

(Version 3)

HFCB GROUP Plc

APPROVED BY THE BOARD OF DIRECTORS

ON: July 25, 2023

Amendment History

No.	Details	Reviewed By	Version Reference	Date
1.	Initial	Risk and Compliance Division	1.0	Feb. 2011
2.	Review and Update	Risk and Compliance Division	2.0	Feb. 2017
3.	Review and Update	Risk and Compliance Division	3.0	July. 2023



Table of Contents

1. Introduction	1
2. Purpose and Objectives of the Policy	1
3. Concerns to be raised	2
4. How to raise a concern	2
5. Whom to report to	3
6. Investigations of the concerns	4
7. Post-disclosure issues	4
8. Application and Review	5

1.0 Introduction

HFCB Group is committed to doing business lawfully, ethically and with integrity. For this to be realised, it is the responsibility of each and every one within HFCB Group to ensure and fulfil this commitment in day to day working lives. However, from time to time there may be situations where the right course of action is unclear, or there may be situations where an individual may suspect or know that something is improper, unethical or inappropriate. In such situations, all HFCB Group stakeholders need to note that they have both legal and moral duty to take appropriate measures to identify such situations and attempt to remedy them.

This Policy is designed to ensure that employees particularly and other stakeholders who, in good faith, report alleged irregularities of a general, operational and financial nature within HFCB Group will not be regarded as disloyal or suffer such detriment even when their suspicion ultimately may be proven unfounded

HFCB Group is committed to ensuring that every report made under this Policy is investigated thoroughly, on a timely basis, with appropriate technical and investigative expertise, and that the investigation is fair to all parties involved. This policy can be used by any officer, employee or group of employees. In addition, suppliers, shareholders, customers and other third parties such as agents, distributors or joint venture partners may also use this policy to report suspected wrongdoing.

2.0 Purpose and Objectives of the Policy

The purpose of this policy is to formalize and communicate HFCB Group's position on whistle blowing by setting out the responsibilities of all stakeholders. This policy is intended to encourage staff and other relevant stakeholders to report perceived unethical or illegal conduct of employees, management, directors and other stakeholders across the Group to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising concern(s) under this policy.

The objectives of this policy are:

- a. To proactively prevent and deter misconduct which could impact the financial performance and damage HFCB Group's reputation
- b. To provide assurance that all disclosures will be handled seriously, treated as confidential and managed without fear of reprisal of any form.
- c. To help promote and develop a culture of openness, accountability and integrity.
- d. To ensure and maintain full compliance with regulatory requirements on whistle blowing.

3.0 Concerns to be raised

This policy is designed to deal with genuine concerns raised in relation to specific issues which are in the public interest and detailed below.

- A criminal offence
- Fraud
- Failure to comply with a legal obligation (e.g. breach of a contractual or other common law obligation, statutory duty or requirement or administrative requirement, including suspected fraud, malpractice or breach of the HFCB Group's Code of Ethics
- A miscarriage of justice
- A danger to the health and safety of any individual
- Damage to the environment
- A deliberate concealment of information tending to show any of the above.

The above list is not exhaustive and includes any act or omissions, which if proven, will constitute an act of misconduct under HFCB Group Code of Conduct and Business Ethics or any criminal offence under relevant legislations.

HFCB Group employees are also governed through other policies and procedures that also address standards of behaviour at work. The relevant policy should be followed where appropriate especially on human resources related matters such as disciplinary, grievances, harassment etc.

If an allegation is made in good faith, but it is not confirmed by investigation, no action will be taken against an individual. If, however, an allegation(s) that is malicious or simply to cause anger, irritation or distress, disciplinary and/or legal action may be taken against an individual.

No employee making a report whose own conduct is implicated in the matters reported under this Policy will be given any immunity from personal investigation or discipline purely because of having made the report. Consideration will however be given to the fact that a report has been filed and to all assistance and co-operation provided by the relevant employee.

4.0 How to raise a concern

An employee can raise concerns by email, orally and/or in writing stating that he/she is/are using the HFCB Group's whistle blowing policy. Where possible the following information should be included:

- An outline of the known or suspected wrongdoing
- Details about when, where and how it occurred
- A list of the names of those suspected of being involved (both within HFCB Group and externally)
- A list of the names of anyone who may have relevant information
- Details of how one came to know about the suspected activities
- An estimate to be the value of the loss to HFCB Group or other parties
- Any breaches of internal controls, policies and procedures or other requirements
- Any specific recommendations one has for actions
- The names of anyone discussed or incident was reported to
- The name and contact details of the whistle blower. Please note, these will be kept confidential as far as is reasonably practicable. The whistle blower can also choose to be anonymous.
- The date and time of making the report.

HFCB Group has established whistle blowing contacts detailed as below:

- Phone number: 0794650151
- Mailbox: A mail box is also available at Rehani House, mezzanine floor just outside the reception, where one may drop their correspondences.
- Email address: whistle@hfcbgroup.co.ke
- Anonymous reporting:
 - Toll free telephone line - 0800 722 626
 - Email - HFCB@tip-offs.com
 - Website - www.tip-offs.com

5.0 Whom to report to

The person concerned has a choice of communication channels to be used for whistle blowing. If deemed necessary, then he/she may bypass the normal channels and hierarchy for reporting of concerns. Although the whistle blower is not expected to prove beyond doubt the truth of an allegation, he/she will need to demonstrate to the official contacted that there are reasonable grounds for concern.

- Employees are encouraged to normally raise concerns with their line manager who would notify the division head or the chief executive if necessary. However, if for some reason the employee does not feel comfortable to report through his/her line manager, then he/she has the right to take his/her concerns directly to the division head or the accountable chief executive or even the Group chief executive.
- If the employee for some reason does not feel comfortable to report directly to the accountable chief executive, then he/she can report through either the head of security, the head of internal audit or the head of risk and compliance. Alternatively, if for any reason the employee feels uncomfortable in using this route, he/she may make the report to his/her human resources business partner, head of human resources, a trusted person, or a senior representative of the employee's choice.
- Depending on the seriousness and sensitivity of the issues involved, the whistle blower may directly approach the chairman of the audit committee with the concerns or the board chairman.
- A member of the board may raise his/her concerns to the chairman of the board audit committee or to the chairman of the board.
- Where the alleged irregularities relate to money laundering or terrorism financing the employee must raise his/her suspicion directly with the Money Laundering Reporting Officer (MLRO) or Head of Risk and Compliance.

6.0 Investigations of the concerns

Upon receipt of any Concern, the management may; -

- Conduct its own investigation through the internal investigation department.
- Instruct the external auditors or other professionals to conduct further investigations or review
- Instruct relevant parties to take such remedial, disciplinary or other action as it deems appropriate
- Engage such third parties as the management may determine, to commence or conduct further investigations or review
- Engage such third parties as the management may determine to take such remedial, disciplinary or other action as it deems appropriate
- Take any other action as the management may determine, in the best interests of the Group.

HFCB Group reserves the right to take such action as the management deems appropriate against any such employee.

7.0 Post-Disclosure Issues

HFCB Group will endeavour to keep employees who raise concerns informed as to how their concerns are being addressed. However, for legal or practical reasons this will not always be possible; for example, the fact of disciplinary action against an individual can generally not be shared with another employee, and the fact of an investigation by a regulator or law enforcement agency will usually be confidential itself.

Employees who raise concerns or report alleged irregularities must keep confidential within HFCB Group the fact that they have done so, the details of the matter and any feedback given to them, and not make disclosures other than in accordance with this policy. This cannot prejudice the right of the employee to make a report directly to a regulatory authority or other relevant government body where the employee believes that this is the only appropriate course of action. Employees are strongly encouraged to work with the Security and Investigation or Risk and Compliance Department rather than approaching regulatory authorities or agencies directly.

Where a disclosure has been made in good faith, and subsequently leads to regulatory or court hearings, the employee initiating the report may be obliged to act as a witness.

Where this occurs, HFCB Group will provide appropriate help and support, including any necessary legal advice, to the employee up to and throughout the hearing.

8.0 Application and Review

This policy will be effective on approval by HFCB Group's board and will be subject to regular reviews but not less than once in every five years. It shall be made available to all staff through the intranet and also disclosed externally through the website.