



# FRAUD AND CORRUPTION PREVENTION POLICY

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Date of last review: 15 September 2022

Date of approval: 21 October 2022

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**Signed By:** \_\_\_\_\_

**Werner Kapp**  
**Altron Chief Executive**

On behalf of: Altron Group Social, Ethics  
and Sustainability Committee

**Reviewed By:** \_\_\_\_\_

**Hansie Schutte**  
**Group Executive: Legal**

## FRAUD AND CORRUPTION PREVENTION POLICY FOR THE ALTRON GROUP

Table 1 - Revision History

Version	Date	Revision Author	Summary of Changes
1.0	19 January 2018	Group Executive: Risk and Compliance	This policy replaces the previous Anti-Corruption and Economic Crime Policy
1.1	15 September 2022	Group Executive: Legal and Compliance	To incorporate provisions relating to reporting to the Altron Group CFO and Altron Group auditors and general update with new legislation and linking the policy to Altron's Incidents Response Process

Table 2 - Document Review List

Name & Surname	Date	Designation	Business Area
Hansie Schutte	31 October 2022	Group Executive: Legal	Legal

Table 3 - Document Approval List

Name & Surname	Date	Designation	Signature
1.0 Group Social, Ethics and Sustainability Committee	19 October 2020	Group Chief Executive	Not applicable
1.1 Group Audit & Risk Committee	20 October 2022	Group Executive: Legal and Compliance	Not applicable

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# FRAUD AND CORRUPTION PREVENTION POLICY FOR THE ALTRON GROUP

## 1 INTRODUCTION

Altron is committed to high ethical, moral and legal standards that include accountability, transparency and integrity. The Fraud and Corruption Prevention Policy (Prevention Policy) is intended to address fraud, corruption and other economic crime committed by any employee, business partner or stakeholder either directly or indirectly against Altron, as well as the reporting mechanisms available to support these standards.

### 1.1 PURPOSE

The purpose of the Prevention Policy is:

- to ensure that Altron conducts its business legally with transparency and honesty, equally by all employees, business partners and stakeholders;
- to eradicate conflicts of interest and abuse of position by employees for the purpose of personal gain at the expense of Altron;
- to avoid the negative effect of fraud and corruption and economic crime in relation to revenue and profits, retention of customers and operational efficiency of the business;
- to create an ethical culture and environment within Altron by eradicating actual or potential fraud and corruption and economic crime; and
- to ensure that all instances of fraud, corruption and economic crime will be investigated, and appropriate action taken against those found responsible.

Fraud, corruption and economic crime manifests in several ways with varying degrees of seriousness. For the purposes of this Policy these include, but are not limited to:

- Any dishonest, fraudulent or corrupt act;
- Deliberate non-compliance with an Order of Court or Arbitration award or any regulatory body ruling granted in favour of or against the Altron Group or any of its subsidiaries;
- Theft of funds, supplies, or other assets belonging to Altron or those held by Altron on behalf of business partners;
- Any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misappropriation of Altron -owned software, including any offence under the Cybercrimes Act No 19 of 2020;
- Maladministration or financial misconduct in handling or reporting of money, financial transactions or other assets;
- Making a profit from insider knowledge;
- Unauthorised Disclosure of confidential proprietary information to outside parties including personal information as constituted by the Protection of Personal Information Act No; 4 of 2013;
- Irregularly requesting or accepting anything of material value from contractors, suppliers, researchers or other persons providing services and/or goods to Altron;
- Irregularly offering or giving anything of value to contractors, suppliers, researchers or other persons providing services and/or goods to Altron;

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- Irregular destruction, removal, or abuse of records (including intellectual property and other assets) and equipment;
- Deliberately omitting or refusing to report or act upon reports of any such irregular or dishonest conduct;
- Forgery or alteration of any Altron document;
- Any misappropriation of funds;
- Any irregularity in the handling or reporting of money transactions;
- Misappropriation of furniture, fixtures and equipment;
- Unauthorised use or misuse of Altron property, equipment, materials or records;
- Any claim for reimbursement of expenses that are not made for the exclusive benefit of Altron;
- Deception, forgery, theft, misappropriation;
- Abuse of power, or the use of company powers and authority for any unauthorised use or personal gain; and
- Any similar or related irregularity.

## 2 SCOPE

The Prevention Policy applies to:

- Employees;
- Business partners;
- Altron 's Board Members;
- any other of Altron 's stakeholders; and
- all other parties interacting with Altron with the intention of conducting business (in this respect, all such parties should be provided with a copy of this policy).

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**3 DEFINITIONS, ABBREVIATIONS AND ACRONYMS**

TERM	DESCRIPTION
ABC Laws	The South African Prevention and Combating of Corrupt Activities Act No 12 of 2004, or any other national or international statutory and/or regulatory enactment of similar import that may have a bearing on the activities of Altron, including the United Kingdom's Bribery Act, 2010, and the United States of America's Foreign Corrupt Practices Act, 1977.
Altron	Altron group, its divisions and subsidiaries, associate companies, entities that Altron has acquired or merged with, as well as entities in which the Altron group has a controlling interest.
Altron representatives	Employees, business partners, Altron's Board Members and any other of Altron's stakeholders.
Business partners	Business partners means any company, business or individual that conducts business with (and/or provides services on behalf of) Altron and the respective employees, agents and representatives of such company, business or individual. Business partners shall include but not be limited to suppliers, vendors, partners, consultants and customers.
CEO	Group Chief Executive Officer
Corrupt Activity / Corruption	<p>Corruption shall mean where any person directly or indirectly gives, offers to give or agrees to give, or accepts, offers to accept or agrees to accept any gratification from another person (whether for the benefit of himself/herself or for the benefit of another person) in order to act, personally or by influencing another person so to act, in a manner that amounts to:</p> <ul style="list-style-type: none"> <li>• the illegal or unauthorised performance of such other person's powers, duties or functions;</li> <li>• an abuse of authority, a breach of trust, or the violation of a legal duty or a set of rules;</li> <li>• the achievement of an unjustified result; or</li> <li>• any other unauthorised or improper inducement to do or not to do anything.</li> </ul> <p>For the purposes of this policy, Corrupt Activity and Corruption include any act or omission that constitutes a contravention of any applicable ABC Laws. The words "Corrupt Activity" and "Corruption" are used interchangeably in this policy and includes the term "bribe".</p>

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TERM	DESCRIPTION
Economic crime	Any other white-collar crime not specifically referred to in the body of this policy including, but not limited to, cybercrime, theft, extortion and forgery or uttering a forged document.
Employee	Employee shall mean all permanent, contract and temporary employees appointed by Altron, its subsidiaries and associate companies.
Facilitation payment	Facilitation payments are payments made to public officials to induce them to perform routine functions expeditiously. Facilitation payments do not include legally required administrative fees and legitimate fast-track services.
Fraud	The unlawful and intentional making of a misrepresentation (i.e. representing that a fact exists when it does not) which causes actual prejudice, or which is potentially prejudicial to another. A misrepresentation can be in the form of an omission (i.e. omitting to disclose certain facts when there is a legal duty to disclose such facts and all Altron employees are under an ongoing and positive obligation to make any such disclosures to Altron, as soon as they become apparent. A failure to do so will result in disciplinary action). Any reference in this policy to Fraud shall include attempted Fraud.
Gratification	<p>Gratification includes the following:</p> <ul style="list-style-type: none"> <li>• money, whether in cash or otherwise;</li> <li>• any donation, gift, loan, fee, reward, valuable security, property or interest in property of any description, whether movable or immovable, or any other similar advantage;</li> <li>• the avoidance of a loss, liability, penalty, forfeiture, punishment or other disadvantage;</li> <li>• any office, status, honour, employment, contract of employment or services, any agreement to give employment or render services in any capacity and residential or holiday accommodation;</li> <li>• any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</li> <li>• any right or privilege; or</li> </ul> <p>any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage.</p>
Personal gain	Personal gain means any form of benefit, tangible or intangible, that accrues whether directly and/or indirectly to an employee, the employee's family and/or friends and/or business partners, which

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TERM	DESCRIPTION
	is not due to them within the ordinary scope of such employee's employment by Altron or business partner's business.
PDA	The Protected Disclosures Act No 26 of 2000
Public official	<p>The term "public official" is interpreted very broadly around the world and covers people not only working directly for government, but also employees of government owned or controlled companies or agencies. For purposes of this policy, a "public official" includes:</p> <ul style="list-style-type: none"> <li>• an official or employee of a government or government-owned enterprise; an official or employee of a government agency or regulatory authority;</li> <li>• an official or employee of a political party or a political candidate;</li> <li>• any official or employee of an international public organisation such as the United Nations, World Bank or International Monetary Fund;</li> <li>• a member of the judiciary or magistracy;</li> <li>• an individual who holds or performs the duties of an appointment, office or position created by custom or convention, including members of royal families and tribal/customary leaders;</li> <li>• a person who is, or holds themselves out to be, an authorized intermediary of a public official;</li> <li>• a relative or associate of such public official;</li> </ul> <p>police officers, customs and tax officials, employees of state-owned enterprises, political party officials as well as children or other relatives of a government or political party official.</p>
Theft	The unlawful and intentional taking and removing of movable property or money belonging to another with the intent to permanently deprive the rightful owner of his/her rights over the property. This includes taking something of value which does not belong to you without permission from the owner.



## **4 POLICY STATEMENT**

Altron is committed to doing business on an ethical and sound basis and consistent with applicable legislation. Altron is thus committed to comply fully with, inter alia, ABC Laws and to continuously conduct its business with integrity and with proper regard for ethical business practices. Altron has a zero-tolerance approach to acts of fraud, corruption and economic crime and expects all Altron representatives to comply with these principles.

All Altron representatives are expected to refrain from committing or associating themselves with any acts of fraud, corruption and economic crime and are obliged to report any suspicions thereof.

### **4.1 FRAUD AND ECONOMIC CRIME**

No Altron representative may engage in or become associated with any activity relating to fraud or economic crime, nor may they participate in the concealment thereof.

### **4.2 CORRUPTION**

No Altron representative may engage in, associate or attempt to conceal any corrupt activity or make facilitation payments. What Altron representatives should do if they are offered or asked for a bribe:

- individuals should reject demands for or offers of bribes and Altron's anti-bribery stance should be made clear;
- the only circumstance where payment might not necessarily be avoided is when the health and security of an individual is seriously at risk. In such circumstances, the relevant individual will be required to use his/her best judgement and all steps necessary will be taken to safeguard the individual from any recrimination should such a payment be made. These circumstances must be fully documented and reported to the Altron Group Executive: Legal and Compliance or the relevant Subsidiary legal advisor as soon as possible after the incident has occurred. The relevant individual will be required to provide absolute transparency as to the occurrence;
- senior management should ensure that there are security procedures in place to reduce the risk of payments being requested under duress; and
- in such events, individuals should immediately, or as soon as possible after having been offered or asked for a bribe, report the incident to the Altron Group Executive: Legal and Compliance or the relevant Subsidiary legal advisor.

## **5 POLICY ROLES AND RESPONSIBILITIES**

### **5.1 POLICY OWNERSHIP**

#### **5.1.1 ALTRON CHIEF EXECUTIVE OFFICER AND ALTRON GROUP EXECUTIVE LEGAL AND COMPLIANCE**

It is the responsibility of Altron's CEO and Altron Group Executive: Legal and Compliance, with support from the rest of the Executive Management, Senior Managers and Managers, to implement the Prevention Policy and other related policies, and to escalate identified fraud and corruption and economic crime risks to an appropriate level.

Altron's CEO and Altron Group Executive: Legal and Compliance will ensure that employees will be trained in preventing and detecting fraud, corruption and economic crime, and the significant role they play in the implementation of the Prevention Policy.

Altron's CEO, together with Altron Group Executive: Legal and Compliance, will coordinate all investigations, both internal and external, where appropriate.

#### **5.1.2 ALTRON EMPLOYEES**

It is the responsibility of each Altron employee to ensure compliance to this Prevention Policy based on zero tolerance towards fraud, corruption and economic crime within Altron's business environment.

Each employee shall assist and co-operate in all investigative and preventative activities to prevent, detect and eradicate fraud and corruption and economic crime except where such assistance or cooperation is in breach of the employee's rights.

Each financial executive, lead or head must immediately (without any delay) report any actual or suspected financial irregularity or fraud irrespective of value in writing to the Altron Group Financial Officer. The Altron Group Financial Officer shall as soon as is practically possible after verifying the facts of any such actual or suspected financial irregularity or fraud notify and report any actual or suspected financial irregularity or fraud to Altron's auditors, the Altron Group Chief Executive and the Altron Group Executive: Legal and Compliance.

Where appropriate and applicable, the Altron Group Executive: Legal and Compliance and the Executive: Business Continuity Management ("BCM") shall activate an appropriate Incidence Response Plan in accordance with the Altron Crisis Management Framework attached hereto.

Where applicable, the Altron Group Executive: Legal and Compliance or his/her delegate shall report any reportable matter under this policy to the relevant enforcement authorities.

Where applicable, all Human Capital Executives and Leads shall ensure that any employee/s reported through any communication portal or found or suspected to have contravened this Prevention Policy shall be subject to a prioritised disciplinary hearing which shall be strictly directed by the Altron Group Executive: Legal and Compliance or any Subsidiary legal advisor or where approved in writing any of the Group's approved external labour law legal advisors.

This Prevention Policy is to be read in conjunction with all applicable policies and procedures, all of which are mutually dependent on one another. In the event of an irreconcilable conflict, the following order of precedence will apply:

- South Africa's employment, criminal and taxation legislation and codes of good practice, as each of the above may be amended from time to time;

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- This Prevention Policy aligned to applicable legislation;
- Altron's conditions of employment, code of ethics and disciplinary process and related policies and procedures aligned to applicable legislation; and
- Letter of appointment aligned to applicable legislation.

### **5.1.3 ALTRON BUSINESS PARTNERS**

It is the responsibility of each business partner to ensure compliance to this Prevention Policy on the basis of zero tolerance towards fraud and corruption and economic crime within Altron's business environment.

Each business partner will be made aware of their responsibility by mention of the Prevention Policy on Altron's website and as a standard condition in all Altron contractual agreements.

Each business partner will assist and co-operate in all investigative and preventative activities to prevent, detect and eradicate fraud and corruption and economic crime.

This Prevention Policy is to be read in conjunction with all applicable policies and procedures, all of which are mutually dependent on one another. In the event of an irreconcilable conflict, the following order of precedence will apply:

- South Africa's employment, criminal and taxation legislation and codes of good practice, as amended from time to time;
- Altron's current policies and procedures related to fraud, corruption and corporate governance as amended from time to time – aligned to applicable legislation; and
- The signed agreement between Altron and the relevant business partner, and any amendments thereto – aligned to applicable legislation.

## **5.2 POLICY RESPONSIBILITY**

### **5.2.1 APPLICABLE REGULATORY FRAMEWORK**

Relevant applicable regulatory framework and legislation:

- Constitution of the Republic of South Africa, 108 of 1996;
- South African Companies Act, 71 of 2008';
- Organisation for Economic Co-operation and Development's (OECD) recommendations regarding corruption;
- Prevention and Combating of Corrupt Activities Act (PRECCA), 12 of 2004;
- United States of America's Foreign Corrupt Practices Act, 1977;
- United Kingdom's Bribery Act, 2010;
- Protected Disclosures Act, 26 of 2000 (as amended);

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- Criminal Procedure Act, 51 of 1977;
- Promotion of Access to Information Act, 20 of 2000;
- Protection of Personal Information Act No: 4 of 2013;
- Cybercrimes Act No: 19 of 2020;
- Basic Conditions of Employment Act, 75 of 1997;
- Employment Equity Act, 55 of 1998 (as amended); and
- Labour Relations Act, 66 of 1995 (as amended).

Relevant Altron policies such as:

- Code of Ethics;
- Supplier Code of Conduct;
- Conflict of Interest Policy;
- Gifts and Entertainment Policy; and
- Ethics Line Policy.

### **5.2.2 POLICY AMENDMENT AND AUTHORISATION**

This Prevention Policy will be reviewed and amended from time to time by Altron Group Executive: Legal and Compliance in accordance with:

- environmental changes (economic, labour market trends, legislation and best practice);
- internal requirements (employee, business and operational); and
- external requirements.

All of the above must be aligned to applicable legislation.

## 6 POLICY GOVERNANCE

### 6.1 POLICY ADHERENCE

It is the responsibility of Altron's Executive Management to ensure that the policy of zero tolerance towards fraud and corruption and economic crime are adhered to by all employees under their direct/indirect control.

Every Altron representative is responsible to familiarise himself/herself with the terms of this Prevention Policy and to comply with the terms thereof.

### 6.2 REPORTING

Altron representatives and other third parties are able to raise their concerns and report wrongdoing within the workplace to the Altron Ethics line, using the following contact details:

- Altron Ethics line:
- Free call numbers:

Country	Number
Australia	1-800-633-293
Botswana	71119602 (Mascom)
	0800 600 644 (BTC)
	1144 (Orange)
France	0805080544
Kenya	0800 722 626
Mauritius	802 027 0001
Mozambique	800112233 (TDM)
	800 333 312 (Vodacom)
Namibia	0800 003 313 (Namibia Telecoms)
	91847 (MTC)
South Africa	0800 205 352
United Arab Emirates (UAE)	800035704077

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- Free Facsimile number 0800 007 788;
- E-mail address: [altronethicsline@tip-offs.com](mailto:altronethicsline@tip-offs.com) or [ethicsoffice@altron.com](mailto:ethicsoffice@altron.com)
- Free Post Address: Freepost KZN 138, Umhlanga Rocks, 4320;
- Website Address: [www.tip-offs.com](http://www.tip-offs.com)

All reports received will be treated with the requisite confidentiality and will not be disclosed or discussed with parties other than those charged with investigating such reports, or in compliance with any lawful instruction issued in terms of legislation.

The Altron Group Executive: Legal and Compliance and/or Altron's CEO will coordinate all investigations, both internal and external, where appropriate

### 6.3 CONTRAVENTION AND NON-COMPLIANCE

Employees who do not conform to this Prevention Policy will be subject to disciplinary action in terms of the applicable Altron disciplinary processes and procedures. Any fraud, corruption and/or economic crime committed by an employee and/or other Altron representative will be pursued by thorough investigation to the full extent of the law, including:

- taking disciplinary action in terms of the applicable Altron disciplinary processes and procedures; instituting civil action;
- initiating criminal prosecution by reporting the matter to the South African Police Service or any other relevant law enforcement agencies; and/or any other appropriate and legal remedy available.

Failure to disclose an actual act of fraud, corruption and/or economic crime will result in an employee being subject to disciplinary action in terms of the applicable Altron disciplinary processes and procedures.

To the extent that the relevant contracts with business partners require them to comply with the provisions of this Prevention Policy, Altron reserves the right to terminate contractual relationships with business partners if they are found to be in breach of this Prevention Policy.

### 6.4 PROTECTION OF EMPLOYEES/BUSINESS PARTNERS

The inclusion of specific terms and conditions regarding reporting in the contract entered into between Altron and the external company ensures that the rights of the anonymous caller is protected. Any employee who discloses information of unlawful or corrupt conduct by Altron or fellow employees will be protected from occupational detriment (as defined in the PDA).

The PDA affords protection by ensuring:

- that the employee is free from any victimisation at the workplace, which victimisation is as a result of compliance to this Prevention Policy by the employee;
- and reasonable protection to the employee should such a need arise.

No business partner will be subject to any reprisals or victimisation on account, or partly on account, of having reported a concern in terms of this Prevention Policy

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### **6.5 POLICY OWNERSHIP**

The Group Executive: Legal and Compliance is the owner of this policy.

All policy statements shall be reviewed when changes are required, but at minimum on an annual basis.

New policy statements and changes to current policy statements will follow the Board approved "GRCS Policy Review Process".

### **6.6 COMPLIANCE**

Employees and contractors are required to comply with company as well as Group policies and procedures, as stipulated and agreed in employees' letter of appointment.

Management is responsible for the implementation of and compliance to policy statements, including the monitoring of behaviour, and automated monitoring.

It is therefore critical for management to perform ad-hoc reviews, as required to ensure the employees have a thorough understanding of the content of the policies, and that they comply with the policies within their area of responsibility.

### **6.7 AUDIT RIGHTS**

Compliance to the policy statements may be audited at any time by internal audit, authorised independent consultants or external auditors. This may include forensic audits where required.