

ETHICAL BUSINESS CONDUCT POLICY

1. Qmuzik is committed to a policy of fair dealing and integrity in conducting business and it is, therefore, the responsibility of every employee to act responsibly, fairly and honestly toward suppliers, customers and the society and to comply in word and spirit with all applicable Acts, regulations and provisions of the Constitution.

In the realisation of these principles Qmuzik expects from all its employees to share its commitment to high moral, ethical and legal standards, through honest and positive conduct when performing their Qmuzik responsibilities.

2. In view of the above the following policy guidelines must be adhered to at all times:-

2.1. COMPLIANCE WITH LAWS, REGULATIONS AND PROVISIONS OF THE CONSTITUTION

The company will not condone any:

- Violation of the law.
- Unethical business dealing.
- Payment for or participation in an illegal act.

2.2. CONFLICT OF INTEREST

The following will constitute a conflict of interest:

- Use of employee position or knowledge gained from that position for private or personal advantage. This will include where a business with which the employee or employee's family is associated obtains, gains advantage or profits by virtue of the employee's knowledge or position, except for instances where express disclosure has been authorised.

2.3. OUTSIDE ACTIVITIES, EMPLOYMENT AND DIRECTORSHIP

Acquiring of any business interest or participating in any activity outside the company, which would create or appear to create:

- An excessive demand upon the employees' time, attention and energy, thus depriving the company of best effort.
- A conflict of interest with regard to the independent exercise of judgement in the company's best interest.
- Outside employment without the prior approval of management.
- Outside business directorship without the prior approval of the Qmuzik board.

2.4. RELATIONS WITH CLIENTS, CUSTOMERS AND SUPPLIERS

Employees should be independent from any business organisation having contractual relationships with the company.

2.5. ACCEPTANCE OF BUSINESS COURTESIES

Employees should not accept gifts that will influence judgement in relation to business transactions.

If any employee receives a material (R3 000+) gift, then such a gift must be disclosed in the gift register held by the company secretary.

2.6. OFFERING OF BUSINESS COURTESIES

- Must not violate a law or regulation.
- Be within reasonable customs of the marketplace, cultural norms or company policy.
- If doubt exists on the impact of the gift, the business courtesy should not be offered.

2.7. PROPER USE OF COMPANY, CUSTOMER AND SUPPLIER RESOURCES

Qmuzik resources are to be used to serve the company purpose, not for personal benefit (not even after working hours).

These resources include:

- Official time.
- Material.
- Equipment.
- Information.

2.8. COMPANY RECORDS

Company's books and records should reflect all business transactions in an accurate and timely manner.

Proper accounting and record keeping practices should be enforced.

2.9. INTELLECTUAL PROPERTY AND PROPRIETARY INFORMATION

Disclosure of any confidential information:

- Employees are required to take adequate precautions to ensure that confidential information will not come to the knowledge of persons who are not entitled thereto.
- Employees are to lock documents containing company information away before they leave their offices.

2.10. CONTRAVENTION OF THIS POLICY

The company regards any contravention of the Code as a serious matter. It may result in disciplinary action in terms of the company's disciplinary code and/or civil or criminal proceedings in the case of breaches of a serious nature.

2.11. PROCEDURE FOR INVESTIGATION/REPORTING OF A CONTRAVENTION

- Any suspect or alleged contravention under investigation must be treated with utmost confidentiality.
- If an employee believes that his/her own actions have or may have contravened the code, they should advise senior management.
- If an employee believes that another employee has contravened the Code, he/she should promptly and confidentially report this, preferably in writing to senior management.