



WHISTLE BLOWING POLICY

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Custodian:	Board Secretary
Approved by:	OPSCOM
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Conditions of policy	To be reviewed every three years

WHISTLE BLOWING POLICY

1. PURPOSE

The IRBA's objective is to endeavour to protect the financial interest 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 accordingly expected that all whistleblowers (including third parties) who have serious concerns about the IRBA's business practices, should come forward and disclose those concerns.

The Protected Disclosures Act, Act No. 26 of 2000 (The Act), provides protection to whistleblowers for any disclosure made without malice and in good faith.

Therefore, the IRBA is committed to creating a framework within which disclosures can be made without fear, victimisation and/or subsequent discrimination and seeks to do so through the adoption of this policy.

2. PURPOSE

The purpose of this Policy is to provide a framework within which whistleblowers are able to make disclosures, where there are reasonable grounds for believing that there is impropriety within the IRBA.

3. SCOPE (APPLICATION OF THE POLICY)

3.1. The Policy is designed to deal with disclosures by employees and third parties.

3.2. This policy covers all genuine disclosures relating to:

- Unlawful civil or criminal offence;
- Failure to comply with statutory obligations/requirements
- Financial Misconduct
- Health and Safety Risks
- Environmental Damage
- Unfair discrimination
- Corruption and Misconduct including bribery
- Attempts to suppress or conceal any information relating to any of the above

3.3. The policy does not apply to personal grievances, which will be dealt with under the IRBA's grievance procedures.

3.4. This policy must be read with the relevant policies addressing grievances, disciplinary, unfair

labour practice.

4. LEGISLATIVE REQUIREMENTS

This policy has been designed in accordance with a number of South African laws. These laws include the:

4.1. Protected Disclosures Act, Act No. 26 of 2000

4.2. Public Disclosures Act, Act No. 26 of 2002

4.3. Prevention and Combating of Corrupt Activities Act No. 12 of 2004

5. DEFINITIONS

5.1.

- 5.2. Disclosures 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, 2000 (Act No, 4 of 2000); or
 - g) that any matter referred to in paragraphs (a) to (f) has been, is being or is likely to be deliberately concealed;
- Employee means 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 on or conducting the business of the IRBA

Employer means the Independent Regulatory Board for Auditors [IRBA].

Impropriety Means any conduct which falls within any of the categories referred to in (a) to (g) of the definition of “disclosure”, 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.

6. POLICY STATEMENTS

6.1. Disclosures

- 6.1.1. The IRBA shall put in place appropriate systems to facilitate disclosures of impropriety.
- 6.1.2. Whistleblowers are encouraged to make appropriate disclosures where there are reasonable grounds for believing that an impropriety has or is likely to take place.
- 6.1.3. 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.
- 6.1.4. Where a whistleblower who has made a disclosure suffers victimisation, the IRBA shall take appropriate action to ensure the immediate alleviation of the victimisation of the whistleblower.
- 6.1.5. Disclosures of impropriety shall, without undue delay, be considered and where appropriate, investigated and corrective action taken.
- 6.1.6. Whistleblower disclosures perpetuated by malice or made for the purposes of personal gain shall constitute misconduct and will be dealt with.

6.2. 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 Whistle blowing;

- Educating, training, informing and explaining to employees what constitutes fraud, corruption and malpractice and its effect on the IRBA;
- Adoption of a policy to combat fraud

7. ADMINISTRATION AND REVIEW

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

8. EFFECTIVE DATE OF THE POLICY

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

9. APPROVAL

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

**1. REPORTING PROCEDURES AND RESOLUTION OF REPORTED INCIDENTS
INTERNAL**

- 1.1. Internal disclosures must be made to the service provider (hosting the disclosure services) appointed by the IRBA.
- 1.2. Disclosures must include the following:
 - 1.2.1. background and history of the alleged or suspected impropriety;
 - 1.2.2. where possible, names, dates, and places relevant to the impropriety;
 - 1.2.3. reason why the whistleblower reasonably believes that the conduct in question constitutes or is likely to constitute impropriety;
 - 1.2.4. where available, proof or any other evidence in support of the disclosure; allegation (invoices, bank statements, purchase orders).
- 1.3. While whistleblowers are not expected to prove the truth of an allegation, they will need to demonstrate that there are reasonable and sufficient grounds for the concern raised.
- 1.4. The information from calls received by the service provider will be presented by the service provider in the form of summarised reports to the authorised persons (CEO, Board Secretary and Chairman of the Board).
- 1.5. Information received on the following categories of whistleblowers must be reported to the nominated/ authorised persons:
 - Directors and Board Secretary to the CEO.
 - All employees (except Directors, CEO and Board Secretary) to Board Secretary.
 - The CEO to the Chairman of the Board.

The authorised person (considering the category of employee) 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.

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 Chairman of the Board that the matter be:

- Investigated internally;
 - Referred to Internal Auditors; or
 - Subject to an independent enquiry.
- 1.6. 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.

- 1.7. The Chairman of the Board will report to the Board on all the disclosures made and the subsequent action taken.
- 1.8. 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 processes, the relevant procedures will be invoked.

2. EXTERNAL DISCLOSURE

- 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 No. 26 of 2002, 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 public sector, the National Anti-corruption hotline for the Public Sector whose contact details appear herein below.

3. THE INVESTIGATION AND ENQUIRY PROCESS

- 3.1. The authorised person will approach the Legal Department who has the primary responsibility for the investigation and enquiry of all suspected fraudulent acts as defined in this policy.
- 3.2. If the investigation nor enquiry substantiates that fraudulent activities have occurred, the Legal Department will issue reports to the authorised person and, if appropriate, to the Board.
- 3.3. Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with the Legal Department and the authorised person (only CEO and/or Chairman of the Board), as will final decisions on disposition of the case.

4. Contact Details:

Service Provider

Whistle Blowers (Pty) Ltd

Postal Address:

PO Box 51006

MUSGRAVE

4062

Email: IRBA@whistleblowing.co.za

Fax: 086 52 22 816

SMS: 33490

Toll Free: 0800 212 208

External Disclosures

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

Fax: (012) 362 3473

Toll free: 0800 11 20 40

The National anti-corruption hotline for the public service

Toll free: 0800 701 701

The Internal Auditors

National Treasury Internal Audit Support Unit

Physical Address

40 Church Square, Pretoria, 0002

Tel

012 315 5111

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