

## Annexure C: Code of Conduct for Chartered Directors (SA)



A Chartered Director (SA) must possess critical competencies in the form of specialised knowledge, skills and experience. How these competencies are applied can however have a significant impact on shareholders and employees, on societies, the natural environment and various other stakeholders. The competencies must therefore be underpinned by ethical values, which are applied consistently and resolutely.

The purpose of the Code is to identify the values that should guide a Chartered Director (SA)'s decisions, and to serve as a resource to Chartered Director (SA)s when faced with ethical dilemmas. This Code also intends to set out the IoDSA's expectations of a Chartered Director (SA) as both an individual with such designation and as an IoDSA member.

A Chartered Director (SA) is expected to:

1. comply fully and maintain compliance with the IoDSA member Code of Conduct;
2. maintain the required Continued Professional Development requirement annually expected of a Chartered Director (SA);
3. remain an active board member; and
4. ensure no bad publicity or reputational disrepute in relation to the expectations set out in this Code.

Whilst it is intended as an aspirational standard, a Chartered Director (SA) who clearly acts against the letter or spirit of the Code may face disciplinary sanction. This specifically applies to unlawful behaviour or bringing the profession and designation into disrepute.

### ***Overarching principle – upholding the role of those charged with governance responsibilities as governing body members***

The role of those charged with governance requires taking care of something which has been entrusted to them. Directors are entrusted with the governance of organisations and all conduct should be done in the best interest of those organisations, and in line with accepted standards of good governance.

The governing of an organisation requires sound judgement in balancing an enterprising spirit (required to drive organisations forward) with prudence (required to ensure long-term sustainability).

The best interest of the organisation should therefore be interpreted by considering the organisation as a sustainable enterprise and a responsible corporate citizen. This approach defines success in terms of lasting positive effects for all stakeholders, and implies stewardship in a broader sense.

A Chartered Director (SA) has the following moral duties in relation to the role as governing body members:

1. Integrity;
2. Competence;
3. Responsibility
4. Accountability
5. Fairness; and
6. Transparency.

### **1.Integrity**

A Chartered Director (SA) should consistently be honest and truthful, and all their dealings should be above board and beyond suspicion.

#### **A Chartered Director (SA) should:**

- Act with intellectual honesty and independence of mind.
- Avoid all forms of conflicts of interest, including perceptions of such conflicts. In the cases where a conflict cannot be avoided, it should be disclosed to the relevant organisation in full at the earliest opportunity, and then proactively managed as determined by the organisation, subject to legal provisions.
- Be honest and transparent in all decisions and communications.
- Be scrupulous in dealing with confidential information.
- Comply with the spirit and letter of all laws, regulations, and codes of good practice applicable to the relevant organisation, while ensuring you act ethically beyond mere legal compliance.
- Ensure that the organisation has a moral framework (or values), which guides its ethical decision-making.
- Act in accordance with the organisation's moral framework (or values).
- Be aware that their integrity will reflect on the reputation of the organisation, and that of the profession of Directorship.
- Act in good faith and in the best interests of the organisation.
- Set the tone for an ethical organisational culture at the organisation.

### **2.Competence**

A Chartered Director (SA) should ensure that they have the required competence to serve on an organisation's Governing Body and maintain the suitable level of professional development.

**A Chartered Director (SA) should:**

- Take steps to ensure that they have the sufficient working knowledge of the organisation, its industry, the triple context in which it operates, the capitals it uses and affects as well as of the key laws, rules and codes and standards applicable to the organisation.
- Take all reasonable diligent steps to be informed about matters for decision, while acting with due care, skill and diligence.
- Continuously develop your competence to lead effectively.

**3. Responsibility**

A Chartered Director (SA) should act and conduct themselves responsibly within the organisation, particularly in leading the organisation and its direction and strategy.

**A Chartered Director (SA) should:**

- Assume collective responsibility for steering and setting the direction of the organisation, approving policy and planning, overseeing and monitoring of the implementation by management and ensuring accountability of the organisation's performance.
- Exercise courage in taking risks and capturing opportunities, responsibly and in the best interest of the organisation.
- Take responsibility for anticipating, preventing or otherwise ameliorating the negative outcomes of the organisation activities and outputs on the triple context in which we operate, as well as the capitals that we use and affect.
- Attend meetings of the organisation's Board and its committees, and devote sufficient time and effort to prepare for those meetings.

**4. Accountability**

A Chartered Director (SA) should be willing and able to answer and justify decisions that are made by the Governing Body.

**A Chartered Director (SA) should:**

- Be willing to answer for the execution of their responsibilities, even when they were delegated.

**5. Fairness**

A Chartered Director (SA) should impartially and equitably consider the legitimate interests and expectations of stakeholders in decision-making and strategy.

**A Chartered Director (SA) should:**

- Adopt a stakeholder-inclusive approach in the execution of your governance role and responsibilities.
- Direct the organisation in such a way that it does not adversely affect the natural environment, society and future generations.
- Ensure that the organisation competes fairly in the marketplace.
- Ensure that all stakeholder are treated fairly and stakeholder interests are balanced

**6. Transparency**

A Chartered Director (SA) should consistently act transparently in their conduct.

**A Chartered Director (SA) should:**

- Be transparent in the manner in which they exercise their governance role and responsibilities.
- 

**Declaration**

By my signature hereto, I declare my commitment to uphold the principles and standards of conduct outline in this Code for Conduct for Chartered Director (SA). I understand that should I not adhere to the standards set out herein, I may face review and sanction by the CD(SA) or IoDSA disciplinary committee.

<b>NAME OF CANDIDATE</b>	
<b>ID NO.</b>	
<b>SIGNATURE</b>	
<b>Date:</b>	