

BSI STEEL LIMITED

CODE OF ETHICS

1. INTRODUCTION

1.1 BSI Steel Limited and all its subsidiaries (BSI) are committed to a policy of fair dealing and integrity in the conduct of its business. This commitment, which is endorsed by the BSI Board of Directors, is based on the fundamental belief that business should be conducted honestly, fairly and legally. BSI expects all employees to share its commitment to high moral, ethical and legal standards.

1.2 This document outlines the Code of Ethics which applies equally to all employees. The Code is designed to be complementary to BSI policies and values, and to inform employees of ethical behaviour standards in various areas. The Code informs employees of BSI's expectations and employee obligations.

Compliance with this code is mandatory. If employees become aware of or suspect a contravention of the code, they must promptly and confidentially report the matter as set out in the Contravention of the Code section of this Code. The matter will be investigated and dealt with as set out in the relevant section.

If employees are in doubt about the application of the code, they should discuss the matter with the person to whom they report, or a person at management level.

2. COMPLIANCE WITH LAWS AND REGULATIONS

BSI complies with all applicable laws and regulations which relate to its operations in all countries. Any violation of the law or unethical business dealing by any employee will not be tolerated. Employees must ensure that their conduct cannot be interpreted as being in any way in contravention of applicable laws and regulations. Employees should bear in mind the perception of their actions by others, and act accordingly.

3. CONFLICT OF INTEREST

Employees are expected to perform their duties conscientiously, honestly and in accordance with the best interests of BSI. Employees must not use knowledge gained through their employment with BSI for private or personal advantage, or in such a manner that a conflict or appearance of conflict, arises between BSI's interests and their personal interests. A conflict could arise where an employee, a member of an employee's family, or a business with which the employee or family is associated, obtains a gain, advantage or profit by virtue of the employee's position with BSI or knowledge gained through that position.

If employees feel that a course of action which they have pursued, are pursuing, or contemplating pursuing, may involve a conflict of interest situation or a perceived conflict of interest situation, they should immediately make all the facts known to the person to whom they report.

3.1 Outside activities, employment and directorships

We all share a responsibility to contribute to our local communities, and the participation of employees in religious, charitable, educational and civic activities is encouraged. Employees should however, avoid acquiring any business interest or participating in any activity outside BSI that would create or appear to create:

- (a) An excessive demand upon their time, attention and energy which would deprive BSI of their best efforts on the job; or
- (b) a conflict of interest – that is, an obligation, interest, or distraction which would interfere or appear to interfere with the independent exercise of judgement in BSI's best interest.

The taking up of outside employment by employees is discouraged, and may not be done without the prior approval in writing of the Chief Executive of their division. Employees who hold, or have been invited to hold outside directorships should take particular care to ensure compliance with the provisions of this code. When outside directorships are being considered, prior approval must be obtained from the Chief Executive Officer.

3.2 Relationship with clients, customers and suppliers.

Employees should ensure that they are independent, and are seen to be independent from any business organisation having a contractual relationship or providing goods and services to BSI, if such relationship might influence or create the impression of influencing their decisions in

the performance of their duties on behalf of BSI. In such circumstances, employees should not invest in, nor acquire a financial interest, directly or indirectly, in any such organisation.

3.3 Gifts, hospitality and favours

Gifts, hospitality and entertainment may only be offered to a third party if they are consistent with customary business practice, modest in value and not in contravention of any applicable law, and public disclosure thereof would not cause embarrassment to BSI.

Conflicts of interest may arise where employees are offered gifts, hospitality or other favours which might, or could be perceived to, influence their judgement in relation to business transactions such as the placing of orders and contracts.

Accordingly, employees must not accept gifts, hospitality, or other favours from any suppliers of goods and services to BSI in return for any kind of favour, service or treatment, offered by virtue of being an employee of BSI. However, acceptance of the following would not be in contravention of this code:

- (a) Advertising matter of limited commercial value,
- (b) Occasional business entertainment such as lunches, cocktail parties and dinners,
- (c) Occasional personal hospitality, such as tickets to local sporting events etc, and
- (d) Minor gifts of limited commercial value.

The acceptance of **all gifts** must be reported to the employee's line manager.

In addition, no personal favours or other preferential treatment should be accepted by an employee when they are offered because of the employee's position within BSI, and therefore might place the recipient under obligation.

3.4 Solicitation of gifts, sponsorships and money.

No employee may solicit gifts, sponsorships, or donations from any supplier or customer of BSI without the written permission of the Chief Executive Officer, regardless of the cause for which these may be required. This includes solicitations on behalf of any sporting, social or service club in circumstances where the employee may be perceived as holding a position within BSI so that the supplier or customer may

feel obligated in any way to make a gift, sponsorship, or donation on account of his relationship with BSI.

Where the permission of the Chief Executive Officer has been obtained, the employee must make it clear to the supplier or customer, that the approach is not on behalf of BSI, and the relationship of the supplier or customer with BSI will not be affected by their response.

3.5 Personal investments

The rights of all employees to make personal investment decisions is respected, provided that these do not contravene the provisions of this code, any applicable legislation, or BSI policies and procedures, and provided that these decisions are not made on the basis of material non-public information acquired by reason of the employees employment with BSI. Employees must not permit their personal investment transactions to have priority over transactions for the company and its clients.

When considering the application of this section, employees should ensure that no personal investment decision is made with anyone with whom they have a relationship by virtue of their employment with BSI, or which would adversely affect their judgement or decisions in the performance of their duties. In addition, employees in possession of material non-public information shall not use this information outside the context of their employment with BSI, nor pass this information on to others for their use.

Employees who by the nature of their duties are exposed to price-sensitive information, are subject to additional rules governing personal investments. These may be imposed by the Companies Act, Stock Exchanges, Securities Regulation Panel and other regulatory bodies, industry associations and management. These rules require employees to:

- (a) Obtain prior approval for, and to report on their personal investment activity and the investment activity of those persons, and
- (b) Refrain from dealing in BSI shares during restricted periods.

3.6 Remuneration

No employees may receive commissions or other remuneration related to the sale of any of BSI's products , except as specifically provided

under an individual's terms of employment.

Employees may not receive any money or item of value (other than BSI regular remuneration or other incentives) either directly or indirectly, for negotiating, procuring, recommending or aiding in any transaction made by or on behalf of BSI, nor have any direct or indirect financial interest in such a transaction.

3.7 Anti-competitive behaviour

Employees must not be party to any form of anti-competitive behaviour such as collusion with a competitor on pricing or market-sharing, acquiring confidential information of a competitor by espionage, or deliberately implementing a restrictive trade practise.

If employees have any grounds to suspect violation of competition laws, they should report this immediately as set out in the Contravention of the Code section of this Code.

4. EMPLOYMENT EQUITY

The objective of the Employment Equity Programme is to achieve equity in the workplace through the elimination of unfair discrimination and the implementation of Affirmative Action measures.

All employees have the right to work in an environment which is free from any form of harassment or unfair discrimination with respect to race, colour, gender, sexual orientation, place of origin, citizenship, creed, political persuasion, age, marital or family status or disability.

BSi promotes a workplace that respects the dignity of staff and is free of sexual harassment. Sexual harassment may include unwanted physical, verbal and non-verbal conduct and is considered unacceptable behaviour.

Employees should report any cases of actual or suspected discrimination or harassment as set out in the Contravention of the Code section of the Code. Employees with illness or disabilities may continue to work, provided that they are able to continue to perform satisfactorily the essential duties of their jobs, and do not present a safety or health hazard to themselves or to others.

5. SAFETY, HEALTH AND ENVIRONMENT RESPONSIBILITY

5.1 Health and Safety

BSI is committed to ensuring a safe work environment for all its employees.

Employees who become aware of circumstances relating to BSI's operations or activities which pose a real or potential health or safety risk should report the matter as set out in the Contravention of the Code section of the Code.

5.2 Use of Resources

BSI is committed to conserving resources used in its business operations. All employees should make their best efforts to efficiently use resources and to re-use and recycle supplies and materials wherever practical.

5.3 Environmental Management

Operating practices to address the environmental impact of its business activities will be developed by the integration of pollution control, waste management and rehabilitation activities into operating procedures. Employees should give timely attention to environmental issues.

6. POLITICAL SUPPORT

The personal participation of employees in the political process is encouraged and the right to absolute privacy with regard to personal political activity is respected. No attempt to influence such activity will be made, provided that there is no disruption to work-place activities and it does not contribute to industrial unrest.

Any requests for BSI funds, goods, services and facilities by political parties or their candidates must be referred to the Chief Executive Officer for consideration.

7. FUNDS AND ASSETS

A number of internal controls have been developed to safeguard BSI's assets and to prevent fraud and dishonesty. All employees who have access to funds must follow prescribed procedures to record and protect such funds.

Employees must at all times ensure that BSI funds and assets are used only for legitimate business purposes. Where an employee's position requires that BSI funds be spent, it is the employee's responsibility to use good judgement and ensure that appropriate value is received.

If employees become aware of any fraudulent or improper use of funds or assets, this must be reported as set out in the Contravention of the Code section of the Code.

8. RECORDS

Books and records should reflect all business transactions in an accurate and timely manner. Undisclosed or unrecorded revenues, expenses, assets or liabilities are not permissible, and employees responsible for accounting and record-keeping functions are expected to be particularly diligent in enforcing proper practices.

9. DEALING WITH OUTSIDE PERSONS AND ORGANISATIONS

9.1 Prompt communications

BSI strives to achieve complete, accurate and timely communication with all parties with whom it conducts business, as well as government authorities and the public. In addition, prompt internal communication is encouraged.

A prompt, courteous and accurate response should be made to all reasonable requests for information and other client communications. Any complaints should be dealt with in accordance with internal procedures established and applicable laws.

9.2 Media relations

In addition to everyday communications with outside persons and organisations, BSI will, on occasion, be asked to express its views to the media on certain issues. Employees approached by the media should immediately contact the Chief Executive Officer.

An employee, when dealing with anyone outside the company, including public officials, must take care not to compromise the integrity or damage the reputation of BSI. As a general rule, BSI's position on public policy or industry issues will be dealt with by senior management in consultation with the Chief Executive Officer.

The text of articles for publication, public speeches and addresses about the company and its business should be reviewed in advance by the Chief Executive Officer.

Employees should separate their personal roles from BSI's position when communicating on matters not involving BSI business. They should be especially careful they are not identified with BSI when pursuing personal and political activities, unless this identification has been specifically authorised in advance by the company.

10. PRIVACY AND CONFIDENTIALTY

In the regular course of business, a considerable amount of information is accumulated. The following principles are to be observed:

10.1 Safeguarding information

Information should be retained as long as it is needed or required by law, and such information should be physically secured and protected.

10.2 Access to information

Information with respect to any confidential product, plan or business transaction, or any information regarding employees, including their salaries, must not be disclosed by an employee unless and until proper authorisation for such disclosure has been obtained. In addition, operating areas may implement policies and procedures to prevent improper transmission within BSI of material non-public information concerning publicly traded companies.

10.3 Insider trading

Employees in possession of confidential, unpublished, price sensitive information must not make use of such information to deal in the securities of BSI, or to provide such information to third parties for that purpose. Similar considerations apply where confidential, price sensitive information is used for dealing in the securities of other companies.

11. CONTRAVENTION OF THE CODE

Any contravention of this Code is a serious matter. At the same time, any suspected or alleged contravention under investigation must be treated with utmost confidentiality.

If employees believe that their own actions have, or may have contravened the Code, they should either advise their line manager, or a person at management level, or the Chief Executive Officer.

If employees suspect that a contravention of this Code has been committed by another employee, they should promptly and confidentially report this, preferably in writing, to their line manager or to a person at management level, or to the Chief Executive Officer. They must not confront the person concerned. By following this procedure, confidentiality will be maintained and the matter will be investigated impartially.

As contravention of the Code is a serious matter, it may result in disciplinary action, including termination of employment. Certain breaches of the Code could also result in civil or criminal proceedings.

12. IMPLEMENTATION OF THE CODE OF ETHICS

Each division of BSI is encouraged to ensure:

- (a) the monitoring and enforcement of this Code,
- (b) communication/consultation with all employees regarding standards of ethical behaviour and compliance procedures, and
- (c) the enforcement of discipline in relation to breaches of guidelines relating to unethical behaviour.

13. GENERAL

This Code may be amended by the Board from time to time due to changes in law, corporate governance best practice or other relevant factors.

Approved by the board on 11 July 2017 and will be reviewed in June 2018.

W L Battershill
Chairman