
WHISTLE BLOWER POLICY

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INTRODUCTION

The Kenya National Trading Corporation Ltd is a State Corporation in the Ministry of Investments Trade and Industry (MITI), mandated to act as a procurement agent for the government and participate in the promotion of wholesale and retail trade in order to strengthen the supply chain of essential products within the country. The Corporation is also mandated with the responsibility of supporting the Micro, Small & Medium Enterprises (MSME) sector through supply of raw materials, provision of consultancy services and identification of markets for their products.

To address rise in the cost of living, the Government of Kenya through Cabinet MEMO dated 10th November, 2022 approved a framework to position KNTC as the anchor of State initiatives to stabilize essential household food items. As such, KNTC will supplement other State initiatives by creating Strategic Reserves for staple and essential food items, vital farm inputs including fertilizer and any other goods necessary for ensuring stability in the prices of core goods consumed by Kenyans. To realize this mandate, KNTC will continue to partner with the National Cereals and Produce Board (NCPB) and local and regional financial intermediaries specializing in trade and commodity financing.

VISION

A leading agent for Trade and Socio-Economic Transformation of Kenya.

MISSION

To provide customers within the region with quality products and services through an efficient distribution network, partnerships and innovation.

CORE VALUES

- **Customer Focus:** We put our customers first and continuously provide quality goods & services that match or exceed their expectations.
- **Innovativeness:** We seek innovative and creative approaches to problem-solving.
- **Accountability:** We uphold transparency and accountability in service delivery.
- **Integrity:** We are honorable, trustworthy and always uphold the highest standards of ethical conduct.

- **Professionalism:** All KNTC staff shall uphold high moral standards and professional competence in service delivery.
- **Teamwork:** We embrace teamwork through collaborative efforts of all actors to achieve common goals.
- **Equity:** We strive to be a more inclusive and equitable organization in pursuit of our mission.

1.0 BACKGROUND INFORMATION

Kenya National Trading Corporation Ltd, hereinafter referred to as KNTC, is committed to the highest standards of moral and ethical integrity, transparency and propriety in all its dealings. The Corporation believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

Typically, whistleblowing exposes the whistle blower to risks ranging from strained relationships at the work place to threats on one's life. Hence, the need to develop a policy to offer guidelines on how whistleblowing will be conducted with a primary focus on protection mechanisms of the whistle blower and the information disclosures. The policy will complement other initiatives to combat bribery and corruption within the Corporation.

KNTC has developed this Whistle Blowing Policy to fulfil the requirement for establishment of a whistleblowing policy for all public Institutions as contained in the guidelines on implementation of Institutional Risk Management Policy Framework guidelines, 2011 and Public Finance Management Regulation, 2015.

2.0 POLICY STATEMENT

- i. The Corporation supports zero tolerance to corruption and intends to achieve this through systematic reporting of unethical practices and protection of whistle blowers.
- ii. An important aspect of accountability and transparency is a mechanism to enable staff, stakeholders of the Corporation and the general public to voice

genuine concerns in a responsible and appropriate manner.

- iii. Kenya National Trading Corporation (“the Corporation”) is committed to promoting and maintaining high standards of transparency, accountability, ethics and integrity at the service of the Corporation.
- iv. This Policy is designed to support the Corporation’s core values and facilitate reporting of employees’ and other parties’ concerns about possible improprieties at the earliest opportunity to ensure that concerns can be raised without fear of reprisal or detrimental action.
- v. The procedures contained in this Policy provide a process of managing disclosures of improper conduct that is transparent without compromising the confidentiality of persons involved.
- vi. This Policy is adapted to promote alignment with the Witness Protection (Amendment) Act 2010, The Leadership and Integrity Act 2012, The Bribery Act 2016, the Bribery Regulations 2021 and all applicable laws and regulations in Kenya. However, this Policy does not absolve employees and stakeholders from any statutory obligations contained in any Act or Regulation to report criminal offences or breaches of law with the relevant enforcement agencies.
- vii. This Policy is to be read together with the Corporation’s Code of Conduct and Ethics and provisions made on code of conduct and disciplinary control in the Corporation’s Human Resource Management Policies and Procedures Manual and other internal, statutory or regulatory reporting procedures.

3.0 DEFINITIONS AND INTERPRETATION

The definitions of some of the key terms used in this Policy are given below:

- a) “**Audit Committee**” means the Audit Committee constituted by the Board of Directors of KNTC.
- b) “**Designated Officers**” are KNTC officers to whom disclosures may be made.

- c) **"Employee"** means every employee of KNTC (whether working in Kenya or abroad temporarily).
- d) **"Corporation"** refers to Kenya National Trading Corporation Ltd.
- e) **"Investigator"** means person(s) authorized, appointed, consulted or approached by the Managing Director in the process of the investigation of any Protected Disclosure who may / may not be an employee of KNTC.
- f) **"Protected Disclosure"** means any communication made in good faith by the Whistle Blower that discloses or demonstrates information that may be evidence for unethical or improper activity.
- g) **"Subject"** means a person against or in relation to whom a Protected Disclosure has been made or evidence has been gathered during the course of an investigation.
- h) **"Whistle Blower"** means an existing or former employee, customers, vendors or member of an organization, especially a business or government agency, who reports misconduct to authorized persons or entities that have the power and presumed willingness to take corrective action. The misconduct may be a violation of a law, rule, regulation and/ or a direct threat to public interest, such as fraud, health/ safety violations, abuse of authority and corruption.
- i) **"Disciplinary Offence"** means any action or omission which constitutes a breach as provided by law or the Corporation's code of conduct and ethics, policies or a contract of employment.
- j) **"Authorised Receiver"** – means the external body, organization or corporation to whom whistleblowers shall make reports of a breach under this policy and shall provide liaison and communication with anonymous whistleblowers.
- k) **"Board"** – means the Board of Directors of the Corporation.
- l) **"Breach"** or **"Improper Conduct"** -- is a violation or the suspicion of a violation on reasonable grounds of any legislation and/or the corporation's Code of Ethics and Business Conduct by any corporation director, employee, contractor, agent or distributor operating on behalf of the corporation or commissioned by the corporation.
- m) **"Directors"** – all persons holding the position of Director in the corporation, whether independent, non-independent, or executive.
- n) **"Employees"** -- means all persons engaged by the corporation on a contract of service irrespective of the duration of that engagement.

- o) **"Ethics Committee"** -- means the committee formed to evaluate, consider and investigate the protected disclosures received from a whistleblower under this policy.
- p) **"Interested Party"**-- A party with an interest in the matter and who is not unbiased or connected so as to remain unaffected, regardless of the outcome.
- q) **"Protected Disclosure"** -- means a written or oral communication, whether by letter/ email/ or over telephone relating to any breach or improper conduct, unethical practice or behaviour or violation of the Code of Ethics and business conduct by directors, employees or contractors made in good faith by the whistleblower.
- r) **"Removed"** -- means that the personal data are completely deleted or adapted in such a way that identification of the person involved is no longer possible.
- s) **"Report"** -- means a complaint by a whistleblower of a breach under this policy.
- t) **"Subject"** -- means a person or group of persons against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.
- u) **"Detrimental Action"** includes:
 - i. Action causing injury, loss or damage;
 - ii. Intimidation or harassment;
 - iii. Interference with the lawful employment or livelihood of any person; or
 - iv. Threat to take any of the actions referred to above.
- v) **"Confidential Information"** includes:

Information about the identity, occupation, residential address, work address or whereabouts of:

 - i. A Whistleblower; and
 - ii. A person against whom a Whistle blower has made a disclosure of improper conduct;
 - iii. Information disclosed by a Whistleblower; and
 - iv. Information that, if disclosed, may cause detriment to any person.
- w) **"Investigating Officer"** means a person assigned to conduct an investigation of an Improper Conduct.

4.0 OBJECTIVES

This policy aims to:

- a) Develop confidence amongst employees and other stakeholders to make good faith reports of suspected fraud, corruption, health and safety concerns or any other malpractice within KNTC at the earliest opportunity.
- b) Provide clear procedures for reporting, evaluating and investigating such malpractice and giving feed back to the whistle blower.
- c) Build capacity amongst employees and other stakeholders on identification of improper, unethical or inappropriate behavior that is or could be harmful to KNTC's reputation and/ or compromise the interests of any stakeholder.
- d) Reassure the whistle blower that he/she will be protected from possible reprisals or victimization for disclosures made.

Promote a culture of integrity and ethical behavior in KNTC by deterring illegal and unethical conduct. The objective of this Policy is to:

- a) provide employees and other parties dealing with the Corporation with proper procedures in disclosing cases of Improper Conduct.
- b) manage disclosures of Improper Conduct in an appropriate and timely manner;
- c) provide protection to Whistleblowers from Detrimental Action that may result from the disclosure of Improper Conduct; and
- d) provide fair treatment to both the Whistleblower and the alleged wrongdoer when a disclosure of Improper Conduct is made.

This policy describes what a person should do when he/she suspects or observes a breach. Third parties also can report under this procedure, using the provided links on the corporation's corporate website www.kntc.go.ke or the external receivers designated as such in this policy.

The Board of Directors ("the Board") of the corporation is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with the code of conduct & ethics and good corporate governance practices.

This policy is to provide an avenue for all employees of the corporation and the public to disclose any breach in accordance with the procedures as provided for under this policy and to provide protection for employees and members of the public who report such allegations.

The policy is designed to support the following:

- Show the commitment to the corporation's business ethics of honesty, integrity and transparency;
- To provide a transparent and confidential process for all parties to give information on non-compliance to the Code of Ethics and Conduct, or any misconduct regardless of the offender's position, to an independent party to investigate the allegations and take the appropriate actions; and
- To uphold the moral duty as a responsible corporation by protecting the interests of all its stakeholders.

Specifically, the objectives of this policy are to:

- a) Provide for a culture of zero tolerance towards fraud, corruption, bribery and any malpractice or wrongdoing.
- b) Explain what qualifies as a whistle-blow and provide guidelines on how to report a concern.
- c) Encourage stakeholders to bring out information helpful in enforcing good corporate governance practices.
- d) Provide a platform to disclose concerns of malpractices within the corporation.
- e) Mitigate against any fraud, operational or regulatory risk that could lead to potential financial loss or damage to the corporate's reputation.
- f) Reassure and protect those who raise concerns in the public interest, and not maliciously or for personal gain, that they can do so without fear of reprisals or victimization or disciplinary action, for making such a report.

5.0 SCOPE

This Policy applies to all employees and members of the Board of the Corporation.

6.0 REPORTABLE BREACHES

A breach or improper conduct that may be reported under this policy shall not be limited to fraud, theft, corruption, discrimination, or harassment, but can be in regard to disobedience to any other corporation policy or other unethical or behavioral complaints as well. The following are examples of breaches or improper conduct which should be reported under this policy:

TYPE	DESCRIPTION
Fraud	Any intention to deprive another person or the corporation of money by deception or unfair means.
Bribery	The illegal practice of offering something like money or anything of value to another person for the purpose of gaining
Corruption	Dishonest or unethical conduct by a person entrusted with a position of authority so as to acquire personal benefit.
Theft	The unauthorized taking of money, supplies or other property without the permission of the owner.
Financial misstatement	Statements or actions that encourage or result in false or intentionally misleading entries into accounting or financial
Discrimination	Statements or actions of favouritism or disadvantage to another person based on age, race, nationality, ethnicity, gender, disability or faith as the basis for employment, or retention in
Harassment & bullying	Conduct, words or actions, which are habitual, uninvited, degrading, or coercive, offensive, humiliating or intimidating and result in a hostile work environment or domination of
Retaliation or retribution	Statements or actions that are threatening, harassing or discriminating against a whistleblower in connection with reporting a violation of law or policy, filing a complaint or assisting with an investigation or proceeding.

Environmental health & safety	Conduct, actions, policies or practices that either violate any laws on environment, health and safety legislation or which may cause or result in potentially hazardous conditions that impact the environment or the health and safety of employees.
Data privacy breach	The loss of data or unauthorised sharing of the company's confidential information.
Sexual harassment	The subjection by one person of another person to unwelcome and unwanted sexual advances, requests for sexual favours, and other verbal or physical contact of a sexual nature that creates a hostile or offensive environment.
Abuse of power or authority	Improper use of the authority and privileges that arise from the entitlements of a person's job for personal benefits or to the detriment of the corporation or any worker or stakeholder.

7.0 DISCLOSURE OF IMPROPER CONDUCT

An employee, member of the board of the Corporation or third party who becomes aware of an alleged Improper Conduct shall make a disclosure as provided for in the policy.

For the purpose of this policy an Improper Conduct includes:

- a) Criminal offences, unlawful acts, fraud, corruption, bribery and blackmail;
- b) Failure to comply with legal or regulatory obligations;
- c) Misuse of the Corporation's funds or assets;
- d) An act or omission which creates a substantial and specific danger to the lives, health or safety of the employees or the public or the environment;
- e) Unsafe work practices;
- f) Abuse of power by an officer of the Corporation; and
- g) Concealment of any of the above.

The Whistleblower while making a report needs to have a reasonable belief of the occurrence of Improper Conduct.

In order to give the Corporation an opportunity to investigate the alleged Improper

Conduct and to take the necessary internal corrective actions, Whistleblowers are encouraged to lodge a report by providing, to the extent that is possible, the following information: -

- h) Description of the people or parties that are involved in the improper conduct;
- i) Details of the Improper Conduct, including the relevant dates of occurrence;
- j) Particulars of witnesses, if any; and,
- k) Particulars or production of documentary evidence, if any.

A disclosure of Improper Conduct may be made even though the person making the disclosure is not able to identify a particular person to which the disclosure relates to.

8.0 REPORTING BREACHES

A disclosure of Improper Conduct may be made orally in person to the Appointed Officer, in writing via Anonymous whistle-blower's Portal on the KNTC's Website www.kntc.go.ke or electronic e-mail to fichua@kntc.go.ke

- i. A breach or improper conduct on the part of a director or employee of the corporation, may make the report or disclosure of the breach in any of the following ways:
 - a. In writing, duly addressed to either the line manager of the offender by a letter in a sealed envelope specifically marked as "Disclosure under Whistleblower Policy"; or
 - b. By telephone, email, or web portal to the authorized receiver at the address that will be provided by the authorized receiver.
- ii. The whistleblower may be required to provide suitable proof of his/her identity, contact number, address so that additional information, if any, can be obtained.
- iii. In case identity cannot be ascertained, the complaint will be treated as anonymous/ pseudonymous but will nevertheless be investigated to the extent possible unless it is completely impossible to ascertain the key details of the complaint, in which case such an anonymous or pseudonymous complaint may not attract further action.

- iv. Disclosure can also be made to the authorized receiver or the line manager as the case may be, by telephone, email or through the web portal.
- v. The whistleblower shall be required to provide verifiable information such as the background, history and reasons for his/her concern, together with names, dates, places and as much other relevant information as possible. It is not necessary that a whistleblower proves all facts leading to a breach, but he/she should be able to provide sufficient evidence to substantiate the assumption of a breach. Individuals are encouraged to report breaches at the earliest possible stage, in order for timely action to be taken.
- vi. Although it will be preferable to make a report in English, the corporation will support persons reporting a breach in Kiswahili or any other language in which a report or complaint shall have been made.
- vii. Additional information, as deemed necessary, will be sought by the authorized receiver or the Ethics committee.

9.0 REPORTING LEVELS AND PROCEDURES OF MAKING REPORTS

9.1 General

There shall be three (3) levels of handling disclosures under this policy:

- a) Level 1: Where a report is made to the line management;
- b) Level 2: Where a report is made to the authorized receiver;
- c) Level 3: Where a report is made to either the chairperson of the Board or chairperson of the Audit, Risk and Compliance committee.

Every recipient of a reported breach shall ensure that it is handled carefully, confidentially and promptly, irrespective of the level of the report.

If a breach is not reported at the appropriate level, the person receiving the report will forward it to the appropriate level and inform the whistleblower accordingly, where the identity of the whistleblower can be ascertained.

Level 1: Reporting to line management

- (a) As a general rule, employees who wish to report a breach should make the report to their immediate supervisor.

- (b) In case the handling of the report by the immediate supervisor (line management) is unsatisfactory or the decision taken is in itself considered a breach, the whistleblower can make a report as a new case to the authorised receiver under Level 2 below.

Level 2: Reporting directly to the authorized receiver

If reporting to line management is not possible, because it would be inappropriate or unfeasible, or is handled in a manner that itself constitutes a breach or is otherwise improper, the whistleblower shall then be entitled to make the report to the authorized receiver by any of the methods specified in section 8.1(i) (b) of this policy.

Level 3: Reporting to either the chairperson of the Board or chairperson of the Audit committee

If the subject of a report of a breach is either a member of the Ethics committee or an executive director of the corporation, the authorized receiver shall forward the report directly to the chairperson of the Board or;

If the subject of a report of a breach is a non-executive director other than the chairperson of the Board, then the authorized receiver shall submit the report directly to the chairperson of the Board.

If the subject of a report of a breach is the chairperson of the Board, then the authorized receiver shall submit the report directly to the chairperson of the Audit, Risk and Compliance committee.

9.2 Procedure for handling reports

Upon receipt of the report under either Level 1 or Level 2 or Level 3, the line manager or the authorized receiver as the case may be, will take the following actions:

- i. Confirm receipt of the report to the whistleblower.

- ii. If relevant, arrange an interview with or request additional information from the whistleblower to get more details of the complaint.
- iii. Inform the Ethics committee as soon as possible after receipt of a report of a breach.

9.3 Procedure on report of breach by a Board director or Ethics committee member

9.3.1 If the subject of a report of a breach is either a member of the Ethics committee or an executive director, the authorized receiver shall forward the report directly to the chairperson of the Board.

9.3.2 If the subject of a report of a breach is a non-executive Director but not the chairperson of the Board, then the authorized receiver shall submit the report to the chairperson of the Board.

9.3.3 If the subject of a report of a breach is the chairperson of the Board, then the authorized receiver shall submit the report directly to the chairperson of the Audit, Risk and Compliance committee.

9.3.4 Upon receipt of a report the chairperson of the Board shall review the report and may discuss it with any other non-executive director and make a determination within ten (10) days on whether the report is admissible under the criteria listed in section 11.0 of this policy.

9.3.5 Upon making a determination that a report made under section 9.3(i) is admissible, the chairperson of the Board shall constitute an ad-hoc committee of the Board comprising at least two other non-executive directors to investigate the report.

9.3.6 The chairperson of the Board or the chairperson of the Board Audit committee may involve the Ethics committee, the Managing Director and other corporation employees or directors, as well as external advisers or institutions in the investigation as required and as far as they are not the subject of the report themselves.

- 9.3.7 The decision whether a breach has occurred or not shall be taken and communicated to the whistleblower and the interested party within two (2) months after the chairperson of the Board or the chairperson of the Audit committee have arrived at a determination or such other appropriate period as may be necessary.
- 9.3.8 In case of a finding that there has been a breach, the chairperson of the Board or the chairperson of the Audit committee, as the case may be, shall ask the ad-hoc committee to make a recommendation to the Board for its consideration and determination based on the findings of the Investigations.
- 9.3.9 Once a determination on a report has been made the chairperson of the Board, the chairperson of the Audit committee or the chairperson of the Ethics committee, as the case may be, shall inform the whistleblower in writing about the decision taken on the whistleblower's report.
- 9.3.10 Notwithstanding the foregoing, no adverse decision shall be made against any subject of a report under this policy before the subject is given details of the complaint and allowed to make a response to it in writing or any other reasonable manner as the subject shall request.

9.4 Investigation by the Ethics Committee

- 9.4.1 If the Ethics committee determines that the report is admissible, it shall investigate it by itself or through any other departments of the corporation or external organs as it may consider necessary.
- 9.4.2 The Ethics committee shall be entitled to speak to the whistleblower either directly or through the authorised receiver to clarify the information provided or may seek additional information from other persons.
- 9.4.3 The Ethics committee shall, in conducting its investigations, be entitled to all documents and information from the corporation, its subsidiaries, employees or directors, including all of the corporation's departments and organs as it shall consider necessary for that purpose.
- 9.4.4 Upon conclusion of the investigation, the Ethics committee shall consider the

evidence and determine whether a breach has occurred or not.

9.4.5 If the Ethics committee determines that a breach has been established to have been committed by an employee, it shall make a recommendation to the Managing Director based on the corporation's policies and any other applicable laws for execution in accordance with the recommendation.

9.5 The Investigation Report will contain the following: -

- i. The specific allegation(s) of Improper Conduct;
- ii. All relevant information or evidence received and the grounds for accepting or rejecting them. Copies of interview transcripts and any documents obtained during the course of the investigation shall accompany the investigation report; and
- iii. The conclusions and recommendations thereof.

9.6 The MD and the Chair of the board shall act in accordance with recommendations of the investigations report.

9.6.1 The Ethics committee shall simultaneously with its recommendation to the Managing Director inform the whistleblower in writing about its recommendation. This information may be direct or through the authorized receiver.

9.6.2 The Ethics committee shall inform the whistleblower accordingly if the investigation of the report takes more than one (1) month and give a written indication of how long it may take to provide a final response.

9.6.3 Providing false information, refusal to give information and, or, withholding relevant information from the Ethics committee will be regarded as gross misconduct on the part of an employee or any other involved party.

9.6.4 The periods mentioned in this policy start on the day following the date on which the report is received at the appropriate reporting level, unless otherwise indicated.

9.7 Information to subject of a report

- i. The Ethics committee may, through the Head of Human Resources or the Managing Director in the case of an employee, inform the subject of a report under this policy of such report having been made.
- ii. If the subject of a report is a director of the Board, then the Board

chairperson or the chairperson of the Audit committee shall inform the subject of a report under this policy of such report having been made.

- iii. In cases where there is a substantial risk that such notification would jeopardize the ability to effectively investigate the reported facts or to gather the necessary evidence, notification to the person about whom a report is filed can be withheld as long as such risks exist.
- iv. The information given to the subject of the report will contain the facts of the breach as reported.
- v. The subject of a report of breach under this policy will be given the opportunity to provide an explanation, without the name of the person who reported the breach being disclosed to him/her.
- vi. The subject of the report shall be entitled to and may request access to his/her personal data held by the corporation through the chairperson of the Ethics committee in the case of an employee or the board chairperson or the chairperson of the Audit committee, as the case may be.
- vii. As soon as the investigation has been concluded, the subject of the report will be informed of any action to be taken as a result of the report. If the person about whom a report was filed is informed that no action will be taken, any suspension or temporary measure that had been imposed on him/her will automatically terminate and cease to be of effect.
- viii. The subject shall have the right to have incorrect, incomplete and outdated data corrected or removed in accordance with the rights available under the Constitution, The Data Protection Act and the Fair Administrative Action Act respectively.
- ix. The Director will communicate the decision on the next course of action after investigations to the designated officer for feedback to the whistle blower.
- x. If the whistle blower is not satisfied with action(s) taken, and feels that the matter should be referred outside KNTC, the following are the suggested offices:
 - a. Commission for Administration of Justice.
 - b. The Kenya Police Service (Department of Criminal Investigation).
 - c. The Auditor General.
 - d. A relevant professional or regulatory body.

- e. Efficiency Monitoring Unit (EMU).
- f. Ethics and Anti-Corruption Commission (EACC).
- g. Public Procurement Regulatory Authority (PPRA)
- h. Other relevant bodies recognized under the laws of Kenya.

10. PROTECTION OF THE WHISTLEBLOWER

- i) Any whistleblower who reports a situation or occurrence which he/she reasonably believes is a breach under this policy shall be protected from blame, harassment or undue questioning.
- ii) Retaliation against a whistleblower for reporting in accordance with this policy is a serious violation of the policy itself. If this occurs, the violator will be subject to appropriate disciplinary sanctions.
- iii) Any such retaliation shall be reported to the authorized receiver, the chairperson of the Board or the chairperson of the Audit committee at once as a breach in itself.
- iv) The corporation, the authorized receiver and/or the Ethics committee as appropriate shall assure the whistleblower that he/she will not be expected to get involved in the investigations after providing the disclosure information.
- v) Upon making a disclosure in good faith, based on reasonable grounds and in accordance with and pursuant to this Policy:
 - a) The Whistleblower shall be protected from any Detrimental Action within the Corporation as a direct consequence of the disclosure; and
 - b) The Whistleblower's identity and such other Confidential Information of the Whistleblower shall not be disclosed.
- vi) The protection against Detrimental Action is extended to any person related to or associated with the Whistleblower.
- vii) Whistleblower may lodge a complaint to the Corporation of any Detrimental Action committed against the Whistleblower or any person related to or associated with the Whistleblower, by any employee of the Corporation.

- viii) The Whistleblower protection conferred under this Policy is not limited or affected notwithstanding that the disclosure of the Improper Conduct does not result in any disciplinary action of the person against whom the disclosure was made.

11.0 Admissibility of report

A report by the whistleblower shall only be deemed to be admissible if:

- a) It clearly specifies and relates to a breach; and
- b) It is sufficiently substantiated.

12.0 Confidentiality

Reasonable steps will be taken to maintain the confidentiality of the whistleblower's Confidential Information.

- i. The corporation would prefer to avoid anonymous reports, as it can make investigating allegations very difficult. However, if a person feels there is no other way than filing an anonymous report and applicable local law allows for it, the corporation will take appropriate protective action.
- ii. In recognition that a whistleblower may require anonymity, all whistleblower reports shall be handled confidentially and whistleblowers shall also be expected to observe absolute confidentiality.
- iii. Under circumstances, when maintaining someone's privacy hinders finding the truth, the corporation may not be able to guarantee full confidentiality for the whistleblower such as where the breach may require to be reported to the police for further action.

13.0 Composition of Ethics Committee

- i. The Ethics committee shall consist of the following persons, each of whom shall be a full - time employee of the Corporation and is well respected for integrity, independence and fairness:
 - a. General Manager, Corporate Services;
 - b. The Head of Legal;
 - c. The Head of Supplies Chain Management & Logistics;

- d. The Head of Human Resources & Administration;
 - e. The Head Finance & Accounts;
 - f. The Head of Strategy, Risk and Compliance;
 - g. The Head of Sales & Marketing;
 - h. The Head of Internal Audit on invitation; and
 - i. Any other person as the committee may consider necessary to discharge its functions under this policy;
- ii. The Ethics committee shall appoint a chairperson from among its members whose primary function shall be to preside during the conduct of the committee's functions.
 - iii. A member of the Ethics committee, who is the subject of a whistleblower's report shall not attend or participate in the proceedings of the committee until the report of breach against such member is conclusively resolved.

10.0 GUIDING PRINCIPLES

The following shall be the guiding Principles of this Policy:

- a) **General duty to disclose:** All employees and stakeholders of KNTC have a responsibility to disclose all forms of malpractice and wrongdoing.
- b) **Confidentiality:** KNTC shall uphold utmost confidentiality in all matters relating to a disclosure.
- c) **Natural Justice:** The principle of natural justice (procedural fairness) will apply to the entire whistleblowing process.
- d) **Protection:** The rights of any person who is associated with a disclosure will be safeguarded.
- e) **Good faith:** Due care, honesty and trust shall guide the implementation of this policy.
- f) **Good governance:** The policy will underpin integrity, transparency, accountability, human rights and non-discrimination.

11.0 COMMITMENT BY KNTC

KNTC will ensure:

- a) the highest possible standards of openness, probity and accountability;
- b) that concerns raised are treated fairly, confidentially and procedurally;
- c) that the whistle blower is not subjected to any form of harassment or victimization;
- d) that the employees and other stakeholders are sensitized and that the policy is effectively implemented;
- e) that the whistle blower remains anonymous unless he or she agrees otherwise;
- f) that all communication and substance of any investigation undertaken remains absolutely confidential; and
- g) that appropriate action is taken in respect to the disclosure.

12.0 SCOPE OF THIS POLICY

The policy shall apply especially when the whistle blower feels unable to report the concern through the usual established channels. It shall cover KNTC internal and external whistle blowers and shall therefore apply to:

- a) All employees and former employees.
- b) KNTC suppliers and their agents including those under a contract or agreement.
- c) Other stakeholders.

The policy covers areas of concern that have the potential to impact negatively on KNTC's operations and image. These include inter alia actions that:

- a) Contravene the KNTC Anti-corruption Policy and Code of Conduct and Ethics.
- b) May lead to incorrect financial reporting, financial fraud or procurement misconduct.
- c) Are unlawful in nature such as collusion of employees with a service provider which leads to losses to KNTC.
- d) Are not consistent with KNTC's policies, regulations, procedures and practices.
- e) Amount to misconduct or are harmful to the reputation of KNTC.
- f) Amount to harassment or discrimination based on such considerations as race, tribe, gender, disability and religion.
- g) Are in violation of the Constitution of Kenya (2010) and any other laws.

- a) The Director will communicate the decision on the next course of action after investigations to the designated officer for feedback to the whistle blower.
- b) If the whistle blower is not satisfied with action(s) taken, and feels that the matter should be referred outside KNTC, the following are the suggested offices:
 - i) Commission for Administration of Justice.
 - ii) The Kenya Police Service (Criminal Investigation Department).
 - iii) The Auditor General.
 - iv) A relevant professional or regulatory body.
 - v) Efficiency Monitoring Unit (EMU).
 - vi) Ethics and Anti-Corruption Commission (EACC).
 - vii) Public Procurement Regulatory Authority (PPRA)
 - viii) Other relevant bodies recognized under the laws of Kenya.

13.0 ROLE AND RESPONSIBILITIES

13.1 ROLE OF ALL STAFF AND STAKEHOLDERS

- a) Report to a designated officer, as outlined in this policy, any form of malpractice which is detrimental to KNTC.
- b) Raise concerns in good faith that a malpractice has occurred.
- c) Adhere to the guiding principles as outlined in this policy.
- d) Familiarize, facilitate and support the implementation of this policy.

13.2 ROLE OF PERSON RECEIVING THE CONCERNS (DESIGNATED OFFICER)

The concerns will be reported to a person appointed as a designated officer as provided in below. The designated officer will:

- a) handle the concerns received in a confidential manner;
- b) record the concerns in a confidential Disclosure Register;
- c) forward the disclosure to the Managing Director under confidential cover;
- d) keep the whistle blower informed of the progress of the disclosure; and
- e) assure the whistle blower that they will be protected.

13.3 ROLE OF THE MANAGING DIRECTOR

- a) Appointment of designated officer(s).
- b) Ensure KNTC maintains and updates the Disclosure Register.
- c) Acknowledge receipt of the disclosure to the designated officer.
- d) Assess the disclosure to establish if it merits investigation.
- e) Ensure timely and effective investigation on the disclosures.
- f) Ensure the designated officer receives the progress reports.
- g) Ensure that individuals who report genuine concerns are encouraged and not penalized in any way.
- h) Take appropriate action to resolve the concern(s).

13.4 ROLE OF INTERNAL AUDIT UNIT

The Manager Internal Audit shall assist in the implementation of this policy.

13.5 ROLE OF THE AUDIT COMMITTEE OF KNTC BOARD

If an investigation, including a preliminary report if any, leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall direct KNTC management to take such disciplinary actions as per the existing Human Resource policies.

14.0 RIGHTS OF A WHISTLE BLOWER

The Corporation will enforce the rights of any employee or stakeholder of KNTC in line with this policy. A whistle bower shall under this policy enjoy the following rights:

- a) Right to protection from any form of harassment, stigmatization, victimization, threats or any retaliatory action.
- b) Right to anonymity through availability of anonymous reporting mechanisms if the person so wishes.
- c) Right to receiving feedback on actions being taken in response to the disclosure.
- d) Right to escalate his or her concerns with bodies or institutions outside KNTC in the event that they are dissatisfied with the internal mechanisms.
- e) Right to be treated fairly and properly.

- f) Right to protection from sanctions/ punishment for an honest error in reporting.

The rights above do not in any way diminish the rights enjoyed under the following Kenyan legislations:

- a) Anti-Corruption and Economic Crimes Act, 2003.
- b) Witness Protection Act 2006
- c) The Employment Act 2007
- d) Bribery Act 2016
- e) Witness Protection (Amendment) Act 2016
- f) Witness Protection Rules, 2015
- g) Witness Protection Regulation, 2011 (Revised 2016)
- h) Data Protection Act 2019
- i) Bribery Act Regulations 2021

15.0 THE DESIGNATED OFFICERS

The internal officers to whom disclosures may be made include: -

- a) Board of Directors Chairperson.
- b) Chair Person, Board Audit Committee.
- c) Managing Director.
- d) Manager Internal Audit.

16.0 DISCLOSURE METHODS

Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Kiswahili or in the regional language of the place of the Whistle Blower. The Protected Disclosure should be forwarded under a covering letter which shall preferably bear the identity of the Whistle Blower. The Director can initiate an investigation independently at his own discretion even on anonymous disclosures. The whistle blower is encouraged to provide the following information:

- a) The nature of the concern and where possible reasons why the whistle blower believes the concern is true.
- b) The background and history of the concern giving relevant dates, figures and identity of persons involved.
- c) Documentary evidence, where available, in support of the allegations. He /she will not however be under duty to prove the suspicion(s).

17.0 IMPLEMENTATION

- a) The policy will be implemented under the general direction of the Director.
- b) There will be a commitment from the Board of Directors of the Corporation to support implementation of the policy.
- c) Budgetary provisions will be made for resources required to facilitate the implementation of the policy.
- d) The Director shall ensure that all employees are sensitized on the requirements of this policy.
- e) The policy will henceforth form an integral component of induction to new staff joining KNTC service.
- f) An approved copy of the policy will be posted on the website for ease of access by stakeholders.
- g) Monitoring of the implementation of the policy will be conducted on a continuous basis while evaluation will be done annually for continuous improvements by a committee appointed by the Managing Director.

18.0 RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by KNTC for a minimum period of seven (7) years.

19.0 REVIEWS

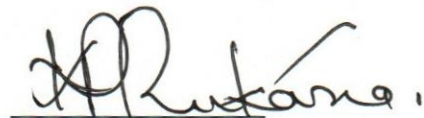
KNTC reserves the right to amend or modify this Policy in whole or in part, within a period not exceeding three years with the approval of the Board of Directors.

20.0 IMPLEMENTATION AUTHORITY

This policy is approved by the KNTC Board of Directors for implementation and the Director shall monitor its implementation.

21.0 APPROVAL AND EFFECTIVE DATE

Approved by the Board on 2nd Day of Feb 20 23

A handwritten signature in black ink, appearing to read 'Paul Rukaria', is written over a horizontal line.

Capt. Paul Rukaria

CHAIRMAN

KNTC BOARD OF DIRECTORS

