



WHISTLE-BLOWER POLICY

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1. INTRODUCTION

- 1.2 This whistle-blower policy applies to the Pan African Resources Group, comprising Pan African Resources PLC (the Company) and its subsidiaries (the Group). The Group is committed to maintaining the highest standards of ethics, integrity, and transparency in its operations. As part of this commitment, the Group encourages employees, contractors, vendors, customers, and other stakeholders to report any suspected or actual violations of laws, regulations, policies, or unethical behaviour, through a whistle-blowing mechanism.
- 1.3 Whistle-blowing is a warning system to alert management to suspected or actual violations of laws, regulations, policies, or unethical behaviour within the organisation. An effective policy that encourages whistle-blowing assists organisations in detecting potential unethical behaviour. A positive whistle-blowing culture is an important element in the risk management system of the Group.

2. PURPOSE

- 2.1. The purpose of this whistle-blower policy is to establish a clear and confidential process for reporting concerns, complaints, or grievances related to potential violations of laws, regulations, Company policies, or unethical behaviour. This policy aims to create a safe environment for individuals to raise concerns and protect them from any form of retaliation.

3. SCOPE

- 3.1. The Policy is designed to deal with disclosures by employees and third parties.
- 3.2. This policy covers all genuine disclosures relating to:
- Criminal offences (such as fraud, theft and cyber-crimes)
 - Failure to comply with statutory obligations/requirements
 - Financial misconduct
 - Health and safety risks
 - Environmental damage
 - Unfair discrimination
 - Corruption and misconduct including bribery
 - Acts of sabotage, including damage to property and/or infrastructure
 - Attempts to suppress or conceal any information relating to any of the above.
- 3.3. The policy does not apply to personal grievances, which will be dealt with under the Group's human resources procedures.
- 3.4. This policy must be read in conjunction with the relevant policies addressing grievances, and disciplinary procedures as included in the Human Resources Policy.
- 3.5 The Group has a **"Zero Tolerance"** stance against corruption, fraud, theft, misconduct or any dishonesty.

4. DEFINITION OF WHISTLE-BLOWING

- 4.1 Whistle-blowing refers to the act of reporting any concerns, grievances, or suspicions regarding illegal activities, violations of company policies, unethical behaviour, or any other misconduct that could harm the

organisation or its stakeholders.

5. REPORTING PROCESS

- 5.1 **Reporting channels:** The Company provides multiple reporting channels for whistle-blowers to raise concerns. These channels include an anonymous whistleblowing and tip-off hotline which can be accessed by either email (*whistle@paf.co.za*), phone call or WhatsApp (072 470 0743). The hotline operates during office hours from Monday to Friday, from 8:00 am to 5:00 pm. We strive to ensure that all communications, including emails and WhatsApp messages (including voice notes), receive a response within 48 hours.
- 5.2 **Confidentiality:** The Company will treat all whistle-blowing reports with strict confidentiality to the extent possible while conducting thorough investigations.
- 5.3 **Non-retaliation:** The Company prohibits retaliation against whistle-blowers who make good-faith reports. Any form of retaliation, including but not limited to harassment, discrimination, demotion, termination, or other adverse actions, against whistle-blowers will not be tolerated and will be subject to disciplinary action. We encourage everyone to speak up and raise concerns without fear of retaliation or victimisation when such concerns are reasonably believed and reported in good faith, without malice and not for personal gain.
- 5.4 **Anonymous reporting:** The Company acknowledges that whistle-blowers may choose to remain anonymous while making reports. However, anonymous reports may limit the Company's ability to investigate and address the concerns effectively. Whistle-blowers are encouraged to provide their identity and contact information which will be kept confidential for proper investigation and follow-up.
- 5.5 **False reporting:** Whistle-blowers are expected to make reports in good faith and with an honest belief in the accuracy of the information provided. Deliberate false reporting with malicious intent may result in disciplinary action, including potential legal consequences.
- 5.6 **Investigation and follow-up:** The Company will promptly investigate all whistle-blowing reports in a fair, impartial, and confidential manner. The investigation may involve gathering evidence, interviewing relevant parties, and taking appropriate actions to address the concerns. The Company will provide feedback to the whistle-blower regarding the outcome of the investigation.

6. REPORTING PROCEDURES AND RESOLUTION OF REPORTED INCIDENTS INTERNAL

- 6.1 Disclosures must be made to the Group's Whistle-Blow hotline.
- 6.2 Disclosures must include the following:
- background and history of the alleged or suspected impropriety;
 - where possible, names, dates, and places relevant to the impropriety;
 - the reason why the whistle-blower reasonably believes that the conduct in question constitutes or is likely to constitute impropriety;
 - where available, proof or any other evidence in support of the disclosure; allegation (invoices, bank statements, purchase orders).
- 6.3 While whistle-blowers are not expected to prove the truth of an allegation, they will need to demonstrate that there are reasonable and sufficient grounds for the concern raised. The information from calls received

by the Group's corporate office will be summarised in the form of reports to the authorised person (Executive: Risk and Security).

7. PROTECTION OF WHISTLE-BLOWERS

7.1 South Africa has various laws that apply to different categories of whistle-blowers, such as employees or the general public. These laws provide different levels of protection to those who come forward with information. The main laws that pertain to whistle-blowers are:

- Constitution of the Republic of South Africa, 1996.
- The Protected Disclosures Act, 2000.
- The Labour Relations Act, 1995.
- The Companies Act, 2008.
- The Protection Against Harassment Act, 2011.
- Prevention and Combating of Corrupt Activities, 2004.
- Protection of Personal Information Act, 2013.
- Protection of Information Act, 1982.
- Electronic Communications and Transactions Act, 2002.

7.2 The Company is committed to protecting whistle-blowers who make good-faith reports. Whistle-blowers who follow the reporting process outlined in this policy will be protected against retaliation. Even though this is in line with the *Protected Disclosures Act*, Act 26 of 2000, the Company cannot guarantee absolute protection of the whistle-blower's identity or confidentiality in all cases, particularly in legal or regulatory proceedings.

7.3 Where deemed necessary, the Company will provide support and assistance to whistle-blowers throughout the process. This may include access to legal advice, counselling services, or any other necessary support to protect the whistle-blower's rights and well-being.

7.4 The Company must also take the following consequences of whistle-blowing into account and protect the whistle-blower from:

- Being fired, laid off or demoted;
- Denying overtime or a promotion;
- Disciplined; denying benefits;
- Reducing pay or hours working;
- Failing to be rehired or hired again;
- Intimidation, harassment or threats;
- Social isolation; and
- Blacklisting.

8. RESPONSIBILITIES

8.1 **Whistle-Blowers:** It is the responsibility of employees, contractors, vendors, customers, and other stakeholders to report concerns, complaints, or grievances related to potential violations of laws, regulations, Company policies, or unethical behaviour in good faith, and through the designated reporting channels provided by the Company.

- 8.2 **Managers:** Managers and supervisors have a responsibility to create a supportive environment for whistleblowers, ensure that whistle-blowing reports are treated with confidentiality, and promptly report any concerns or complaints related to potential violations of laws, regulations, Company policies, or unethical behaviour to the appropriate channels.
- 8.3 **Procurement and Human Resource Managers:** The procurement and Human Resource managers have the responsibility to effectively communicate the details of this policy to all employees, as well as third-party service providers such as vendors and contractors. They are tasked with ensuring that the policy is clearly understood and accessible to all relevant parties. This includes providing training, disseminating written materials, and organising awareness campaigns to promote understanding and compliance with the policy.
- 8.4 **Executive: Risk and Security:** The security executive is responsible for overseeing the whistleblowing process and investigations, receiving reports and taking appropriate actions to address the concerns by this policy and all relevant laws and regulations. The security executive will ensure that each report is handled promptly, thoroughly, and in compliance with the established procedures and legal requirements.
- 8.5 **Audit and Risk Committee:** The whistleblowing register should be reported to the audit and risk committee every quarter. This reporting mechanism enhances transparency and provides the audit and risk committee with valuable insights into the effectiveness of the organisation's whistleblowing process.

9. POLICY APPROVAL

- 9.1 This Policy was approved by the Audit and Risk Committee as reflected in the approved minutes of 28 June 2023.
- 9.2 The policy becomes effective from 28 June 2023 and is subject to biannual review.