



Fraud, Bribery and Corruption Prevention,
Detection and Response Policy

Contents

	Page
1. SCOPE OF THE POLICY	3
2. POLICY STATEMENT	3
3. ETHICS AND VALUES STATEMENT	3
4. DEFINITIONS	3
5. FORMS OF CORRUPTION	4
6. RESPONSIBILITIES FOR IMPLEMENTATION OF THE POLICY	5
7. OPERATIONAL STRATEGIES	6
8. RESPONSE STRATEGIES	7
9. BEST DEFENCE STRATEGY	8

1. SCOPE OF THE POLICY

This policy applies to all Remgro directors, employees, and compliance to its principles is required from third parties with which Remgro does business including, professional advisors, consultants and independent contractors (“suppliers”) and subsidiaries.

2. POLICY STATEMENT

It is the policy of Remgro that fraud, bribery, corruption, maladministration, or any other dishonest activities of a similar nature will not be tolerated. Allegations of such activities will be investigated, where required, and actions instituted against those found responsible. Such actions may include the laying of criminal charges, civil and disciplinary actions and the institution of direct recoveries where applicable.

Prevention, detection, response, and investigative strategies are implemented and reviewed. These include internal controls as currently prescribed in existing policies, procedures, legal compliance requirements and other relevant prescripts to the activities of the company. In addition, anti-corruption and fraud awareness training and appropriate risk awareness on these topics will be rendered via the Remgro Management Services Limited Risk and Operational Committee (“RMS ROC”).

It is the responsibility of all employees of Remgro to report all incidents of suspected fraud, bribery and corruption, or any other dishonest activities of a similar nature to their managers or via the Ethics Hotline. All reports received will be treated with the requisite confidentiality and will not be disclosed or discussed with parties other than those charged with investigation into such reports.

All Managers are responsible for the detection, prevention and investigation of fraud, bribery and corruption or any dishonest activities of a similar nature, within their areas of responsibility. Where such instances could be material, they should refer such allegations to the Chief Audit Executive for consideration given the potential technicality, burden of proof, physical risk and perceived lack of independence within the confines of a manager’s area of responsibility.

3. ETHICS AND VALUES STATEMENT

Fraud and unethical behaviour represent a significant potential risk to an enterprise’s assets, culture, performance and reputation.

Remgro is committed to protecting its assets, including its reputation as an enterprise led and managed by directors and senior managers who strive to uphold the highest ethical standards and values. These values are, furthermore, incorporated into all dealings by management and staff.

We will not tolerate corrupt or fraudulent activities whether internal or external to the organisation, and will vigorously pursue and prosecute any parties, both civilly and criminally, that engage in such practices or attempt to do so in our ambit of responsibility. In instances where the Remgro brand and corporate information is illicitly used by external fraudsters, we will support initiatives by SAPS and/or other regulatory bodies mandated by law to investigate such instances to protect our brand and reputation. In instances where kidnap forms part of an extortion the related Remgro risk management process will be utilised given the inherent extended exposures.

4. DEFINITIONS

Fraud is defined as “the unlawful and intentional making of a misrepresentation which causes actual and or potential prejudice to another”. The use of the term is in its widest possible meaning and is intended to include all aspects of economic crime and acts of dishonesty, including theft, forgery, uttering and unlawful appropriation of assets and also the omission to disclose fraud. This is extended to include inter alia other illegal or unethical acts such as market rigging and conflicts of interest or misuse of positions of authority for personal gain.

Corruption is any conduct or behaviour where a person accepts, agrees or offers any gratification for him/her or for another person where the purpose is to influence or induce said person to act (or desist from acting) dishonestly, illegally or contrary to their designated responsibility of the interests of the company. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty.

5. **FORMS OF CORRUPTION**

The following are examples of different types of corruption. The list is not deemed exhaustive.

Bribery

Bribery involves the promise, offering or giving of a benefit that improperly influences the actions or decisions of employees.

Embezzlement and theft

This involves the withholding and/or theft of resources from/by persons who control such resources.

Fraud

Any conduct or behaviour of which a dishonest representation and/or appropriation forms an element.

Extortion and blackmail

The coercion of a person or entity to provide a benefit to an employee, another person or an entity, in exchange for acting (or failing to act) in a particular manner.

Abuse of power

The use by an employee of his or her vested authority to improperly benefit his or herself, another employee, person or entity (or using vested authority to improperly discriminate against another employee, person or entity).

Conflict of interest

The failure by an employee to act or to consciously fail to act in a matter where the employee has an interest or another person or entity that has some form of relationship with the employee has an interest. This includes the failure to disclose their interest or that of a related party when participating in decisions that do or may have an impact on the employee or related party.

Abuse of privileged information

This involves the use, by an employee of privileged information and knowledge that an employee possesses as a result of his/her office to provide unfair advantage to the employee or another person or entity to obtain a benefit.

Favouritism

The provision of services or resources according to personal affiliation of an employee.

Nepotism

An employee ensuring that family members or friends are appointed to service positions or that they receive contracts or commercial benefits.

6. RESPONSIBILITIES FOR IMPLEMENTATION OF THE POLICY

The following section outlines the fraud and corruption risk management responsibilities associated with different roles within the company, designed to prevent and detect fraud and instances of corruption.

The Board

The Board has overall responsibility for ensuring that this Policy complies with applicable fraud and corruption related legislation and that adequate processes are put in place to ensure compliance with this Policy, as far as reasonably practicable. This includes the coordination of risk assessments, overseeing the investigation of suspected fraud and corruption, and facilitation for the reporting of such instances.

Committees

Annual fraud and corruption risk assessments to identify potential fraud and corruption risk will be conducted and presented to the RMS ROC Committee by the Internal Audit Department. Fraud Risk is furthermore reported on to the Audit and Risk Committee.

Directors / Senior Management

Senior management, under the guidance of the Board, will ensure that it does not become complacent in dealing with fraud and corruption and that it will ensure the organisation's overall fraud and corruption strategy is reviewed and updated regularly. Furthermore, senior management will ensure that all employees and stakeholders are made aware of its overall anti-fraud and corruption strategies through various awareness initiatives. Management in Remgro is responsible for ensuring those reporting to them is made aware of and understand this Policy and are given adequate and regular training.

Appropriate scanning of new employees, officers and directors will be conducted to ensure ethical alignment and the validity of disclosures at time of engagement.

Human Resources

The Human Resources Department is responsible for ensuring that the principles of this Policy is incorporated into all aspects of Remgro's policies, including recruitment, training, performance evaluation, remuneration and reward; and that policies are continually improved.

Finance and Treasury

The Finance Department is responsible for ensuring that the principles of this Policy is incorporated into all aspects of Remgro's financial management policies, including maintaining of accurate books and record, corporate accounting, staff expenses and donations.

Given the increase in FICA and related compliance requirements, the Treasury policies and procedures will be maintained accordingly.

Employees and subsidiaries

Employees and subsidiaries are responsible for challenging instances where bribery and corruption may occur. Employees, subsidiaries, and suppliers may not give or receive bribes and are responsible for reporting all bribery and corruption that they are aware of via the procedures laid out in this Policy. It is critically important that all employees and subsidiaries notify the Internal Audit Department as soon as possible if bribes are offered or requested by a third party, or where they suspect that this may happen in the future or believe they are a victim of another form of unlawful activity.

Where employees and subsidiaries are uncertain about whether a particular behaviour or conduct constitutes bribery or corruption, or where there may be any other queries, these should be raised with Internal Audit Department.

Suppliers

Whenever suppliers are involved, in any way, with the business of Remgro, they are required to comply with the rules and procedures laid out in this Policy. For business partners that are juristic entities, the senior management of such entities are required to take reasonable practicable steps to ensure that all of their employees, agents, representatives and other persons involved with the business of Remgro on their behalf, are aware of, and comply with, the applicable rules and procedures of this Policy. This obligation on Remgro's suppliers will be facilitated via the review of approved terms of trade and service level agreements by the legal department.

7. OPERATIONAL STRATEGIES

7.1 Internal Controls

Internal controls are our first line of defence against fraud and corruption. While internal controls may not fully protect the company against fraud and corruption, they are essential preventative and detective elements in the overall Anti-fraud and Corruption Strategy.

The Audit and Risk Committee shall monitor Remgro's progress and standing regarding the legislative compliance requirements and will be the responsibility for providing independent oversight and assessment of the adequacy and effectiveness of this Policy. Furthermore, they are responsible for ensuring that the internal audit program incorporates steps to ensure adherence to internal controls.

7.2 Prevention strategies

A number of combined initiatives result in an overall preventative environment in respect of fraud and corruption. These include the following:

7.2.1 Employee awareness

Continuous employee awareness as regards the Anti-fraud and Corruption Strategy, Code of Ethics and Code of Ethics Hotline Policy ("Whistle blowing policy"), as required by the Companies Act, is deployed to ensure that the temptation to commit any malpractice is reduced. This is further emphasised by visible ethical leadership and the maintenance of the values driven Remgro culture.

In addition, comprehensive Technology and information policies are designed to raise user awareness and responsibilities, along with detecting the possible abuse of such systems.

7.2.2 Pre-employment screening

Pre-employment screening will be carried out for all key appointments, and evidence of such screening will be maintained by the HR Department.

7.2.3 Internal audit programme

A robust Internal Audit programme, which focuses on the prevalent high Fraud and Corruption risks, serves as an effective preventative and detective measure.

7.2.4 Disclosure of interests

According to procedure all directors and nominated offices are required to disclose certain information regarding their business interests on an annual basis.

7.2.5 Gifts Policy

According to this procedure all employees are required to declare gifts received, as per Remgro's Gift Policy, above the pre-determined value to ensure transparency and to monitor trends and values of gifts received.

7.2.6 Supply chain governance

Remgro requires, per agreement, that their key suppliers comply with ethical and compliance requirements including disclosure of gifts and related transfer of benefits.

7.3 **Detection strategies**

Detection of fraud and corruption may occur through:

- Vigilance on the part of employees, including line management;
- The Internal Audit function;
- Ad hoc management reviews;
- Anonymous reports;
- Staying abreast of fraud risk developments, and
- The application of detection techniques, including supervisory controls, technology and information procedures and reporting processes.

7.4 **External Audit**

The Audit and Risk Committee holds an annual discussion with the external auditors to ensure that due consideration is given, by the auditors, to ISA 240 “The Auditors’ Responsibility to Consider Fraud in the Audit of a Financial Statement”, as revised from time to time.

8. **RESPONSE STRATEGIES**

8.1 ***Reporting fraud and corruption – Remgro Ethics Hotline***

This Policy has been designed to comply with the provisions of the Protected Disclosures Act 26 of 2000 and Protected Disclosures Amendment Act 5 of 2017.

Any suspicion of fraud and corruption will be treated seriously and will be reviewed, analysed, and if warranted, investigated. If an employee becomes aware of a suspected fraud, corruption or any irregularity or unethical behaviour, such issues should be reported in terms of the Code of Ethics Policy. This policy should not be abused, for the pursuit of other agendas and Remgro reserves the right to initiate civil and/or criminal action against such an individual.

8.2 ***Investigating fraud and corruption***

Dealing with suspected fraud and corruption

In the event that fraud or corruption is detected or suspected, investigations will be initiated, and if warranted, disciplinary proceedings, prosecution or recovery action will be initiated.

Investigations

Any reports of incidents of fraud and/or corruption will be confirmed by thorough and independent investigation. Anonymous reports may warrant a preliminary investigation before any decision to implement an independent investigation is taken.

Investigations will be undertaken by appropriately qualified and experienced persons who are independent of the section/unit where investigations are required. Independence and objectivity of investigations are paramount and the scope and objective of the investigation will be contained in an investigation mandate.

Investigations will be mandated by the Chief Executive Officer, Chief Financial Officer, in conjunction with the Chief Audit Executive and reported to the Chairman of the Audit and Risk Committee.

Disciplinary proceedings

The ultimate outcome of disciplinary proceedings may involve a person/s receiving written warnings or the termination of their services. All disciplinary proceedings will take place in accordance with the procedures as set out in the disciplinary procedures.

Prosecution

Should investigations uncover evidence of fraud or corruption in respect of an allegation or series of allegations, executive management will review the facts at hand to determine whether the matter is one that ought to be reported to the relevant law enforcement agency for investigation and possible prosecution. The company will give its full co-operation to any such law enforcement agency including the provision of reports compiled in respect of investigations conducted. Where required by law, instances of suspected irregularities will be disclosed to the required law enforcement agencies.

Recovery action

Where there is clear evidence of fraud or corruption and there has been a financial loss to the company, recovery action, criminal, civil or administrative, will be instituted to recover any such losses. In respect of civil recoveries, costs involved will be determined to ensure that the cost of recovery is financially beneficial.

Internal control review after discovery of fraud

The responsibility for ensuring that the internal control environment is re-assessed and for ensuring that the recommendations arising out of this assessment are implemented is that of Line Management of the Department(s) concerned.

The Chief Audit Executive will maintain a register of fraud and related incidents for reporting to the Audit and Risk Committee, including written confirmation of all Ethics Hotline calls received.

9. BEST DEFENCE STRATEGY

As mentioned in 2.1.6 above, Section 7(2) of United Kingdom's Bribery Act, an organisation has a defense if it can prove that, while bribery did take place, it had in place "adequate procedures designed to prevent persons associated with the organisation from undertaking such conduct". Under the Act's explanatory notes, the burden of proof in this situation is on the organisation, with the standard of proof being "on the balance of probabilities".

As such Remgro will implement and maintain as part of its Risk Management processes and Ethics policies the following procedures aimed at demonstrating that a best defense strategy is in place:

Due Diligence

Prior to making recommendations to any Committee delegated to approve potential investments, the Investment Division will ensure that adequate risk assessment and due diligence was done to ensure that the target company did not obtain any of its business licenses, key contracts, or related assets by means of any fraudulent or corrupt practice, either directly or indirectly. Contracts will also ensure that the required warranties are obtained in these instances. Where such instances may be detected or the required assurances could not be obtained the impacts and implications thereof must be adequately disclosed and valuations must be aligned with the commercial consequences of immediate termination of such practices, contracts or assets post investment. In addition, contracts must secure the implementation and compliance with best practice as regards ethical governance.

The above due diligence will be extended to directors, shareholders and key officers of any target company.

Where agents or intermediaries are being implemented as part of marketing, procurement or investment structures the above due diligence process will be extended to such parties prior to finalising such envisaged contracts, which contracts will also require compliance with ethical conduct and best practice standards.

Awareness

Continuous awareness initiatives ensure that all employees are aware of the ethical and compliance requirements of this Policy and related legislation as set out in Remgro's Regulatory Universe.

Monitoring and review

Compliance with this Policy is tested as part of the internal audit process.

This policy was approved by the RMS Risk and Operational Committee on 20 February 2026.
