

## WHISTLEBLOWING POLICY

	NAME	DESIGNATION	DATE
Approved	Executive committee / Social and Ethics committee	Executive committee / Social and Ethics committee	August 2021
Reviewed	Vicky Commaille	Group Company Secretary	July 2021
Approved	Executive committee / Social and Ethics committee	Executive committee / Social and Ethics committee	May 2021
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Approved	Executive committee / Social and Ethics committee	Executive committee / Social and Ethics committee	May 2019
Reviewed	Cathie Lewis	Group Company Secretary	April 2019
Reviewed	Cathie Lewis	Group Company Secretary	October 2018
Compiled	Cathie Lewis	Group Company Secretary	November 2017
Approved	Executive committee	Executive committee	November 2017

### 1. INTRODUCTION AND SCOPE

Grindrod is committed to integrity in all its business dealings and to ethical and lawful conduct throughout its operations. This policy provides guidelines for those who suspect or know of any unethical activity within or affecting the business to exercise their duty of bringing this information to the attention of Grindrod.

The policy sets out the processes to follow and mechanisms available to those needing to report unethical activity, and the rights and responsibilities of those making and those receiving such reports ('report recipients').

The rights and responsibilities of those making reports ('reporters') apply not only to employees of Grindrod, its subsidiaries and joint ventures, regardless of geographic location, but to former employees and stakeholders including agents, contractors and their employees. Depending on the contractual relationship between Grindrod and a third party, both employers maybe jointly liable for legal compliance in respect of employees.

### 2. APPLICABLE LEGISLATION

This policy provides for compliance by Grindrod with the Protected Disclosures Act of the Republic of South Africa, Act 26 of 2000, as amended.

The Protected Disclosures Act and this policy apply to the making and handling of disclosure reports regarding Grindrod, regardless of the country from which they are made.

Where the report emanates from a party based in another country, both the provisions of South Africa's Protected Disclosures Act and the provisions of any laws applicable to whistleblowing in that country will apply.

Accordingly, the best practices that will be followed in the implementation of this policy will be guided by not only the applicable legislation, but also by international guidance documents such as the EU Whistleblowing Directive (2021) and the ISO Whistleblowing Management Systems Standard 37001:2021.

### 3. POLICY OBJECTIVES

This policy serves to:

- Reinforce the obligation on those who contract with Grindrod to bring to its attention information they may have regarding unethical and illegal activity affecting it
- Enable all employees to fulfill their duty to Grindrod in terms of the Code of Ethics
- Provide for the maintenance of effective channels for related reporting, including safe and anonymous methods
- Communicate the details of the reporting channels to all covered by the scope of the policy
- Provide direction as to the type of reports that fall under the auspices of this policy
- Assure reporters who make disclosures in good faith of their right to do so without fear of retaliation or occupational detriment
- Prohibit all actions and behaviours that can have a deterrent effect on the likelihood of reports being made, and prohibit the threat or meted out of any form of occupational detriment in retaliation for good faith reporting
- Require that all reports be considered by the appropriate persons in Grindrod and appropriately investigated
- Ensure that reporters with whom Grindrod can make contact receive feedback regarding the progress and outcome of any investigation
- Create a climate and culture within Grindrod in which people will not hesitate to communicate their concerns and information about unethical activity, in good faith and using the appropriate channels

### 4. WHAT CAN BE REPORTED IN TERMS OF THIS POLICY

This policy applies only to the raising of concerns about unethical activity in Grindrod. It does not take the place of existing processes and procedures whereby employees routinely raise queries, make proposals and lodge grievances in the context of their employment conditions and employment law. Effective dispute resolution procedures apply to these matters.

The following list details the scope of matters that can be reported in terms of this policy. This list includes matters that are expressly covered by the Protected Disclosures Act (marked with an asterisk \*) plus additional matters as specified by Grindrod:

- A potential or actual criminal offence (this includes corruption in all its forms, including fraud, and abuse of position for improper, personal gain). \*
- A failure to comply with a legal obligation. \*
- An actual or likely miscarriage of justice. \*
- The endangerment of the health and safety of a person or of the environment. \*

- Unfair discrimination in terms of South Africa's Chapter II of the Employment Equity Act or the Promotion of Equality and Prevention of Unfair Discrimination Act (including sexual harassment and other forms of harassment and intimidation). \*
- The unauthorised use and abuse of Grindrod resources
- Serious failure to comply with appropriate professional standards
- Deliberate breach of Grindrod policies and / or procedures
- Other unethical conduct not covered by the above

## 5. CRITERIA FOR A REPORT TO BE DEEMED A PROTECTED DISCLOSURE

To qualify as a protected disclosure, the law specifies that a report must not only relate to the matters marked with an asterisk (\*) in Section 4 above, but must be made in good faith, reasonably believed by the reporter to be true, not for personal gain, according to a substantively correct procedure and using an appropriate channel.

## 6. DISCIPLINARY AND LEGAL CONSEQUENCES OF FICTITIOUS REPORTING

Fake, fictitious reporting diverts Grindrod resources away from productive activity while unnecessary investigations are undertaken and can cause unwarranted doubt to prevail that has an adverse impact on the work climate.

Any employee who knowingly or recklessly makes false or misleading statements or disclosures that are not in good faith will not have the rights accorded to protected disclosures under this policy and will be subject to disciplinary action.

It is not only serious misconduct to make knowingly false reports. In terms of the Protected Disclosures Act as amended, a reporter commits a legal offence if they make a report that they know, or reasonably ought to know, is false. Where intentional harm is caused and suffered, the Protected Disclosures Act provides for either or both a fine and imprisonment for up to two years.

## 7. CHANNELS FOR REPORTING UNETHICAL ACTIVITY

In order that all stakeholders can report unethical activity in Grindrod as easily as possible, a variety of channels are made available. Those wishing to make a report are encouraged to use whichever of the channels is most suited to the circumstances.

### 7.1 Direct reporting via a Grindrod management representative

Direct reporting has the advantage of enabling effective ongoing communication about a matter and makes direct feedback possible.

Employees are welcome to raise their concerns with their line manager, a senior manager or an executive. They are also invited to do so via a manager, senior manager or executive from Human Resources, Risk and Internal Audit or via the Group Ethics Officer / Group Company Secretary.

Other stakeholders, such as suppliers and customers, can raise their concerns with a senior manager or executive within the Grindrod operation that is their primary point of contact, or via the Group Risk and Internal Audit Manager, Group Internal Audit Manager or Grindrod Group Ethics Officer / Group Company Secretary.

If a report is directed to a member of management and the reporter has reason to believe that it has been ignored, the report can be re-reported to the Group Risk and Internal Audit Manager, Group Internal Audit Manager or the Group Ethics Officer. Reports can be made verbally or in writing.

When making a direct report you are welcome to advise of any sensitivities or confidentiality preferences that you wish to be considered when pursuing your report. It is Grindrod policy that disclosure reports should be appropriately escalated for attention, and that only personnel essential to the handling of the matter will be advised of the report details.

### **Contact details**

Group Risk and Internal Audit Manager: Hazel Xulu (hazel.xulu@grindrod.com | +27313027249)

Group Internal Audit Manager: Atish Maharaj (atish.maharaj@grindrod.com | +27313659115)

Group Ethics Officer / Group Company Secretary: Vicky Commaile (vicky.commaile@grindrod.com | +27313027145)

If a reporter has reason to be uncomfortable using these normal business channels, they should use one of Grindrod's two reporting mechanisms that provide assured anonymity, as described below.

### **7.2 The independently managed Grindrod Ethics Hotline**

The Grindrod Ethics Hotline is independently operated by Deloitte Tip-offs Anonymous ('Tip-offs'), a specialist ethics hotline service provider. Tip-offs is annually certified by The Ethics Institute as meeting the requirements of the 'SafeLine-EX' standard for independent ethics hotline providers. Find more information about Tip-offs at <https://www.tip-offs.com/>.

Reports can be made telephonically, via a web-based form, email, mail or fax, and are received and handled in a secure environment by professionally trained personnel at Tip-offs Anonymous.

No information that reveals the identity of the person making a report will be included in the information provided by Tip-offs Anonymous to Grindrod, if the person has chosen to remain anonymous. Only if the reporter has given their express consent will their contact details be communicated to Grindrod. Tip-offs will also facilitate any further communication between the reporter and Grindrod.

The information provided by Tip-offs to Grindrod is received by a designated senior member of Grindrod with responsibility for group matters, who will follow-up on the information in a sensitive manner. Users of the Grindrod Ethics hotline operated by Tip-offs can make a report of suspected or known unethical conduct using one of the following channels:

- A dedicated telephone number:
  - South Africa and Namibia - 0800 213 118 (Free Call)
  - Mozambique - 800 359 359 (Free Call)
  - UAE – 800035703346 (Free Call)
  - Other countries - (+27 800 213 118)
- Online submission via a webform at: [www.tip-offs.com](http://www.tip-offs.com)
- Email to: [grindrodethics@tip-offs.com](mailto:grindrodethics@tip-offs.com)
- Post to (Ethics Officer, PO Box 1, Durban, KwaZulu Natal, South Africa, 4000) or from within South Africa use Free Post KZN 138, Umhlanga Rocks, 4320



- Fax +27 31 560 7395 (international) or Free Facsimile from RSA and Namibia: 0800 00 77 88
- Send an SMS to 32840 at a cost of R1, 00 per SMS (SA only).

### **7.3 The EthicsDefender interactive chat system**

The EthicsDefender web-based service, independently operated by FraudCracker, is a technology system that enables anonymous and confidential interactive communication between a reporter and the designated senior manager in Grindrod. FraudCracker is annually certified by The Ethics Institute as meeting the requirements of the 'SafeLine-EX' standard for Digital Safe Reporting Service Providers. Find more information about EthicsDefender at <https://www.ethicsdefender.com/>.

The EthicsDefender system provides an electronic shield that means that Grindrod cannot access the contact details of the reporter unless they choose to disclose these. At the same time the reporter is able to interact electronically and directly with Grindrod without having to communicate via the third-party (Tip-offs). Reporters wishing to report unethical activity at Grindrod can do so at: <https://grindrod.ethicsdefender.com>

## **8. REPORT RECIPIENTS AND ESCALATION OBLIGATIONS**

Whatever channel is used in the making of a report, the report must escalate to an appropriate senior level in Grindrod for the required attention.

### **8.1 Reports made using internal channels**

Where a report is received by a Grindrod manager, it should be promptly handled in consultation with a senior manager and/or the Group Risk and Internal Audit Manager, Group Internal Audit Manager. Failure to do so may prevent Grindrod from meeting the timelines for the handling of reports as set out in the Protected Disclosures Act and give rise to the suspicion of the information being deliberately concealed from senior management. Accordingly, the failure to escalate a report to an appropriate decision-making level can constitute a disciplinary offence.

### **8.2 Reports made using Grindrod Ethics Hotline and EthicsDefender**

The following members of Grindrod group management receive reports made using the Grindrod Ethics Hotline and EthicsDefender, once these have had information that identifies anonymous reporters removed:

- Group Risk and Internal Audit Manager
- Group Internal Audit Manager

Should a report implicate either of these recipients, it will be directed to the Group Ethics Officer. Should it implicate the Group Ethics Officer, the report will be directed to the specified senior executive and if necessary to the Chairman of the Audit committee.

## **9. HOW GRINDROD WILL RESPOND**

Regardless of the channel used to make a disclosure report, Grindrod will consider all disclosures made and ensure the protection of the reporter where the disclosure meets the good faith criteria set out in Section 5 above.



In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Such decisions are taken on a case-by-case basis. Where an investigation is appropriate, the matters raised will be either:

- Investigated internally by management, internal audit or through the disciplinary process; or
- Referred to an independent outside service provider with the necessary specialist expertise and experience in dealing with the type of disclosure made.

Some concerns may be resolved by agreed action without the need for formal investigation. If urgent action is required, this will be taken before any investigation is conducted.

The investigation and the duration thereof will depend on the nature of the matters raised, the circumstances prevailing, and the clarity of the information provided. If necessary, further information will be sought from the reporter, if this is possible.

The investigations will be handled in a confidential manner and will not be disclosed or discussed with any persons other than those with a legitimate right to such information.

Appropriate feedback will be provided to the party who made the report. This feedback will be provided directly in the case of reporters who have chosen to make their identity known to Grindrod. Where an anonymous report is made, the reporter can maintain contact via the Grindrod Ethics Hotline or EthicsDefender to receive feedback.

The feedback will be provided according to the timelines and other provisions set out in terms of the Protected Disclosures Act as amended. These provisions are set out in **Annexure A** of this policy.

## 10. PROHIBITION OF RETALIATION

Any action, utterance or insinuation that has the effect of deterring others from reporting information in terms of this policy is prohibited as it increases the risk and potential for Grindrod to suffer harm of both a reputational and material nature. Furthermore, such deterrence is a contravention of the applicable legislation.

Where a report that meets the criteria for protection set out in this policy is made, any threat of or actual retaliation and all consequential occupational detriment is against the law and prohibited in Grindrod.

Any act that has a deterring effect on those from whom Grindrod may require information or assistance in the conducting of arising investigations is prohibited. Any form of retaliation or occupational detriment that is threatened or metered out to those who cooperate with such investigations is similarly prohibited.

Examples of actions that can have a deterrent effect and constitute retaliation and occupational detriment are listed in **Annexure B**.

Any employee of Grindrod who engages in these prohibited activities shall be subject to disciplinary action. Notwithstanding the prohibition of retaliation, the Protected Disclosures Act does not protect a party who makes a disclosure report from disciplinary action if they were involved in the unethical conduct that is the subject of the report. Simply put, making a disclosure does not protect someone from the reasonable consequences of their participation in the wrongdoing. They may be able to argue that their voluntary admission and full cooperation are mitigating factors, and these may be considered together with other factors in the determination of any disciplinary penalty.

## 11. POLICY AWARENESS

In order for the policy to be sustainable, it will be supported by a structured education, communication and awareness programme as part of Grindrod's broader ethics and fraud risk management strategy. Awareness information must be communicated to all stakeholders.

## 12. RESPONSIBLE OFFICER AND CONTACT DETAILS

The Group Company Secretary has overall responsibility for the maintenance and implementation of this policy. The Group Risk and Internal Audit Manager maintains a record of concerns and the outcomes will be reported as necessary to the Group Managing Director. The Group Ethics Officer reports the status of cases and findings to the Social and Ethics committee. Requests for further information should be referred to the Group Company Secretary.

## 13. POLICY REVIEW RESPONSIBILITY AND FREQUENCY

An annual review of this Policy shall be undertaken by the Social and Ethics committee, and any amendments will be informed by changes in legislation, evolving best practices and lessons learned from actual incidents experienced directly or indirectly that have relevance for Grindrod.

## 14. RELATED POLICIES

This Policy is to be read in conjunction with, inter alia, the following Grindrod policies:

POLICY	AVAILABLE ON INTRANET
Anti-Corruption	Yes
Competition Compliance	Yes
Code of Ethics	Yes
Conflict of Interest	Yes
Directors and Staff Dealings	Yes
Fraud Response Plan	Yes
Gifts	Yes
International Trade Relations	Yes
Legal and other compliance	Yes
Protection of Personal Information (POPI)	Yes
Procurement	Yes
Supplier Sustainability Code	Yes

## **ANNEXURE A**

### **Requirement to inform reporters of progress and outcome of any investigation into a protected disclosure**

The Protected Disclosures Act places an obligation on Grindrod to acknowledge in writing the receipt of a disclosure report, advise whether and if not, why not, an investigation into the report is being made, and to provide feedback on the progress and outcome of an investigation, all according to specified timeframes. Refer to Sections 4 and 5 of this policy for a list of matters deemed to qualify as protected disclosures.

Where a disclosure report is made anonymously, it is not possible for such information to be conveyed directly to the reporter. Those choosing to make a report anonymously are encouraged to maintain contact with the Grindrod Ethics Hotline or via EthicsDefender in order that they can enquire as to the status of their report.

The information that must be provided to known reporters in terms of the Act, with associated timeframes, is as follows:

#### **Step one**

Confirmation of receipt of the report must be provided, in writing, as soon as reasonably possible but within no more than 21 days.

#### **Step two**

In the same letter of receipt, the reporter must be advised which of the following three actions apply:

- An investigation is going to be undertaken, where possible providing an estimated timeframe for the undertaking
- No investigation is going to be undertaken, with an explanation as to why not
- The matter is being referred to another person or body to decide

In the event that the matter is escalated for a decision, that new authority assumes the obligation to inform and must in turn advise the whistleblower, in writing, as soon as reasonably possible but within 21 days, which of the three above actions has been decided.

#### **Step three**

After the first 21-day period, if the matter is not referred to another person or party for a decision, or after the second 21-day period if the matter is referred on, the reporter should be given regular written feedback at no more than two-month intervals until the matter is concluded.

Regardless of the number of escalations involved, the reporter must be notified in writing of a decision to investigate their report or not within a maximum of six months.

The Act provides that when giving such feedback, Grindrod can withhold any information that could compromise the ability to prevent, detect or investigate a criminal offence.



#### **Step four: Notification on conclusion**

When the matter is concluded, the reporter must be advised in writing of the outcome of the investigation including action taken.

Given these legal obligations to provide information to those who make reports (and whose identities are known), any employee of Grindrod who receives a report that could constitute a protected disclosure where the reporter follows internal channels, must escalate the report promptly.

## **ANNEXURE B**

### **Deterrence of and retaliation for making protected disclosures and assisting with investigations.**

The South African Protected Disclosures Act prohibits retaliation or 'occupational detriment', and similar provisions are contained in the whistleblowing laws applicable in other countries where Grindrod operates.

The Protected Disclosures Act defines occupational detriment as the threat or the carrying out of any of the following as a consequence for the making of a protected disclosure in good faith:

- Any disciplinary action
- Dismissal, suspension, demotion, harassment or intimidation
- Transfer against an employee's will
- Refusal of transfer or promotion
- Disadvantageous alteration of a term or condition of employment or retirement
- Refusal of or provision of an adverse reference
- Denial of appointment to any employment, profession or office
- Subjection to civil claim for the alleged breach of a duty of confidentiality arising from the disclosure of a criminal offence or a contravention or failure to comply with the law

### **AND / OR**

'Being otherwise adversely affected in respect of his or her employment, profession or office, including employment opportunities, work security and the retention or acquisition of contracts to perform work or render services.' In this quoted provision of the Act, the prohibition on adverse consequences extends beyond employees to third parties of Grindrod.

Grindrod appreciates that a wide range of deterrent behaviours, threats and actions can constitute being 'adversely affected' as defined in the Act. Accordingly, this Annexure does not provide a full list of actions and behaviours that might be deterrent in effect and prohibited by this policy.

Particular attention is, however, drawn to the many adverse consequences short of the list set out in the Act that are nevertheless deemed unacceptable. These include any attempt to create an adverse workplace environment for employees who are suspected or known to have made reports in good faith in terms of the policy including any action that causes their social isolation from colleagues, or action that seeks to target them by threatening or victimising their close associates.

Finally, it is required that all Grindrod employees refrain from any false claims that bring the integrity with which Grindrod, the Grindrod Ethics Hotline and EthicsDefender operate in terms of this policy into question.