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FRAUD AND CORRUPT ACTIVITIES POLICY

PURPOSE

Fraud and corrupt acts expose Redefine and its employees to the risk of prosecution, substantial fines and imprisonment, as well as endangering the reputation of the business. Redefine subscribes to the principles of good corporate governance, which requires conducting business in an honest and transparent manner. Subsequently, Redefine is committed to its zero-tolerance stance on fraudulent behaviour at all levels within the organisation.

SCOPE & OBJECTIVE

The policy is premised on the organisation's core ethical values, driving the business of Redefine, the development of its governance systems, policies and procedures, interactions with third-parties, stakeholders and even decision-making, by individual managers representing the organisation. This means that, in practice, all departments and business units of Redefine, and even external stakeholders, must be guided by the policy as the point of reference for their ethical conduct. The scope of this policy includes all activities conducted within Redefine, whether with the private or public sector.

POLICY PRINCIPLES

The main principles upon which the policy is based, are aligned to the Redefine ethics framework which, amongst other objectives, includes creating a culture which is ethical and intolerant to fraud and corruption.

In support of this policy, the following principles govern the prevention, detection of unethical behaviour, fraud and corrupt activities within Redefine, and the protocols regarding the response to suspected unethical behaviour, fraud and corrupt activities. These principles are not intended to detract from the premise that components outside the scope of this policy are equally essential for the successful implementation of the Redefine ethics framework.

Principle	Principle description	Policy statements
Ethical behaviour	Redefine is committed to the highest ethical standards to be upheld by all employees throughout their conduct.	<ul style="list-style-type: none"> → Redefine will establish an ethical culture, and conduct relating to the prevention of fraud and corruption is paramount to achieving this objective → Employee conduct, actual or perceived, often forms the base upon which Redefine as an organisation is judged. Redefine employees have to, therefore, demonstrate behaviour beyond approach in the execution of their duties → Redefine employees have to act in accordance with the code of business → Redefine employees will be accountable, trustworthy, courteous, respectful, honest and transparent
Compliance with statutory obligations, internal policies and regulations	Redefine is committed to ensure all statutory obligations are complied with.	<ul style="list-style-type: none"> → The Redefine policies support the objectives of the South African legislation of 2004 on the Prevention and Combating of Corrupt Activities Act and the Organisation for Economic Cooperation and Development (OECD) Anti-bribery Convention, to which South Africa is a signatory

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		<ul style="list-style-type: none"> → Compliance with all statutory obligations are the responsibility of all Redefine stakeholders in their dealings with Redefine and daily operations → The efficient application of instructions contained in the policies and procedures of Redefine is one of the most important duties to be applied by every employee in the execution of their daily tasks → All employees are responsible for reporting of any non-compliance by any stakeholders of Redefine → The acceptance and offering of business courtesies, including gifts, by all employees of the organisation occurs only within the ethical standards as prescribed by the declaration of gifts policy → The declaration of private business interests and actual or potential conflicts of interest is mandatory for all employees
Zero tolerance approach to unethical behaviour, fraudulent and corrupt activities	Redefine takes a zero-tolerance approach towards any fraudulent and/or corrupt activities by employees, suppliers, third-party service providers and/or clients.	<ul style="list-style-type: none"> → Redefine promotes a zero-tolerance approach to unethical behaviour, fraud and corrupt activities, and employees are prohibited from participating in or condoning such behaviour → Where employees do not comply with basic internal controls, e.g. non-adherence to the delegation of authority limits, firm action, with proportionate sanctions, will be applied → All stakeholders with whom Redefine interacts are expected to abide by the principles contained in the policy. Although Redefine has limited legal rights to enforce these principles on external stakeholders, it can exercise moral persuasion to gain compliance to the principles contained in the policy and, if it so wishes, choose not to enter into relationships with stakeholders who do not comply
Appropriate response	Redefine will appropriately address all reported allegations of unethical behaviour, fraud and/or corrupt activities.	<ul style="list-style-type: none"> → All fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the law, and the implementation of appropriate prevention and detection controls. These prevention controls include the existing assurance activities and other control and checking mechanisms as prescribed in the systems, policies and procedures of Redefine → Initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form the investigation should take. Concerns raised may not necessarily require an investigation to resolve them → All investigation will be handled confidentially and will not be discussed with persons other than those who legitimately have the right to such information → Employees are expected to cooperate with investigations at all times, and failure to do so will result in punitive sanctions applied against the employee → Redefine will continue to re-emphasise that consistent compliance by all employees, with internal control, is one of the fundamental controls in place to prevent fraud and corruption
Protection of whistle-blowers	Any individual who reports unethical behaviour, fraud and/or	<ul style="list-style-type: none"> → There is an obligation placed on all employees to report suspected unethical behaviour, fraud and/or corrupt activities to their supervisor or manager or <i>via</i> the

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	<p>corrupt activities will receive the necessary protection by Redefine.</p>	<p>whistle-blower reporting hotline, where the allegations will be assessed and suitably addressed</p> <ul style="list-style-type: none"> → Redefine is committed to protect individuals who provide information about unethical behaviour, fraud and/or corrupt activities → Redefine will ensure that any individual who comes forward with any alleged unethical behaviour, fraud and/or corrupt activities is not victimised or prejudiced as a result of disclosing information regarding fraud or corrupt practices → Those wishing to make reports must guard against making allegations which are false and made with malicious intent. Persons making such reports will not enjoy the protection offered by the Protected Disclosures Act. Furthermore, there are resource and cost implications in respect of initiating investigations, which need to be considered in the event of a false or malicious accusation
<p>Training and support</p>	<p>Redefine will provide the necessary support and training to its stakeholders regarding ethics, fraud and corrupt activities.</p>	<ul style="list-style-type: none"> → Redefine is committed to providing all employees with appropriate training, written material and/or communication regarding ethics, fraud and/or corruption awareness to ensure understanding of their respective responsibilities and obligations → Despite the existence of policies and procedures to address internal control, deficiencies such as ineffective application of policies and procedures resulting from lack of training, expertise, knowledge and capacity has the potential to lead to increased incidence of fraud and corruption → Redefine will ensure that all employees are sensitised on a regular basis to the fraud and corruption risks associated with information security and the utilisation of computer resources, in particular access control, and ensure that systems are developed to limit the risk of manipulation of computerised data → Redefine will continue to initiate steps to address the problem of lack of training, expertise and knowledge in systems, policies and procedures, to improve internal control. Areas of weakness will be identified during audits and risk assessments

POLICY APPLICATION, DEVIATIONS AND BREACHES

This policy forms part of the Redefine ethics framework, and the provisions of this policy are intended to be read in conjunction with the fraud and corrupt activities framework and supplementary policies aimed at promoting ethical and responsible business practices.

It is not expected that deviations and/or risk acceptances to this policy will be required.

Contravention of the principles laid down in this policy, as well as the fraud and corrupt activities control framework and supporting standard operating procedure, will be subject to disciplinary action in terms of Redefine’s disciplinary code and process, unless authorised by the appropriate governance structures. Breaches and transgressions of this policy must be reported to the responsible governance and oversight committees.

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Furthermore, Redefine could be held criminally liable for failing to prevent corrupt activities, wherever in the world they are paid. The penalties for a corporate body that fails to prevent bribery and corrupt practices are severe and include criminal liability, an unlimited fine and serious reputational damage.

POLICY CYCLE AND APPROVAL

The policy will be reviewed on an annual basis to ensure its continued relevance to the organisational structure and the nature of the risks identified by the business. Any proposed amendments must be submitted to the head of risk and compliance for consideration and possible recommendation and ratification by the social ethics and transformation committee.

QUERIES/CONSULTATION

Any queries or consultation in relation to the policy and/or its compliance and application must be submitted to the head of risk and compliance, or the financial director. In line with this, and in an effort to stamp out unethical behaviour, fraud and corrupt activities, we have secured the services of Whistle Blowers (Pty) Ltd. www.whistleblowing.co.za

