

- Lewis Group environmental statement.

5.4 EXCELLENCE

Lewis strives for excellence by delivering products through quality service that meets our customers' expectations. In developing our people and using our diverse skills, experience and backgrounds we become a successful team. To perform at our best, we are committed to upholding the following principles:

- **Deliver quality products through service excellence**
- **Work together as a productive team**
- **Develop our people and our skills**
- **Ensure a safe and healthy working environment.**

5.4.1 Deliver quality products through service excellence

To be known for our great service and our fit-for-purpose products, we will:

- deliver the best possible service within the agreed-upon time frames
- source our products according to local and international quality standards
- use or acquire the necessary skills and technical expertise to meet and exceed our obligations
- adopt appropriate performance standards that adhere to ethical labour practices
- continuously improve to meet future customer needs and requirements.

5.4.2 Work together as a productive team

Effective working relationships in the company are central to our success. Therefore we will:

- build synergy by actively fostering a culture of cooperation
- put personal differences aside in the interest of serving the best interests of the company

- offer to assist one another, even before being asked
- not be obstructive or undermine authority at work
- value the individual strengths and opinions of each person in our teams.

5.4.3 Develop our people and our skills

Our employees are our most valuable asset, we will therefore:

- invest in our people and contribute to their success
- provide opportunities for personal growth and professional learning
- cultivate a positive attitude to learn and listen to advice
- welcome innovative problem-solving thinking
- embrace change and adapt where needed
- share our knowledge and experience and coach colleagues
- acknowledge and learn from our mistakes.

5.4.4 Ensure a safe and healthy working environment

To ensure a safe, healthy and secure working environment, all Lewis stakeholders must:

- comply with all safety legislation and procedures wherever we do business and have operations
- insure that vendors and partners adhere to local and international health and safety standards
- not support any business that is guilty of human rights or environmental abuses
- not be intoxicated or under the influence of illegal substances during the performance of duties
- look out for one another and report any safety risk immediately
- encourage a healthy work-life balance amongst our employees.

Refer to the following:

- Lewis Group health and safety policy and procedures
- Lewis Group training policy
- Details of the Lewis Group wellness line.

6. ETHICS MANAGEMENT STRUCTURES IN THE LEWIS GROUP

6.1 ETHICS IN THE BOARDROOM

The governance of ethics is non-negotiable. The IODSA King IV Report on Corporate Governance for South Africa 2016¹ recommends that the governing body of an organisation should:

- set the direction of how ethics should be approached and addressed by the organisation
- approve codes of conduct (also referred to as codes of ethics) and ethics policies that articulate and give effect to its direction on organisational ethics
- ensure that codes of conduct and ethics policies:
 - include the organisation's interaction with both internal and external stakeholders as well as the broader society
 - address the ethics risk of the organisation
- ensure that the codes of conduct and ethics policies are communicated, through different channels of communication, to employees and other stakeholders to enable them to become familiar with the ethical standards of the organisation
- delegate to management the responsibility for implementation and execution of the codes of conduct and ethics policies
- exercise ongoing oversight of the management of ethics and, in particular, oversee that it results in, *inter alia*, the application of the organisation's ethical standards in recruitment and performance evaluation processes; sanctions and remedies for the transgression of the organisation's ethical standards; the institution of whistle-blowing mechanisms to detect transgressions of the ethical standards; and the monitoring of employees and other stakeholders' adherence to the organisation's ethical standards through, amongst others, periodic independent assessments.²

6.2 ETHICS MANAGEMENT FOR MANAGERS

It is the responsibility of management to, amongst others:

- consider the long- and short-term impact of our strategy on the economy, society and environment
- protect, enhance and invest in the well-being of the economy, society, the environment and stakeholders

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² Page 44 to 45, webversion.

- execute strategic decisions effectively and according to laws and the legitimate interests and expectations of the stakeholders
- do business in an ethical way
- ensure that the company's performance and interaction with its stakeholders are guided by the Constitution and the Bill of Rights
- build and sustain an ethical corporate culture in the company
- measure the adherence to ethical standards (assessing and monitoring)
- ensure that our internal and external ethics are aligned
- ensure that ethical risks and opportunities are incorporated in the risk-management process
- ensure that the code of ethics and ethics-related policies are implemented and enforced
- ensure that compliance with the code of ethics is integrated in the operations of the company
- report on company ethics performance to top management.

6.3 ETHICS AND INTERNAL AUDIT

Internal audit is responsible for reviewing ethical compliance within the company and reporting to the audit committee on the effectiveness of the ethics management process.

6.4 THE ROLE OF THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

Regulation 43(5) of the Companies Act requires of the company to have a social and ethics board committee. The task of this committee is to oversee how the company deals with:

- social and economic development
- good corporate citizenship
- the environment, health and public safety issues
- consumer relationships
- labour and employment.

In the IODSA King IV report³, which was published after Regulation 45, the role ascribed to the social and ethics committee is expanded to include oversight and reporting on **organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships**. It thus requires the committee to deal with:

- organisational ethics

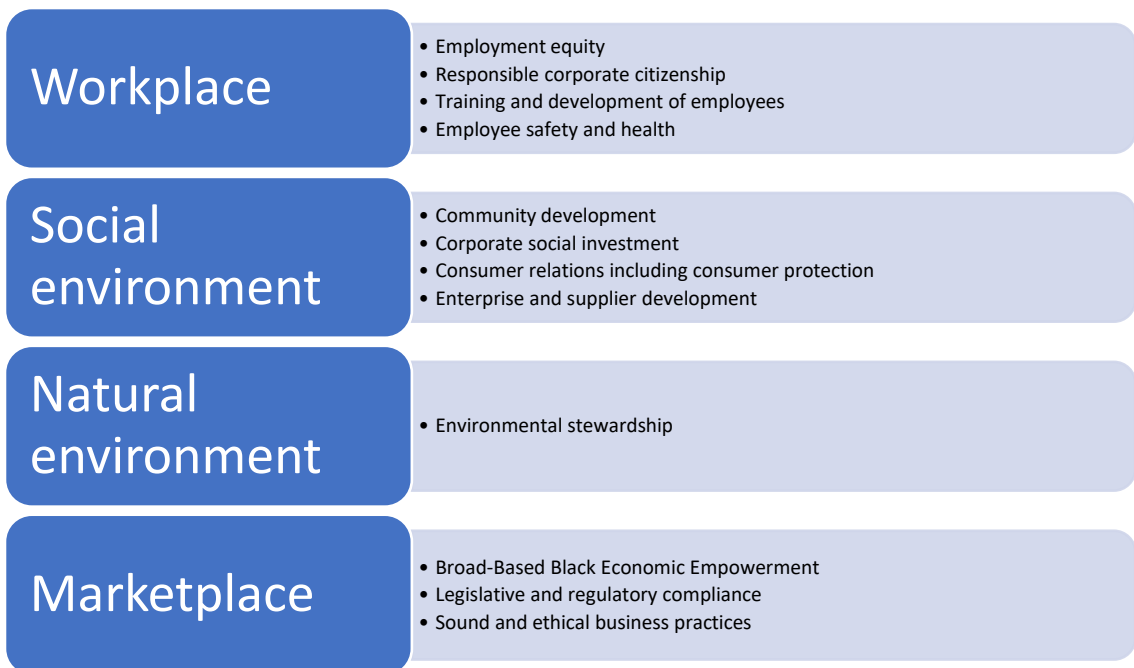
³ All rights reserved, the Institute of Directors in Southern Africa NPC.

- responsible corporate citizenship
- sustainable development
- stakeholder relationships.

The King IV report also recommends a higher standard for the composition of this committee than what is provided for in the Companies Act. It is recommended that a majority of the members of the committee should be non-executive members of the governing body, to ensure that independent judgement is brought to bear.

The combined areas of responsibility of the social and ethics committee can thus be summarised as follows:

6.4.1 AREAS OF RESPONSIBILITY FOR THE SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE



7. ETHICAL DECISION-MAKING

At Lewis we want to make the right ethical decisions in all that we do. To be ethical is to:

- **do** right and not wrong
- **be** fair and not unfair
- **do** good and not bad.

Ethical conduct is not only concerned with doing what is right, good and fair; it also requires us to:

- be responsible
- consider the interests of others
- uphold formalised or known professional standards in the workplace or our professions.

7.1 HOW TO MAKE THE RIGHT DECISION

To make the right ethical decision, we must ask ourselves the following four guiding questions:

1. Is this legal to do?
2. Do our company policies and procedures allow it?
3. Is it in line with the company's core values?
4. Is it in line with my own values and moral code?

In addition, one could also be guided by answering the following questions:

1. What would my family, colleagues or manager say about the decision I am about to make?
2. Would it affect the company's reputation negatively if others found out?
3. Would I be happy if I were treated this way?

7.2 GUIDING PRINCIPLES FOR ETHICAL DECISION-MAKING

- Always act in the best interests of the company and its stakeholders and avoid any personal conflict of interest
- Exercise sound judgement by considering the ethical implications and risks of your decision
- Also consider the impact of your decision on your reputation and good name, as well as that of the company
- If still in any doubt, refer to your manager or someone else at the appropriate level of management or seniority for guidance.

8. REPORTING UNETHICAL BEHAVIOUR

The Lewis Group is committed to doing business with integrity, honesty and transparency, and to prevent any form of dishonest behaviour, irregularities and unethical behaviour in its business affairs. In order to live up to this commitment, we expect from our employees and stakeholders to communicate any serious concerns that they may have about our business through the appropriate reporting channels provided by the company.

The type of concerns to be communicated are (but not limited to):

- conduct that is an offence or a breach of law
- the unauthorised use of company resources
- dishonest behaviour, e.g. possible corruption, fraud and theft
- sexual or physical abuse
- any unethical conduct, e.g. discrimination of any sort
- abuse of power and conflict of interest
- breach of company policies and/or procedures
- any health and safety risks
- environmental abuse
- misrepresentation of information
- miss-selling of products
- abusive behaviour.

It is our ethical duty to report any breach of this code. The following process should be followed to report a concern:

1. Raise your concern immediately with your manager or supervisor.
2. Where this is not possible (e.g. your concern involves your manager or supervisor), speak to your senior manager (e.g. your manager's manager).
3. If you do not feel comfortable with the alternatives above, you could utilise the following platforms to report your concern:

Contact the anonymous Lewis Group ethics line at 0800 005 323 or send an e-mail to ethics@lewisgroup.co.za. Neither your phone number nor your e-mail address may be disclosed without your express permission.

When raising a concern, ensure that you provide the following information:

1. Your name (you can choose to remain anonymous when raising a concern; however, it is easier to investigate concerns, attend to follow-up questions and provide feedback if you identify yourself).
2. The nature of the issue.
3. Any known details of the matter, e.g. what happened, when where, and how.
4. Who the involved parties (individuals or businesses) are.
5. Any evidence, such as documentation, to substantiate what you say.

6. What steps you have taken so far to address the issue, e.g. if you have reported it to your manager or supervisor or senior manager.
7. If anything has been done to resolve the issue.
8. If you may be contacted for clarification of the facts (you will then have to give your name and contact details).

You may choose to remain anonymous but if you give permission, your identity and the information you provide will be shared only on a need-to-know basis, in order to resolve the concern. However, note that there may be situations where the law requires you to reveal your identity, in which case the Lewis Group will do all in its power to protect you.

No form of victimisation against a reporter acting in good faith will be tolerated. Disciplinary action will be taken against the offender (victimiser), which may lead to termination of employment and the institution of criminal proceedings.

Should an employee feel that he/she has suffered occupational victimisation as a result of reporting a concern in accordance to the prescribed procedure above, he/she may approach the CCMA or labour court for assistance.

All reports must be made in good faith, believing that you are reporting the truth. If anyone knowingly provides false information, makes false allegations or raises concerns with malicious intent, the company may take disciplinary action against the offenders including, termination of employment.

All matters with merit will be investigated by internal audit. Matters relating to “other” areas (such as regulatory compliance, etc.) will be referred to the relevant departments.

Refer to the following supporting policies and procedures:

- **Lewis Group grievance procedure**
- **Lewis Group disciplinary code and procedure**
- **Lewis Group whistle-blowing policy**
- **Lewis Group fraud policy**

9. NON-COMPLIANCE WITH THIS CODE OF ETHICS

It is important that every employee knows, understands and adheres to all aspects of this code that forms part of our conditions of service. Contraventions of this code will be taken seriously and where appropriate, disciplinary action will be taken against the offender in accordance with our disciplinary procedure and grievance policy.

Last reviewed: 31 August 2022