

# SAICA GROUP Whistleblowing Process

## Document control

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## 1. Introduction & Purpose

- 1.1. SAICA and its Controlled Entities are committed to the prevention, detection and investigation of all forms of bribery, corruption, fraud, any unethical conduct, any other unlawful activity and compliance breaches, within SAICA and its Controlled Entities operations and business activities and the Profession. A list of important Definitions is enclosed, see **Appendix 'A'**.
- 1.2. This Process is issued in conjunction with the Fraud Prevention Policy (including bribery, corruption, fraud and any other unlawful activity) (Fraud Prevention Policy), Employee Code of Ethics, Employee Code of Conduct and various other policies', procedures, guidelines etc. The aim of this Process is to:
  - 1.2.1. encourage SAICA and its Controlled Entities' employees and stakeholders to raise serious concerns with SAICA;
  - 1.2.2. reiterate any duty imposed on an employee and stakeholder to report serious concerns;
  - 1.2.3. provide different avenues for employees and stakeholders to raise serious concerns;
  - 1.2.4. reassure employees that they will be protected from victimization, harassment, punishment, unfair treatment, reprisals or occupational detriment by SAICA on account, on having raised a serious concern.
- 1.3. This Process is intended to guide and maintain an environment whereby employees and stakeholders can express their serious concerns whether it constitutes as a protected disclosure or not.

## 2. Duties of SAICA and its Controlled Entities as Employers

- 2.1. To authorise an appropriate internal procedure for receiving and dealing with information about improprieties and to take reasonable steps to bring the internal procedures to the attention of every employee.<sup>1</sup>
- 2.2. To provide for different avenues whereby an employee or stakeholder may raise concerns in confidence and receive feedback on any action taken.
- 2.3. To protect a SAICA employee, who may be subjected to any occupational detriment by his/her employer on account, or partly on account, of having made a Protected Disclosure via a whistleblowing report.<sup>2</sup>

## 3. Duties of Employees and other Stakeholders to Raise Serious Concerns with SAICA and Others

- 3.1. SAICA's Fraud Prevention Policy and SAICA's Employee Code of Conduct imposes a duty and responsibility on employees, and service providers and other stakeholders who have adopted the Fraud Prevention Policy or Employee Code of Conduct or the principles thereof via a contractual agreement or otherwise, to report non-compliance to the Policy Owner. Alternatively, they must report such via SAICA's Anonymous Tip-off Hotline. All other SAICA policies, also imposes a similar duty on SAICA and its Controlled Entities employees.

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<sup>1</sup> Section 6 (2) (a) of PDA.

<sup>2</sup> Section 3 of the PDA.

- 3.2. Every professional accountant<sup>3</sup> employed by SAICA or its Controlled Entities, who might have encountered or have been made aware of non-compliance or suspected non-compliance with laws and regulations (NOCLAR)<sup>4</sup> in the course of carrying out professional activities have the following objectives when responding to such a matter:
- 3.2.1. to comply with the principles of integrity and professional behaviour;
  - 3.2.2. by alerting management or, where appropriate, those charged with governance of the employing organisation, to seek to:
    - 3.2.2.1. enable them to rectify, remediate or mitigate the consequences of the identified or suspected non-compliance; or
    - 3.2.2.2. deter the non-compliance where it has not yet occurred; and
    - 3.2.2.3. to take such further action as appropriate in the public interest.<sup>5</sup>
  - 3.3. It is important to note, that should an employee intentionally disclose false information he/she is guilty of an offence and is liable on conviction to a fine or to imprisonment for a period not exceeding 2 (two) years or to both a fine and such imprisonment, in the event in which he/she:
    - 3.3.1. knew that the information was false or ought to have reasonably known that the information is false; and
    - 3.3.2. have the intention to cause harm to the affected party and where the affected party has suffered harm as a result of such disclosure.<sup>6</sup>
  - 3.4. Every person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed a general offence of corruption or a corrupt activity or theft, fraud, extortion, forgery or uttering of a forged document involving an amount of R100 000.00 (one-hundred-thousand-Rand) or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official.<sup>7</sup>

#### 4. Types of Serious Concerns to Raise via this Process

### Do Raise these Serious Concerns

Should one or more of the following actions of omission or commissions been committed, please do report this serious concern/s. Please note that the list of examples below is not an exhaustive list.

<sup>3</sup> A professional accountant shall mean as defined in SAICA's Code of Professional Conduct.

<sup>4</sup> As defined by SAICA's Code of Professional Conduct: "Non-compliance with laws and regulations comprises acts of omission or commission, intentional or unintentional, which are contrary to the prevailing laws or regulations committed by the following parties:

(a) The professional accountant's employing organisation;  
 (b) Those charged with governance of the employing organisation;  
 (c) Management of the employing organisation; or  
 (d) Other individuals working for or under the direction of the employing organisation."

<sup>5</sup> Paragraph 260.4 of the SAICA Code of Professional Conduct.

<sup>6</sup> Section 9B of PDA.

<sup>7</sup> Section 34 of PRECCA.

Backhanding/Bribery/ Corruption	<ul style="list-style-type: none"> <li>• Collusion between internal and external parties</li> <li>• A supplier offers a kickback to an employee to gain the tender or be awarded a contract</li> </ul>
Abuse SAICA Property/Resources	<ul style="list-style-type: none"> <li>• Take extra stationary for private use at home</li> <li>• Exaggerate overtime claims or submitting claims for personal travel and subsistence</li> </ul>
Abuse and Theft of SAICA Time & Property	<ul style="list-style-type: none"> <li>• Perform personal work on SAICA time</li> <li>• Play computer games on SAICA time</li> <li>• Take SAICA property as own and sell for person gain</li> <li>• Request and obtain donations or funding on behalf of SAICA for personal gain</li> </ul>
Compliance Breaches	<ul style="list-style-type: none"> <li>• A person has failed, is failing or is likely to fail to comply with any legal obligation, policy, procedure etc. to which that person is subject</li> </ul>
Any other Unlawful activities or Criminal Offence or Miscarriage of Justice	<ul style="list-style-type: none"> <li>• Money laundering or crime syndicate activities</li> <li>• Not obeying the law</li> <li>• Illegal drug use</li> <li>• Unroadworthy company vehicles</li> <li>• Illegal pollution</li> </ul>
Highly sensitive issues	<ul style="list-style-type: none"> <li>• Nepotism</li> <li>• Unfair Discrimination</li> <li>• Sexual harassment</li> <li>• Endangerment of a person's health and/or safety</li> <li>• Damage to the environment</li> </ul>
Fraud/Theft	<ul style="list-style-type: none"> <li>• Take SAICA property as own and sell for personal gain</li> <li>• Request and obtain donations or funding on behalf of SAICA for personal gain</li> </ul>
NOCLAR	<ul style="list-style-type: none"> <li>• Non-compliance with laws and regulations generally recognised to have a direct effect on the determination of material amounts and disclosures in the employing organisation's financial statements</li> <li>• Other laws and regulations which might be fundamental to the operating aspects of the employing organisation's business, to its ability to continue its business, or to avoid material penalties.</li> </ul>

Concealment of any of the above

• Any of the above has been, is being or is likely to be deliberately concealed

## Do not Raise via this Process

Please refrain from raising the undermentioned concerns via this Process, as SAICA does have various other processes whereby you may report same, for example the Grievance Policy and Procedure:

Employee Altercations

• Petty arguments between employees  
• Personality clashes

Human Capital and Facilities Concerns

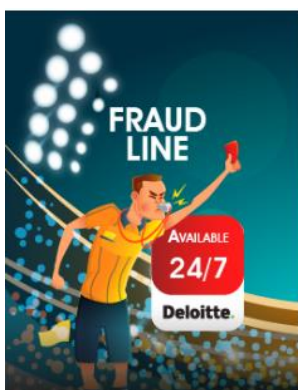
• Salary complaints  
• Resources and service complaints

## 5. How to Whistleblow a Serious Concern to SAICA

5.1. Serious concerns via any of the following options:

5.1.1. **Option 1:** The **Ethics and Compliance Department** at [Compliance@saica.co.za](mailto:Compliance@saica.co.za); or

5.1.2. **Option 2:** The independently managed **Deloitte Tip-Offs Anonymous Hotline (Hotline)** via the contact information hereunder, which is also available on the SAICA website (<https://www.saica.co.za/Technical/LegalandGovernance/FraudLine/tabid/4016/language/en-ZA/Default.aspx>) and SAICA Governance website:



### Fraud Line

#### Communication Channels

Free Call:	0800 005 930
E-mail:	<a href="mailto:saica@tip-offs.com">saica@tip-offs.com</a>
Free Fax:	0800 00 77 88
Free Post:	KZN 138, Umhlanga Rocks, 4320
Website:	<a href="http://www.tip-offs.com">www.tip-offs.com</a>

5.1.3. **Option 3:** The South African Police Service (SAPS) via their 'Talk to us' webpage, where applicable: <https://www.saps.gov.za/talk/talk.php>



- 5.2. Whistleblowers are always seen as and will be dealt with as highly confidential and anonymous, unless the whistleblower specifically indicates otherwise.
- 5.3. An employee, who in accordance to this Process makes a disclosure to a person other than SAICA, is deemed, for the purposes of this Process, to be making the disclosure to SAICA.<sup>8</sup> Should an employee who has been made aware of this Process by SAICA, submit a whistleblowing report in good faith and substantially in accordance with this Process', the whistleblowing report shall constitute as a Protected Disclosure.<sup>9</sup>
- 5.4. An employee, who submits a whistleblowing report in good faith and reasonably believes that the information disclosed and any allegation contained in it, are substantially true and who does not make the disclosure or report for purposes of personal gain, excluding any reward payable in terms of any law, shall constitute a Protected Disclosure if one or more of the following conditions apply:
  - 5.4.1. that at the time the employee who makes the disclosure has reason to believe that he/she will be subjected to an occupational detriment if he/she makes a disclosure to his/her employer;
  - 5.4.2. that the employee or worker making the disclosure has previously made a disclosure of substantially the same information to his/her employer in respect of which no action was taken within a reasonable period after the disclosure; or
  - 5.4.3. that the impropriety is of an exceptionally serious nature; and in all the circumstances of the case, it is reasonable<sup>10</sup> to make the disclosure.<sup>11</sup>

## 6. Processing a Serious Concern submitted (See Appendix 'B' for the Process Flow Chart)

- 6.1. Processing of a whistleblower report by Deloitte Tip-Offs Anonymous Hotline (Hotline)
  - 6.1.1. Trained call centre agents, using sophisticated contact centre equipment, will respond to calls in a number of languages at a secure contact centre 24 hours a day, 7 days a week, 365 days a year.
  - 6.1.2. Hotline call centre agents will interview callers, probing for specific facts so as to record as much information and understand things as clearly as possible.
  - 6.1.3. Whether or not the caller discloses their personal details to Hotline, the whistleblowing report will not reveal the caller's identity or gender without their consent.

<sup>8</sup> Section 6 (2) (b) of PDA.

<sup>9</sup> Section 6 (1) (a) of the PDA.

<sup>10</sup> Section 9 (3) of the PDA provides for the criteria for what 'reasonable' constitutes: "In determining for the purposes of subsection (1) (ii) whether it is reasonable for the employee or worker to make the disclosure, consideration must be given to: (a) the identity of the person to whom the disclosure is made; (b) the seriousness of the impropriety; (c) whether the impropriety is continuing or is likely to occur in the future; (d) whether the disclosure is made in breach of a duty of confidentiality of the employer towards any other person; (e) in a case falling within subsection (2) (c), any action which the employer or the person or body to whom the disclosure was made, has taken, or might reasonably be expected to have taken, as a result of the previous disclosure; (f) in a case falling within subsection (2) (c) (i), whether in making the disclosure to the employer the employee or worker complied with any procedure which was authorised by the employer; and (g) the public interest.

<sup>11</sup> Section 9 (1) and (2) of PDA.

- 6.1.4. Under Step 3 below, the Deloitte Report Analyst will capture the information, by way of written whistleblowing report, is then analysed and forwarded to the Ethics and Compliance Department for investigation by SAICA Management. Hotline contact centre does not get involved in this investigation process.
- 6.1.5. Whistleblowing reports received by fax, e-mail, post and those made via the Hotline's website are processed in the same way as a tip-off received via telephone.
- 6.1.6. The Hotline is therefore merely a conduit through which persons can raise serious concerns in a totally confidential and anonymous manner.

#### The whistleblower

**Step 1:** The whistleblower contacts the ethics line via a toll free number, e-mail, our website, SMS, free-fax, or free-post

#### Your company's ethics

**Step 4:** The whistleblower contacts the ethics line in order to received feedback with regards to the report made.

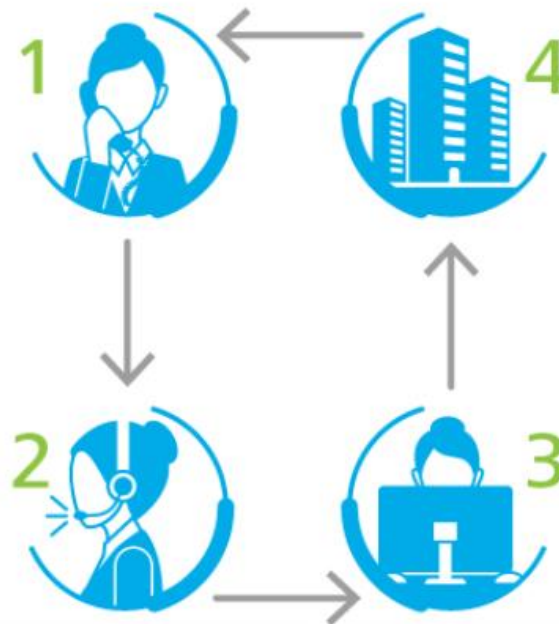
#### Deloitte Ethics Consultant

**Step 2:** A Deloitte Ethics Consultant will liaise with the whistleblower and obtain as much information as possible.

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#### Deloitte Report Analyst

**Step 3:** A Report Analyst sanitizes the whistleblower's report, and remove any information from the report that may identify the whistleblower.



## 6.2. Processing of a whistleblower report by SAICA

- 6.2.1. On receipt of a whistleblower report, whether via the Ethics and Compliance Department or the Hotline, SAICA shall **within 2 (two) business days from date of receipt of the whistleblower report in writing acknowledge receipt** thereof to the whistleblower (where his/her contact details are available) and/or to the Hotline.
- 6.2.2. Reports received are logged in the Compliance Breach Register, a unique reference number is allocated to each report and will be categorised in accordance to the type of concern and whether external or internal.
- 6.2.3. The Ethics and Compliance Department, shall review the whistleblower report and determine whether the report relates to a SAICA member, alternatively a SAICA employee, SAICA itself or its business activities and operations.

- 6.2.4. Should the **whistleblower report relate to a SAICA member's conduct**, the Ethics and Compliance will refer the report to the **SAICA's Member Discipline Department within 3 (three) business days** who will process the report further, in accordance to SAICA's By-laws, and provide the Ethics and Compliance Department with regular status updates and finally on the corrective actions taken and outcome. The Ethics and Compliance Department will provide a status update on the Hotline to close the report.
- 6.2.5. Should the **whistleblower report relate to a SAICA employee**, the Ethics and Compliance Department shall within 5 (five) business days after the whistleblower report is made:
- 6.2.5.1. decide whether or not the whistleblower report requires investigation;
  - 6.2.5.2. refer the whistleblower report to the Human Resources Department and the Senior Executive of the relevant employee's Department or to another person or body if that whistleblower report could be investigated or dealt with more appropriately by that other person or body;
  - 6.2.5.3. in writing inform the whistleblower and/or Hotline of the decision to investigate the matter, and where possible, the time-frame within which the investigation will be completed, not to investigate the matter and the reasons for such decision; or to refer the disclosure to another person or body.<sup>12</sup>
- 6.2.6. Should the **Ethics and Compliance Department be unable to decide within the 5 (five) business days whether the whistleblower report should be investigated or not**, it shall **in writing inform the whistleblower and/or the Hotline** that it is unable to take the decision within 5 (five) business days and shall on a regular basis, at intervals of not more than 2 (two) months at a time, that the decision is still pending; and as soon as reasonably possible, but in any event within 6 (six) months after the whistleblower report has been made or after the referral has been made, as the case may be, in writing inform the whistleblower or Hotline of the decision to investigate the matter, and where possible, the time-frame within which the investigation will be completed; or not to investigate the matter and the reasons for such decision.<sup>13</sup>
- 6.2.7. Should sufficient evidence exist to take disciplinary action against the employee, to whom the whistleblower report relates, the Manager of the relevant employee shall take appropriate action in accordance to the Disciplinary Code, Policy and Procedure. Should sufficient evidence exist to take civil action against the employee, the Manager of the employee shall instruct the Commercial Department to institute appropriate legal action. Should sufficient evidence exist to lay a criminal complaint against the employees, the Manager of the employee shall submit a criminal complaint with the South African Police Service.
- 6.2.8. The **Ethics and Compliance Department shall on conclusion** of the investigation, **inform the whistleblower and/or the Hotline of the outcome in writing**.<sup>14</sup> SAICA does not have to inform the whistleblower, who submitted the whistleblower report, of the outcome should the whistleblower's identity and contact details be unknown to SAICA,

<sup>12</sup> Section 3B (1) and (2) of the PDA shall apply in the event of a Protected Disclosure of an employee.

<sup>13</sup> Section 3B (3) of the PDA shall apply in the event of a Protected Disclosure of an employee.

<sup>14</sup> Section 3B (4) of the PDA shall apply in the event of a Protected Disclosure of an employee.



or in the event in which it is necessary to avoid prejudice to the prevention, detection or investigation of a criminal offence.<sup>15</sup>

- 6.2.9. A report on the status of recorded reports is tabled at the Executive Committee (ExCo) and Audit and Risk Committee (ARC) meetings on a quarterly basis.

## 7. Effective Date

This Process shall come into effect on the 1 June 2020, subject to the completion of implementation and the necessary training provided and awareness created by the Process Owner.

## 8. Review of Process

- 8.1. This Process will be reviewed every 3 (three) years or as required, in order to ensure that the terms are current, fair and representative of relevant corporate and industry conditions.
- 8.2. The Ethics and Compliance Department is responsible for maintaining and revising this Process.
- 8.3. SAICA reserves the right to change this Process at any time, without prior notice and will communicate such changes to all affected.

## Revision History

Version	Date	Revision Description & Summary of Changes (for audit trail purposes) <b>Note: The Change Risk Management process must be followed where significant changes are made to this policy.</b>	Process Owner
[2.0]	[DD:MM:YY]	[Major Revision: Legislative amendment (Approval required)]	-
[1.1]	[DD:MM:YY]	[Minor Amendments: formatting (No approval required)]	-
1.0	[01:06:20]	First draft: new process	Project Director: Ethics and Compliance

## End of Process

<sup>15</sup> Section 3B (5) of the PDA shall apply in the event of a Protected Disclosure of an employee.

## Appendix 'A' Important Definitions

<b>Misconduct</b>	<b>Misconduct Definition</b>
<b>Bribery (section 10 of PRECCA)</b>	means a form of corruption, the receiving or offering of an unauthorised gratification by or to a party to an employment relationship, which may constitute as a corrupt activity.
<b>Corruption (section 3 to 21 of PRECCA)</b>	Any form of a corrupt activity as described in Chapter 2 of PRECCA, which includes unauthorised gratification.
<b>Disclosure (section 1 of the PDA)</b>	means any disclosure of information regarding any conduct of an <i>employer</i> , or of an <i>employee</i> or of a <i>worker</i> of that <i>employer</i> , made by any <i>employee</i> or <i>worker</i> who has reason to believe that the information concerned shows or tends to show one or more of the following: (a) That a criminal 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 Chapter II of the Employment Equity Act, 1998 (Act No. 55 of 1998), or 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.
<b>Employee (section 1 of the PDA)</b>	means— a. any person, excluding an independent contractor, who works or worked for another person or for the State, and who receives or received, or is entitled to receive, any remuneration; and b. any other person who in any manner assists or assisted in carrying on or conducting or conducted the business of an <i>employer</i> .
<b>Employer (section 1 of the PDA)</b>	means any person— a. who employs or provides work for any other person and who remunerates or expressly or tacitly undertakes to remunerate that other person; or b. who permits any other person in any manner to assist in the carrying on or conducting of his, her or its business, including any person acting on behalf of or on the authority of such employer.
<b>Fraud (as defined <a href="https://www.tei.org.za/index.php/resources/articles/business-ethics/1712-understanding-fraud-and-white-collar-crime-the-origin-definition-and-elements-of-fraud">https://www.tei.org.za/index.php/resources/articles/business-ethics/1712-understanding-fraud-and-white-collar-crime-the-origin-definition-and-elements-of-fraud</a>)</b>	means the unlawful, intentional making of misrepresentation which causes actual prejudice to another or holds potential prejudice to another.

<p><b>Occupational Detriment (section 1 of the PDA)</b></p>	<p>in relation to an <i>employee</i> or a <i>worker</i>, means—</p> <ul style="list-style-type: none"> <li>a. being subjected to any disciplinary action;</li> <li>b. being dismissed, suspended, demoted, harassed or intimidated;</li> <li>c. being transferred against his or her will;</li> <li>d. being refused transfer or promotion;</li> <li>e. being subjected to a term or condition of employment or retirement which is altered or kept altered to his or her disadvantage;</li> <li>f. being refused a reference, or being provided with an adverse reference, from his or her <i>employer</i>;</li> <li>g. being denied appointment to any employment, profession or office;</li> <li>h. being subjected to any civil claim for the alleged breach of a duty of confidentiality or a confidentiality agreement arising out of the <i>disclosure</i> of— <ul style="list-style-type: none"> <li>i. a criminal offence; or</li> <li>(ii) information which shows or tends to show that a substantial contravention of, or failure to comply with the law has occurred, is occurring or is likely to occur;</li> </ul> </li> <li>j. being threatened with any of the actions referred to in paragraphs (a) to (h) above; or</li> <li>k. being otherwise adversely affected in respect of his or her employment, profession or office, including employment opportunities, work security and the retention or acquisition of contracts to perform work or render services;</li> </ul>
<p><b>Protected Disclosure (section 1 of the PDA)</b></p>	<p>means a <i>disclosure</i> made to—</p> <ul style="list-style-type: none"> <li>a. a legal adviser in accordance with section 5;</li> <li>b. an <i>employer</i> in accordance with section 6;</li> <li>c. a member of Cabinet or of the Executive Council of a province in accordance with section 7;</li> <li>d. a person or body in accordance with section 8; or</li> <li>e. any other person or body in accordance with section 9, but does not, subject to section 9A, include a <i>disclosure</i>— <ul style="list-style-type: none"> <li>i. in respect of which the <i>employee</i> or <i>worker</i> concerned commits a criminal offence by making that <i>disclosure</i>; or</li> <li>ii. made by a legal adviser to whom the information concerned was disclosed in the course of obtaining legal advice in accordance with section 5.</li> </ul> </li> </ul>
<p><b>Unlawful activity (section 1 of POCA)</b></p>	<p>means any conduct which constitutes a crime or which contravenes any law whether such conduct occurred before or after the commencement of this Act and whether such conduct occurred in the Republic or elsewhere;</p> <p>or</p> <p>“<i>pattern of criminal gang activity</i>” includes the commission of two or more criminal offences referred to in Schedule 1: Provided that at least one of those offences occurred after the date of commencement of Chapter 4 and the last of those offences occurred within three years after a prior offence and the offences were committed—</p> <ul style="list-style-type: none"> <li>(a) on separate occasions; or</li> </ul>

(b) on the same occasion, by two or more persons who are members of, or belong to, the same criminal gang;  
or  
"pattern of racketeering activity" means the planned, ongoing, continuous or repeated participation or involvement in any offence referred to in Schedule 1 and includes at least two offences referred to in Schedule 1, of which one of the offences occurred after the commencement of this Act and the last offence occurred within 10 years (excluding any period of imprisonment) after the commission of such prior offence referred to in Schedule 1.



**Appendix 'B'**  
**Process Flow Chart**

