



Group Whistleblowing Policy

DOCUMENT REVISION HISTORY

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1	Waweru Mathenge Group Director: Corporate Governance, Legal and Company Secretary	July 2021

REVIEW AND APPROVAL BY THE NCBA GROUP PLC BOARD OF DIRECTORS

Approved by the Board of Directors at the Board meeting held on
under minute number

John Gachora
Group Managing Director

Waweru Mathenge
Group Company Secretary

POLICY SUMMARY

Key policy issues covered	<ul style="list-style-type: none">• Purpose and Scope.• Definition and Program Framework.• Reporting, Dispute Resolution and Data Retention.
Risks covered	<ul style="list-style-type: none">• Reputational and Regulatory Risks.
Responsibility for management	<ul style="list-style-type: none">• Implementation and management of the Whistleblowing Framework within the Group.• Entrenchment of an ethical attitude synonymous with the Group's Vision and Values.
Monitoring by the Board	<ul style="list-style-type: none">• BARC will oversee concerns related to fraud, ethical violations, corruption, process breaches or any other forms of misconduct as reported through the Group whistleblowing mechanism.• BGNC will derive insights from stakeholders to determine enhancements for good corporate governance practices.
Reporting	<ul style="list-style-type: none">• Board Reports via the BoardVantage System.• Stakeholder Reports via the Annual Integrated Report.

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1. INTRODUCTION

The NCBA Group, which includes NCBA Group PLC and its subsidiaries, is committed to delivering upon its vision – *To be the Financial Services Partner that Inspires Your Growth* - in order to maintain and enhance sustainable shareholder value. The achievement of the Group's vision is underpinned by upholding our corporate values, namely:

- **Driven** – by being decisive, passionate and bold in exploring the Group's potential;
- **Open** – through embodying honesty, transparency and inclusivity in our interactions;
- **Responsive** – by embracing speed, simplicity and innovation and focus on our stakeholders needs; and
- **Trusted** – through inculcating a spirit of teamwork, integrity and accountability, doing what is morally right and keeping our word.

The Group is committed to maintaining the highest possible standards of ethical and legal conduct in all its activities, including in the undertaking of its projects, programs and businesses. In recognition of the importance of upholding the reputation of the Group and the financial services sector in which it operates, the Group has proactively developed a whistleblowing program to strengthen its system of integrity and internal control in support of the fight against malpractices, and the identification and suppression of corruption in all its forms.

The Whistleblowing Policy, (the Policy), sets forth the Group's commitment to upholding the highest levels of integrity and observance of the rule of law, consistent with the commitments set forth in the Board Charter and Group Code of Conduct and Ethics.

The Group Board of Directors has authorised its Audit and Risk Committee to establish, as part of its internal control oversight mandate, the necessary processes and structures to ensure the effective implementation of this Policy. The Board remains responsible for oversight of the policy direction and implementation, and receives regular updates on its functionality and effectiveness from the Independent Assurance functions.

2. PURPOSE

The aim of this Policy is to provide a system for the entrenchment of an ethical attitude synonymous with our vision and values. This will be achieved through the promotion of a culture that encourages the highlighting of concerns related to fraud, ethical violations, corruption, process breaches or any other forms of misconduct. The Policy also seeks to ensure that persons who disclose information relating to suspected or identified breaches will be protected from retaliation, primarily by maintaining their anonymity.

3. SCOPE

This Policy applies to both internal and external stakeholders of the Group to the maximum extent possible, with consequences for breaches of the policy including but not limited to cessation of relationship with the Group. NCBA Group stakeholders include our shareholders, board of directors, management and staff whether permanent or contract based, consultants, suppliers, customers and other third parties with whom the Group has contracted for both short-term and long-term engagements, and beneficiaries of the Group's social support policies.

4. POLICY STATEMENT

Stakeholders are encouraged to report any unlawful acts, the commission of fraud, gross negligence in breach of the Group's fiduciary duty, acts of bribery and corruption, acts of misconduct through failure to observe the Group's policies, procedures and standards, coercive and collusive practices and weaknesses or failures in the Group's processes and systems of control among other ethical concerns. Directors and Staff of NCBA Group are bound by the applicable Governance Policies and Terms of Service to not only observe the Group's Values and ethical principles, but also report on acts of impropriety that come to their attention. This may be done through the existing internal control procedures, or anonymously through the whistleblowing mechanism, which has been detailed under Clause 7 of this Policy on Procedures.

5. WHO IS A WHISTLEBLOWER

A whistleblower is any person who conveys, in good faith, any information relating to actual or suspected breach of laws, policies, procedures, processes or any other malpractices in connection with the Group.

6. WHISTLEBLOWING FRAMEWORK

The Group's stakeholders are encouraged to utilise the whistleblowing framework established via this Policy to report instances of malpractices in order to enable the Group to facilitate investigations, strengthen operational procedures and practices and institute additional measures to enhance good corporate governance practices. Where possible, reports should contain as much detailed information and documentary evidence as possible in order to ease the review process.

7. PROCEDURES

The Group has invested in an independently managed, secure and anonymous reporting mechanism, availed through the Group's website and accessible via the following link (<https://www.tip-offs.com/>) for ease of access and use by whistleblowers. The mechanism consists of a toll free telephone number, an email address and a link to an internet based

reporting portal for submission of information within the scope of this policy. An independent external party not affiliated with the Group manages the reporting mechanism, in order to provide assurance to whistleblowers of the integrity of the system and confidentiality accorded to them.

Whistleblowers may also choose to report issues directly to the Group Managing Director, Group Company Secretary or any member of the senior management team (Executive Committee members), or the Heads of Group Internal Audit or Security & Investigation Services. Alternatively, whistle-blowers may elect to report through a person of their choice who should then contact the Group either directly or through the whistleblowing reporting channels, or through any of the above-identified senior officers.

Reports received by the Group will be registered / logged and where practicable, an acknowledgement receipt issued by the independent external service provider (currently Deloitte, South Africa). Anonymised reports will then be accessed by the Head, Group Internal Audit for review and further action including, where applicable, recommendations for investigation and/or corrective action. The Head, Group Internal Audit will share the reports with the Chairman of the Board Audit and Risk Committee and the Group Managing Director for appropriate oversight of corrective action implementation. For cases involving employees, a copy of the anonymised report will also be sent to the Group Director - Human Resources.

Where whistleblowers provide their details for identification purposes, and where the disclosure of measures taken can be made without affecting the rights of the accused person(s) especially where law enforcement agencies become involved, the Group may keep the whistleblower updated. Whistleblowers who voluntarily disclose their identities may further be engaged to participate in the review process for purposes of progressing investigations or for such other reasons that may add value to the review process such as expertise in a field of practice or profession. In such instances, the whistleblower will be advised of their rights, the risks of voluntary identity disclosure and/or participation, and other measures that the Group is willing to take to safeguard them.

8. PROTECTION OF AND REMEDIES FOR WHISTLEBLOWERS

The Group will use all measures at its disposal to protect whistleblowers primarily through concealing their identity. It is for this reason that a confidential mechanism has been put in place to provide whistleblowers with assurance of their anonymity and confidentiality, save for instances where they choose to waive such protection.

Where disclosure of identity is necessary to allow for the progression of investigations, or arising from a judicial process, the Group shall inform the whistleblower of such requirement, seek their consent for disclosure and institute appropriate measures to accord the person adequate protection from retaliatory actions such as discrimination, reprisal, harassment, acts of vengeance, and threats. Should a whistleblower decline to disclose their identity, the

Group will not make the disclosure and the matter will be handled in a manner that does not expose the whistleblower's identity.

The Group's protection to external whistleblowers will be limited to the maintenance of anonymity and confidentiality, and such other action deemed prudent by the Group Managing Director and/or the Board. However, any retaliatory action against an external party by Group Staff owing to a disclosure will constitute misconduct and hence subject to disciplinary action. If retaliation occurs at the hands of the Group's contractor(s), then the applicable contract(s) will become subject to immediate review and possible termination where the contractor is deemed culpable.

The employment status of any Group staff providing a report within the scope of this policy shall be protected, and hence not subject to review due to a whistleblowing report. Additional protection and remedies may be applied at the discretion of the Group Managing Director and/or the Board, including consideration of recommendations made by the authorised officials reviewing the cases.

9. STAKEHOLDER REPORTS

The Group shall make adequate disclosures to stakeholders regarding the implementation of this Policy to the extent that such disclosures will not adversely affect whistleblowers, (including the risk of disclosure of their identity), or prejudice ongoing investigations. Due regard will also be given to the potential reputational impact upon the Group. The reports will broadly fall under two categories:

- i) **Reports to Internal Stakeholders:** Upon conclusion of substantive reviews into whistleblowing reports, Management will present a report to the Group Board Audit and Risk Committee, as well as any other Board Committee responsible for oversight of the activities of a specific function and/or subsidiary of the Group, and subsequently to the Board on the corrective actions taken. Where the corrective action requires the approval of the Board, the Board will review and ratify Management's proposals either with or without additional recommendations. Upon conclusion and where deemed necessary for internal control and/or educational purposes, a subsequent report may be shared with all staff on the pertinent issues, findings and corrective actions undertaken; and
- ii) **Reports to External Stakeholders:** Annually, the Board of Directors and Management of the Group will compile a report on the effectiveness of the implementation of the Policy. This report will be presented through the Corporate Governance Statement of the Annual Integrated Report.

10. DISPUTE RESOLUTION

Where a dispute arises in relation to a report made as envisaged under this Policy and has not been resolved to the satisfaction of a concerned party, the Group's Alternative Dispute Resolution Committee shall review the matter in accordance with its mandate as provided for under the Group Stakeholder Relations Policy.

11. DATA RETENTION

A report made within the scope of this Policy and all information acquired during its review will be retained for the statutory period in the event that it is required for a judicial process. This will however be anonymised and maintained confidentially throughout the retention period, after which the report and related review material may be destroyed under appropriate record of such destruction. In all instances, the confidential details of the review cases will be kept as such.

12. RESPONSIBILITIES

The following parties will bear responsibility for the under listed functions in the implementation of this Policy:

- a) **Board of Directors:** Approval of the Policy and periodic enhancements thereof;
- b) **Board Audit and Risk Committee:** Oversight of the Policy's implementation efficacy, through receipt and review of whistleblower reports and Management reports on corrective actions recommended and/or implemented, and recommendation on enhancement of internal controls;
- c) **Board Governance and Nominations Committee:** Receipt and review of Management Reports on Governance and Ethics observance, conflict of interest management and reporting to shareholders and external Stakeholders via the Annual Integrated Report;
- d) **Group Managing Director and Management (Executive Committee):** Implementation of the Policy and maintaining an ethical culture consistent with the Group's Values;
- e) **Group Company Secretary:** Maintenance of the log of Whistleblower Reports for the purposes outlined under Clause 11 of this Policy on Data Retention;
- f) **Head, Group Internal Audit:** Receipt, analysis and dissemination of the whistleblower reports from the independent external service provider, and provision of assurance services on the implementation of the Policy; and
- g) **Head, Group Enterprise Risk Management:** Provision of assurance services on the level of compliance with the provisions of the Policy, and reporting on the risk levels affecting the Group operations based on identified underlying issues from the whistleblower reports.

13. RELATED POLICIES

This Whistleblowing Policy should be read in conjunction with the below listed policies:

- NCBA Group PLC Board Charter, availed through the Group's website and accessible via the following link (<https://ncbagroup.com/board-charter/>); and
- NCBA Group Code of Conduct and Ethics, availed through the Group's website and accessible via the following link (<https://ncbagroup.com/group-code-of-conduct-and-ethics/>).