



merSETA

MANUFACTURING, ENGINEERING AND RELATED SERVICES SETA

SCHEDULE 4: CODE OF CONDUCT

1. POLICY

This Code of Conduct is for all members of the MERSETA and governance structures including ad-hoc structures. All of the above are subject to the Code of Conduct with the exception of staff.

The MERSETA and its members are committed to a policy of fair dealing and integrity in the conduct of their business. This commitment, which is actively endorsed by the MERSETA, is based on a fundamental belief that business should be conducted honestly, fairly and legally. The MERSETA expects all members of the Governing structure to share commitment to high moral, ethical and legal standards.

The General Manager: Corporate Governance must ensure that each member when taking office is given a copy of this Code and is easily available to members.

2. UNDERSTANDING THE CODE

This document outlines the MERSETA's Code of Conduct ("the Code"), which applies equally to all members of the MERSETA. Compliance with the Code by all members is mandatory.

In this Code, unless the context otherwise indicates -"member" means a member of the Governing Board or committee, duly elected, appointed or nominated in terms of the Merseta Constitution.

3. COMPLIANCE WITH LAWS AND REGULATIONS

A member must:

- 3.1 Comply with all applicable laws and regulations, which regulate their activities for and on behalf of the MERSETA;
- 3.2 Perform the functions of office in good faith, honestly and in a transparent manner;
- 3.3 At all times act in the best interest of MERSETA and in such a way that the credibility and integrity of MERSETA is not compromised; and
- 3.4 Exercise reasonable care and diligence in all decision-making.

4. ATTENDANCE OF MEETINGS

A member must attend each meeting of the MERSETA Governing Board or a committee except when -

- 4.1 A member has informed the MERSETA's General Manager: Corporate Governance and/or the Chairperson of the Committee no later than forty eight (48) hours prior to the meeting of the fact that he/she will be unable to attend;
- 4.2 The non-attendance is approved by the relevant Committee; or
- 4.3 That a member is required in terms of this Code to withdraw from the meeting.

5 SANCTIONS FOR NON-ATTENDANCE OF MEETINGS

- 5.1 The MERSETA Governing Board may impose a penalty as determined by the Code on a member for:

5.1.1 Not attending a meeting which that member is required to attend in terms of item 4; or

5.1.2 Failing to remain in attendance at such meeting.

5.2 A member who is absent from three or more consecutive meetings of MERSETA Governing Board , or from three or more consecutive meetings of a committee, which that member is required to attend in terms of item 4, must be removed from office as a member unless exceptional circumstances prevail.

5.3 Proceedings for the imposition of a penalty or the removal of a member must be conducted in accordance with the disciplinary procedure as contemplated clause 14 below.

6. DISCLOSURE OF INTEREST

A member must-

6.1 Disclose to the Governing Board, or to any committee of which her/she is a member, any direct or indirect personal or private business interest that the member, or any spouse, partner or business associate of that member may have in any matter before the Governing Board or the committee: and

6.2 Withdraw from the proceedings of the Governing Board or committee when that matter is considered by the Governing Board or committee; unless the Governing Board or committee decides that the member's direct or indirect interest in the matter is trivial or irrelevant.

6.3 A member who, or whose spouse, partner business associate, an employer of a member or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the MERSETA, must disclose full particulars of the benefit of which the member is aware at the first meeting of the Governing Board or Committee at which it is possible for the member to make such disclosure.

6.4 Make a full disclosure, in the case where there is any doubt as to whether a particular interest should be disclosed or not.

7 PERSONAL GAIN

- 7.1 A member may not use the position or privileges as a member, or confidential information obtained as a member, for private gain or to improperly benefit another person.
- 7.2 A member may not –
 - 7.2.1 be a party to or beneficiary under a contract for the provision of goods or services to the MERSETA;
 - 7.2.2 obtain a financial interest in any business of the MERSETA; or
 - 7.2.3 for a fee or other consideration appear on behalf of any other person before the Governing Board or a committee.

8. BUSINESS PRACTICES

A member may not request, solicit or accept any reward, gift or favour for-

- 8.1 voting or not voting in a particular manner on any matter before the Governing Board or before a committee of which he/she is a member.
- 8.2 persuading the Governing Board or any committee in regard to the exercise of any power, function or duty;
- 8.3 making a representation to the Governing Board or any committee of the MERSETA; or
- 8.4 Disclosing privileged or confidential information.

9. DECLARATION OF INTEREST

- 9.1 When nominated or appointed, a member must within 30 days declare in writing to the MERSETA the following financial interests held by that member:
 - 9.1.1 Shares and securities in any company;
 - 9.1.2 Membership of any close corporation;
 - 9.1.3 Interest in any trust;
 - 9.1.4 Directorships;
 - 9.1.5 Partnerships;
 - 9.1.6 Other financial interests in any business undertaking;

- 9.1.7 Interest in property for business purposes;
 - 9.1.8 Membership as a trustee in any Pension Fund; and
 - 9.1.9 Subsidies, grants and sponsorships by any organisation.
 - 9.1.10 Related party (indirect interest that provide an employer of a member a financial interest)
- 9.2 Any changes in the nature or detail of the financial interest of a member must be declared in writing to the Chief Executive Officer bi-annually.
 - 9.3 Formal declarations and a register of interests of all Committee members shall be prepared, signed, filed and maintained by the General Manager: Corporate Governance.
 - 9.4 All gifts received by a member above a prescribed amount of R350.00 from any party that has business with MERSETA shall be declared in accordance with paragraph 9.1.
 - 9.5 The declarations of interest shall be a standing item on the agenda.

10. REMUNERATION

No committee member is entitled to remuneration with the exception of the members of the Audit Committee.

11. UNAUTHORISED DISCLOSURE OF INFORMATION

- 11.1 A member may not disclose any privileged or confidential information of the Governing Board or committee or relating to Merseta to any unauthorised person.
- 11.2 For the purpose of this item 'privileged or confidential information' includes any information –
 - 11.2.1 Determined by the Governing Board or committee to be privileged or confidential;
 - 11.2.2 Discussed in closed session by the Governing Board or committee;
 - 11.2.3 disclosure of which would violate a person's right to privacy; or

- 11.2.4 Declared to be privileged, confidential or secret in terms of the law.
- 11.3 A member may not without the permission of Governing Board, regardless of their position, speak to the media on behalf of the Board unless articulating a Board adopted position.
- 11.4 This item does not derogate from the right of any person to access to information in terms of national legislation.

12. INTERVENTION IN ADMINISTRATION

A member of MERSETA Governance structure may not, except as provided by law-

- 12.1 Interfere with day to day management or administration of any Division of the MERSETA unless mandated by the Governing Board;
- 12.2 Give or purport to give any instruction to any employee of the MERSETA except when authorised to do so:
- 12.3 Obstruct or attempt to obstruct the implementation of any decision of the Governing Board or a committee by an employee of the MERSETA: or
- 12.4 Encourage or participate in any conduct which would cause or contribute to maladministration in the MERSETA

13. MERSETA PROPERTY AND FUNDS

The member may not use, take, acquire or benefit from any property or asset owned, controlled or managed by the MERSETA.

14. BREACH OF CODE

- 14.1 If the Executive Committee, is of the opinion that a provision of this Code may have been breached, the chairperson must authorise an investigation of the facts and circumstances of the alleged breach and give the member a reasonable opportunity to reply in writing regarding the alleged breach.
- 14.2 The organisation which the member represented shall be informed of the pending investigation.

- 14.3 If the Executive Committee is not satisfied with the member's written response, the Executive Committee must request the Chief Executive Officer to appoint an independent chairperson to chair a formal hearing.
- 14.4 If the Independent chairperson finds that a member has breached a provision of this Code, the MERSETA may-
- 14.4.1 Issue a formal warning to the member; or
 - 14.4.2 Reprimand the member; or
 - 14.4.3 Request the Minister of Labour to suspend the member for a period; or
 - 14.4.4 Request the Minister of Labour to remove the member from office.
- 14.5 The chairperson must report the outcome of the investigation as well as any action recommended to be taken in terms of paragraph 14.4 above to the MERSETA Governing Board and the Minister of Labour.
- 14.6 The organisation which the member represented shall be informed of the pending investigation and as well as any action recommended to be taken.
- 14.7 If the member is removed by way of this disciplinary process then the organisation which the member represented may then nominate a new member for appointment to the Governing Board or relevant committee.
- 14.8 If the breach of code constitutes a criminal offence then the Chairperson must report the matter to the South African Police Services.
- 14.9 Any investigation in terms of this item must be in accordance with the rules of natural justice.

