

Crown Paints Limited

Whistleblowing Policy

FOR INTERNAL USE ONLY

Crown Paints Limited

Policy Owner: **Group Audit Manager**

Date: 20th Dec 2020

Document Change History

Policy version control			
Amendment Number	Date	Approved by	Description of change
1.0	20 th Dec 2020	George Okwach	Policy Developed & Approved
2.0			

Document Location

After sign-off, this document will be published on the intranet under *Company Policies*.

1 Preamble

Crown Paints Limited, its subsidiaries, affiliates and constituent companies (together referred to as "Crown Paints") are committed to ensuring exceptional business standards by observing integrity, diligence and responsibility in the company's activities and operations. This Whistleblowing Policy is intended to play an important part in ensuring that Crown Paints promotes a culture of transparency and accountability in all its business operations.

This policy is one of several policies that touches on ethical conduct at Crown Paints, and should be read together with the following company policies:

- Human Resources Manual; and
- Any other policy provisions relating to ethics and compliance.

To the extent of any conflict between the provisions of this policy and any whistle blowing provisions set out in the Human Resources Manual, the provisions of this policy shall prevail but only to the extent of such conflict.

2 Definitions

Whistleblowing – The act of a stakeholder reporting alleged unethical matters to the appropriate authority for action.

Whistleblowing disclosure – Any report made on suspected irregularity of an ethical nature. Such irregularities include fraud, corruption, sexual harassment, conflicts of interest, nepotism, undeclared personal relationships, misuse of organizational resources and deliberate violation of organizational policies and procedures, by any individual within Crown Paints.

Stakeholders – Internal and external stakeholders at Crown Paints, including any independent non-executive directors. Such stakeholders include employees at all levels, all subcontractors, customers and service vendors.

Service provider – This refers to the independent external service provider(s) appointed by Crown Paints to provide the technical channels through which whistleblowing disclosures can be made.

3 Scope of the Policy

This policy applies to Crown Paints and all subsidiaries, branches and business units.

Even though the policies and procedures at the business unit or subsidiary levels reflect the legislation and regulations of the host jurisdiction, they must still be consistent with and supportive of Crown Paints' broader policies and procedures.

In cases where the host jurisdiction requirements are stricter than the parent company's policy, the relevant branch or subsidiary shall adopt and implement the host jurisdiction local requirements.

This Policy shall be read and interpreted alongside the organization's other policies as outlined under point 1 above.

This policy will apply to all internal and external stakeholders of Crown Paints including any independent non-executive directors. Such stakeholders include employees at all levels, all subcontractors, customers and service vendors.

This whistleblowing policy aims to create an environment where stakeholders, are able to raise concerns relating to misconduct, irregularities or malpractices, without fear of harassment and/or victimization, and with an assurance that their concerns will be taken seriously and action taken for the benefit of Crown Paints.

Employees and all other stakeholders are encouraged to report incidences of misconduct (involving their peers/colleagues, supervisors or even top management) in circumstances where ordinary reporting channels are not considered to be effective or appropriate. Such reports should as far as possible be based on personal knowledge/experience of circumstances around the alleged irregularity or misconduct.

All employees are protected from victimization, harassment or disciplinary action as a result of any disclosure, provided such disclosure is made in good faith.

In making a disclosure through whistleblowing, the individual should exercise due care in reporting his/her concerns.

If an individual makes malicious allegations, and particularly if s/he persists in making such allegations and is identified as such, then the said individual will be subjected to disciplinary action as a result of his/her actions.

Any amendments to this policy shall be made in writing and approved in line with the approval structure at Crown Paints.

This policy is effective from (date) 20th Dec 2020

4 Objectives of the policy

The key overall objective of this policy is to provide a safe environment for communication of any ethical concerns in a structured manner.

Specific aims and objectives of this whistleblowing policy are to:

- a. Set out Crown Paints' written, formal whistleblowing policy, consisting of effective procedures for disclosure of suspected irregularities so that appropriate remedial action can be taken if the disclosures are substantiated;
- b. Encourage stakeholders to report unethical or illegal conduct involving employees, management, directors and other Crown Paints' stakeholders; in a confidential manner and without any fear of harassment, intimidation, victimization or reprisal;
- c. Encourage timely reporting of suspected irregularities;
- d. Provide a means for discreet escalation of concerns and a confidential channel for communication of sensitive information;
- e. Ensure consistent and timely response by Crown Paints to reported issues;
- f. Enhance awareness of whistleblowing options/rights;
- g. Ensure appropriate oversight by Crown Paints' Board of Directors;

- h. Serve as a means of formal deterrence against irregularities, malpractice and misconduct;
- i. Protect the rights of Crown Paints and those of its stakeholders by providing an effective channel to communicate any threats to organizational assets and good governance; and
- j. Promote the development of a culture of openness, accountability and integrity.

5 Reporting whistleblowing disclosures

The policy aims at providing a platform for employees to report suspected irregularities for further investigation and action.

It is the duty of any stakeholder, having a reasonable suspicion of the existence of irregularity, to report such suspicion to Crown Paints, whether through the whistleblowing service or by other formal means.

Reportable suspected irregularities include, but are not limited to the following:

- a. All forms of financial malpractice or impropriety such as fraud, corruption, bribery, theft and conflict of interest;
- b. Actions detrimental to the provisions set out in the Human Resources Manual;
- c. Any form of criminal activity;
- d. Improper conduct or unethical behaviour that undermines ethical values of Crown Paints such as integrity, respect, honesty, accountability and fairness.
- e. Failure to comply with regulatory directives, administrative or internal policies;
- f. Failure to comply with legal obligations or statutes;
- g. Other forms of corporate governance breaches;
- h. Sexual or physical abuse and harassment of any individuals – employees, customers, employment applicants, service providers and other relevant stakeholders; and
- i. Any attempt to conceal any of the above listed acts or interfere with the whistleblowing process.

Stakeholders are encouraged to restrict their disclosures to ethical concerns as described above. Any other issues not of an ethical nature should be reported through other channels.

In case evidence exists or can be obtained without compromising the safety and security of the persons subject to or witnessing such occurrences, this evidence should be provided as part of the whistleblowing disclosure as well.

The whistleblowing service shall be structured to ensure that as far as possible, any disclosures made are not brought to the attention of the persons suspected of involvement before they are investigated and substantiated. This principle shall be applied for any disclosure made against any individual at any level within Crown Paints, including at Board level.

6 Commitment to the policy

Crown Paints is committed to the highest standards of ethics, honesty, openness and accountability. In line with this commitment and in order to enhance good governance, transparency and safeguard the integrity of Crown Paints, the organization will ensure the constant availability of a whistleblowing mechanism and periodically confirm operation of the same to all stakeholders.

This whistleblowing policy is intended to provide the following:

- a. An avenue for raising and reporting all acts related to any illegal or unethical behaviour such as fraud, corruption and other misconduct;
- b. Assurance that those who disclose information will be adequately protected, and that action will be taken on the reported incidents; and
- c. In case the reports are substantiated during an investigation, the accused will be given a fair hearing.

Crown Paints' Board of Directors and management are committed to promoting a culture of openness, accountability and integrity, and will not tolerate harassment, victimization or discrimination against whistleblowers. Crown Paints encourages any disclosures to be made in good faith with reasonable belief that what is being reported is true.

If an allegation is made in good faith but not substantiated during a subsequent investigation, no action will be taken against the person concerned.

Therefore, whistleblowing service users are encouraged to raise legitimate concerns without fear, and are assured that such concerns will be adequately addressed.

This whistleblowing policy is fundamental to the organization's professional integrity and reinforces the value placed on stakeholders to be honest and act with integrity.

Whereas the whistleblower can confidently report any concerns while remaining anonymous, Crown Paints encourages disclosure of the whistleblower's identity; with the assurance that such identity will be protected at all stages in any internal matter, except with the consent of the individual or where necessitated by circumstances – for example, if external legal action flows from the disclosure and the employee's evidence is required in a Court of law.

7 Who should blow the whistle?

Any individual who has observed reportable misconduct can report his / her concerns to appropriate authority as prescribed by this policy provided such disclosure is made in good faith and is reasonable.

All members of staff should ensure that appropriate steps are taken to disclose any wrongdoing or malpractice which they become aware of, as inaction/concealment may be deemed to constitute complicity.

The disclosure should be made to an appropriate authority.

7.1 Types of Whistleblowers

There are two categories of whistleblowers:

- a. Internal whistleblowers – Employees, interns, managers and non-executive directors, who can report incidents of misconduct involving colleagues and superiors/subordinates.

- b. External whistleblowers – Customers, employment applicants, service providers, and other members of the public who can report wrongdoings of employees, management or Board members.

8 Whistleblowing reporting procedures

This whistleblowing policy provides a mechanism for reporting any misconduct or malpractice at work and reassurance that exposing wrongdoing shall not pose any risk to the whistleblower.

The whistleblower should strive to make their disclosure based on the scope of the whistleblowing policy in order to ensure that the authority receiving the report conducts the investigation within the ambit of the policy and more importantly, protect the identity of the whistleblower if required.

A whistleblower may raise concerns either by declaration or anonymously through any of the following channels (options are dependent on country):

- a. Formal email to the dedicated email address;
- b. Call to the dedicated phone number (toll free in-country and available 24 hours for calls in English);
- c. Send a text message to the indicated short message service (SMS) number;
- d. Send a WhatsApp text message to the indicated service number;
- e. Chat through the designated online chat facility; or
- f. Electronically log into the designated web portal and make the report.

Changes to any of the channels detailed above shall be promptly communicated to all stakeholders through the approved channels after which the policy will be amended accordingly.

Once a report is received by Crown Paints, an investigation by either internal or external personnel shall be undertaken so that appropriate action can be taken against any persons identified to have been involved.

8.1 Reporting considerations for whistleblowers

The concern(s) reported should cover the following areas:

- a. Background of the disclosure (with relevant dates);
- b. Nature of the exception and role(s) of the person(s) involved. The reported matter should show past, present or likely future wrongdoing highlighted in Section **Error! Reference source not found.** above; and
- c. Supporting evidence for the allegations, if available, that would be helpful in the investigation process.

The above aspects will assist Crown Paints to evaluate the veracity of the complaint and quickly act upon genuine concerns.

8.2 Investigation process following receipt of reported whistleblowing complaint

Crown Paints shall, where possible and within a reasonable period (not exceeding five business days), following receipt of a disclosure from a whistleblower:

- a. Acknowledge receipt of the issue(s) raised; and
- b. Commence an investigation into the complaint including assessing whether the concerns fall within the scope of whistleblowing.

All reported disclosures shall remain allegations once received; and will be investigated. The purpose of an investigation following receipt of a whistleblowing report will be to:

- a. Establish whether a wrongdoing occurred based on the concern(s) raised, and if so, the extent of such wrongdoing; and
- b. To minimise the risk of further wrongdoing, prevent any further loss of assets, secure evidence and limit damage to the reputation of Crown Paints.

Upon conclusion of the investigation, a detailed report will be submitted to the appropriate authority within Crown Paints for appropriate action in line with the approved policies. The reported matters will also ultimately be brought to the attention of the Board Audit, Risk & Compliance Committee.

Where possible, the whistleblowing authority will keep the whistleblower informed on the progress of the investigation, this being within the constraints of maintaining confidentiality or observing legal limitations. The whistleblower is also at liberty to make follow ups with the whistleblowing authority on the status of any disclosures made, as well as provide additional information as appropriate.

If dissatisfied with the outcome of the investigation, a whistleblower may have recourse to the Management. This aspect should consider the position of Crown Paints having initiated an investigation that has considered:

- a. Whether the matter falls within the scope of whistleblowing (it may not);
- b. Whether there is evidence of irregularity (there may not be sufficient evidence); and
- c. The action to take following conclusion of the investigation (the circumstances of the matter may be explained sufficiently during the investigation).

Furthermore, the whistleblowing hotline agency shall periodically submit a summary of reported disclosures to the Board, for evaluation. The Board has the mandate of overall supervision of Crown Paints and may at its own discretion provide feedback to a whistleblower on the progress/result of an investigation. Such feedback would include re-emphasizing to the whistleblower that additional information about the complaint is required or helpful in concluding the matter.

8.3 Reduction of disclosures into writing

All disclosures received through the whistleblowing mechanism shall be documented in writing and relayed to the appropriate person at Crown Paints.

8.4 Protection against victimization

All matters reported shall be considered to be allegations until an investigation provides information that can be acted upon. Disclosures made in good faith shall not result in any action against the whistleblower in case the allegations are not proven.

An employee shall not be victimized or suffer any detriment as a result of raising a whistleblowing concern. Subjecting any member of staff to any form of detriment because of a protected disclosure, amounts to gross misconduct and will result in disciplinary action as prescribed under the Human Resources Manual.

If an employee experiences any act of harassment or victimization, he/she should report the issue via the channels indicated under point 8 above.

While protection is provided under this policy, deliberate, false or malicious allegations will also amount to gross misconduct. Anyone making such allegations will also be subject to disciplinary action according to the Human Resources Manual, which could lead to dismissal.

8.5 Confidentiality

The whistleblowing service provider shall where possible provide options to whistleblowers to remain anonymous when making disclosures and shall not disclose the identity of whistleblowers to Crown Paints, except where compelled to do so for legal reasons, or where the whistleblower agrees that their identity should be disclosed.

Whereas whistleblowers are encouraged to provide their details for further engagement/discussion, Crown Paints appreciates the right of whistleblowers to remain anonymous and emphasizes the need for reporting in good faith.

9 Protection/compensation for whistleblowers

Crown Paints acknowledges the obligation to adequately protect whistleblowers. Therefore, reprisals will not be tolerated against any whistleblower who in good faith reports a concern about illegal or unethical conduct.

Crown Paints is also committed to maintaining confidentiality and commits to ensuring that all reports are subject to appropriate investigation and conclusion through an efficient process.

Whistleblowers, whether internal or external, may be rewarded depending on the gravity of the case. Compensation may also be provided to whistleblowers who may have suffered loss due to the reported matter. This will however be at the discretion of the Board/Board Committee/Chief Executive Officer.

10 Reporting to the Board of Directors

Crown Paints shall designate (a) senior member(s) of management to centrally receive whistleblowing reports and act upon the same. Crown Paints management shall render regular reports to the Board on all issues concerning whistleblowing and subsequent investigations.

10.1 Reports to Board Audit, Risk & Compliance Committee

The Board Audit, Risk and Compliance committee shall evaluate the progress reported and the progress/results of investigations on a regular basis (at least quarterly).

11 Whistleblowing reporting channel/flow chart

The Group Audit Manager, as the policy owner, shall review regulatory standards, industry best practices and effectiveness of the reporting channels and investigation procedures to determine whether any changes to the policy are required, and recommend updates to the policy accordingly. This policy will be reviewed annually.

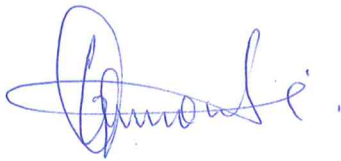
12 Information to be maintained by whistleblowing service provider

The following records shall be maintained by the whistleblowing service provider during the duration of the service:

- Details of the number of whistleblowing disclosures received and their nature; and
- Records detailing the date and content of feedback provided to whistleblowers.

The above records shall be available to the person designated as described in Section 9 of this policy; or a more senior authority within Crown Paints, assessed based on the sensitivity of this information.

For Crown Paints K. Plc



George Okwach

Group Audit Manager



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