



Policy Document



Sanlam

Sanlam Kenya Plc.

Whistleblowing Policy

Version 1

Life Insurance

General Insurance

Investments



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Glossary of acronyms and abbreviations

CEO	Chief Executive Officer
IRA	Insurance Regulatory Authority
The Act	Insurance Act (Cap 487)
Sanlam Kenya	Sanlam Kenya PLC.
Subsidiaries	Collectively, Sanlam Life Insurance Limited, Sanlam General Insurance Limited and Sanlam Securities Limited
Sanlam Kenya Group	Sanlam Kenya PLC. and Subsidiaries



1. Document history

1.1 Revision history

Doc version	Revision date	Summary of changes	Author/ reviewer
V1	1 Nov 2018	Policy creation	Edwin/ Emmah

1.2 Approvals

This document requires the following approvals:

Doc version	Approver	Approval signatures/ evidence	Approval date
V1	Chair	Board audit, actuarial, risk and compliance committee	



2. Introduction

A whistleblower is an individual who alerts, via the appropriate channels, Sanlam Kenya Group to serious malpractice or actions that endanger Sanlam's employees, assets or brand.

Sanlam Kenya PLC. ("Sanlam Kenya") is listed in the Nairobi Securities Exchange and regulated by the Capital Markets Authority. Sanlam Kenya controls four subsidiaries namely Sanlam Life Insurance Limited, Sanlam General Insurance Limited, Sanlam Investments Limited and Sanlam Securities Limited (collectively referred to as the "Subsidiaries"). Sanlam Kenya and Subsidiaries (hereafter referred to as "the Sanlam Kenya Group") are part of Sanlam Emerging Markets (SEM) group of companies.

As a subsidiary in the Sanlam Group, the Sanlam Emerging Markets (SEM) Cluster conforms to and applies the Sanlam Group policies and standards. SEM developed minimum standards and guidelines (which are aligned to the Sanlam Governance Framework) for key areas of governance including risk management. Sanlam Kenya being a subsidiary of SEM, conforms to and applies the minimum standards and guidelines developed by SEM.

The Sanlam Kenya Group is subject to myriad laws and regulations, covering labour, environmental protection, financial reporting, anti-corruption, product liability, consumer protection, fraud and other forms of crime. Our leadership cannot be everywhere to ensure that all laws and regulations are being upheld, and must therefore rely on employees and stakeholders to speak up if they witness conduct that could expose the Sanlam brand to liability. Early detection gives us the opportunity to address wrongful conduct before a situation escalates to trigger liability. It also provides an opportunity to voluntarily self-report to relevant regulatory agencies, before an agency initiates action and reaches an adverse conclusion because we failed to act.

This policy provides for an anonymous, third-party hotline service. Through this policy, the Sanlam Kenya Group will operate a hotline, via phone, email and anonymous online reporting. This acts as an independent resource that our employees, partners and the public can rely on to discuss confidential concerns. The process protects the individual reporter, as well as the information, ensuring it reaches the necessary level so any matter can be resolved promptly, safely and securely.

2.1 Policy statement

It is the policy of the Sanlam Kenya Group to encourage reporting of improper action taken by Sanlam employee(s) and to protect Sanlam employees who have reported improper actions in accordance with this policy. The whistleblower report should demonstrate that the employee/officer/director of Sanlam took action that:

- ⦿ Is in violation of ethical standards, any Kenyan law or Sanlam's rules;
- ⦿ Not in furtherance of the objectives of the Sanlam Kenya Group;
- ⦿ Is an abuser of authority with substantial adverse impact to Sanlam's reputation and/ or public interest;
- ⦿ Is a substantial and specific danger to health and safety; or
- ⦿ Is a gross waste of funds.

2.2 Applicability of this policy

This policy applies to the Sanlam Kenya Group which comprises:

- ⦿ Sanlam Kenya PLC
- ⦿ Sanlam Life Insurance Limited
- ⦿ Sanlam General Insurance Limited
- ⦿ Sanlam Securities Limited

2.3 Benefits of this policy

- ⦿ Signal of commitment to integrity and social responsibility
- ⦿ Prevention and mitigation of liability
- ⦿ Prevention or mitigation of financial losses



- ④ Continuous improvement in compliance and risk management
- ④ Strong reputation
- ④ Enhancement of the Sanlam Way
- ④ Maintain a culture of transparency and openness

2.4 Key risks controlled by this policy

The risk arises where employees are unable to disclose genuine suspicions of serious malpractice without fear of retribution or detriment within the Sanlam Kenya Group. This includes:

- ④ Employees who do not disclose actual or suspected malpractice because of fear of potential detriment;
- ④ Employees who are not protected from potential detriment when they whistleblow in good faith; or
- ④ Concerns disclosed by employees and other third parties which are not addressed effectively or investigated properly, leading to regulatory and/or legal risk and potential for financial loss and/or brand damage.

2.5 Sanlam Code of Conduct

The directors, officers and employees of Sanlam Kenya Plc., Sanlam Life Insurance Limited, Sanlam General Insurance Limited and Sanlam Securities Limited are expected to adhere to high standards of ethical conduct. The Sanlam Kenya Group has a comprehensive code of conduct which all directors, officers and employees are expected to adhere to. This policy summarizes the key areas of commitment as:

- ④ Service and responsiveness to the Customer.
- ④ Workplace conduct.
- ④ Maintaining confidentiality and security.
- ④ Respecting company resources and property.
- ④ Avoiding conflicts of interest.
- ④ Obeying the law and regulations.



3. Purpose and Scope

The Sanlam Kenya Group is committed to ethical and fair business conduct. Whistleblowing is a critical component in ensuring this commitment is upheld.

This policy is intended to encourage employees, customers, service providers and other stakeholders to report suspected/actual occurrence of unethical, inappropriate or illegal practices and give them the assurance that they will be free from retribution.

This policy establishes and safeguards the whistleblowing mechanisms for the Sanlam Kenya Group. These mechanisms consist of policies and procedures that proactively encourage employees – as well as third parties such as suppliers, service providers and customers – to raise concerns internally about potential or actual misconduct. Misconduct includes but is not limited to bribery, fraud, environmental abuse, health and safety violations, discrimination, harassment, conflicts of interest and misappropriation of corporate assets.

The whistleblowing mechanisms protect any person raising such concerns from retaliation and guide the timely response to prevent or mitigate any harm to the Sanlam brand and to the public.

This policy also provides for:

3.1 Investigation of serious malpractice

Serious malpractice is defined as behavior being committed or likely to be committed, including:

- ⦿ A criminal offence;
- ⦿ Breach of any legal obligation;
- ⦿ Endangering health and safety;
- ⦿ Unethical practice in accounting, internal accounting controls, financial reporting and auditing matters;
- ⦿ Conduct contrary to Sanlam's ethical principles and values; and/ or
- ⦿ The cover up of any of the above

3.2 Confidentiality of whistleblowers

Confidentiality is where the whistleblower's name is known but will not be disclosed without their consent, unless required by law.

3.3 Anonymity of whistleblowers

Anonymity is where the whistleblower does not identify themselves at any stage to anyone.

3.4 No victimisation

No member of staff will be disadvantaged by whistleblowing, even if the report turns out to be untrue. However, remember that no report should be made maliciously, and must be made in good faith.



4. Roles and responsibilities

It is the responsibility of all directors, officers and employees to comply with the code of conduct and to report violations in accordance with this whistleblower policy. Under this policy, it is a disciplinary issue for an employee to know of ethical misconduct and stay silent. The table below summarises specific responsibilities of stakeholders:

Position	Responsibilities
Board	<ul style="list-style-type: none">⊗ To have oversight of this policy and receive reports from senior management on the effective implementation and operation of whistleblower arrangements.⊗ To ensure sufficient resources are allocated to run the whistleblower programme.
Group Chief Executive Officer	<ul style="list-style-type: none">⊗ To ensure adequate resourcing for the efficient and effective running of the whistleblower arrangements.⊗ To receive annual confirmations from each manager who has been allocated whistleblower responsibilities.⊗ Receive reports from Group Head of Legal and ensure that all reported cases are treated fairly, and in accordance with this policy.
Chief Executive Officers of business units	<ul style="list-style-type: none">⊗ To ensure adequate resourcing for the efficient and effective running of the whistleblower arrangements within their business units.⊗ To receive annual confirmations from each manager who has been allocated whistleblower responsibilities, and ensure these are submitted to the GCEO.
Group Head of Legal	<ul style="list-style-type: none">⊗ Where appropriate (for example where criminal behaviour and/ or regulatory breaches have been identified), whistleblowing events must be reported to local law enforcement, regulatory bodies or government agencies except where this is impractical or unsafe.⊗ Ensure Sanlam Kenya Group cooperates fully with law enforcement and regulators locally within the bounds of Kenyan legislation.
Risk	<ul style="list-style-type: none">⊗ To periodically review the whistleblower arrangements and give recommendations on any components that need changes.
Compliance	<ul style="list-style-type: none">⊗ To periodically assess compliance with this policy and report to the Board.⊗ To flag any non-compliance issues and monitor the action plans for remediation.
Human Resources	<ul style="list-style-type: none">⊗ Create an open environment where staff are confident in raising concerns about misconduct, free of fear of victimisation.⊗ If your staff inform you of something under this process, you must contact the Group Head of Legal immediately.
Line managers	<ul style="list-style-type: none">⊗ Create an open environment where staff are confident in raising concerns about misconduct, free of fear of victimisation.⊗ If your staff inform you of something under this process, you must contact the Group Head of Legal immediately
Staff	<ul style="list-style-type: none">⊗ To act in good faith and ensure any reportable issue is reported in accordance with this policy.⊗ To comply with this policy at all times.
Internal audit	<ul style="list-style-type: none">⊗ Internal audit has a central role to play in effective whistleblowing procedures, given the nature of the internal control and other issues that whistleblowers bring to the fore and the position internal audit occupies in offering the Board independent and objective advice, support and assurance.



Position	Responsibilities
	<ul style="list-style-type: none"> ⦿ Internal audit will provide independent assurance to the Board, and will assess the extent to which risk management and governance practices are effective and that systems of internal control are functioning as intended, in line with perceived risk.

5. Policy

1. Employees who deliberately breach this policy must be subjected to disciplinary action.
2. The Whistleblower should promptly report the suspected or actual event to his/her supervisor.
3. If the Whistleblower would be uncomfortable or otherwise reluctant to report to his/her supervisor, then the Whistleblower will report the event to the next highest or another level of management, including to the Board Audit, Actuarial, Risk and Compliance committee or member, or file a report to the Sanlam Kenya Group's approved whistleblower facility.
4. The Whistleblower can report the event with his/her identity or anonymously.
5. The Whistleblower shall receive no retaliation or retribution for a report that was provided in good faith – that was not done primarily with malice to damage another.
6. A Whistleblower who makes a report that is not done in good faith is subject to disciplinary action, including termination of the Board or employee relationship, or other legal means to protect the reputation of the Sanlam brand and members of its Board and staff.
7. Anyone who retaliates against a Whistleblower will be subject to disciplinary action, including termination of Board or employee status.
8. Where a Whistleblower makes a report that is not in good faith or is suspected to have been driven by malice, the disciplinary process shall be followed. Retaliation in any manner shall not be tolerated, but the laid out disciplinary process should be followed.
9. Crimes against person or property, such as assault, rape, burglary, etc., should immediately be reported to local law enforcement personnel.
10. Supervisors, managers and/or Board members who receive the reports must promptly act to investigate and/or resolve the issue.
11. The Whistleblower shall receive a report within five business days of the initial report, regarding the investigation, disposition or resolution of the issue. This will be done if the whistleblower report is not filed anonymously. If filed anonymously, the Company Secretary will publish on a staff noticeboard high level details of such investigation report upon approval by the affected business' CEO or Board.
12. If the investigation of a report, that was done in good faith and investigated by internal personnel, is not to the Whistleblower's satisfaction, then he/she has the right to report the event to the appropriate legal or investigative agency.
13. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement.

6. Procedures

6.1 Structures

The Sanlam Kenya Group works closely with stakeholders such as customers, regulatory bodies, service providers (contractors, suppliers, fund managers, fund administrators, banks) and the public. These stakeholders are in the right position to identify cases of suspected fraud or corruption that might affect and cause financial loss or bad reputation to the Sanlam brand.

The Board expects that these stakeholders will support it in the prevention of unethical, inappropriate or criminal activities. They should also be fair and honest in their dealings with Sanlam Kenya Group and report any unethical, fraud or corruption cases they come across. Any help or supportive information required at their disposal should be shared with the relevant designated Sanlam officials.

The Board has nominated the following to receive whistleblower complaints/ reports:



- ① Head of Department - in the first instance, the employee's manager/ supervisory should receive the report, unless the whistleblower believes the report may not be handled appropriately or the person being reported to is implicated/compromised/ conflicted in the incident.
- ① Group Head of Legal
- ① Group CEO

Whistle blowers can approach any of the above with the first call being the Head of Department. In case, the whistle blower does not have faith in one level, he/she can move to the next one.

6.2 Confidentiality and anonymous

All information provided shall be treated as top-secret and confidential and where documents are involved they shall be kept secure. The designated officers above shall sign commitments annually to protect the confidentiality and identity of the information and that of the whistleblower, and to uphold the integrity of this system (**see appendix**).

Whistleblowers' confidentiality shall always be respected. The identity of a whistleblower shall not be disclosed without their consent. However, for the purposes of investigation, sometime, it may be necessary to disclose the source of the data or information as the process of investigation continues. This will however be discussed with the whistleblower and the procedure of disclosure agreed on.

Anonymous allegations received shall be probed though it is much more difficult to investigate such a matter as information supplied may not be sufficient and may not be possible to go back for clarifications. However, best efforts must be made to ensure the allegations are handled in a fair manner.

6.3 Avenues for reporting/ whistleblowing

- ① Suggestion/ incident reporting boxes placed in strategic functional areas of the official premises, including head office and branches;
- ① Telephone contacts and email addresses for all the nominated officers above;
- ① As the need arises, the Board shall provide other avenues for reporting including subcontracting to independent agencies;
- ① The Board has set up an independent facility that allows for tip offs and anonymous reporting. The details are as follows:
- ①

Independent tip offs and anonymous reporting facility

Sanlam Fraud and Ethics Hotline:
0800200575 or +27 12 543 5324

Email:
sanlamfraud@kpmg.co.za

Make a report online:
<http://www.thornhill.co.za/kpmgethicslinereport>



You can also send an e-mail to sanlamfraud@kpmg.co.za if you are unable to call the hotline or make a report online at <http://www.thornhill.co.za/kpmgethicslinereport>

This is operated by an independent third party and guarantees anonymity. The same avenues above shall be used by external parties to whistle blow.

6.4 Process for dealing with complaints

All reports related to ethical breaches, corruption and fraud will be dealt with expeditiously once received by the respective designated officials. The action to be taken will depend on the nature of the allegation. The matter will first be investigated, and appropriate action taken to establish the facts.

Responsibility	Details of action to be taken
Nominated official receiving the whistleblower report	<ul style="list-style-type: none"> ① Records the report in the register. This register must be sent to the Group Head of Enterprise Risk Management within five working days after the end of each month ② Prepares a preliminary report clearly describing the nature of allegations received and any evidence thereof. Submits the report to the Group Head of Legal within 2 working days from the date the whistleblower report was received ③ Gives feedback to the whistleblower on the steps taken within 7 working days from the date of receipt of the whistleblower report ④ Ensures confidentiality is maintained always
Group Head of Legal	<ul style="list-style-type: none"> ① Reviews the facts stated in the allegations and determines whether to: <ul style="list-style-type: none"> ○ Commence internal investigations to be conducted by the Forensics team ○ Commence investigations using a third party – if the allegations involve senior management or Board member(s), then investigations will be conducted by a third party ② Gives the investigating team clear scope, timelines and adequate resources to ensure the investigation is fair and thorough ③ Oversees the investigating team and receives the report after investigations are complete ④ Ensures that the investigation report is submitted to the Group Chief Executive Officer or the Board for action to be taken. The report must be submitted to the Group Chief Executive Officer or the chair of the Board Audit, Actuarial, Risk and Compliance Committee within 5 days of receipt ⑤ Makes a quarterly report to the Board on the cases reported, steps taken, status of all cases and any resource requirements ⑥ Ensures that where the allegations involved insurance fraud, these are reported to the Insurance Fraud Investigation Unit (IFIU) ⑦ Where appropriate (for example where criminal behaviour and/ or regulatory breaches have been identified), whistleblowing events must be reported to local law enforcement, regulatory bodies or government agencies except where this is impractical or unsafe ⑧ Ensure Sanlam Kenya Group cooperates fully with law enforcement and regulators locally within the bounds of Kenyan legislation
Group Chief Executive Officer (GCEO)	<ul style="list-style-type: none"> ① Receives report from Group Head of Legal ② If the allegations involved an employee, GCEO will advise HR of the results of the investigation report ③ If the investigation exonerates the employee, the case will be closed ④ If the investigations find the employee culpable, the GCEO will constitute a disciplinary committee to hear the matter in accordance with the disciplinary process set out in the HR manual



Responsibility	Details of action to be taken
Chair of the Board Audit, Actuarial, Risk and Compliance Committee (BARCC)	<ul style="list-style-type: none"> ① Receives report from Group Head of Legal. These reports will ordinarily be those involving the CEOs, members of the Executive Committee (ExCo) or board members ② If the allegations involved an employee, Chair BARCC will advise HR of the results of the investigation report ③ If the investigation exonerates the employee, the case will be closed ④ If the investigations find the employee culpable, the Chair BARCC will advise the Chair of the HR and Nominations Committee of the Board to constitute a disciplinary committee to hear the matter in accordance with the disciplinary process set out in the HR manual ⑤ If the allegations involve a board member, the Chair of the BARCC will consider the next course of action which must include a report to the Chair of the Board, SEM Regional Executive and SEM Chief Risk Officer, and legal action where necessary

Insurance fraud cases will be reported to the Insurance Fraud Investigation Unit (IFIU) upon completion of internal investigations. Fraud and corruption cases may as well be forwarded to the Ethics and Anti-Corruption Commission (EACC) as the agency responsible for anti-corruption, referred to the Criminal Investigation Department, or subjected to an independent inquiry as shall be determined by the Board.

6.5 Feedback

The GCEO, Group Head of Legal and any other designated Sanlam official shall acknowledge all the complaints received where possible within five working days depending on the avenue used. Feedback from an investigation may be limited especially if disclosing certain information in anyway may jeopardize the on-going investigation.

6.6 Recording complaints

The Group Head of Legal shall be the focal point for all the allegations concerning employees and shall maintain a register of all complaints. All Sanlam officials nominated to receive whistleblower reports will maintain their registers and will submit these registers to the Group Head of Legal monthly, within five business days after the end of the calendar month.

The Group Head of Legal will submit the consolidated register to the Board Audit, Actuarial, Risk and Compliance Committee every quarter.

7. Dissemination and training

This Policy shall be distributed to each employee or director of any of the companies in the Sanlam Kenya Group upon its adoption by the Board and to each subsequently hired employee or subsequently elected director upon commencement of his or her employment or directorship with any of the companies in the Sanlam Kenya Group.

Upon joining the Company or at least once every calendar year, all staff will be trained on the whistleblowing mechanisms available within the Sanlam Kenya Group. These training sessions will include awareness and encourage employees to make disclosures, how to manage those disclosures effectively, and how to protect those who speak up from retaliation.



8. Compliance

All staff must comply with the provisions of this policy. Non-compliance will lead to:

- ① Sanctions by the Company, and in cases of repeated breach may lead to immediate termination of employment.
- ② Criminal prosecution if there is evidence of a crime being committed.

9. Review

This policy will be subjected to annual review to ensure it remains relevant, and can provide the necessary protections in the ever changing socio-economic, legal and regulatory environment in which Sanlam Kenya Group operates.

The responsibility for review of this policy rests with the Group Head of Enterprise Risk Management, in consultation with the Group Head of Legal and the Group Chief Executive Officer.

10. Effective Date

The Policy came into force on 1 November 2018 and shall apply until a revision is approved by the Group Chief Executive Officer.

Signed: PATRICK TUMBO

Date: 1 November 2018



11. Appendix

ANNUAL CERTIFICATE OF COMPLIANCE FORM

(To be signed by All Senior Managers with responsibilities under this policy upon joining and annual renewal on 1 January every year)

I staff number
certify that I have received, read and understood the Whistleblower Policy. I shall comply with the provisions of this policy in the performance of my duties with the Sanlam Kenya Group and ensure that staff members in my area are aware of the existence of, and comply with, the provisions of this policy.

I will protect the confidentiality and identity of the information submitted to me, and that of the whistleblower, and to uphold the integrity of this system.

I will communicate any violations of this policy which I become aware of to the Group Head of Legal or to the Group Chief Executive Officer.

Signature

Job Title

Department

Function

Date

