



**POLICY DOCUMENT NUMBER 19**

# **WHISTLE BLOWING POLICY**

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# WHISTLE BLOWING POLICY

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## WHISTLE BLOWING POLICY

### 1. PURPOSE OF THE POLICY

The purpose of the "**WHISTLE BLOWING POLICY**" is to encourage and enable all DigiCore staff to disclose and report any malpractice, misconduct or other unethical behaviour which they may become aware of during the normal course of business.

### 2. SCOPE OF THE POLICY

- ✓ The policy applies to all staff employed
- ✓ The policy will replace all previous policies, practices and correspondence relating to this specific policy

### 3. DEFINITIONS AND ABBREVIATIONS

- ✓ None

### 4. RELEVANT FORMS

- ✓ None

### 5. RELATED POLICIES

- ✓ None

### 6. ADDENDUMS

- ✓ None

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### 7. POLICY DOCUMENT

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#### 7.1. INTRODUCTION

Digicore Group is committed to the highest standards of ethical, moral and legal business conduct. Ethical business behaviour is the responsibility of every person in the company and is reflected in our relationships with all our stakeholders such as our employees, customers, suppliers, partners and shareholders. The Digicore Group Code of Ethics and related corporate policies are a key component of our commitment to high standards of business and personal ethics in the conduct of business in the Digicore Group.

In line with this commitment we expect employees and others that we deal with, who have serious concerns about any aspect of the group's work to come forward and communicate these concerns through the appropriate channels provided by the company, without any concerns or fear of victimisation. Wherever practical, and subject to any legal constraints, matters reported will proceed on a confidential basis.

All Digicore Group employees are strongly encouraged to report their concerns through the normal business channels, which can include, for example, immediate supervisors, human resources representatives, fraud liaison officers, internal audit, or senior management representatives.

The introduction of the Digicore Group Whistle Blowing Line is a supplementary reporting mechanism through which to raise concerns if, for any reason, an employee, contractor or external stakeholder is uncomfortable with using the normal business channels or unsatisfied with the response from the normal business channels. The system is available for use by all Digicore Group employees, contractors and external stakeholders.

#### 7.2. AFFIRMATION & COMPLIANCE WITH THE PROTECTED DISCLOSURES ACT

The Protected Disclosures Act, Act 26 of 2000 came into effect on 16 February 2001. The act makes provision for procedures in terms of which employees who disclose information of unlawful or corrupt conduct by their employers or fellow employees are protected from occupational detriment. This law is to encourage honest employees to raise their concerns and report wrongdoing within the workplace without fear.

Digicore Group subscribes to the principles and requirements of this Act and in order to reaffirm our compliance with the Act, Digicore Group will:

7.2.1. Ensure protection of employees who submit a disclosure in good faith and use the appropriate reporting channels provided by Digicore Group;

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- 7.2.2. Strive to create a culture which will facilitate the disclosure of information by employees Relating to criminal and Other unethical or irregular conduct in the workplace in a responsible manner by providing clear guidelines for the disclosure of such information and protection against reprisals as a result of such disclosure;
- 7.2.3. Promote zero tolerance to any criminal and other unethical or irregular conduct within DigiCore Group.

### 7.3. **OBJECTIVES AND SCOPE**

- 7.3.1 This Whistle Blowing Policy is intended to provide overall guidance for the reporting of concerns and to further encourage and enable staff to raise concerns within Ctrack (DigiCore Group) rather than overlooking the problem or reporting such concerns through inappropriate channels.
- 7.3.2 Furthermore, this Whistle Blowing Policy aims to:
- Highlight the various channels available to employees of DigiCore Group to raise concerns and receive feedback on matters reported and any action taken by management in addressing the matters reported;
  - Reassure employees that they will be protected from reprisals or victimisation for disclosures made in good Faith.
- 7.3.3 There are existing procedures available for employees to lodge grievances relating to their own employment, which will not be superseded by this policy. Therefore the mechanisms available through this policy should not be used as an avenue to report issues that have already been addressed through the grievance or complaints procedures. This policy is intended to address concerns that, although not exhaustive, include the following:
- Conduct which is an offence or a breach of law;
  - Disclosures related to miscarriages of justice;
  - Health and safety risks, including risks to the public as well as other employees;
  - Damage to the environment;
  - The unauthorised use of company resources;
  - Possible fraud and corruption;
  - Sexual or physical abuse;
  - Other unethical conduct;
  - Serious failure to comply with appropriate professional standards;
  - Abuse of power, or use of company powers and authority for any unauthorised use or personal gain;
  - Deliberate breach of company policies and/or procedures.

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### 7.4. ACTING IN GOOD FAITH

Users of the DigiCore Group Whistle Blowing Line must act in good faith and must not make false accusations when reporting any concerns. Good faith is when a disclosure is made without malice or consideration of personal benefit and the complainant has a reasonable basis to believe the report to be true.

### 7.5. REPORTING CHANNELS

In order to remain in compliance with the Protected Disclosures Act, DigiCore Group will:

- 7.5.1 Ensure protection of employees who submit a disclosure in good faith, using the appropriate channels provided By DigiCore Group.
- 7.5.2 As a first step, employees should normally raise concerns with their immediate manager or their superior. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice.
- 7.5.3 If an employee is for any reason uncomfortable using the normal business channels, they should then contact the DigiCore Group Whistle Blowing Line.
- 7.5.4 Concerns may be raised in writing. Employees who wish to make a written report are invited to use the following format:
  - The background and history of the concern (giving relevant dates);
  - The reason you are particularly concerned about the situation;
  - The extent to which you have personally witnessed or experienced the problem (provide documented evidence where possible).

Although employees, contractors and external stakeholders are not expected to prove beyond reasonable doubt the truth of an allegation, they will need to demonstrate to the person contacted that there are reasonable grounds for their concern.

### 7.6. SAFEGUARDS – HARASSMENT AND VICTIMISATION

DigiCore Group is committed to good practice and high standards and wants to be supportive of employees.

DigiCore Group recognises that the decision to report a concern can be a difficult one to make and is therefore committed to ensuring that an employee is protected for a disclosure made in good faith.

Retaliation by any employee of the company, directly or indirectly, against any person who, in good faith, submits a disclosure or provides assistance to those responsible for investigating the allegations will not be tolerated. Remember, if you have followed the procedures, you are protected by The Protected Disclosures Act, Act 26 of 2000.

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No employee will suffer harassment, retaliation or adverse employment consequences as a result of the submission in good faith of their disclosure. Any employee of the company, who retaliates against a person who has submitted a disclosure pursuant to this policy in good faith, shall be subject to disciplinary action following which the maximum sanction will be applied.

### 7.7. DEFINITION OF A DISCLOSURE

A disclosure is a reported concern that has been submitted by an employee, contractor or external stakeholder acting in good faith using the DigiCore Group Whistle Blowing Line. It does not include issues or concerns raised by employees through normal business channels in an open, non-confidential manner. All disclosure reports will be treated in confidence.

### 7.8. REPORTING AND RECORDING OF DISCLOSURES

Users of the DigiCore Group Whistle Blowing Line can report their disclosures using any one of the following mediums of communications:

• Use of a dedicated number which is	<b>012 450 2339</b>
• Use of one unique e-mail address which is	<b>Whistle@ctrack.co.za</b>
• Post address:	<b>PO Box 68270, Highveld Park 0169</b>

Under normal circumstances, all reports will be sent simultaneously to **the following 3 individuals as the primary recipients:**

- Nominee 1: Internal Audit Manager
- Nominee 2: Human Resource Director
- Nominee 3: Audit Partner – External Auditors (Included in all tip offs to ensure that the stipulated process is followed and the rights of all parties involved are protected)
- Nominee 4: Chief Executive - DigiCore Group
- Nominee 5: Chairman of the DigiCore Group Audit & Risk Committee

However, a relevant escalation process has also been defined for certain circumstances as follows:

- Should nominee 1 and/ or 2 be implicated, the report is escalated to nominee 4
- Should nominee 4 be implicated the report is escalated to nominee 5.

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The reports will include only objectively presented information that is in direct relation to the scope of any investigation undertaken for the verification of the alleged facts.

All reports provided to the reporting personnel as indicated above will eliminate any element that could identify the employee making a disclosure. This means that the employee will remain totally anonymous if they have chosen to use this option.

However, the identity of an employee will be provided to Digicore Group if the following condition is met:

- *The employee has given their verbal consent to communicate their identity to Digicore Group.*

### **7.9. HOW WILL THE COMPANY RESPOND?**

The Fraud Response Plan deals with how Digicore Group will address or respond to matters reported whether through internal reporting mechanisms or through the Digicore Group Whistle Blowing Line, which is emphasised below:

7.9.1 Digicore Group will respond to all valid disclosures made.

7.9.2 Digicore Group will ensure the employees protection if the disclosure is made in good faith.

7.9.3 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take.

7.9.4 Where an investigation is appropriate, the matters raised will either:

- Be investigated internally by management, internal audit, or through the disciplinary process; or
- Be referred to an independent outside service provider with the necessary specialist expertise and experience in dealing with the type of disclosure made. This will be reviewed on a case by case basis.

7.9.5 Some concerns may be resolved by agreed action without the need for formal investigations. If urgent action is required this will be taken before any investigations are conducted.

7.9.6 The investigation and the duration thereof will depend on the nature of the matters raised, the difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the individual, if this is possible.

7.9.7 The investigations will be handled in a confidential manner and will not be disclosed or discussed with any persons other than those with a legitimate right to such information. Appropriate feedback will be provided upon request, by the whistle blower.

### **7.10. THE RESPONSIBLE OFFICER**

Digicore Group Internal Audit has overall responsibility for the maintenance and implementation of this policy. An officer will maintain a record of concerns and the outcomes (but in a form which does not endanger confidentiality) and will report as necessary to the Digicore Group CE and Audit Committee.



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### 7.11. CREATING AWARENESS

In order for the Policy to be sustainable, it will be supported by a structured education, communication and awareness programme as part of DigiCore Group's broader fraud risk management strategy.

### 7.12. CONTACT DETAILS

Requests for further information should be referred to the DigiCore Group Internal Audit Department which is based at the DigiCore Group head office.

### 8. RESPONSIBILITY AND COMPLIANCE

Accountable	Line Management
Responsible:	Human Resources
Informed:	Employees
Monitors and maintains:	Human Resources