



Institute of Accounting and Commerce

“Whistle Blowing” Policy for IAC Staff

1. SCOPE:

The whistle blowing policy shall apply to all staff members who are employed by the Institute of Accounting and Commerce (IAC) and is subject to review from time to time.

The Institute is committed to conducting business in an ethical manner and to the highest standards of transparency and accountability. The policy is intended to foster and maintain an environment in which employees, contractors and other stakeholders can express their concerns, without fear or punishment or unfair treatment, and ultimately assist in preventing corruption within the Institute and the broader sector in which it operates.

2. OBJECTIVES:

The objective of this policy is to:

- Encourage staff, and all stakeholders’, contractors to feel confident in raising breaches and concerns.
- Provide a means to voice suspected misconduct, breaches and concerns, and to receive appropriate feedback on any action taken.
- Ensure that whistle blowers will be protected from possible reprisals (including disciplinary action and loss to work, pay or career opportunities) and victimisation if the disclosure was made in good faith.
- Align with legislation, including the South African Protected Disclosures Act 26 of 2000.

3. RESPONSIBILITY

The audit and Risk Committee is responsible for reviewing and revising this policy, and also has overall responsibility for monitoring the arrangements in place.

The Secretariat is responsible for overseeing the effective implementation of this policy, and ensuring that the policy and related procedures are regularly reviewed and updated.

5. WHAT IS WHISTLE BLOWING?

Whistle blowing is the act of a staff member or any other stakeholder raising their voice against specific concerns of unethical activities being carried out within the organization. Whistle blowers are not investigators or finder of facts and the whistle blower does not determine the appropriate corrective or remedial action that may be warranted

Whistle blowing in good faith is in the Institute's interests of the wider public. Good faith is evident when the report is made without malice or consideration of personal benefit and the whistle blower has a reasonable basis to believe that report is true.

Examples of the types of concerns that may be reported include, but are not limited to, past, present or likely future wrongdoing in one or more of the following categories:

- Criminal offences
- A bribe has been, is being or is likely to be done by any person associated with IAC.
- Failure to comply with legal obligation.
- Miscarriages of justice.
- Endangering an individual's health or safety.
- Harassment or victimisation
- Damage to the environment
- Human trafficking or forced or compulsory labour
- Breach of any IAC policy or procedure
- Falsification or false reporting of financial information
- Deliberate concealment of evidence of any of the above

5.1 SCOPE EXCLUSION

This policy does not apply to personal grievances concerning an individual's term of employment or other aspects of his or her working relationship with IAC or disciplinary matters.

5.2 WHY IS WHISTLE BLOWING IMPORTANT?

Whistle blowing is an early warning system to protect our people and avert possible risks to IAC. By encouraging whistle blowing, the Institute is better able to find out when something is wrong in time to take necessary corrective action, and thus stop the wrongdoing and prevent harm or damage (including physical, financial and reputational harm) occurring to the Institute, our staff or stakeholders.

In addition, whistle blowing often plays a vital role in legal proceedings involving companies and their employees, including in determining liability and setting penalties. IAC is expected to have in place an effective whistle blowing policy and to take action when legitimate concerns are raised. Staff and other stakeholders working for IAC will be expected to adhere to this policy.

5.3 WHO CAN RAISE A CONCERN?

An employee, contractor or any stakeholder, who has a reasonable suspicion of misconduct relating to any of the matters described in paragraph 3.1, may raise concern accordance with this policy.

Concerns or allegations raised must be:

- Based on reasonable suspicion (and not on mere hearsay)
- Made in good faith

A complaint is unlikely to be made in good faith where it is made with malice or for purposes of personal gain or advantage.

Where the complaint relates to harassment should also encourage, if possible, the victim to come forward. Such matters are much easier to fully investigate with co – operation of the victim.

5.4 WHISTLE BLOWING SAFEGUARDS

The IAC strongly encourages its staff and other stakeholders to raise concerns at the earliest opportunity. However, we recognise that the decision to report a breach can be difficult to make.

Whistle blowers should be aware that, if they report an incident in good faith, they will have nothing to fear because they would be acting as a responsible stakeholder, regardless of role or level of seniority. The IAC will protect the whistle blower by not tolerating any harassment, victimisation or occupational detriment (including disciplinary action, dismissal,

and loss of work, pay or career opportunities) if the whistle blower has raised the breach, or even the suspected breach, in good faith.

The IAC will take any harassment or victimisation of whistle blowers seriously and will take disciplinary action against any offenders.

Any investigation into a report will not, however, influence or be influenced by any current process that may already affect a staff member in terms of the Institute's Constitution.

5.5 WHISTLE BLOWING CONFIDENTIALITY

All concerns and breaches will be treated with the strictest confidence and every effort will be made, subject to any legal constraints, not to reveal the identity of the whistle blower without their permission. Circumstances may, however, dictate that, in time, it may be necessary for their identity to become known – for example, they may have to be called as a witness.

5.6 WHISTLE BLOWING ANONYMOUSLY

The IAC would prefer whistle blowers to disclose their names and contact details (in strict confidence). However, this policy provides for whistle blowers to remain anonymous should they wish to do so. Calls to the whistle blowing hotline (details under the *How do I report?* Section) are not tracked. Remaining anonymous will not preclude a report from being investigated, and the matter will not receive less priority than other cases. However, reports made anonymously are not easily investigated due to the investigator's inability to request additional information, and accordingly the report will need to be considered at the discretion of the investigator, in exercising this discretion, the factors to be taken into account would include:

- The seriousness of the issue raised
- The detail and amount of information provided
- Whether or not the issue or allegation that has been reported can be confirmed by other sources

If you would like to remain anonymous, it is important that you specify this from the outset and do not provide your personal details.

5.7 WHISTLE BLOWING MALICIOUSLY

Where an allegation is made in good faith, even when it is unable to be confirmed by an investigation or is subsequently proved to be untrue, no action will be taken against the whistle blower. If, however, an allegation is maliciously or mischievously made for personal gain or otherwise, appropriate disciplinary or legal action may be taken against the whistle blower.

6 HOW TO MAKE A REPORT

The IAC encourages staff members and other stakeholders to report their concerns, either to the CEO or GM on the contact details below.

Method of communication:

Telephone: 021 7616211

Email (CEO): ceo@iacsa.co.za

(GM): gm@iacsa.co.za

Post 252 Rosmead Avenue, Wynberg, Cape Town, 7780

7 IAC's COMMITMENT TO WHISTLE BLOWING

We will respond consistently and fairly to all reports made in good faith. Where appropriate, issues raised may be investigated by management, internal audit or through disciplinary processors and, in certain circumstances, may be referred to other investigating authorities. In order to protect all individuals concerned, initial enquiries will be made to decide whether or not an investigation is appropriate and, if so, what form it should take. Where possible, we will provide feedback on an outcome of any investigation to the whistle blower.

Some concerns may be resolved without the need for investigation. If, however urgent action is required, this may also be taken before any investigation is conducted. Within 10 working days of concern being raised, we will either institute the necessary plans for an investigation or, where more information is required after an assessment of the availability of that information, either defer or close the case.

Only with the permission of the whistle blower will contact between the whistle blower and the investigating officers take place. This contact will depend entirely on the nature of the matters raised and particularly the adequacy of the information provided. Where possible and necessary, the officers involved may be required to meet in order to seek further information. The protection and confidentiality of the whistle blower will be paramount during this meeting. Subject to any legal constraints, the whistle blower will be kept informed of the progress and outcome of an investigation. Should the whistle blower be required to give evidence at disciplinary or criminal proceedings, the Institute will allow him or her to be accompanied by an individual of his or her choosing (subject to any legal constraints).

The IAC will provide the full protection afforded to the whistle blower by law, as well as under the terms of this policy. For example, if required to give evidence in criminal or disciplinary proceedings, the Institute will provide the necessary time and resources, and ensure adequate advice is provided to the whistle blower with regard to the proceedings.

8 UNSATISFACTORY OUTCOME

A whistle blower who is dissatisfied with the outcome of the Institute'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.

In the first instance, we would encourage you to provide details of the matter to the chairman of the Audit and Risk Committee.

Should the whistle blower be a resident of South Africa, he or she is obligated, in terms of the Protected Disclosures Act, to resort such dissatisfaction to legal representative or the public protector.

9 DATA PROTECTION

The IAC recognises that investigations of allegations in accordance with the policy are likely to amount to processing of sensitive personal data of the accused and furthermore, accused individuals may become stigmatised even if the accusation is found to be false. The IAC will therefore:

- Respect the rights of the accused, including by informing them of the allegations and the identity of any person who will receive personal data about them in connection with the investigation (unless there is a substantial risk that this would prejudice the investigation)
- Keep the identity of the whistle blower confidential (unless they want their identity to be known)
- Keep any personal data gathered or disclosed during an investigation secure
- Retain personal data gathered or disclosed during an investigation only until the conclusion of the investigation or related disciplinary procedure, and destroy personal data if the investigation reveals no evidence of wrongdoing.

Notwithstanding the above, the IAC may surely retain personal information gathered during an investigation if necessary in order to mitigate the risk of future liability or harm to the Institute.