

PRESS CORPORATION LIMITED



CODE OF ETHICS

MISSION STATEMENT

“To be a leading Corporation acting ethically and responsibly in Malawi and the region generating real growth in shareholder value through diverse goods and services”

MESSAGE FROM THE GROUP CHIEF EXECUTIVE

The aim of Press Corporation Limited is to achieve excellence in each of the fields of endeavour in which it is involved, with a view to maintaining for the benefit of all stakeholders its leadership position in Malawi and its role as a world-class business enterprise. This can only be achieved through an organization and a working environment that attracts the finest people who are able both to tackle the challenges of the day and to build its tradition which is rooted in the principles of personal integrity.

Press Corporation Limited is continually reassessing global changes and developments in every sphere of its endeavors, leading to reviews of its methods, practices and corporate governance, in this rapidly evolving business and socio-economic climate. The Corporation has been listed on the Malawi Stock Exchange and as a result thereof, it is a requirement that a code of ethics be implemented. This is fully supported by, and has received the total commitment of, its Board.

This Code of Ethics now brings together in a single booklet the corporate practices to be applied by the company in the conduct of its affairs. It is hoped that it has been prepared in sufficient detail to give a clear guide to the behaviour of all employees in the Corporation. It will be evident that more detailed or additional guidelines may be introduced from time to time by management, or as required by statute. These will continue to be communicated through the existing procedures, by way of management briefs or otherwise.

This Code is the foundation of all-important relationships between the Corporation and its employees, and in the communities in which it operates. I request all employees to take careful heed of its contents, and to ensure that they comply with both the written word and the spirit of the Code. We all have a strong tradition of personal integrity and fair play to uphold. Our hard-earned reputation must be preserved and nurtured so that our business, our people, our shareholders, and the communities in which we live and work, will continue to prosper. We all share equally in the responsibility to uphold this Code and to take action if we believe it is not being followed.

GROUP CHIEF EXECUTIVE

CONTENTS

1. INTRODUCTION
 - Policy
 - Understanding the Code
2. COMPLIANCE WITH LAWS AND REGULATIONS
3. CONFLICT OF INTEREST
 - Outside activities, Employment and Directorships
 - Relationship with Clients, Customers and Suppliers
 - Gifts, Hospitality and Favours
 - Personal Investments
 - Remunerations
4. EMPLOYMENT EQUITY
5. ENVIRONMENTAL RESPONSIBILITY
 - Health and Safety
 - Use of Resources
 - Environmental Management
6. POLITICAL SUPPORT
7. CORPORATION FUNDS AND PROPERTY
8. CORPORATION RECORDS
9. DEALING WITH OUTSIDE PERSONS AND ORGANISATIONS
 - Prompt Communications
 - Media Relations
10. PRIVACY AND CONFIDENTIALITY
 - Obtaining and Safeguarding Information
 - Access to Information
11. CONTRAVENTION OF THE CODE

1. INTRODUCTION

1.1 Policy

Press Corporation Limited and all its operations (collectively referred to in this booklet as “the Corporation”) are committed to a policy of fair dealing and integrity in the conduct of their businesses. This commitment is based on a fundamental belief that business should be conducted honestly, fairly and legally. The Corporation expects all its employees to share its commitment to high moral, ethical and legal standards.

1.2 Understanding the Code

This booklet outlines the Corporation’s Code of Ethics, which applies equally to all employees and other representatives of the Corporation. The Code is designed to inform employees of the Corporation’s policies in various areas. Please study the Code carefully so that you understand the Corporation’s expectations and your own obligations.

Compliance with the Code by all employees and certain other representatives is mandatory. If employees become aware of, or suspect a contravention of the Code, they must promptly and confidentially advise Press Corporation Limited as set out in the Contravention of the Code section of this booklet. The matter will be investigated and dealt with accordingly.

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 the management level responsible for Human Resources.

2. COMPLIANCE WITH LAWS AND REGULATIONS

Employees must comply with all applicable laws and regulations which relate to their activities for and on behalf of the Corporation. The Corporation will not condone any violation of the laws or unethical business dealings by any employee, including any payment for, or other participation in, an illegal act such as bribery or money laundering activities. Employees must ensure that their conduct cannot be interpreted as being in any way a contravention of applicable laws and regulations governing the operations of the Corporation. Employees should bear in mind that the perception of their actions by others is important, and should act accordingly

3. CONFLICT OF INTEREST

The Corporation expects its employees to perform their duties conscientiously, honestly and in accordance with the best interest of the Corporation.

Employees must not use their positions or knowledge gained through their employment with the Corporation, for private or personal advantage or in such a manner that a conflict or an appearance of conflict arises between the Corporation's interest 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, an advantage, or a profit by virtue of the employees position with the Corporation, or knowledge gained through that position.

If employees feel that a course of action which they have pursued, are pursuing, or contemplate pursuing, may involve them in 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 very real responsibility to contribute to our local communities, and the Corporation encourages its employees to participate in religious, charitable, educational and civic activities. Employees should, however, avoid acquiring any business interest or participating in any activity outside the Corporation, which would create, or appear to create

- (a) an excessive demand upon their time, attention and energy which would deprive the Corporation 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 judgment in the Corporation's best interest.

Employees may not take up outside employment without the prior approval of Executive/Company Management.

Employees who hold, or have been invited to hold outside directorships should take particular care to ensure compliance with all the provisions of this Code. When outside business directorships are being considered, prior approval must be obtained from the Group Chief Executive.

3.2 Relationships with Clients, Customers and Suppliers

The Corporation recognizes that relationships with clients, customers and suppliers give rise to many potential situations where conflict of interests, real or perceived, may arise.

Employees should ensure that they are independent, and are seen to be independent, from any business organization having a contractual relationship with the Corporation, or providing goods or services to the Corporation, if such a relationship might influence or create the impression of influencing their decisions in the performance of their duties on behalf of the Corporation. In such circumstances, employees should not invest in, nor acquire a financial interest, directly or indirectly in the business.

3.3 Gifts, Hospitality and Favours

Conflict of interests can 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.

An employee should not accept gifts, hospitality or other favours from suppliers of goods and services. However, acceptance of the following would not be considered contrary to such policy:

- (a) Advertising matter of limited commercial value
- (b) Occasional business entertaining such as lunches, cocktail parties or dinners
- (c) Occasional personal hospitality such as tickets to local sporting events, provided that the cost of any accommodation is borne by the recipient.

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

Certain functions or operating areas may have more detailed rules governing the receipt of gifts or other favours and wherever necessary, such rules will be communicated to the employees concerned.

3.4 Personal Investments

The Corporation respects the right of all employees to make personal investment decisions as they see fit, as long as these decisions do not contravene the conflict of interest provisions of this Code, any applicable legislation, or any policies or procedures established by the various operating areas of the Corporation, and provided these are not made on the basis of material non-public information acquired by reason of an employee's connection with the Corporation. Employees should not permit their personal investment transactions to have priority over transactions for the Corporation and its clients.

When considering the application of this section, employees should ensure that no investment decision made for their own account could reasonably be expected to be linked with someone with whom they have a close relationship; and to influence adversely their judgement or decisions in the performance of their duties on behalf of the Corporation. In addition, employees who are in possession of material non-public information shall neither use this information themselves nor pass such information on to others for their use.

Employees involved in performing investment activities on behalf of the Corporation and those who by the nature of their duties or positions are exposed to price-sensitive information relating to the Corporation are subject to additional rules governing personal investments. Legislation and other regulatory bodies, industry associations and management may impose these rules. The rules include requirements for 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 the shares of the Corporation during certain restricted periods

3.5 Remuneration

No employee may receive commissions or other remuneration related to the sale of any product of the Corporation, except as specifically provided under an individual's terms of employment.

4. EMPLOYMENT EQUITY

The Corporation's employment policy is a system of opportunities for all. Employment equity seeks to identify, develop and reward each employee who demonstrates the qualities of individual initiative, enterprise, hard work and loyalty in their jobs. On this basis the Corporation emphasizes opportunity for all, rather than preference for some.

The Corporation strongly rejects notions of "window dressing" or tokenism and believes it is in the best interests of the business, the individual employees and their peers to know that employment in the Corporation is on the basis of merit, rather than simply an individual's race, colour, creed, sex, or other criterion unrelated to their capacity to do the job.

All employees have the right to work in an environment which is free from any form of harassment or unlawful discrimination with respect to race, colour, creed, sex, place of origin, citizenship, political persuasion, age, marital or family status or disability. An employee should report any cases of actual or suspected discrimination or harassment as set out in the Contravention of the code section of this booklet.

Employees with illness or disability 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 others.

5. ENVIRONMENTAL RESPONSIBILITY

5.1 Health and Safety

The Corporation is committed to taking every reasonable precaution to ensure a safe work environment for all employees

Employees who become aware of circumstances relating to the Corporation'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 this booklet .

5.2 Use of Resources

The Corporation is committed to conserving resources used in its business operations. All employees should use their best efforts to make efficient use of resources wherever applicable.

5.3 Environmental Management

The Corporation is committed to developing operational policies to address the environmental impact of its business activities by integrating pollution control, waste management and rehabilitation activities into operating procedures. Employees should give appropriate and timely attention to environmental issues

6. POLITICAL SUPPORT

The Corporation encourages the personal participation of its employees in the political process and respects their right to absolute privacy with regard to personal political activity. The Corporation will not attempt to influence any such activity provided there is no disruption to work place activities and it does not contribute to industrial unrest

Corporation funds, goods, facilities or services however, must not be made available to political parties, rallies, functions, candidates or campaigns unless specifically authorized by the Group Chief Executive.

7. CORPORATION FUNDS AND PROPERTY

The Corporation has developed a number of internal controls to safeguard its assets and imposes strict standards to prevent fraud and dishonesty. All employees who have access to the Corporation's funds in any form must at all material times follow prescribed procedures for recording, handling and protecting such funds. Operating areas may implement policies and procedures relating to the safeguarding of Corporation property, including computer software.

Employees must, at all times, ensure that the Corporations funds and properties are used only for legitimate Corporation business purposes. Where an employee's position requires Corporation funds to be spend, it is the individuals responsibility to use good judgement on the Corporations behalf and to ensure that appropriate value is received by the Corporation for such expenditures.

If employees become aware of any evidence that the Corporation's funds or property may have been in a fraudulent manner, they should immediately and confidentially advise Press Corporation Limited as set out in the Contravention of the Code section of this booklet.

8. CORPORATION RECORDS

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

9. DEALING WITH OUTSIDE PERSONS AND ORGANISATIONS

9.1 Prompt Communications

The Corporation strives to achieve complete, accurate and timely communications 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, conscious 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 by various operating areas of the Corporation and applicable laws.

9.2 Media relations

In addition to everyday communications with outside persons and organizations, the Corporation will, on occasion be asked questions on issues or activities affecting its operations. Employees approached by the media should refer them to the Group Chief Executive/Deputy Group Chief Executive/ Group General Manager/ General Manager/ or any employee of the Group who shall have been specifically authorized in writing to deal with the media.

An employee, when dealing with anyone outside the Corporation, including public officials, must take care not to compromise the integrity or damage the reputation of any outside individual, business or government body, or that of the Corporation. As a general rule, the Corporation's position on public policy or industry issues will be dealt with by senior management of the Corporation. The text of articles for publication, public speeches and addresses about the Corporation and its business should be reviewed in advance by the Group Chief Executive/ Deputy Group Chief Executive/ Group General Manager/ General Manager or any employee authorized to do so and should be in accordance with the provisions of the Corporation's Conditions of Service.

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

10. PRIVACY AND CONFIDENTIALITY

In the ordinary course of business, the Corporation accumulates a considerable amount of information. The following principles are to be observed:

10.1 Obtaining and Safeguarding Information

Only such information as is necessary to the Corporation's business should be collected, used and retained. When personal information is needed, wherever possible, it should be obtained directly from the person concerned. Only reputable and reliable sources should be used to supplement this information.

Information should only be retained as long as it is needed or as 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 of the Corporation, or personal information regarding employees, including their salaries, must not be disclosed by any employee unless and until proper authorization for such disclosure has been obtained. In addition, operating areas may implement policies and procedures to prevent improper transmission within the Corporation of material non-public information concerning publicly traded companies.

11. CONTRAVENTION OF THE CODE

The Corporation regards any Contravention of the Code as 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 the person to whom they report or to a person at management level responsible for Human Resources.

If employees suspect that a contravention of the Code has been committed by another employee of the Corporation, they should promptly and confidentially report this, preferably in writing, to Press Corporation Limited. They should either advise the person to whom they report of one of the management level persons referred to above. They must not confront the individual concerned. By following this process, 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 in accordance with the Disciplinary Code and Procedure Manual. Certain breaches of the Code could also result in civil or criminal proceedings.