

NET 1 UEPS TECHNOLOGIES, INC.  
ANTI-CORRUPTION POLICY

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## 1. EXECUTIVE SUMMARY

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### 1.1. INTRODUCTION

The Anti-Corruption Policy (hereinafter referred to as the “Policy”) applies to all employees, officers and directors of Net1 UEPS Technologies, Inc. and its subsidiaries (hereinafter referred to as the “Company”), including agents, consultants, joint venture partners and any other representatives of these entities (together “Covered Parties”).

The Company will maintain the highest level of professional and ethical standards in the conduct of our business affairs. The Company places the highest importance on our relationships with each other and with our customers, suppliers, stockholders and others.

Additionally, it is the Policy of the Company, as a business operating in numerous countries, to comply with all laws and regulations that relate to any of its activities and not to take or authorize any action that could infer the appearance of impropriety, particularly with respect to anti-bribery obligations.

## 2. PAYMENTS AND SPECIAL RESPONSIBILITIES

### 2.1. PAYMENTS TO GOVERNMENT OFFICIALS

Several countries in which the Company operates have adopted domestic legislation banning bribery by companies and their employees, in conformity with internationally agreed upon anti-corruption standards such as those referenced in the OECD Convention on Combating Bribery. Failure to comply with such laws could expose you and the Company to significant fines and/or criminal charges.

As a general rule, most anti-bribery laws prohibit companies and their employees from directly or indirectly giving, offering or promising anything of value to employees or officials of foreign government agencies, government-owned businesses, or foreign political parties, or candidates for foreign political office, for the purpose of inducing them to use their influence to assist the Company in obtaining, keeping or directing business or to gain any improper advantage for the Company.

Such prohibitions generally include payments to third-parties where the Company employee or agent knows, or has reason to know, that the third-party will use any part of the payment for bribes. The term "improper advantage" typically refers to something to which an individual employee or the Company is not properly entitled, such as preferential treatment in matters related to taxation, customs, and judicial or legislative proceedings.

The term "improper payments" is very broad and can include, for example:

- Gifts;
- Loans or non-arm's length transactions;
- Business, employment or investment opportunities;
- Payment of meals, travel, lodging or entertainment expenses;
- Sporting or theatre tickets; or
- Charitable donations to an agency run by a foreign government official or political donations.

Accordingly, before making any payment to a government official or entity, you must consult the Company's Compliance Officer. This requirement trumps the Gifts, Hospitality and Favours provision of the Company's Code of Ethics when foreign government officials are or may be the recipients of the gifts.

### 2.2. SPECIAL RESPONSIBILITIES OF THE COMPANY'S EMPLOYEES WHO ARE ASSOCIATED WITH FOREIGN COMPANIES

U.S. nationals remain subject to the U.S. Foreign Corrupt Practices Act of 1977 (hereinafter referred to as the "FCPA") and U.S. international trade laws regardless of where they are employed or with whom they are working.

U.S. individuals associated with foreign companies other than divisions or subsidiaries of the Company – either through temporary assignment, secondment, by serving on the Board of Directors of such foreign companies, or otherwise – remain individually subject to the FCPA even if the foreign company is not and may be individually subject to international trade laws.

In such circumstances, there is a risk that the individual employee, or the Company, may be held accountable for actions taken by the foreign company. Accordingly, U.S. employees associated with foreign companies must take care to avoid any inference that they have participated, engaged, or acquiesced in actions by the foreign company that would be contrary to the FCPA or U.S. international trade laws.

If you are such an employee, follow these guidelines:

- Always object, in writing, to improper payments, even if your objection will not affect the outcome and promptly report your objection to Company senior management;
- Abstaining from a decision could signal to the U.S. government that you (and therefore, possibly the Company) acquiesced in the payment;
- Coordinate with the Compliance Officer to take appropriate action when an improper payment is made over your objection; and
- Do not ignore rumours or concerns about “red flags” suggesting potential wrong-doing; immediately report your concerns to the Compliance Officer.

### 3. THIRD PARTIES

#### 3.1. THIRD PARTY PAYMENTS

In addition to prohibiting improper payments made directly by companies and their employees, anti-bribery laws also apply to improper payments made indirectly through persons (e.g., agents, international representatives, consultants and business partners) who may act on behalf of the company where the company knows, or has reason to know, such payments will be made.

Employees of the Company are indemnified from any liability that may arise by such third party action. Business unit owners are responsible for notifying the Group Compliance function of such third parties.

The Group Compliance function is responsible and accountable for performing due diligence procedures on third parties. Ongoing due diligence procedures on third parties will be performed by the Group Compliance function and reported to the audit committee.

Upon performance of such procedures, any subsequent contraventions of the policy will be communicated to the Company's Executive and could potentially result in the cancellation of any written agreement.

#### 3.2. DUE DILIGENCE AND LEGAL REVIEW GUIDELINES WITH RESPECT TO ALL THIRD PARTIES

The Company can be held liable for the actions of all business associates, subcontractors and partners (hereinafter referred to as "third parties"). Accordingly, you are required to follow the due diligence procedures set forth herein.

- **ENTERING INTO A RELATIONSHIP**

The Company is required to provide written documentation when seeking approval to enter into a third party relationship related to a foreign opportunity. To ensure that the Company is forming a business relationship with a reputable and qualified candidate, the Company must consider obtaining the following information:

- the identification of the candidate's owners and other business affiliations (i.e., to ensure that no foreign official will gain as a result of the potential relationship);
- the candidate's legal qualification to conduct business in the country in which the work is to be performed (or in the candidate's home country, if different);
- the candidate's audited financial statements (if available) or other complete financial information; and
- references from other reputable companies for whom the candidate has already provided services.

Attached to this policy document is **Appendix I**, "Guidance for Third Party Due Diligence".

If there is any question as to whether a foreign official will be directly involved in the third-party relationship, immediately consult with the Compliance Officer. Where possible, the Company should seek to confirm each candidate's credentials and general reputation with independent sources and should document any such findings in writing. Such writings should then be submitted to the Compliance Officer, who will make all final decisions regarding the Company's engagement of the candidate.

### 3.3. REDUCING THE RELATIONSHIP TO WRITING

Once the due diligence has been completed and the business unit decides to enter into the third party relationship, the terms of the relationship must be reduced to writing and approved by the Compliance Officer or his/her designee before it is executed by the relevant business manager.

***Oral contracts pose unacceptable business and legal risks to the Company and are not permitted.***

The contract must be executed before the third party begins work. The Company recognizes that business pressures may in some instances require quick action. The Company has designed this process to be flexible and to work as quickly as possible while maintaining the Company's standards for ethical and legal conduct of its business. Covered Parties must not ask the third party to start working or take any other action that could expose the Company, or the Covered Party, to heightened legal or business risks.

The following provisions to further discourage any potential violations of anti-bribery laws must be considered for inclusion in the agreement with the third party:

- The third-party will certify that no payments of money or anything of value will be offered, promised or paid, directly or indirectly, to any foreign official, or public or political officer, to induce such officials to use their influence with a foreign government or instrumentality to obtain an improper business advantage for the company;
- The third-party will comply with applicable local laws and the Company's written compliance policies;
- The third-party will report immediately to the Company any information that may indicate there has been a violation of anti-bribery laws and will certify annually that it has no knowledge of any such violation;
- The Company will make payments directly to the third-party by check or wire transfer; no cash payments will be made and no bearer instruments will be used for payments. All payments will be made in the country where the work is to be performed (or in the third-party's home country, if different);
- The third-party will allow the Company reasonable access to its books and records;
- The Company will retain the right to audit the third-party on a periodic basis;
- Either party may terminate the agreement immediately if it has a good faith belief that the other party has violated or intends to violate anti-bribery laws; and
- If appropriate, the agreement should indicate that the third-party is an independent contractor.

Recommended clauses for third-party contracts are attached at the end of the Policy as **Appendix II**.

### 3.1. MONITORING THIRD PARTIES

Once the Company has retained a sales representative, agent or consultant, it must monitor the third party's activities and expenses to ensure continued compliance with all applicable laws and the Company's policies.

Under the FCPA, if a third party makes an improper payment or gift, the Company may be held liable even if it did not authorize the payment. To guard against such liability, the Company should insist on documentation or justification before paying expenses, question unusual or excessive expenses, and refuse to pay a third party (and notify the Compliance Officer) when the employee suspects that the third party has or will make illicit or questionable payments or gifts.

### 3.2. MONITORING JOINT VENTURES

Similarly, once a joint venture is established, the Company must monitor the activities of its partners in connection with the venture to ensure continuing compliance with all applicable laws and the contractual obligations secured in the joint venture agreement.

Where the Company has a majority interest, the Company is required by law to ensure that the venture complies with the FCPA accounting and recordkeeping requirements. The Company should have reasonable access to, and the right to audit, the venture's relevant books, documents and records.

Where the Company has a minority interest, the Company is required by law to make a good faith effort to ensure that the venture complies with the FCPA accounting and recordkeeping requirements.

In all ventures, the Company must, as a matter of policy, be vigilant in its compliance efforts and monitor the venture's operation on an ongoing basis. Contractual safeguards may only be as good as the Company's efforts to enforce them. In particular, excessive, false, or inadequately described payment requests, unusual or overly generous subcontracts, unusual or incomplete documentation and refusals or failures to provide requested documentation may be clues to improper transactions.

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#### 4. RED FLAGS

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One of the key aspects of anti-corruption due diligence investigations is the identification of "red flags" which may indicate the potential existence of an FCPA problem.

Several FCPA "red flags," as identified by the U.S. Department of Justice, are available in **Appendix III**. All due diligence investigations conducted by the Company will include an analysis of potential "red flag" issues.

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## 5. ACCOUNTING REQUIREMENTS

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### 5.1. ACCOUNTING AND BOOK-KEEPING REQUIREMENTS

All business transactions, including those involving the provision of anything of value to a government official, must be properly authorized, as well as completely, timely and accurately recorded on the Company's books, records and accounts.

You are expressly forbidden—for any purpose whatsoever—to make false or misleading entries in the Company's books (e.g., entries that are falsified to disguise improper transactions and/or entries that fail to reflect improper transactions, including kickbacks and bribes).

The Company's books and records must be maintained with sufficient detail to reflect transactions and the dispositions of assets accurately and fairly, including recording a proper measure of value and the time period when the transaction occurred.

As part of this process the Company shall make periodic comparisons between the recorded accountability for assets and the existing assets. Any discrepancy shall then be reported to the Company's Compliance Officer who will take necessary corrective procedures, including mandating the adjustment of accounting records and or altering compliance procedures.

In addition, the Company must make every effort to ensure that any entity (including a joint venture) in which the Company or one of its subsidiaries holds fifty (50) percent or more of the voting power devises and maintains a system of internal accounting controls.

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## 6. REPORTING

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### 6.1. CHAIRPERSON OF THE AUDIT COMMITTEE

In most instances, the first person to whom you should go with questions and concerns about business integrity and compliance issues is your supervisor. Your supervisor can contact the Company's compliance specialists, human resources representatives, and lawyers to help clarify issues and resolve concerns.

Some circumstances, however, may be too sensitive for you to take to your supervisor. In certain situations, you may want to report an incident anonymously. You can contact the Chairperson of the Audit Committee to ask a question, raise a concern, or report questionable activities or misconduct.

Your issue will be investigated and treated with sensitivity, and confidentiality, except to the extent necessary to investigate and resolve the complaint.

### 6.2. CONTACTING CORPORATE COMPLIANCE

You also can contact the Company's Compliance Unit by email, telephone, or in person.

### 6.3. NO RETALIATION FOR REPORTING CONCERNS

You can report concerns without fear of retribution. The Company will not tolerate retaliation against an employee who has asked a question, raised a concern, or reported questionable activities or the misconduct of others.

Employees found to have engaged in retaliation will be subject to discipline, including discharge.

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**7. REVISION AND ACKNOWLEDGEMENT OF THE POLICY**

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**7.1. THE POLICY IS SUBJECT TO REVISION**

The Company may change the terms of the Policy from time to time to respond to developments in law and practice. The Company will take steps to inform all affected persons of any material change to the Policy.

**7.2. ALL EMPLOYEES MUST ACKNOWLEDGE THEIR AGREEMENT TO COMPLY WITH THE POLICY**

The Policy will be delivered to all employees upon its adoption by the Company, and to all new other employees at the start of their employment or relationship with the Company. Upon first receiving a copy of the Policy or any revised versions, each employee must sign an acknowledgment that he or she has received a copy and agrees to comply with the Policy's terms.

This acknowledgment and agreement will constitute consent for the Company to impose sanctions for violation of this Policy and to issue any necessary stop-transfer orders to the Company's transfer agent to enforce compliance with this Policy.

**7.3. INQUIRIES**

If you have any questions regarding any of the provisions of this Policy, please contact the Compliance Officer at +27 11 343 2000 or [janie.marx@net1.com](mailto:janie.marx@net1.com)

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**8. EMPLOYEE ACCEPTANCE LETTER**

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**RE: ANTI-CORRUPTION POLICY**

Ladies and Gentlemen:

Enclosed is a copy of the Insider Trading Policy as adopted by Net 1 UEPS Technologies, Inc. (the "Company").

**PLEASE READ IT VERY CAREFULLY**

To show that you have read the Policy and agree to be bound by it, please sign and return the attached copy of this letter to the Company's Compliance Officer (Janie Marx), as soon as possible.

Very truly yours,

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**Herman Kotze**  
**Chief Executive Officer**

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**CERTIFICATION**

The undersigned certifies that the undersigned has read, understands and agrees to comply with the Insider Trading Policy of Net 1 UEPS Technologies, Inc. (the "Company").

Employee or Insider:

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Signature

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Printed Name

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Date**BOARD APPROVAL RECEIVED: AUGUST 2019**

Approved by: Net1 Board	Last revision date: June 2019 Version: 2	Date of next review: June 2020	Page 13 of 17
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## 9. APPENDIX I – GUIDANCE FOR THIRD PARTY DUE DILIGENCE

Both individuals and companies can be held liable for the actions of all business associates, subcontractors, agents and partners, under anti-corruption legislation.

Generally, such legislation, which has been adopted in several countries, prohibits companies and their employees from giving, offering or promising anything of value to employees or officials of foreign government agencies, government-owned businesses, or foreign political parties, or candidates for foreign political office, for the purpose of inducing them to use their influence to assist a company in obtaining, keeping or directing business or to gain any improper advantage for the company.

In addition to prohibiting improper payments made directly by companies and their employees, anti-bribery laws also apply to improper payments made indirectly through agents, international representatives, consultants, and business partners who act on behalf of the company, provided the company knows, or has reason to know, that an improper payment to a foreign government official will be made.

To determine if payments to a third party constitute violations of anti-corruption laws, you must perform certain due diligence to assemble information about the third parties with whom the Company contract.

In your due diligence inquiry, the following can be considered:

- the third party's official name, trade name, and business addresses;
- the third party's experience in the industry, number of employees, and physical facilities to assess its capabilities in performing services for the Company;
- the identity of the third party's owners, shareholders, principal officers, directors, employees and other business affiliations;
- whether any owners, shareholders or other key personnel of the third party or any of its representatives or affiliated entities is a foreign government official or has any family or business connections with foreign government officials;
- the third party's legal qualification to conduct business in the country where the work is to be performed (or in the third party's home country);
- the third party's audited financial statements (if available) or other complete financial information;
- references from other reputable companies for whom the third party has already provided services;
- published press reports concerning the third party's past activities; and
- statements by country desk officers at the U.S. Department of State and Department of Commerce and commercial attaché officer at the U.S. Embassy i.e. sanction screening lists.

If due diligence suggests that entering into a relationship with the third party will not violate anti-corruption legislation, the Company may move forward with the business arrangement and reduce to writing the agreement between the third party and the Company.

The Company maintains an Anti-Bribery Agreement that is preferred for use in third party relationships. Moreover, the Company prefers that material agreements with a third party contain the following provisions to further discourage any potential violations of anti-bribery laws:

- the third party agrees to certify that no payments of money or anything of value will be offered, promised or paid, directly or indirectly, to any foreign official, or public or political officer, to induce such officials to use their influence with a foreign government or instrumentality to obtain an improper business advantage for the Company or itself in connection with its agreement with the Company;
- the third party agrees to comply with all applicable laws, including the FCPA and with the terms of the Company's written compliance policies;

- the third party agrees to report immediately to the Company any information that may indicate there has been a violation of anti-bribery laws and agrees to certify annually that it has no knowledge of any such violation;
- the third party agrees to allow the Company reasonable access to its books and records and periodic audits; and
- the third party agrees that either party may terminate the agreement immediately if it has a good faith belief that the other party has violated or intends to violate anti-bribery laws.

## 10. APPENDIX II – RECOMMENDED THIRD PARTY CONTRACT CLAUSES

The following are clauses are recommended to be included in third party contracts:

### RECORD KEEPING

The Consultant shall at all times maintain accurate and complete accounting and other financial records in accordance with the requirements of the applicable laws of the country in which the work is to be performed with respect to this transaction.

### REPRESENTATIONS & WARRANTIES

The Consultant warrants and agrees that it is, and will remain, in full compliance with any and all applicable laws, which may be applicable to its performance pursuant to this Agreement.

The Consultant warrants and agrees that in the performance of this Agreement and in connection with its activities in relation thereto, no payments of money or anything of value will be offered, promised or paid, directly or indirectly, to any foreign official, or public or political officer, to induce such official to use their influence with a foreign government or instrumentality to obtain an improper business advantage for the Company.

The Consultant warrants and agrees to report immediately to the Company any information that may indicate there has been a payment of money or anything of value offered, promised or paid, directly or indirectly, to any foreign official, or public or political officer as described above (hereafter “an Improper Payment”). The Consultant will certify annually that it has no knowledge of an Improper Payment.

The Company may withhold payments under this agreement and/or suspend or terminate this Agreement upon learning information giving it a factual basis to conclude that Consultant has made or offered an Improper Payment to the parties indicated above.

The Consultant warrants and agrees that payments will be made to government officials or political parties only for lawful purposes, which will first be fully disclosed in writing to the Company. The Consultant warrants and agrees to disclose promptly and in writing to the Company any future affiliation between the Consultant and any of its partners, owners, or principals, and a foreign government official, or public or political officer.

## 11. APPENDIX III – RED FLAGS

Red flags may appear in many forms, including unusual payment patterns, proposed contract terms, or billing requests. It is important to note the existence of a red flag does not mean the transaction cannot go forward.

Rather, it indicates that the agreement should be further analysed and perhaps restructured or made subject to specific representations and warranties. Extra precautions should be taken when or if the following circumstances arise:

- The agent has stated that a particular amount of money is needed for him to "get the business," "make the necessary arrangements," or some comparable expression;
- Off-the-book accounts are used whereby, for example, payment is made to a venture principal who then diverts part of the proceeds to a separate account for unexplainable reasons;
- The third party makes unusual requests, such as to backdate invoices, or asks for payment by indirect unusual means, such as through bank accounts outside the country where the services are being offered, or to third persons;
- The third party requests that payment be made in cash or that checks be made out to "bearer" or "cash," or seeks payment by some other unusual means, such as through shell companies created to receive revenues and facilitate transactions;
- The payment is being made in a country with a widespread history of corruption or involves an industry that has a history of anti-bribery violations (for example, defense, aircraft, energy, and construction);
- The third party wants to work without a contract (or with a vague contract) and is hesitant to make anti-corruption compliance certifications;
- The third party asks for commissions that are substantially higher than the "going rate" in that country among comparable service providers (especially where the amount or nature of work does not justify the large payments);
- The third party requests an unusually large credit line for a new customer, unusually large bonuses or similar payments, or substantial and unorthodox upfront payments;
- The third party has family or business ties with government officials;
- A potential government customer or authorizing agency recommends a venture principal (The reasons for recommendation should be carefully evaluated.); and
- The third party's business appears to lack sufficient capability or staff qualification to perform the services offered, is new to the business, cannot provide references or cannot document its claimed experience.

In addition to addressing the foregoing red flags, a company should investigate whether its prospective third party partners have a reputation for ethical behaviour and integrity.

A due diligence checklist should include inquiries into the third party's educational background, whether the individual has a personal or professional relationship with any governmental or quasi-governmental body, and the number and reputation of the third party's clientele.