

Fraud Policy Statement

This policy statement is intended to apply to Telkom SA SOC Limited and its Group of Companies

FRAUD POLICY STATEMENT

Telkom SA SOC Limited (Corporate, Openseive, Consumer and Telkom Business) and its Group of Companies (Gyro, Yellow Pages and BCX), (herein referred to as Telkom Group), recognizes that fraud and irregular conduct, including all forms of economic crimes can adversely harm the financial sustainability, operations and reputation of the company. As indicated in the Ethics Handbook, Telkom Group is committed to the highest standards in conducting its business. This policy set a clear and unambiguous position of Telkom Group on fraud and irregular conduct. Telkom Group has adopted **a zero-tolerance** stance towards fraud and irregular conduct.

Fraud is defined as an unlawful and intentional making of a misrepresentation which causes actual prejudice, or which is potentially prejudicial to another. The irregular conducts can be explained as: non-compliance to policies, Telkom core values and all forms of economic crimes.

APPLICABILITY AND SCOPE

This Policy applies to employees, consultants, agents, vendors, contractors, and/or any other parties that has a business relationship with Telkom Group, related or associated companies. The allegations of fraud or irregular conduct will be investigated without regard to any person's relationship with the business, stature, position or length of service

COMMITMENT

The Telkom Group is committed to:

- I. Ensure that there is a Fraud Risk Management (FRM) Strategy to prevent, detect and investigate incidence of fraud and irregular conduct.
- II. Ensure that there are appropriate mechanisms to report fraud and irregular conduct as per the Whistle-blowing policy within the Ethics Handbook. This also includes ensuring that whistle-blowers are not harmed or victimised and that their anonymity is never revealed and;
- III. Instituting disciplinary actions and where necessary or compelled by law, institute civil or criminal actions against any person that has committed fraud and/or irregular conduct

EXAMPLES OF ACTIONS CONSTITUTING FRAUD AND / OR IRREGULAR CONDUCT

- I. Any acts of fraud, misrepresentation, dishonesty or collusion to the detriment of Telkom Group;
- II. Any non-compliance with Telkom Group core values, policies, procedures, and the Ethics Handbook. For an example, failing to disclose a gift as per the gift policy or any acts of actual or perceived conflict of interest that are not declared;
- III. Any acts of falsification, altering or tampering of documents, records, transactions or any information related to Telkom Group;
- IV. Any acts of theft or misappropriation or misuse of funds or assets;
- V. Any acts that exposes harm to Telkom Group, its customers, employees, consultants/agents, vendors, contractors, and/or any other parties that has a business relationship with Telkom Group;
- VI. Any acts relating to the disclosure of confidential business information to outside parties without permission; and
- VII. Any acts relating to offering or accepting a bribe and any other acts of illegality as sanctioned by law

RESPONSIBILITIES

Management has the primary responsibility of preventing and detecting fraud and irregular conduct. Management must identify internal control weaknesses in their respective areas of operation and mitigate them. They must also ensure that employees under their care comply with policies and procedures. Where acts of fraud and irregular conduct occur, management must institute appropriate corrective actions.

Employees and other stakeholders must act in a manner that is consistent with Telkom Group values, the Ethics Handbook and policies. They must report any suspicious acts of fraud and irregular conduct to either their promoters, Human Resources, Telkom Group Forensic (TGF) or any competent authority. Most importantly, employees and other stakeholders can report matters through the Telkom Crime Hotline anonymously.

REPORTING

TGF is responsible for managing fraud risk within the Telkom Group. Their responsibility includes preventing, detecting and investigating fraud and irregular conduct and reporting to management. Fraud and irregular conduct can be reported by using any of the following channels.

The reporting channels

Reporting of fraud and irregular conduct can be made using the following channels:

- Phone the 24-hour Telkom Crime Hotline at 0800 124 000
- The Be Honest website - <https://behonest.co.za/>
- WhatsApp number **081 222 5999**
- Email Telkomhotline@behonest.co.za OR forensics@telkom.co.za
- SMS number 48691
- Send a post to Address: BNT165, Brooklyn Square, 0075

The incidents that are reported via these channels will receive a unique reference number; this will allow the reporter to track progress on the matter. In addition to these reporting channels, especially where the reporter does not want to claim anonymity, the incidents of fraud and irregular conduct can be reported directly to a TGF official, Line Management, Employee Relations, Human Resources, and other relevant functions.

Approved by:



Mr Serame Taukobong
Group Chief Executive Officer

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