



IMPLATS GROUP

Fraud, Corruption & Whistleblowing Policy

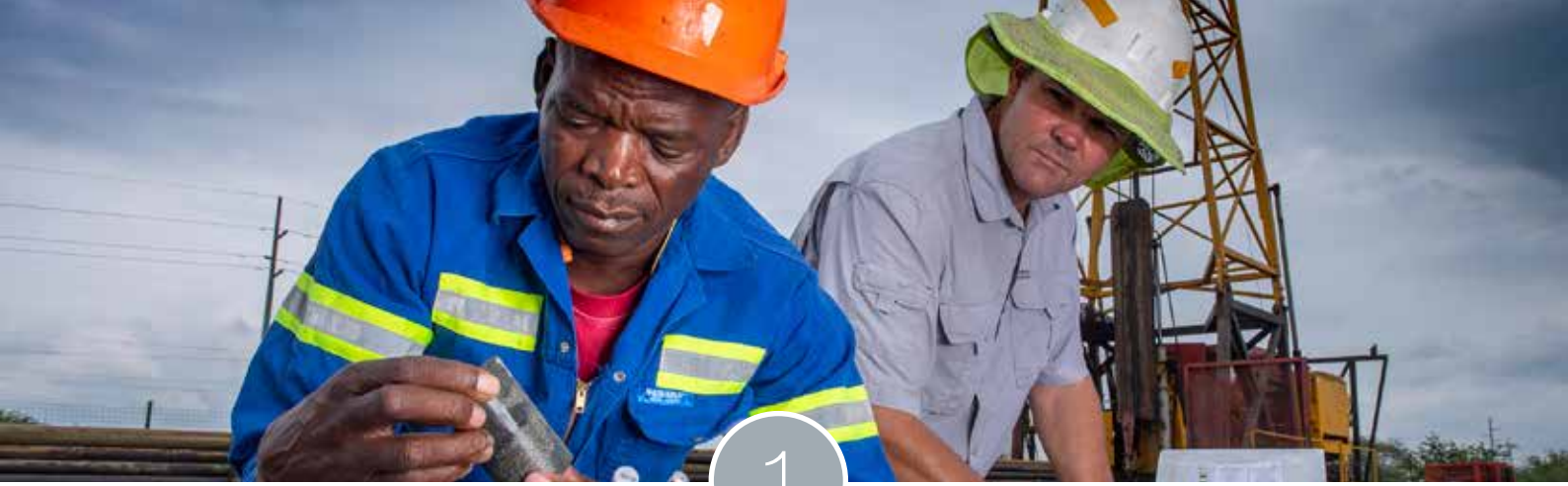


RESPECT, CARE
AND DELIVER

2022

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PURPOSE

To ensure all employees, suppliers, vendors and/or contractors of Implats practice a culture of Zero Tolerance on fraud and corruption. Where it relates to our suppliers, vendors and/or contractors, it is part of our terms and conditions that they accept adherence to our policies and procedures, when they complete

their vendor on-boarding process to crystallise the agreement. Our organisation endeavours to maintain a culture that creates a fraud and corruption free environment, within the organisation, our stakeholders and the communities within which we operate, in our area of influence.

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SCOPE

This policy applies to all employees, suppliers, vendors and/or contractors of the Implats Group. This is also in line with the Protected Disclosure Act 26 of 2000, as amended, which encompass all employees, suppliers, vendors and/or contractors. Canada and Zimbabwe have their own policies which are aligned to our policy. Local laws apply in those jurisdictions.

Implats is committed to the highest standards of personal and professional ethical behaviour and does not tolerate corruption, fraud, misconduct or dishonesty. This is in line with our organisational core values discussed in the Implats Code of Ethics (the “Code”).



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POLICY STATEMENT

Implats encourages an anti-fraud and anti-corruption culture through:

- commitment to the highest standards of personal and professional ethical behaviour;
- raising awareness through fraud/ corruption awareness campaigns;
- committing to honest, transparent, co-operative and mutually respectful engagements with all stakeholders;
- encouraging honesty, ethical behaviour, openness, co-operation, mutual respect and care across all functions, suppliers/vendors and contractors with whom we conduct business across all our areas of operation/ business. This is in line with our organisational core values discussed in the Implats Code of Ethics (the “Code”);
- support of the principles of the UN Global Compact; and
- compliance with and respect for the laws of the countries within which we operate.

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FRAUD

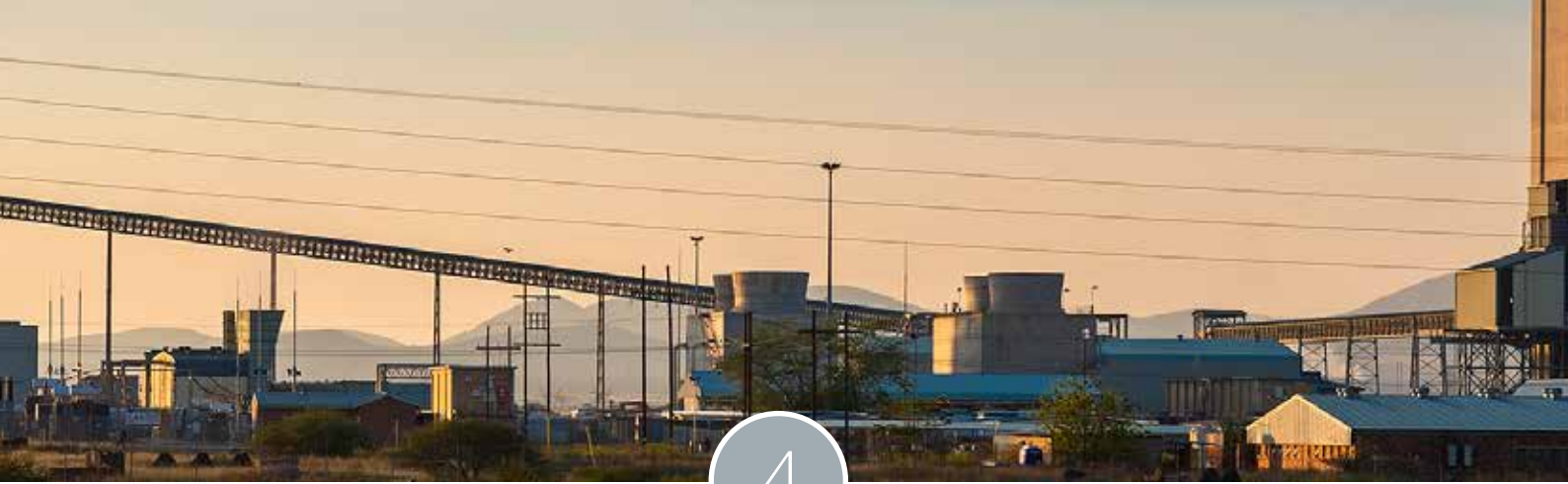
Fraud is the unlawful and intentional making of a misrepresentation (a deception/ falsehood) which causes actual prejudice (harm) or is potentially prejudicial (harm) to another

The elements of fraud key to this policy are:

- A misrepresentation;
- Prejudice or potential prejudice (Note: actual prejudice is not required, potential prejudice is sufficient for this element);
- Unlawfulness; and
- Intention.

4.1. Misrepresentation

Misrepresentation can be in writing, verbally or simply a nod of the head signifying consent. It can be express or implied and may be made by an act or an omission if there is a legal or regulatory, (i.e. policy stipulation) duty to disclose the fact. A legal duty may be created in terms of specific legislation or in instances where an individual should have acted positively to remove a misrepresentation which would in the natural course of events, have existed in another’s mind.



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FRAUD (continued)

4.2. Prejudice

Prejudice (or harm) includes actual or potential harm. Potential harm refers to some risk of, or reasonable possibility of harm or that harm can be caused (not will be caused). Prejudice need not be suffered. Prejudice to a third party, or community in general is also sufficient for this element. In addition, the fact that the person to whom the misrepresentation was made, was not in fact misled by the misrepresentation, is irrelevant. It also does not matter whether or not there is a

reaction to the misrepresentation or if the fraud is successful or not.

4.3. Unlawfulness

Unlawfulness refers to some act of wrongdoing.

4.4. Intention

Intention means that the person making the misrepresentation is aware thereof and was it not for the misrepresentation the other person would not have acted in the manner they did which caused actual financial loss or possible prejudice.

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CORRUPTION

The two main ways in which corruption are committed involve corruption committed by a giver (“X”) and corruption committed by a receiver (“Y”). So, corruption committed by the giver refers to the conduct of the giver and similarly corruption committed by the receiver refers to the conduct of the receiver.

General corruption is committed if X, directly or indirectly gives (which includes an agreement or offering by X to give) a gratification (or benefit) to Y, and Y directly or indirectly accepts (which includes an agreement or offering by Y to accept) it as influence/

inducement to act in a certain way (i.e. to exercise any duties in a dishonest way). Both X and Y commit corruption.

5.1. General corruption

General corruption is committed when the following corrupt activities emerges (this is not an all-inclusive list of examples):

- X directly or indirectly gives or agrees or offers to give (this includes to promise, lend, grant, discuss or procure the gratification; or to agree to lend, grant, discuss or procure the



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CORRUPTION (continued)

gratification; or to offer to lend, grant, discuss or procure the gratification) any gratification directly or indirectly to Y, which could include e.g. community leaders or any of its community members;

- The mere conspiracy by X to give or the offer to give any gratification to Y;
- Y directly or indirectly accepts or agrees to accept or offers to accept (this includes to demand, ask for, seek, request, solicit, receive or obtain; or to agree to demand, ask for, seek, request, solicit, receive; or obtain or to offer to demand, ask for, seek, request, solicit, receive or obtain) any gratification, directly or indirectly from X;
- The mere agreement by Y to accept or offer to accept any gratification from X;
- Y solicits any gratification from X, whether for the benefit of Y or for the benefit of another person;
- The payment or receipt of kickbacks, which are improper, undisclosed payments made or received to obtain or give any favorable treatment; and
- The payment or receipt of illegal gratuities by X, which involves the giving of something of value to Y to reward a decision after it has been made, rather than to influence it before the decision is made by Y.

5.2. Other corruption

Other offences of corruption are committed when the following corrupt activities emerges (this is not an all-inclusive list of examples):

- X directly or indirectly gives or agrees or offers to give any gratification directly or indirectly to (a community leader and or community member) Y or any public officers of (a community leader and/or community member) Y;
- The mere conspiracy by X give or the offer to give any gratification to (a community leader and/or community member) Y or any public officers of (a community leader and/or community member) Y;
- (a community leader and/or community member) Y or any public officers of Y, directly or indirectly accepts or agrees to accept or offers to accept any gratification, directly or indirectly from X;
- The mere agreement by (a community leader and or community member) Y or any of its public officers to accept or offer to accept any gratification from X;
- X directly or indirectly gives or agrees or offers to give any gratification directly or indirectly to a foreign public official;
- The mere conspiracy by X give or the offer to give any gratification to a foreign public official;

CORRUPTION (continued)

- The foreign public official, directly or indirectly accepts or agrees to accept or offers to accept any gratification, directly or indirectly from X;
- The mere agreement by the foreign public official to accept or offer to accept any gratification from X;
- X works for a manufacturing supplier of Implats, X (Pty) Ltd, and is charged with the duty of selling X (Pty) Ltd's product to Implats. Y is an Implats employee responsible for the buying of manufactured products by X (Pty) Ltd's, for Implats. In order to influence Y to buy X (Pty) Ltd's products for Implats to the exclusion of other similar types of products manufactured by other manufacturing suppliers, X gives Y a lengthy overseas family holiday for six;
- Implats employee accepts R50 000 as inducement to promote one of its employees to the exclusion of other employees, who also qualifies for the promotion;
- X gives or Y accepts any gratification to obtain a contract from either the local community leaders/community members, the state or Implats, or to improperly influence the contract price to be agreed with either the local community leaders/community members, the state or Implats; and

- X gives R5 000 000 to Y (e.g. the Implats' procurement or daily buying manager or a member of the cross functional procurement team at Implats), whose responsibility it is to decide to whom a mutli-million rand tender should be awarded, in order to persuade Y to award the tender to X, to the exclusion of other suppliers who submitted tenders.

5.3. Gratification

It is important to understand that the gratification is not limited to cash or direct financial reward but can be anything of direct or indirect value. Examples of other forms of gratification that have been deemed to constitute a bribe include, but are not limited to, the following:

- money, whether in cash or otherwise;
- any donation, gift, loan, fee, reward, valuable security, property or interest in property of any description, whether movable or immovable;
- the avoidance of a loss, liability, penalty, forfeiture, punishment or other disadvantage;
- any office, status, honour, employment, or render services in any capacity and residential or holiday accommodation;
- any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- any forbearance to demand any money or money's worth or valuable thing;



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CORRUPTION (continued)

- any other service or favour or advantage of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings or a disciplinary, civil or criminal nature. Whether or not already instituted, and includes the exercise or the forbearance from the exercise of any right or any official power or duty;
- any right or privilege;
- any real or pretended aid, vote, consent, influence or abstention voting; or
- any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage.

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WHISTLEBLOWING

Reporting of any situation, incident, circumstance or issue relating to actual or perceived fraud, corruption and/ or any violation of Implats' or its subsidiaries' policies, for further investigation, is whistleblowing.

6.1. Obligation to report

Implats' employees, suppliers, vendors and/ or contractors who have any knowledge of, or have observed a reportable concern, must report or communicate that concern (about illegal or questionable acts, practices or events relating to fraud, corruption and other misconduct) through the process discussed below. These requirements are in line with the Implats Code of Ethics, as well as the prescripts of the Protected Disclosure Act, 26 of 2000, as amended.

6.2. Reporting process

All suspected fraud, corruption and and/or any violation of Implats' or its subsidiaries' policies or procedures should be directed to any of the available means such as but not limited to sms text, letter, email or phone call directly, to:

The 24-hour, toll free, anonymous whistleblowing hotline on **0800 005 314**.
or alternatively to:

Implats Group Internal Audit Forensic:
Michelle Snyders, Group Head: Forensic Audit
Email: michelle.snyders@implats.co.za
Cell: 082 304 4598



WHISTLEBLOWING (continued)

6.3. Handling of reported concerns

To help the investigation process and corrective action, if necessary, the whistleblower's report should contain the following:

- the nature of the reported concern;
- details of transactions (type, amount(s), date(s), etc.);
- name of the operation, shaft and work area;
- persons (natural and/or legal) involved;
- supporting documentation/evidence; and
- an explanation why it is a reportable concern.

A named confidential report is encouraged (as opposed to an anonymous report), because of the need to clarify the facts of the tip off/ disclosure or request for further/ additional information which may be required during the investigation.

The report should at least demonstrate the reasonable grounds for concern based on verifiable information and that it is reported in good faith. The whistleblower must exercise due care to ensure the accuracy of information reported.

Implats will:

- evaluate the reported tip off/ disclosure and decide within 21 working days after receipt thereof whether to investigate the matter or not;
- acknowledge receipt of the disclosure by informing the whistleblower of the decision to investigate the matter or not and to the reasons for such decision;

- inform the whistleblower at conclusion of the investigation of the outcome thereof;
- where the tip-off was reported through the 24 hour, toll-free whistleblower hotline and the whistleblower is unknown to Implats, the decision to investigate, as well as the outcome of the investigation, will be provided to the hotline service provider, on a quarterly basis;
- where the whistleblower contacted IGIA Forensic directly but chose to remain anonymous, the whistleblower will not be informed of the decision to investigate nor be informed of the outcome of the investigation as his/her identity is unknown; and
- where the tip-off was reported directly to IGIA Forensic and the whistleblower is known to Implats, the decision to investigate will be reported to the whistleblower within 30 working days of receipt of the allegations and the outcome of the investigation will be provided to the whistleblower within 30 working days of the conclusion of the investigation.

6.4. Protecting the whistleblower

All the reports will be treated with the utmost confidentiality. Implats will make every effort to protect the identity of the whistleblower from disclosure, unless compelled by law, during legal proceedings to provide the identity of the whistleblower. Implats expects the same level of confidentiality from the whistleblower.



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WHISTLEBLOWING (continued)

6.5. Retaliation, harassment and/or victimisation

Implats will not tolerate any form of retribution or victimisation, which inter alia includes Intimidation, firing, demoting, threats, mocking, falsely accusing the employee of poor performance, or isolating and ostracizing the employee, against those who speak out against violations in terms of this policy, the Code of Ethics or other Implats policies. If you believe that you are subject to any form of victimisation arising from your reporting of possible violations of this policy, please immediately contact either your line manager, IGIA Forensic, the Ethics Officer or report this via the 24-hour, toll free, anonymous whistleblowing hotline.

If the report is made in good faith, but the reported facts could not be confirmed by a subsequent investigation, no action will be taken against the whistleblower. We however, caution that knowingly making untrue reports with the intention of being malicious, harming, victimising another person or based on false or misleading information, will be regarded as a serious and potentially dismissible offence. The making of false reports are also against the provisions of the Protected Disclosure Act, no 26 of 2000, as amended.

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BREACH OF THIS POLICY

This policy applies to all employees, contractors and service providers of the Implats Group. Implats is committed to:

- taking appropriate, consistent and immediate action (including dismissal and legal action) against any person committing such acts discussed above;
- investigating all reported allegations, as well as those identified during the normal course of business and those identified during audit procedures, each to its logical conclusion, in line with this policy;
- reporting the results of investigations to the Implats Group for further appropriate remedial action; and
- reporting the results of these investigations to the Audit and Risk committee, for independence.

GENERAL

All contractors, service providers and suppliers of Implats must comply with and respect the laws of the countries within which we operate.

This policy should be read in conjunction with inter alia the following policies and legislation:

- the Implats Anti-Bribery & Corruption Policy (“ABAC”)
- Implats Code of Ethics, the Implats Disciplinary Code and Procedure
- the PRECCA (Prevention & Combatting of Corrupt Activities Act) framework
- the United States Foreign Corrupt Practices Act
- the UK Bribery Act
- the Canadian Criminal Code
- the Canadian Corruption of Foreign Public Officials Act
- the Zimbabwean Prevention of Corruption Act (Fraud & Corruption).

CONTACT DETAILS

For further information visit Implats' corporate website:

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