



WHISTLEBLOWING POLICY

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Version No.	2a for the Management Committee (MANCO)
Custodian	Board Secretary
Approved By	Operations Committee (OPSCOM)
Effective Date	17 November 2020

1. PURPOSE

The purpose of this policy is to provide a framework within which whistleblowers (including third parties), who have serious concerns about the IRBA's business practices, will be able to make disclosures. In addition, where there are reasonable grounds for believing that there is impropriety within the IRBA, the framework provides whistleblowing guidelines within which disclosures can be made without fear, victimisation and/or subsequent discrimination.

2. SCOPE

2.1. The policy is designed to deal with disclosures by employees and third parties. It covers all genuine disclosures relating to:

- Unlawful civil or criminal offences;
- Failure to comply with statutory obligations/requirements;
- Financial misconduct;
- Health and safety risks;
- Environmental damage;
- Unfair discrimination;
- Corruption and misconduct, including bribery; and
- Attempts to suppress or conceal any information relating to any of the above.

2.2. The policy does not apply to personal grievances, which are dealt with under the IRBA's Grievances Policy and Procedures. It, therefore, must be read in conjunction with the relevant policies addressing grievances, disciplinary measures and unfair labour practices.

3. LEGISLATIVE REQUIREMENTS

The IRBA's objective is to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes. As a result, the IRBA endeavours to adhere to the highest standards of transparency and accountability. It is then accordingly expected that all whistleblowers with serious concerns about business practices at the IRBA should come forward and disclose those concerns.

This policy, therefore, has been designed in accordance with a number of South African laws that include the:

- 3.1. Protected Disclosures Act 26 of 2000.
- 3.2. Public Disclosures Act 26 of 2002.
- 3.3. Prevention and Combating of Corrupt Activities Act 12 of 2004.
- 3.4. Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000.

4. DEFINITIONS

- Disclosures** This means any disclosure of information regarding any conduct of an employer, or a whistleblower of that employer, made by any whistleblower who has reason to believe that the information concerned shows or tends to show one or more of the following:
- a) That a criminal or civil offence has been committed, is being committed or is likely to be committed;
 - b) That a person has failed, is failing or is likely to fail to comply with any legal obligation to which that person is subject;
 - c) That a miscarriage of justice has occurred, is occurring or is likely to occur;
 - d) That the health or safety of an individual has been, is being or is likely to be endangered;
 - e) That the environment has been, is being or is likely to be damaged;
 - f) Unfair discrimination, as contemplated in the Promotion of Equality and Prevention of Unfair Discrimination Act; or
 - g) That any matter referred to in paragraphs (a) to (f) above has been, is being or is likely to be deliberately concealed.
- Employee** This is any person, excluding an independent contractor, who works for the IRBA and who receives, or is entitled to receive, any remuneration; and any other person who, in any manner, assists in carrying out or conducting the business of the IRBA.
- Employer** This is the Independent Regulatory Board for Auditors.
- Impropriety** This refers to any conduct that falls within any of the categories referred to in (a) to (g) above in reference to the definition of “disclosures”, irrespective of whether or not the impropriety occurs or occurred in the Republic of South Africa or elsewhere; or the law applying to the impropriety is that of the Republic of South

Africa or of another country.

5. POLICY PRINCIPLES

5.1. Disclosures

- 5.1.1 The IRBA shall put in place appropriate systems to facilitate disclosures of impropriety.
- 5.1.2 Whistleblowers are encouraged to make appropriate disclosures where there are reasonable grounds for believing that an impropriety has or is likely to take place.
- 5.1.3 The IRBA shall ensure that a whistleblower who makes a bona fide disclosure is not penalised, victimised or suffers any adverse treatment as a result of the disclosure.
- 5.1.4 Where a whistleblower who has made a disclosure suffers victimisation, the IRBA shall take appropriate action to ensure the immediate alleviation of the whistleblower's victimisation.
- 5.1.5 Disclosures of impropriety shall, without undue delay, be considered and, where appropriate, investigated, with corrective action taken.
- 5.1.6 Whistleblower disclosures perpetuated by malice or made for the purposes of personal gain shall constitute misconduct and be dealt with accordingly.

5.2 Culture of Openness

The IRBA commits itself to encouraging a culture that promotes openness. This will be demonstrated by, *inter alia*:

- Involving employees, listening to their concerns and encouraging the appropriate use of this policy/process on whistleblowing;
- Educating, training, informing and explaining to employees what constitutes fraud, corruption and malpractice, and their effect on the IRBA; and
- The adoption of a policy to combat fraud.

5.3 Administration and Review

This policy is subject to review every three (3) years. Any proposed interim changes or additions shall be subject to normal recommendations and approval processes.

5.4 Effective Date

The policy and/or amendments hereto shall come into effect on the date of approval.

5.5 Approval

This policy shall be approved by the Operations Committee of the IRBA Board.

WHISTLEBLOWING POLICY PROCEDURES

1. Reporting Procedures and the Resolution of Reported Incidents

1.1 Internal Disclosures

1.1.1 Internal disclosures must be made to the service provider (hosting the disclosure services) appointed by the IRBA.

1.1.2 Disclosures must include the following:

1.1.2.1 The background and history of the alleged or suspected impropriety;

1.1.2.2 Where possible, the names, dates and places that are relevant to the impropriety;

1.1.2.3 Reason/s why the whistleblower reasonably believes that the conduct in question constitutes or is likely to constitute impropriety; and

1.1.2.4 Where available, proof or any other evidence in support of the disclosure or allegation. Examples of these could be invoices, bank statements and purchase orders.

1.1.3 While whistleblowers are not expected to prove an allegation, they will need to demonstrate that there are reasonable and sufficient grounds for the concern/s raised.

1.1.4 The appointed service provider will have to present the information from the calls received to the authorised persons (CEO, the Board Secretary and the Chairman of the Board) in the form of summarised reports.

1.2 Information received on the following categories of employees must be reported to the nominated/authorised persons:

- Directors and the Board Secretary to the CEO.
- All employees (except the CEO, Directors and the Board Secretary) to the Board Secretary.
- The CEO to the Chairman of the Board.

1.3 The authorised person (taking into account the employee's category) will consider the disclosure and then make a decision as to whether there is a prima facie case to respond thereto within seven (7) working days of receiving the disclosure.

1.4 Where there is a prima facie case, an investigation must be recommended and, depending on

the nature of the matter, the authorised person may recommend to the CEO or the Chairman of the Board that the matter be:

- Investigated internally;
- Referred to Internal Auditors; or
- Subject to an independent enquiry.

1.5 All investigations and enquiries will be dealt with confidentially, sensitively and timeously. The outcome will be reported to the whistleblower and the Chairman of the Board.

1.6 The Chairman of the Board will report to the Board on all the disclosures made and the subsequent actions taken.

1.7 If in the course of an investigation or enquiry any concern raised by a whistleblower appears to relate more appropriately to a grievance or disciplinary process, the relevant procedures will be invoked.

2. External Disclosures

2.1. A whistleblower who is dissatisfied with the outcome of the IRBA's response, and who reasonably believes that the information disclosed, and the allegation contained therein is substantially true, is at liberty to take the matter further.

2.2. Should the whistleblower be a resident of South Africa, such whistleblower is obliged, in terms of the Public Disclosures Act, to report such dissatisfaction to:

- A legal representative (attorney/advocate/legal adviser);
- The Public Protector; or
- The Internal Auditors.

2.3. A further alternative reporting hotline has been established for the reporting of allegations of corruption in the public service. The National anti-corruption hotline – Public Service Commission contact details appear herein below.

3. Investigation and Enquiry Process

3.1. The authorised person will approach the Legal Department, which has the primary responsibility for the investigation and enquiry of all suspected impropriety, as defined in this policy.

3.2. If the investigation or enquiry substantiates that an impropriety has occurred, the Legal Department will issue reports to the authorised person and, if appropriate, the Board.

- 3.3. A decision to prosecute or refer the investigation results to the appropriate law enforcement and/or regulatory agencies for an independent investigation will be made in conjunction with the Legal Department and the authorised person (only the CEO and/or the Chairman of the Board), as will final decisions on disposition of the case.

4. Contact Details

4.1 Service Provider

Whistle Blowers (Pty) Ltd

PO Box 51006

Musgrave

4062

Email: IRBA@whistleblowing.co.za

SMS: 33490

Toll Free: 0800 212 208

4.2 External Disclosures

4.2.1 Office of the Public Protector

Physical Address: 175 Lunnon Street

Hillcrest Office Park

0083

Postal Address: Private Bag X677

Pretoria

0001

Tel: (012) 366 7000

Toll free: 0800 11 20 40

4.2.2 The National anti-corruption hotline – Public Service Commission

Toll free: 0800 701 701

4.2.3 Internal Auditors

National Treasury Internal Audit Support Unit

Physical Address: 40 Church Square

Pretoria

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Tel.: (012) 315 5111