

# Human Rights policy



## Purpose

To formalise Capitec Bank Holdings Limited statement on human rights and to provide guidelines for the prevention, identification, assessment, mitigation, and remediation of potential or realised adverse human rights impacts

## Read along with this content

[Code of Conduct](#)

**The following documents are not in C-Net:**  
Financing Exclusion List  
Supplier Code of Conduct

## Version

V03

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02/03/2026

## Policy Owner (Responsible Department)

Enterprise Risk Management

## Content Owner

Sustainability Office

## Document Adherence

All employees

## Committee to Approve

SESCO

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## 1. Glossary of Terms

In this policy, the following words and expressions shall mean:

| Term  | Definition   |
|---|--|
| <b>Child labour</b>   | Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development  |
| <b>Forced labour</b>  | All work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily   |
| <b>Human trafficking</b>                                      | The recruitment, transportation, transfer, harbouring or receipt of people through force, fraud or deception, with the aim of exploiting them for profit   |
| <b>International Labour Organisation</b>                      | A specialised agency of the United Nations that promotes social justice and internationally recognised human and labour rights   |
| <b>Modern slavery</b>   | Where people are coerced, deceived or forced into work, marriage or service, unable to refuse or leave due to violence, threats or abuse of power  |
| <b>Organisation for Economic Co-operation and Development</b> | An intergovernmental forum that works together to set international standards, share best practices and find solutions to common economic and social challenges, promoting sustainable growth, prosperity and better policies for everyday life  |
| <b>United Nations Global Compact</b>                          | The world's largest voluntary corporate sustainability initiative, launched in 2000 to encourage businesses worldwide to adopt sustainable, socially responsible policies. It calls on companies to align strategies with ten universal principles regarding human rights, labour, environment and anti-corruption |
| <b>United Nations Guidance on Business and Human Rights</b>   | A set of 31 principles providing the global standard for preventing and addressing human rights risks in business operations   |

## 2. Purpose and Objectives

- 2.1 Capitec Bank Holdings Limited (“Capitec”) believes that the protection and respect of human rights form an integral part of responsible and sustainable business practice. We recognise that, as a financial institution, we have the potential to affect a broad spectrum of internationally recognised human rights, both through our own activities and those of the parties we engage.
- 2.2 Capitec is therefore committed to protecting and respecting human rights at a company-wide level in accordance with applicable national legislation, regulatory requirements and internationally accepted human rights standards. We will, as far as reasonably practicable:

- Avoid causing or contributing to adverse human rights impacts through own activities (actions and omissions) and take appropriate steps to address any such impacts with which we may be involved
  - Seek to prevent or mitigate adverse human rights impacts that are directly linked to our own operations, products or services or business relationships (including business partners and entities across our value chain), even if we did not directly contribute to those impacts
- 2.3 For the purposes of this policy, 'human rights' refer to rights inherent to all human beings, regardless of race, colour, religion, ethnicity, national or social origin, property, birth, language, disability, health status, age, sexual orientation, gender, gender identity, gender expression, political or other opinion, marital and family status, place of residence, economic and social situation, or other arbitrary means.
- 2.4 Capitec supports the international agenda to abolish:
- Child labour
  - Forced labour
  - Human trafficking
  - Modern slavery.
- 2.5 Capitec acknowledges the following groups that are more vulnerable to human rights exploitation and infringement and will therefore place additional emphasis on such vulnerable groups during risk and impact assessments and due diligence processes performed:
- 2.5.1 Children.
- 2.5.2 Local communities.
- 2.5.3 Migrant workers and their families.
- 2.5.4 Own employees.
- 2.5.5 People with disabilities.
- 2.5.6 Persons belonging to national or ethnic, religious and linguistic minorities.
- 2.5.7 Third-party employees.
- 2.5.8 Women.
- 2.6 In developing this policy, we are guided by the principles of the following human and labour rights standards:
- 2.6.1 Basic Conditions of Employment Act, Act 75 of 1997.
- 2.6.2 Constitution of the Republic of South Africa.
- 2.6.3 Employment Equity Act, Act 55 of 1998.
- 2.6.4 International Labour Organisation.
- 2.6.5 Labour Relations Act, Act 66 of 1995.
- 2.6.6 National Minimum Wage Act, Act 9 of 2018.
- 2.6.7 Occupational Health and Safety Act, Act 85 of 1993.

- 2.6.8 Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises.
- 2.6.9 South African legislation applicable to human rights.
- 2.6.10 United Nations Global Compact.
- 2.6.11 United Nations Guiding Principles on Business and Human Rights.
- 2.7 Where applicable laws are more stringent, these will apply in addition to this policy. Where such laws conflict with it, the law will take precedence, and we will seek to create the relevant awareness within our sphere of influence and to ensure that human rights are protected and respected to the greatest extent possible.
- 2.11 This policy builds on our Code of Conduct and Supplier Code of Conduct, is endorsed by the Capitec Group Board of Directors (the Board) and must be enforced at group executive committee level and by divisional line management.

### 3. Scope of Application

#### 3.1 Inclusions

- 3.1.1 This policy is applicable to Capitec and its subsidiaries, and all their employees (including permanent, temporary, fixed term and contract employees), contractors, suppliers, service providers and other business partners.
- 3.1.2 This policy aligns with our Financing Exclusion List, which outlines activities that are, in principle, excluded from any form of financing.

#### 3.2 Exclusions

This policy does not apply to the following entities, because we do not have any operational control over their business activities:

- Avafin Holding Limited
- Imvelo Ventures (Pty) Ltd
- Praelexis (Pty) Ltd

### 4. Policy Implementation Procedures

- 4.1 Operational accountability for the day-to-day implementation, monitoring and adherence to Capitec's human rights obligations rests across all departments. We are therefore committed to making this policy available to employees throughout our operations in accessible formats, and we will make sure to provide employees with relevant training to support effective understanding and implementation.
- 4.2 Capitec will undertake human rights risk and impact assessments to proactively identify and assess actual and potential adverse impacts of its activities and relationships on human rights, at least once every three years, or more frequently where circumstances warrant, and to take proactive, ongoing steps to understand

how existing and proposed activities may cause or contribute to human rights impacts. The process shall include meaningful consultation with potentially affected stakeholders, with a particular focus on vulnerable groups (refer to paragraph 2.6). Mitigation actions shall be prioritised based on the results of the risk and impact assessments.

- 4.3 Capitec is committed to conducting human rights due diligence across its operations and value chain, as well as any new business partnerships being considered (mergers, acquisitions or joint ventures). Human rights due diligence is an ongoing process to prevent, identify, assess, mitigate and account for negative human rights impacts which the company may cause or contribute to through its own activities, or which may be directly linked to its products, operations or services through an existing or potential future business relationship. Other than the rights explicitly acknowledged in paragraph 5 of this policy, vulnerable groups, employees (permanent, temporary, fixed term and contract employees) and human trafficking will be prioritised.
- 4.4 Through its internal monitoring and grievance mechanisms, Capitec will identify and implement appropriate corrective actions (mitigation and remediation) based on the nature and extent of the impact and the degree to which Capitec has caused, contributed to or been directly linked to the impact through a business relationship.
- 4.5 Mitigation measures shall aim to reduce the likelihood and severity of potential negative human rights impacts. Such measures may include, but are not limited to, incorporating human rights criteria into investment mandates, applying exclusionary criteria, undertaking targeted engagement with affected parties or making divestment decisions where necessary.
- 4.6 Remediation measures shall be implemented when a negative impact has already happened and Capitec's activities have caused or contributed to that impact. The objective of remediation is to restore affected persons or groups to the position they would have been in had the harm not taken place. Where full restoration is not possible, remediation may involve appropriate compensation or other actions designed to make amends for the harm caused.
- 4.7 Capitec shall implement measures to track the effectiveness of any mitigation or remediation measures adopted to address potential or actual human rights impacts. Tracking mechanisms will use appropriate qualitative and quantitative indicators and incorporate feedback from internal and external sources, including affected stakeholders.
- 4.8 In the fulfilment of their daily tasks and activities, employees are expected to observe, protect and respect human rights and to uphold the principles within this policy.
- 4.9 Capitec will ensure that employees, contractors, suppliers, service providers, and other business partners of Capitec are familiarised with human rights issues relevant to their activities, including through Capitec's Code of Conduct and Supplier Code of Conduct.
- 4.10 Where relevant, Capitec will conduct awareness-raising initiatives and communication campaigns to support employee understanding of human rights responsibilities.
- 4.11 Capitec encourages its employees, contractors, suppliers, service providers and other business partners to report any suspected human rights violations through its various grievance mechanisms. Any personal information shared when reporting suspected

human rights violations will be collected, used and safeguarded in strict accordance with Capitec's Enterprise Data Privacy policy, and will only be accessed by authorised persons for the purposes of investigation and resolution.

#### 4.11.1 **The Group Ethics Office**

E-mail [Ethics@capitecbank.co.za](mailto:Ethics@capitecbank.co.za)

#### 4.11.2 **Ethics Hotline**

Call 0800 786 007 or email [capitec@thehotline.co.za](mailto:capitec@thehotline.co.za)

#### 4.11.3 **Grievance process**

Complete the Grievance Submission form and submit to Employee Relations via fax on 0860 66 77 91

#### 4.11.4 **Line management**

Where employees feel comfortable and safe to do so, they may also report any suspected human rights violations to their line manager.

4.12 Where we identify that we have caused or directly contributed to adverse human rights impacts, we would engage in appropriate remediation processes by ourselves or in cooperation with other stakeholders.

## 5. **Key Human Rights Principles**

### 5.1 **Principle One: Freedom from Harassment and Discrimination**

Capitec adopts a zero-tolerance stance with any form of unethical behaviour that leads to harassment (both sexual and non-sexual) and discrimination in the workplace. With regards to employment status and treatment, no Capitec worker will be unfairly discriminated against due to factors such as race, colour, religion, ethnicity, national or social origin, property, birth, language, disability, health status, age, sexual orientation, gender, gender identity, gender expression, political or other opinion, marital and family status, place of residence, economic and social situation, or other arbitrary means. Capitec promotes the creation of an enabling environment that embraces diversity and equality and is inclusive for all people to live their purpose every day.

### 5.2 **Principle 2: No Forced Labour and Modern Slavery**

Capitec will not knowingly enter into, maintain or facilitate any direct or indirect relationship with persons or entities involved in any form of forced labour or modern slavery. All work or services performed on behalf of Capitec must be undertaken voluntarily and without coercion, threat, violence or penalty. Capitec has adverse information and sanction screening standards and procedures in place that are applied to clients, suppliers, service providers or business partners at onboarding to identify potential risks associated with modern slavery and human trafficking. Ongoing due diligence is also conducted on clients and active suppliers, service providers or business partners. Where instances of forced labour or modern slavery are identified despite these controls, Capitec will implement appropriate remediation measures.

### 5.3 **Principle 3: No Child Labour**

Capitec operates as a business that prohibits all forms of child labour and exploitation. Capitec only employs those who are 18 years old and above, unless emancipated by law, and in all cases take reasonable steps to verify the age of employees upon employment.

### 5.4 **Principle 4: Workplace Health and Safety**

Capitec is committed to establishing and maintaining a healthy and safe workplace and public environment for all its employees and any client, visitor, contractor or member of the public who come onto any of our business premises. To meet these high standards, Capitec is committed to comply with all relevant health and safety laws, regulations and standards relevant to its industry and geographical locations of operations, and to provide the necessary financial and human resources to achieve and maintain as far as reasonably possible the highest level of health and safety standards at all times.

### 5.5 **Principle 5: Decent Wages and Standard of Living**

Our workforce is at the heart of what we do, and we recognise the skills and expertise of our people with competitive remuneration and benefits packages. We perform regular job evaluations and market benchmarking to ensure competitive remuneration. We have also developed a tailored benefits programme that supports employees' overall wellbeing and financial security. Our approach ensures that every employee, regardless of their position, received both financial and non-financial benefits that contribute to meaningful employment. We believe that a healthy workforce has entitlement to breaks during work hours, paid leave and working hours within the legal limit and local overtime regulations.

### 5.6 **Principle 6: Freedom of Association and Collective Bargaining**

- 5.7.1 Capitec supports its employees' constitutional rights to Freedom of Association and recognises that employees can freely form and join trade unions or worker forums and collectively bargain to protect their mutual interests without fear of intimidation.
- 5.7.2 Capitec seeks to develop social dialogue and productive working relationships with representative trade unions and worker representatives through collective bargaining agreements and worker committee structures to foster information, consultation and negotiation.
- 5.7.3 Capitec has zero tolerance throughout its supply chain regarding harassment or discrimination of employees based on their membership, or not, of trade unions and other worker forums, and does not tolerate intimidation of worker representatives.

### 5.7 **Principle 7: Access to Products and Services**

- 5.8.1 Capitec recognises the role we play to ensure financial inclusion and the link between lack of access to certain products and services, and poverty. Our founding principles of simplicity, affordability, accessibility, and personalised service guide us in

challenging the status quo and designing innovative banking and insurance solutions for everyone, irrespective of factors like age or income.

- 5.8.2 The solutions we deliver not only create value for our stakeholders but make a meaningful contribution to the growth and prosperity of South Africa. Our mission is to provide an ecosystem of consumer education programmes that enable Capitec employees, clients and South African consumers to become empowered and knowledgeable to make informed decisions when choosing or using financial products and services, and to improve their personal financial management.

## 5.8 **Principle 8: Environment**

Capitec recognises the importance of environmental sustainability and is committed to minimising its environmental footprint, including potential negative impacts arising from lending and investment activities, its product and service offerings, its own operations and upstream and downstream supply and value chains. We comply with all applicable environmental laws and regulations, including those governing resource use and waste management. We believe that environmental protection is a shared responsibility, involving all elements of our business, as well as constructive engagement with local communities to ensure that its activities do not negatively affect livelihoods or human rights.

## 5.9 **Principle 9: Land Rights**

Capitec recognises and respects the rights of individuals and communities to land, property, and natural resources. Wherever we operate, Capitec complies with all local legislation regarding land rights and natural resources, as well as sensitivity in respect to local communities. We conduct due diligence in relation to land rights and impact when developing new business opportunities, securing partners, and land acquisition for our own operations.

## 5.10 **Principle 10: Community Engagement**

Capitec is committed to community initiatives and the wellbeing of society. We strive to work with local communities, suppliers, civil society and media on issues that have an impact upon them, or in which they have expertise, to inform our approach to human rights. The nature of our business means that our employees and their families are often living near Capitec operations, and we work together to ensure that communities are listened to and supported by our business.

# 6. **Governance and Oversight**

- 6.1 Ultimate responsibility for ensuring adherence to our Human Rights policy, lies with the Board. The Board delegates authority to relevant sub-committees and management committees such as the Social, Ethics and Sustainability Committee (SESCO) and the Sustainability Committee.

- 6.2 Senior management has the responsibility of overseeing policy implementation and ensuring that any alleged breaches are investigated and remediated.
- 6.3 Human Rights issues shall be a standard agenda point at all meetings of the Sustainability Committee, and the SESCO.
- 6.4 Once internal processes and practices around human rights risk and impact assessments and due diligence have been matured, the Chairperson of the SESCO shall present an annual report to the Board on at least the following:
  - 6.4.1 Results from recent human rights risk and impact assessments.
  - 6.4.2 Key human rights risks identified, with appropriate mitigation strategies.
  - 6.4.3 Training and awareness campaigns.
  - 6.4.4 Reports of suspected human rights violations, and remediation processes where Capitec has caused or directly contributed to such adverse human rights impacts.
- 6.5 Non-compliance with this policy and the procedures associated with it by any employee or contractor will be subject to our disciplinary code and may result in disciplinary action and even dismissal.
- 6.6 Any breach of Capitec's requirements or standards by suppliers, service providers or other business partners will trigger the implementation of appropriate corrective and remedial measures. Capitec may exercise suitable leverage to influence and support improved behaviour and compliance, which will be the preferred course of action rather than the immediate termination of the business relationship