



FirstRand

ANTI-BRIBERY AND CORRUPTION PROGRAMME ANNUAL UPDATE

October 2024

INTRODUCTION

Corruption severely damages fair market competition and is a threat to societal and economic development. Accordingly, FirstRand Limited (FirstRand or the group) is committed to combating bribery and corruption by having effective internal controls to adequately comply with the letter, spirit and purpose of the anti-bribery and corruption (ABC) legal framework. The group further communicates its commitment in this regard and to achieving full compliance with the letter and purpose of anti-bribery and corruption legislation and regulation through its ABC programme and policies.

The FirstRand board recognises the ABC corporate compliance programme as critical and is committed to integrity, fairness and good governance in all business dealings.

The ABC programme (the programme) is operationalised by the group's policies and effective systems. The programme takes steer from Principle 10 of the United Nations Global Compact, which advocates a commitment to avoid corruption, but also to proactively develop policies and concrete programmes to address corruption internally and within their supply chains. Companies are also challenged to work collectively and join civil society, the United Nations and governments to realise a more transparent global economy. The programme is further aligned with the Organisation for Economic Co-operation and Development's good practice guidance, which recommends measures to reinforce efforts to prevent, detect and investigate bribery.

The primary objectives of the programme include the empowerment of employees to distinguish between acceptable and unacceptable conduct.

The group continues to improve data analytics and real-time model detection to proactively identify risks and enhance the control environment. The programme is embedded in FirstRand's strategy for emerging market growth and sustainable value creation.

APPROACH TO ABC MANAGEMENT

The programme has various risk-based anti-corruption measures, including:

- group-wide training and awareness initiatives;
- whistle-blowing policy, procedures and channels for reporting corruption;

- ongoing monitoring and evaluation through assurance providers;
- integrity requirements for directors, staff and third parties;
- requirements for giving or receiving sponsorships, donations, gifts, entertainment and speaker fees;
- requirements for recruitment and remuneration structures; and
- controls to prevent corruption in high-risk areas or procedures.

ANNUAL UPDATES TO THE ABC POLICY FOUNDATION

The ABC policy has been subjected to in-depth review to determine whether it is still fit for purpose and appropriate for managing bribery and corruption risk in FirstRand. The following material amendments and/or additions were made to the ABC policy foundation:

- Principles relating to the group's stance on the provision of gifts in the form of travel and accommodation.
- Principles on speaker fees have been included to manage associated bribery and corruption risks for external speakers and employees who are invited to speak at external events.
- Business grants have been included as a type of charitable donation to manage associated bribery and corruption risks.

FirstRand has published an ABC enterprise-wide risk assessment methodology. This provides minimum criteria for conducting assessments across the group to enable the effective identification and management of bribery and corruption risks that the group may be exposed to in the normal course of business.

The current focus is on drafting a third-party due diligence standard which gives effect to the ABC policy principle relating to risk assessment and due diligence of third parties. The standard will provide minimum criteria for the application of a risk-based approach to mitigate the risk arising from business relationships with third parties.

In addition, the standards on sponsorships, donations, gifts and entertainment have been reviewed to ensure they remain current and appropriate for managing the group's bribery and corruption risks associated with these activities. In accordance with the adoption and customisation requirements of these standards, FirstRand segments are developing operating standards and procedures to give effect to the principles contained in these standards.

The group continues to improve data analytics and real-time model detection to proactively identify risks and enhance the control environment.

TRAINING AND AWARENESS

ABC policies and information are published on FirstRand's intranet and other virtual platforms, and are available to all employees. Awareness is mainly driven through a comprehensive training programme that empowers employees and, where necessary and appropriate, relevant third parties. Training content and delivery are continually updated to incorporate developments in international best practice.

FirstRand's engagement with employees on anti-bribery and corruption is integrated to ensure they receive consistent messaging through annual training and relevant communication channels.

INCIDENTS OF CORRUPTION

FirstRand employees and representatives are obligated to promptly report any concerns about or indications of possible or actual violations of applicable laws or the group's anti-bribery and corruption ABC policy. The group investigates all suspected incidents of corruption and/or bribery and where such incidents have been detected, disciplinary action is instituted against those employees involved. Where applicable, civil and/or criminal charges are laid against the relevant employees and/or business associates.