

**WHISTLE
BLOWERS**



WHISTLE BLOWERS GUIDE

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PROMOTING ETHICS AND HONESTY IN YOUR ORGANISATION!



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WHY HAS YOUR ORGANISATION IMPLEMENTED A WHISTLEBLOWING FACILITY?

Good Corporate Governance – King I, II & III reports recommend implementing a facility to give potential whistleblowers the mechanisms to report wrong doing in the public or private sector.

It forms part of a Fraud Prevention Programme to protect the company and its shareholders.

Companies Act (2008) – stipulates the requirement for companies to install a mechanism / process whereby stakeholders have the means to confidentially report irregular activities within the company to senior management.

The implementation of such a facility became a legal requirement when the new Act became law in May 2011. (section 159 – “Whistle Blowers”).

The concept and underlying principles of the services offered by Whistle Blowers is not a new phenomenon in South Africa, but our uniquely holistic approach and our versatile services offered to our clients are significant differentiating factors that have allowed us to continue delivering results with our successful service.

“He who passively accepts evil is as much involved in it as he who helps to perpetrate it”

- Martin Luther King (1929 – 1968)



WHY HAS YOUR ORGANISATION CHOSEN WHISTLE BLOWERS (PTY) LTD?

Whistle Blowers (Pty) Ltd is an independent subscription service, offering a 24/7 free call facility enabling employees or third parties to anonymously blow the whistle on irregularities within the subscribing company.



Protecting Whistleblowers for over 15 years

We have been trusted for more than 15 years by our clients and whistleblowers in handling confidential disclosures.

Independence

We are an independent service provider, focusing solely on whistleblowing.



Accredited member of the Ethics Institute of South Africa

This accreditation indicates the levels of compliance that Whistle Blowers (Pty) Ltd adheres to, giving our clients and potential whistleblowers confidence in our service. We are proud to announce that for the sixth consecutive year, Whistle Blowers (Pty) Ltd has received accreditation.



**Ethics Institute
of South Africa** NPC
EO1.1.1 Certified
Hotline Service Provider Standard
Valid till: 3 February 2017



Global Footprint in over 25 Countries

With a global footprint, presently providing hotline facilities to companies in over 25 countries, we are proud to have partnered with our clients in providing reliable facilities that suit their needs.

Multiple Reporting Channels

Each client receives a unique free-call telephone number to access our call centre for verbal reports, and an email address, sms facility, postal address and fax number for written reports. Alternatively, a whistle blower can submit a written report via this website, assuring anonymity of the sender.



24-Hour Call Centre

A 24-hour call centre is offered as standard. All calls are fielded by multilingual operators, trained to obtain the maximum relevant information from the informant. Operators furthermore task informants to obtain additional information for complete disclosure. Whistle Blowers is also equipped with a panel of topic specialists and language specialists to field incoming calls.

No calls are answered by an answering service.



Guaranteeing Anonymity and Protection of the Whistleblower

Callers are given the opportunity to remain anonymous. In this instance, the caller is given the option of providing a code name or the operator assigns a unique reference code in case of future calls or a claim of a reward.

All calls are recorded for operational purposes and future reference of our office only. Under no circumstances will Whistle Blowers make recordings available to clients or any individual other than management of Whistle Blowers. Under no circumstances are any parties other than management of Whistle Blowers permitted to listen to recordings, to avoid voice recognition by a third party.

All our trained and experienced operators sign strict secrecy and confidentiality documents and are further monitored periodically using truth verification testing.

Create a Culture of Awareness

Whistle Blowers prides itself on its implementation and reinforcing of the protected disclosure concept, to create a culture of awareness, thereby including all employees in the crime-fighting fold.

Presentations can be made to all employees at subscribing sites, educating them on the ultimate benefits to the company and employees of rooting out criminal elements in the workplace.

Whistle Blowers also make presentations to labour unions involved in order to gain their support of the concept.





Professional Advice

All disclosures are evaluated prior to a report being compiled. With the extensive supporting resources employed by Whistle Blowers, every attempt is made to qualify information received and provide advice on corrective action.



Reporting all Irregularities

All irregularities disclosed to our call centre are reported to designated parties.

Reports received are categorised into high, medium or low priority and are subsequently reported in the appropriate manner and within an agreed time period.

We ensure that the people designated to receive the report have adequate credibility and authority within the corporation.

Reports are made only to individuals designated in terms of our standard contract. The contract further allows for specific instructions in terms of reporting information received on various different levels of employees, including the possibility of reporting to non-executive directors, the audit committee or the external auditors.



Help Publicise the Fraud Reporting Channels

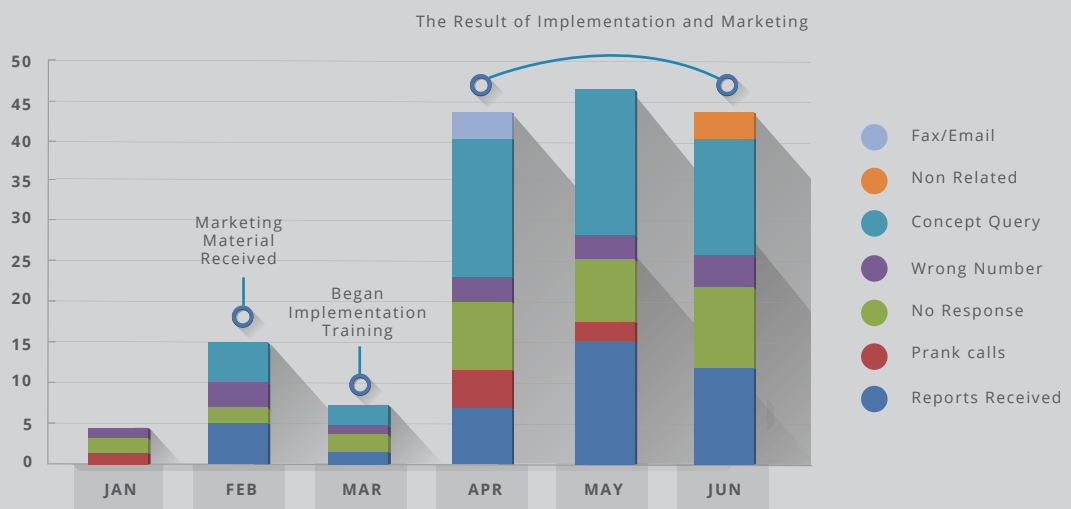
Signage and promotional material can be displayed in the form of full-colour, laminated posters, booklets, whistles and lanyards, key rings, double-sided business cards, telephone and computer stickers or other marketing options listed. Further specific publicising can be customised according to client requirement and specification.



Conduct an On-going Awareness Programme

Motivational presentations can be arranged periodically to employees, management and executives, highlighting specific threats relevant to each category of the business. Through our “Train the Trainer” programme we can provide a client’s appointed staff with the skills necessary to conduct on-going internal training.

Trend Analysis



Reward Management

Whistle Blowers do not encourage the payment of rewards. However, should a client feel strongly about paying a reward this could be facilitated in order to maintain the anonymity of the whistle-blower. Rewards are claimable anonymously, using the unique code name or reference supplied at the time of the anonymous disclosure.





MESSAGE FROM WHISTLE BLOWERS (PTY) LTD



SECURE ANONYMOUS CONFIDENTIAL

In an effort to stamp out fraud, corruption and unethical practices, Your company has secured the services of an independent information gathering company, to whom employees, its contractors, suppliers, customers and the public can report illicit activity, without fear of victimisation.

We would like to remind you that the caller has a right to remain anonymous. We NEVER divulge their

identity, even if it is known to us due to a trust relationship developing between our operators and caller.

Reports can be submitted by fax, e-mail or online from our website www.whistleblowing.co.za. However, the most favoured mechanism is our call centre, manned by multilingual operators, trained to gather information and reports.

Toll Free Number: 0800 227 735
Email: information@whistleblowing.co.za
Fax: 086 52 22 816
Postal: PO Box 51006, MUSGRAVE, 4062 SMS
Short Code: 33490

Your company has also shown a determination to provide for a safe reporting mechanism for staff, contractors, suppliers and customers by insisting that all reports are dealt with at the highest level.

It costs the caller nothing to make the call, when calling from a landline, but the benefits to the

company and its honest employees could be immense – after all, without a culture of honesty and integrity within any organisation, its dreams and visions of achieving its goals will be all that much harder to achieve.



Promoting
Ethics and Honesty
in organisations globally

GIVE US A CALL

1. DIAL THE DEDICATED NUMBER:

0800 227 735

2. PROVIDE THE OPERATOR WITH AS MANY DETAILS AS POSSIBLE REGARDING THE ILLICIT ACTIVITY OR ISSUE YOU ARE REPORTING:

- When
- Who
- What
- How
- How often
- Value
- Details of vehicles used, if relevant, and so forth.

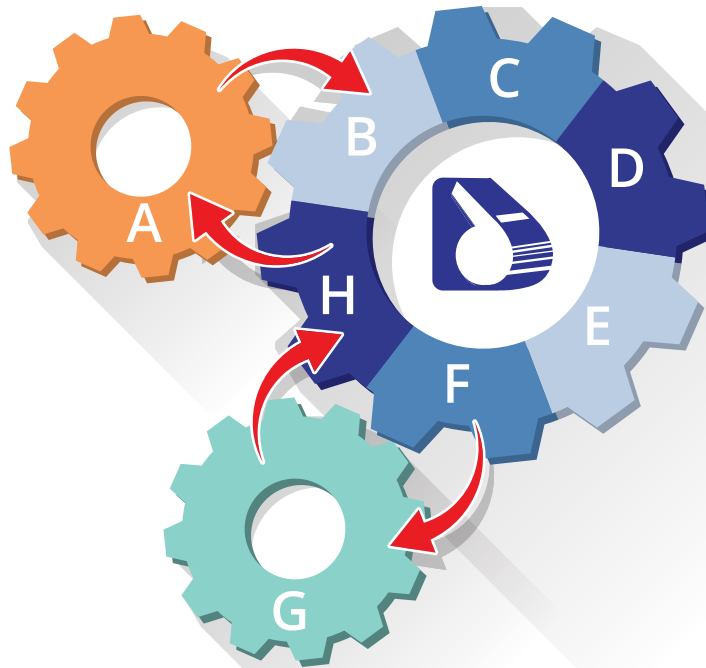
3. THE OPERATOR WILL PROVIDE YOU WITH A REFERENCE NUMBER, WHICH YOU WILL NEED TO REMEMBER FOR FUTURE FOLLOW-UP CALLS.

4. YOUR IDENTITY WILL BE KEPT A SECRET!

Please join us in our endeavours to prevent dishonest business practices and promote strong business relationships towards a successful future.

INFORMATION FLOW CHART

EMPLOYEES, CLIENTS
SUPPLIERS, CONTRACTORS
AND THE PUBLIC



MANDATED REPORT
RECIPIENTS

- | | |
|--|---|
| A Contact made with Whistle Blowers | E Report edited by 'Report Specialist' |
| B Trained operators field call and the caller is given a reference number | F Report sent to mandated report recipients |
| C Report is compiled | G Feedback to Whistle Blowers |
| D Report Quality Control | H Feedback given to the caller, when the caller calls in and provides their reference number |

Ensuring That The People Designated To Receive The Report Have Adequate Credibility And Authority Within The Corporation.

Reports are made only to individuals designated in terms of our standard contract. The contract further allows for specific instructions in terms of reporting information received on various different levels of employees, including the possibility of reporting to non-executive directors, the audit committee or the external auditors.



SUMMARY OF THE PROTECTED DISCLOSURES ACT 26 OF 2000

[Please Note: This summary document is published on the Website for convenience and as a guideline to the Protected Disclosures Act 26 of 2000. By publishing this document we are not giving you legal advice. If you require legal advice, then you will have to consult with an attorney.]

Introduction

The Protected Disclosures Act 26 of 2000 (hereafter called the "Act") became law on 16 February 2001. The Act applies to any protected disclosure made after that date, irrespective of whether or not the impropriety concerned occurred before or after February 2001.

The Act has the following purposes:

- to make provision for the procedures in terms of which employees (in both the private and the public sector) may disclose information regarding unlawful or irregular conduct by:
 - their employers; or
 - other employees in the employ of the employers
- to provide for the protection of employees who make a disclosure, which is protected in terms of the Act.

It has the following goals:

- to create a culture that facilitates the disclosure of information by the employees about criminal or other irregular conduct in the work place responsibly; and
- to promote the eradication of criminal and other irregular conduct in organs of state and private bodies.

A protected disclosure to an employer will be any disclosure made in good faith which is made substantially in accordance with any procedure prescribed, or authorised by the employee's employer for reporting or otherwise remedying the impropriety concerned.

To whom does the Act apply?

- The Act applies to employees in both the public and private sector.
- It does not apply to independent contractors.

What are the objectives of the Act?

The Act protects employees by stating that employees may be subjected to "occupational detriment" or victimisation by their employers on account of having made a disclosure that is regarded by the Act as a protected disclosure.

The Act specifically stipulates that the employee may not be:

- subjected to any disciplinary action;
- dismissed, suspended, demoted, harassed or intimidated;
- transferred against his or her will;
- refused a transfer promotion;
- subjected to a term or condition of employment or retirement which is altered or kept altered to his or her disadvantage;
- refused a reference from his employer;
- provided with an adverse reference from his employer;
- denied appointment to any employment, profession or office;
- be threatened with any of the above;
- otherwise adversely affected in respect of his or her employment, profession or office, including employment opportunities and work security.

When will the information provided qualify as a disclosure?

The employee must have reason to believe that information regarding:

- any conduct of an employer, or
- an employee of that employer

either:

- shows; or
- tends to show

one or more of following

- that a criminal offence has been committed, is being committed or is likely to be committed;
- that a person has failed, is failing or is likely to fail to comply with any legal obligation to

which that person is subject;

- that a miscarriage of justice has occurred, is occurring or is likely to occur;
- that the health or safety of an individual has been, is being or is likely to be endangered,
- that the environment has been, is being or is likely to be damaged;
- unfair discrimination as contemplated in Promotion of Equality and Prevention of Unfair Discrimination, Act 2000 (Act 4 of 2000);
- or that any matter referred to above either has been/ is being/ is likely to be deliberately concealed.

Note that it does not matter where any of the improper conduct above occurs inside or outside the republic of South Africa and whether a South African law or some other law applies to that conduct.

How the Labour Relations Act (66 of 1995) further enforces protection

Note that in terms of the Labour Relations Act (LRA)

- a dismissal is automatically unfair if the reason for the dismissal is a contravention of the Act by the employer on account of an employee having made a protected disclosure as defined in the Act. (Section 187h of LRA).
- an unfair labour practice means any unfair act or omission that arises between an Act by the employer on account of an employee having made a protected disclosure as defined in the Act. (Section 187h of LRA).

An employee may refer a dispute concerning an alleged unfair labour practice to that Labour Court for adjudication if the employee has alleged that the employee has been subjected to an occupational detriment by the employer in contravention of section 3 of the Act, for having made a protected disclosure defined in the Act (Section 191 (13) (a)).

Any employee, who has been subjected, is subjected or may be subjected, to an occupational detriment may approach any court having jurisdiction, including the Labour Court established under the Labour Relations Act for appropriate relief or pursue any other process allowed or prescribed by any law.

The Act voids any provision to the contrary in a contract of employment.

Any provision in a contract of employment or other agreement between an employer and an employee is void in so far as it-

- purports to exclude any provision of the Act, including an agreement to refrain from instituting or continuing any proceedings under the Act or any proceedings for breach of contract; or
- purports to preclude the employee or has the effect of discouraging the employee, from making a protected disclosure.

For more information

Visit www.policy.org.za to download the Protected Disclosure Act in its entirety.



WHISTLEBLOWING POLICY 10 KEY POINTS TO CONSIDER

Ten points to consider when putting a whistleblowing policy in place

01

Make it clear, through a consultative process, to management and workers alike that it is both safe and acceptable for workers and management to raise concerns about wrongdoing. Display this consensus-based policy in writing.

02

Review procedures and rules on reporting concerns. If you have none, use a consultative process to generate these rules and procedures. Remember that if employees reasonably believe they will be victimised, protection for a wider public general disclosure is triggered.

03

Where concerns are raised by workers, respond within agreed time frames (and be able to demonstrate a response) to the message. Do not shoot the messenger!

04

Where a protected disclosure has been made, take all reasonable steps to try to ensure that no colleague, manager or other person under your control victimises the whistleblower. If you need to keep the identity of the whistleblower confidential, then use all reasonable means to do so.

05

Check the confidentiality clauses in contracts of employment.

06

Evaluate your organisational structure and decide on a senior person in the department to whom confidential disclosures can be made. This person must have the authority and determination to act if concerns are not raised with - or properly dealt with by - immediate line management.

07

Publicise your success stories.

08

Ensure managers understand how to act if a concern is raised. Ensure that they understand that employees have the right to blow the whistle.

09

Consider whether you need to make use of an independent advice centre in understanding and using this legislation.

10

Introduce and promote a whistleblowing policy.

SOURCE





DRAFTING A WHISTLEBLOWING POLICY

Ten points to consider when putting a whistleblowing policy in place

YOU WILL WANT



Employees to tell you about any suspected impropriety or corruption



Your employees to raise concerns with you directly



Employees and all levels of management to understand and accept that it is safe for staff to raise concerns internally



Managers to deal with concerns properly

YOU WILL NOT WANT:



Unnecessary wider, public disclosures



A whistle-blower being victimised in breach of the Act



To expose your department to a substantial claim for damages



To invite an inappropriate investigation by regulators



The risk of damaging your department's reputation.

SOURCE





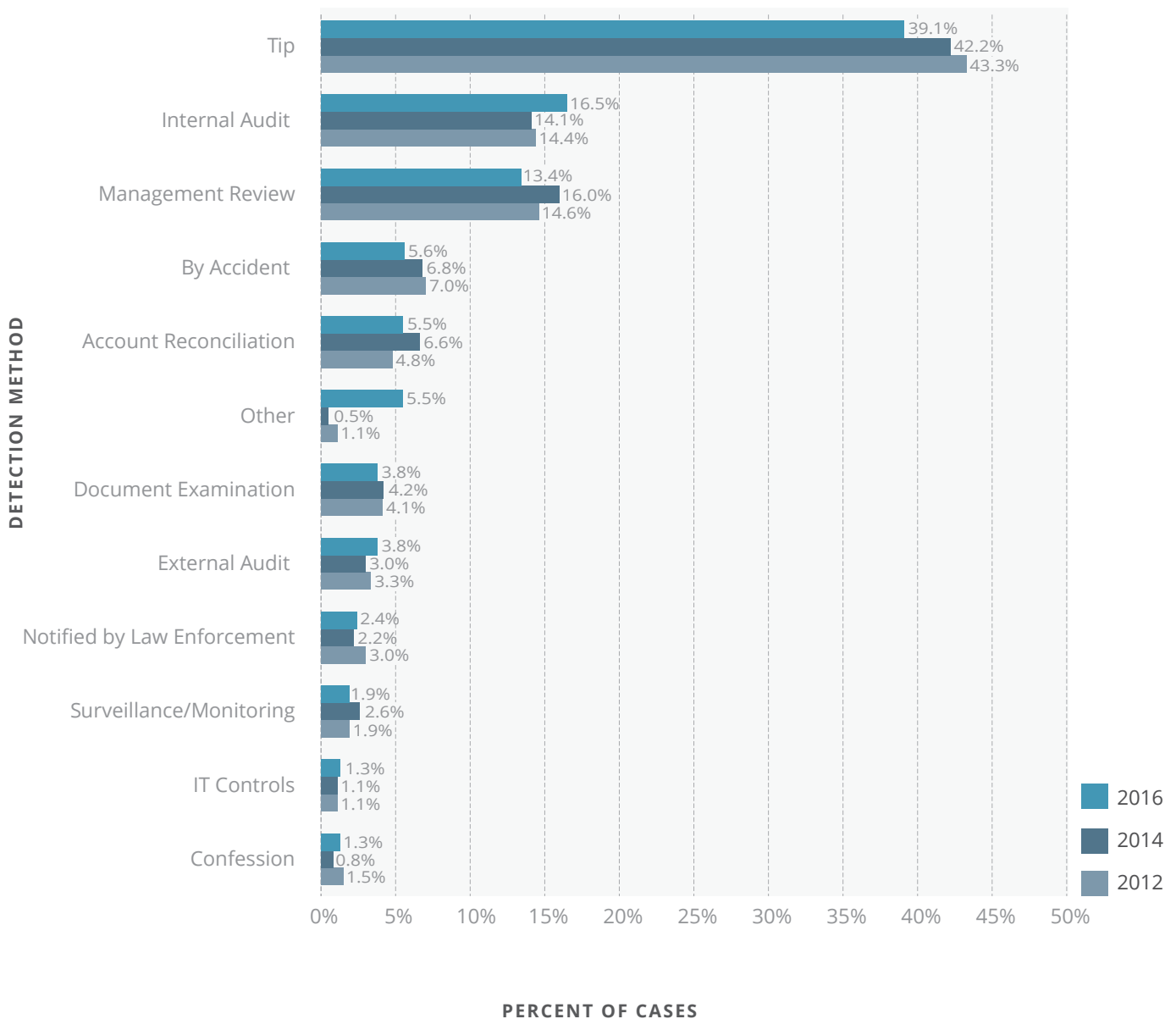
ACFE REPORT TO THE NATION 2016 GLOBAL FRAUD STUDY

It is of vital importance that policies and controls are put in place to ensure that the Whistle Blowers line is used optimally and becomes a means of identifying fraud in the workplace.

“Tips are consistently the most common detection method for cases of occupational fraud by a significant margin.”

The manner in which these tips are dealt with could contribute to the success or failure of the whistleblowing line within your organisation.

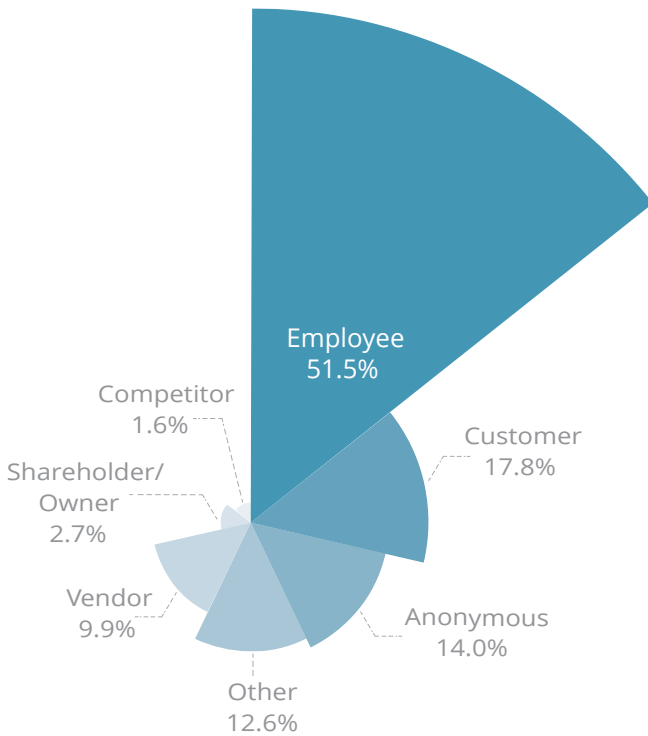
Detection of Fraud Schemes



ACFE, Report to the Nations on Occupational Fraud and Abuse, 2016 Global Fraud Study



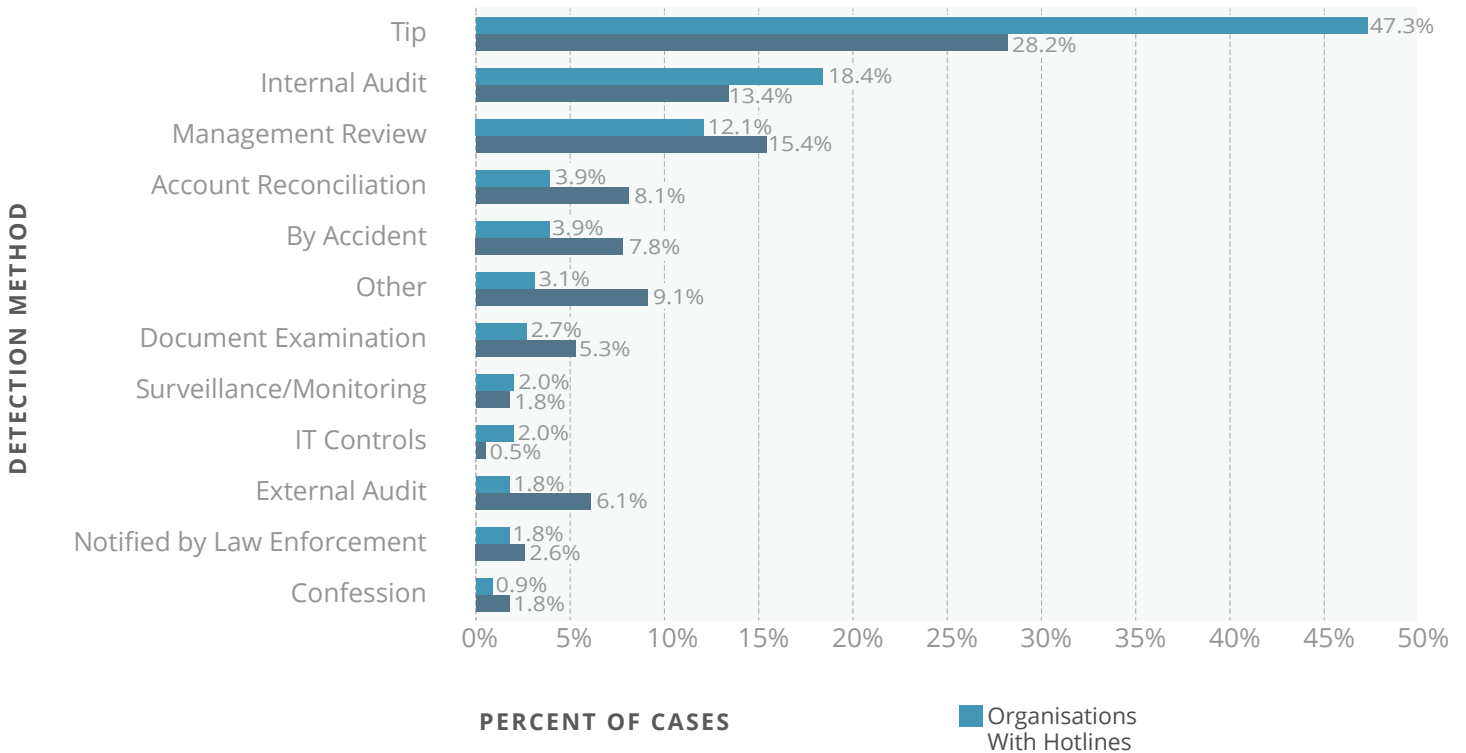
Source of tips



According to the ACFE Global Fraud Study, employees are a valuable source of information for discovering potential fraud. More than 50% of all tips **“involved parties other than confirmed employees, further emphasising the importance of cultivating tips from various sources.”**

“The presence of a reporting hotline had a substantial impact on the initial fraud detection method in the cases we analysed. Tips were the most common detection method for organisations with and without hotlines, but the benefit was much more pronounced in organisations with them.”

Impact of Hotlines





Detection Method by Region

Detection Method by Region— United States

Detection Method	Percent of Cases
Tip	37.0%
Management Review	14.3%
Internal Audit	14.1%
By Accident	7.2%
Account Reconciliation	6.1%
Other	5.5%
Document Examination	4.8%
External Audit	4.0%
Notified by Law Enforcement	2.5%
Surveillance/Monitoring	1.9%
IT Controls	1.5%
Confession	1.2%

Detection Method by Region— Asia-Pacific

Detection Method	Percent of Cases
Tip	45.2%
Internal Audit	15.8%
Management Review	13.1%
External Audit	5.9%
Account Reconciliation	5.0%
Notified by Law Enforcement	4.5%
Other	4.1%
By Accident	2.7%
Document Examination	1.4%
Surveillance/Monitoring	0.9%
IT Controls	0.9%
Confession	0.5%

Detection Method by Region— Sub-Saharan Africa

Detection Method	Percent of Cases
Tip	37.3%
Internal Audit	16.2%
Management Review	10.2%
Account Reconciliation	7.4%
By Accident	5.3%
Other	4.9%
Document Examination	4.9%
External Audit	4.9%
IT Controls	3.2%
Notified by Law Enforcement	2.1%
Surveillance/Monitoring	2.1%
Confession	1.4%

Detection Method by Region— Latin America and the Caribbean

Detection Method	Percent of Cases
Tip	36.9%
Internal Audit	19.8%
Management Review	17.1%
Other	8.1%
Account Reconciliation	4.5%
By Accident	3.6%
Document Examination	2.7%
External Audit	2.7%
Surveillance/Monitoring	2.7%
Confession	1.8%
Notified by Law Enforcement	0.0%
IT Controls	0.0%

ACFE, Report to the Nations on Occupational Fraud and Abuse, 2016 Global Fraud Study



SUPPLEMENTARY RESOURCES

The Open Democracy Advice Centre (ODAC)

The Open Democracy Advice Centre's purpose is to promote open and transparent democracy; foster a culture of corporate and government accountability; and assist people to realise their human rights through supporting the effective implementation of laws which enable access to and disclosure of information.

- We advise individuals who are unsure whether or how to blow the whistle.
- We help organisations to comply with the new law.
- We provide guidance materials on law and practice, and training and consultancy services.
- We work closely with all relevant players to promote responsible whistleblowing in South African organisations.

Contact details:

Alison Tilley, Project Director of ODAC
6 Spin Street
Cape Town
Tel: (021) 461 2559
Fax: (021) 461 2814
e-mail: alison.t@idasact.org.za
<http://www.opendemocracy.org.za>

The Institute for Security Studies (ISS)

The Institute for Security Studies is an applied policy research institute with a mission to conceptualise, inform and enhance the security debate in Africa. Since 1996 ISS has conducted research on whistleblowing as a corruption prevention tool under the Organised Crime and Corruption Programme. AUSAID funding has enabled the Institute to play a role in the development of and awareness around the Protected Disclosures Act.

Contact details:

Lala Camerer,
Institute for Security Studies
67 Roeland Square, Cape Town, 8001
Tel: (021) 461 7211
Fax: (021) 461 7213
e-mail: lala@iss.co.za
<http://www.iss.co.za>

The Public Service Commission

The Public Service Commission is an independent and impartial body created by the Constitution to enhance excellence in governance within the public service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corrupt-free and responsive to the needs of the people of South Africa.

Contact details:

Public Service Commission
The Secretariat
Professional Ethics and Risk Management
Private Bag X121, Pretoria 0001
Tel: (012) 352 1031
Fax: (012) 325 8323



The Office of the Public Protector

The office of the Public Protector is committed to assisting Parliament in strengthening constitutional democracy in South Africa. It strives to achieve this by enhancing fairness and efficiency in the provision of governmental services, by combating injustice and unfairness in public administration, making governmental agencies accountable for their actions and recommending corrective action.

Contact details:

Office of the Public Protector
Private Bag X677, Pretoria 0001
Tel: (012) 322 2916
Fax: (012) 322 5093

The Office of the Auditor General

The office of the Auditor General is an independent and impartial body created by the Constitution to provide independent and quality audit and related value adding services in the management of resources, thereby enhancing good governance in the public sector.

Contact details:

Contact details:
Office of the Auditor General
PO Box 446, Pretoria 0001
Tel: (012) 426 8000
Fax: (012) 426 8240

SOURCE



“He who passively accepts evil is as much involved in it as he who helps to perpetrate it.”

Martin Luther King (1929 – 1968)



**“Promoting Ethics & Honesty in
your organisation”**

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