

## CODE OF CONDUCT

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### **1. PREAMBLE**

- 1.1 SAPPMA (Southern African Plastic Pipe Manufacturers Association) is a voluntary self-regulating Association incorporated under the Company laws of South Africa as a Section 21 Company and represents plastics pipe manufacturers and other stakeholders in the value chain.
- 1.2 The members of SAPPMA agree to bind themselves to this Code of Conduct, the Memorandum of Incorporation and the production and marketing of the highest quality products.
- 1.3 The membership of SAPPMA consists of the following :
  1. Pipe Manufacturers
  2. Suppliers
  3. Fabricators and installers
  4. Fittings Manufacturers / Traders
  5. Individuals
  6. Certification authorities
  7. Municipalities and water authorities
- 1.4 By appending their signature at the end of this document, the members agree to be bound to the terms thereof.

### **2. OBJECTIVES OF THIS CODE**

- 2.1 To ensure members only produce, market, supply and install top quality products, fully compliant to all relevant standards and specification.
- 2.2 To promote and ensure ethical business activities in all areas of operation.
- 2.3 To differentiate between quality producers and other.
- 2.4 To set guidelines for the assessment and recognition of the members.

### **3. OBJECTIVES OF THE ASSOCIATION**

- 3.1 To promote and monitor the best possible quality of plastic pipe products produced, marketed, sold and installed by its members.
- 3.2 To promote ethical business activities in all areas of operation of members.
- 3.3 To encourage compliance with the relevant national and international standards and specifications within the plastic pipe industry.
- 3.4 To play a key role in upgrading and amending existing standards and specifications, or develop new standards applicable to the plastic pipe industry.
- 3.5 To provide technical design information to the plastic pipe industry by way of consultations, conferences and technical literature.
- 3.6 To work towards the long-term sustainability of the plastic pipe industry in Southern Africa.
- 3.7 To act as a forum and voice for and within the plastic pipe industry.
- 3.8 To encourage and promote continuous interaction with all accredited certification authorities in terms of standards, specifications, certification, testing, monitoring and enforcing within the plastic pipe industry.
- 3.9 To promote the growth of Polyolefin, Polyvinyl Chloride, and other plastic based piping systems, markets and materials.
- 3.10 To do all such things as are auxiliary to and in support of the main objects set out herein.

### **4. MEMBERS OBLIGATIONS**

Members shall:

- 4.1 Comply with all requirements of relevant national and international product standards that are recognized by the Association.
- 4.2 Comply with all internal standards and requirements in addition to the above, which might be introduced after consultation with relevant role players.

- 4.3 Not supply counterfeit products and shall pay due regard to trade mark, copyright, patent ownership and all other intellectual property rights of other members.
- 4.4 Maintain the highest ethical standards and refrain from negative marketing, misleading advertising or the spreading of rumours about competitors or their products.
- 4.5 Comply with all national and local laws and regulations, including environmental laws and/or regulations.
- 4.6 Refrain from any form of corruption and/or bribery with customers, suppliers, competitors, legal authorities and any other persons.
- 4.7 Refrain from any anti-competitive behavior, including the fixing of prices or other trading conditions, the division of markets through the allocation of customers, suppliers, territories or types of goods, or collusive tendering.
- 4.8 Maintain the highest ethical standards in all areas of operation.
- 4.9 Allow all SAPPMA factory audits, whether announced or unannounced, including sampling and testing of products. [This applies only to manufacturers and installers (categories 1 and 3 as referred to in 1.3 above)].
- 4.10 Bring to the attention of SAPPMA any suspect quality plastic pipes and/or products and installations encountered in the market, to be investigated, and if applicable, to have supplied samples independently tested.
- 4.11 Pay the prescribed membership fees within 30 (THIRTY) days of presentation of the invoice (unless otherwise arranged), failing which the provisions of Part F of Schedule 1 of the SAPPMA MOI will become applicable and could result in the member's membership being suspended and/or terminated.

## **5. REGULATION**

- 5.1 Any complaint that a SAPPMA member is in breach of this Code of Conduct shall be reported to the SAPPMA CEO for investigation by the Adjudication Committee.
- 5.2 Non-compliance with this Code of Conduct may lead to suspension of membership and/or termination of membership of SAPPMA, as outlined below.

## **6. DISCIPLINARY STEPS APPLICABLE TO PIPE MANUFACTURERS, SUPPLIERS, FABRICATORS AND INSTALLERS AND INDIVIDUALS**

Should SAPPMA receive information to the effect that a member is not complying with the Code of Conduct, SAPPMA shall be entitled, in its sole and absolute discretion, to take disciplinary action against such member.

- 6.1 Examples of such non-compliance include but are not limited to:
  - 6.1.1 Non-conformance of a sample or samples (raw material or finished product).
  - 6.1.2 Unethical behavior.
  - 6.1.3 Repeated non-conformances highlighted by SAPPMA audits.
  - 6.1.4 Any other conduct that could be detrimental to the objectives and position of SAPPMA and that brings the good name and reputation of SAPPMA and its members into disrepute.
  - 6.1.5 Conduct that is anti-competitive and/or conduct which amounts to a violation of any law.
  - 6.1.6 Any deviation from the Code of Conduct.
- 6.2 The disciplinary procedure to be implemented by SAPPMA is as follows:
  - 6.2.1 On receipt of a complaint, a letter or e-mail in regard thereto will be addressed to the member as follows:

- 6.2.2 Setting out the alleged conduct in respect of which the member has transgressed the code of conduct, or of non-compliance.
- 6.2.3 Calling on the member to provide written reasons for said conduct and/or non-compliance and to make representations in regard thereto.
- 6.2.4 Requiring the member to set out in detail the steps that will be taken by the member to rectify such conduct and/or non-compliance.
- 6.2.5 The member will be afforded a period of 14 (Fourteen) calendar days to reply to the written notice referred to in 6.2.1.
- 6.2.6 On receipt of the response, SAPPMA shall determine, in its sole and absolute discretion, whether the response is satisfactory or not and may, if necessary, call for additional information in order to assess the complaint.
- 6.2.7 In the event of SAPPMA deeming the response to be satisfactory, SAPPMA will inform the member thereof in writing and the complaint will be considered closed.
- 6.2.8 In the event of SAPPMA determining the response to be unsatisfactory for any reason whatsoever, the member will then be afforded a further 14 calendar days to supplement its initial response and to set out a clear action plan as to how the conduct being the subject matter of the complaint will be dealt with and avoided in the future.
- 6.2.9 Should the response remain unsatisfactory and/or should the corrective measures in the response not be to the satisfaction of SAPPMA, SAPPMA may, in its sole and absolute discretion, suspend the member for a period which SAPPMA deems appropriate in the circumstances, but not exceeding 6 months.
- 6.2.10 After the expiry of the suspension period, the member may apply to reinstate its membership of SAPPMA, which application

will be considered based on proven rectification of the causes of the original conduct leading to the suspension and a signed written undertaking from the member that the said conduct will not reoccur. The costs of any additional factory audits and/or quality checks, if applicable, in such an event will be for the account of the member.

- 6.2.11 Should there be a repetition of any misconduct by the same member, and after the processes set out in 6.2.1 to 6.2.6 being followed, SAPPMA will be entitled to suspend the said member for a further period which SAPPMA, in its sole discretion deems appropriate in the circumstances, which further period will not exceed 12 months.
- 6.2.12 During any period of suspension, a member may not use the SAPPMA logo on new production. The status of membership will be made public on the SAPPMA website or any other marketing media applicable, and in respect of which the member will have no recourse of any nature against SAPPMA.
- 6.2.13 An Adjudication committee will oversee the process referred to in 6.2.1 to 6.2.7. The Adjudication Committee will be made up of 3 directors of SAPPMA, of which the CEO must be one. If there is a conflict of interest with any one of these directors, an independent substitute will be appointed.
- 6.2.14 In the event of conduct which amounts to a deliberate and an intentional violation of the code of conduct or which SAPPMA deems so untenable so as to render the suspension of the member concerned inappropriate, the member's membership of SAPPMA may be terminated on written notice to the member.

**7. ANNEXURE A : PIPE MANUFACTURERS**

We manufacture the following products:

	Product	SANS/ISO Standard

We confirm the following:

- 7.1 We are listed under the ISO 9001:2015 quality management system or alternatively, have passed a SAPPMA systems audit and as such strive towards successful maintenance and improvement of these systems.
- 7.2 As far as possible, we will ensure that the CEO or MD or GM will participate in the factory audits (in terms of the SAPPMA minimum audit requirements).
- 7.3 We only use virgin grade approved polymers and add no fillers. In terms of the relevant product standards, no third party regrind PE-HD materials are used.
- 7.4 We confirm that we do not use heavy metal additives in the production of PVC pipe.
- 7.5 We agree to allow a mass balance audit of polymer whenever requested by SAPPMA.

- 7.6 All products purchased from non-members shall be accompanied by a valid certificate of conformance. In addition, regular unannounced quality audits will be conducted at the source of these products as is required. All such audit documentation shall be made available during SAPPMA factory audits.
- 7.7 The senior managers of this company carry full responsibility of the products manufactured by the Company and therefore endorse this quality statement by the inclusion of their signatures at the end hereof.



**8. ANNEXURE B : SUPPLIERS**

We supply the following products:

	Product	SANS/ISO Standard

We confirm the following:

- 8.1 We supply products manufactured by ourselves, or procured from manufacturers under the ISO 9001:2015 quality management system-
- 8.2 The senior managers of this company carry full responsibility of the products supplied and endorse this quality statement by inclusion of their signatures at the end hereof.

**9. ANNEXURE C: FABRICATORS**

We install and/or fabricate the following products:

	Product	SANS/ISO Standard

We confirm the following:

- 9.1 We are listed under the ISO 9001:2015 quality management system or alternatively, have passed a SAPPMA systems audit and as such strive towards successful maintenance and improvement of these systems.
- 9.2 We will ensure that the welders that we employ are certified by a MerSETA accredited training provider and undertake to regularly submit an updated list of certified welders to SAPPMA.
- 9.3 Will comply with all legislative and regulatory requirements specified by SANS/ISO/CEN/ASTM/DIN/AS and any others agreed by SAPPMA.
- 9.4 Undertake to use SAPPMA endorsed pipe in our fabrications and installations and in

the case of imported pipe, the pipe shall as a minimum be supplied by an ISO 9001 or equivalent company.

- 9.5 Confirm that we will not supply counterfeit or inferior products, services or designs and pay due regard to trade mark, copyright, design and patent ownership and all other intellectual property rights.
- 9.6 Agree to ensure that we allow and pass the announced and unannounced audits of SAPPMA and to allow sampling and testing of fabricated and installed products at any time and without prior notification.
- 9.7 Comply with all relevant laws and regulations in the operation of our business.
- 9.8 Refrain from any form of corruption with customers, suppliers, competitors, legal authorities and any other persons.
- 9.9 Comply with all environmental laws and regulations in our business operations.
- 9.10 The senior managers of this company carry full responsibility of the products installed and fabricated by the Company and therefore endorse this quality statement by the inclusion of their signatures at the end of this document.

## **10. ANNEXURE D - INDIVIDUALS**

We undertake to:

- 10.1 Comply with the objectives of the code as recorded in 2 and 4 above.
- 10.2 Consult with and take advice from the other members of SAPPMA, if necessary, in order to ensure quality products are supplied and installed.
- 10.3 By appending our signatures at the end of this document we agree to abide by the code of conduct.

**BY SIGNING THIS DOCUMENT**

**MEMBERS AGREE TO ABIDE BY ITS CONDITIONS**

Company Name \_\_\_\_\_

Signed at \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_