
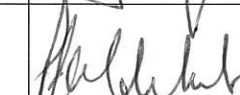




## WHISTLE BLOWING POLICY

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STRIVING FOR AN ETHICAL WORKING ENVIRONMENT

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## 1. DEFINITIONS AND ABBREVIATIONS

1.1 **ARC:** Audit and Risk Committee

1.2 **DBSA:** Development Bank of Southern Africa

1.3 **PDA:** Protected Disclosure Act 26 of 200

1.4 **SAPS:** South Africa Police Service

## 2. PURPOSE

The purpose of this policy is to provide means by which staff members can raise concerns where they have reasonable grounds for believing that there is fraud, corruption, corporate crime or impropriety within DBSA. The policy is aimed at creating a culture that will facilitate the disclosure of information by employees relating to criminal and irregular conduct within the Bank in a responsible manner, by providing comprehensive guidelines for reporting. The policy also affirms the protection of employees against any reprisals as a result of reporting impropriety in compliance with the Bank's procedure.

## 3. SCOPE

The policy is designed to deal with concerns raised in relation to issues relating to fraud, corruption, misconduct and malpractice within the Bank. The policy will not apply to personal grievances, which will be dealt with under existing DBSA Disciplinary Code and Procedure.

The policy covers all genuine concerns raised including:

- Financial misconduct;
- Health and safety risk;
- Environmental damage;
- Unfair discrimination;
- Fraud, Corruption, Corporate crime and misconduct;
- Contravention of the DBSA Code of Ethics;
- Attempts to suppress or conceal any information relating to any of the above

The nature of the matters reported will inform the investigation process. Certain matters will be dealt with in terms of the existing DBSA disciplinary procedures whilst others may require the intervention of South African Police Service (SAPS) or other external authorities for further investigation.

This policy will also apply to all employees of the DBSA Group and subsidiaries and other agency arrangements entered into by the Bank.

## 4. GOVERNANCE AND MANAGEMENT

4.1 The Development Bank of Southern Africa (DBSA) is committed to the fight against fraud and corruption in its work environment whether the perpetrators are internal or external. The whistleblowing policy and procedure is part of the Bank's commitment to working towards a culture of openness and transparency. The Bank will ensure that confidentiality is maintained, and that nobody will be penalized for disclosing in good faith, information that might be in the Bank's interest.

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- 4.2 The Protected Disclosure Act (PDA), Act 26 of 2000, which became effective in February in 2001, provides protection to employees for disclosures made without malice and in good faith, in defined circumstances. The PDA must be read in conjunction with all other applicable legislation.
- 4.3 In terms of the Protected Disclosure Act, employees can blow the whistle on fraud and corruption in the working environment without fear of suffering an occupational detriment as defined by the Act. DBSA management therefore encourages staff to raise matters of concern responsibly through the procedure laid down in this policy document.
- 4.4 The DBSA Board approved a revised Code of Ethics in September 2014. According to section 16.1 of the Code the Bank encourages staff members to use internal mechanisms for reporting any malpractice. The Bank is fully committed to ensuring that those reporting impropriety are protected from any form of victimization and will investigate all reports of impropriety fairly, equally and in accordance with the law.

## **4.5 Roles and Responsibilities**

- 4.5.1 The DBSA Board has the overall responsibility for the DBSA Whistle blowing Policy as part of its overarching risk management oversight. Responsibility for reviewing and monitoring the implementation of this policy lies with the Audit and Risk Committee (ARC).
- 4.5.2 Line Managers have a specific responsibility to facilitate the operation of the policy and to ensure that members of staff within their respective business units feel free to raise concerns without fear of reprisals in accordance with the principles set out above.
- 4.5.3 All employees have the obligation of ensuring that steps are taken to disclose any wrongdoing or malpractice. It must be noted that employees are not required to prove beyond reasonable doubt the truth of the matters to be reported or produce irrefutable proof. The operative principle is that employees must act in good faith and reasonably believe that the matters that they are reporting are substantially true.
- 4.5.4 If an employee has doubt or questions on the applicability of the policy or whether certain matters are protected the Company Secretary or Governance Specialist must be contacted for advice.

## **5. POLICY STATEMENTS**

### **5.1 Raising a concern**

- 5.1.1 Any member of staff who has a reasonable belief that there is fraud, bribery, corruption, misconduct or any of the protected matters specified in section 2 above may raise a concern by phoning the Bank's Anti-corruption and Fraud Hotline at 0800 204 933 in accordance with the procedure detailed in this policy.
- 5.1.2 Concerns must be raised without malice, in good faith and not for personal gain. The employee must reasonably believe that the information disclosed, and any allegations contained in it, are substantially true.

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- 5.1.3 When reporting a concern or an allegation it is vital that an employee provide adequate evidence that will enable thorough investigation to be done on the matter. Without substantive evidence it may be challenging to pursue the alleged transgression to the fullest.
- 5.1.4 The issues raised may relate to a manager, another member of staff, a group of staff, executive manager, supplier, client, contractor, and consultant. The report/disclosure should as far as possible identify a system or procedure in use, which may cause transgression of legal obligations.

## 5.2 Training and Awareness

The Bank commits itself to encouraging a culture that promotes openness. This will be done by:

- Ensuring that this policy is issued to all existing employees and to each new employee.
- Educating/training/informing/explaining to employees what constitutes fraud, corruption and malpractice and its effect on the Bank. Promoting awareness of standards of appropriate and accepted employee conduct and establishing a common understanding of what is acceptable and what is unacceptable behaviour.

## 5.2 Investigation of disclosure

- 5.2.1 The Bank will decide how to respond in a responsible and appropriate manner under this policy. An investigation will be conducted as speedily and sensitively as possible. An official written record will be kept at each stage of the procedure.
- 5.2.2 Upon receipt of the disclosure from the Anti-corruption and Fraud Hotline, the Chief Executive shall make a provisional assessment to determine whether the concern falls more appropriately within the purview of this policy and whether there is a *prima facie* case against an employee warranting an investigation. Nothing in this clause that prevents the Chief Executive from delegating this responsibility as he deems fit. This clause should be read in conjunction with Clause 3.3.11
- 5.2.3 A decision as to whether a preliminary investigation should be carried out will be made within two weeks of the complaint having been received. Where this is not possible, the person making the complaint will receive an explanation of the delay.
- 5.2.4 If an investigation is considered necessary, the Chief Executive will appoint an investigator (or investigative team). The investigator or investigative team will be employee(s) with experience and specialist knowledge in the area of the disclosure.
- 5.2.5 In some cases and depending on the nature or complexity of the disclosure or investigation, the Bank may outsource the investigation to a reputable specialist firm.
- 5.2.6 All employees of the Bank will be expected to co-operate fully with the investigator appointed by Chief Executive. The investigating team shall have unrestricted access to all information, documents or any records that the team, in its discretion, deems necessary for pursuing the investigation.
- 5.2.7 So far as is possible, the Bank will keep the whistle blower informed of the progress of the investigation, especially where the whistle blower has identified himself / herself. However, the need for confidentiality may prevent the Bank from giving the whistle blower specific details of the investigation or actions taken.
- 5.2.8 In some cases an investigation may need to be carried out under the terms of strict confidentiality, i.e. by not informing the subject of the complaint until (or if) it becomes necessary

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to do so. This may be appropriate in cases of suspected fraud, or unlawful conduct. In some cases it may not be possible to detail the precise action taken, especially where this would infringe a duty of confidence owed to someone else.

- 5.2.9 It is not normally appropriate to set a specific time frame for completion of investigations in advance, as the diverse nature of disclosures contemplated under the policy makes this impractical. This notwithstanding, the DBSA will endeavour to deal with all disclosures in a timely manner and with due regard to the rights of all individuals involved.
- 5.2.10 The Bank acknowledges that there may be matters that cannot be dealt with internally and in respect of which external authorities will need to be notified and become involved either during or after the Bank's investigation. The Bank will endeavour to inform the whistle blower if a referral to an external authority is about to or has taken place. In some cases the Bank may need to make such a referral without the whistle blower's knowledge or consent if the Bank considers it appropriate.
- 5.2.11 With respect to complaints relating to the Chief Executive the matter will be escalated to the Chairperson of the Board.
- 5.2.12 All concerns received through the Anti-corruption and Fraud Hotline (whether investigated or not) must be reported to the Audit and Risk Committee.

### 5.3 Assurance to Staff Members

#### 5.3.1 *Staff Member's Safety*

- 5.3.1.1 DBSA Management is committed to this policy. Management will ensure that any member of staff who makes a disclosure in the above mentioned circumstances will not be penalized or suffer any occupational detriment for doing so.
- 5.3.1.2 Occupational detriment as defined by the PDA includes dismissal, suspension, demotion, transfer against one's will, harassment or intimidation, being refused a reference or being provided with an adverse reference, as a result of your disclosure.
- 5.3.1.3 If an employee raises a concern in good faith in terms of this policy, an employee will not be at risk of losing his/her job or suffering any form of retribution as a result.
- 5.3.1.4 Assurance is not extended to employees who maliciously raise matters they know to be untrue. A member of staff who does not act in good faith or who makes an allegation without having reasonable grounds for believing it to be substantially true, or who makes it maliciously or vexatiously, will be subject to disciplinary proceedings.

### 5.4 Staff Member's Confidence

- 5.4.1 In view of the protection offered to a member of staff raising a bona fide concern, it is preferable that the individual puts his/her name to the disclosure. The Bank will not tolerate the harassment or victimization of anyone raising a genuine concern.
- 5.4.2 However, the Bank recognizes that an employee may nonetheless wish to raise a concern in confidence under this policy. If an employee asks for the protection of his/her identity in keeping an employee's confidence, it will not be disclosed without the employee's consent. However, the same confidentiality is expected from an employee regarding the matter.

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- 5.4.3 If a situation arises where the Bank is not able to resolve the concern without revealing an employee's identity (for example where an employee's evidence is needed in court), the Bank will discuss with an employee on how to proceed.

## 5.5 How to raise a concern internally

**Step one:** If an employee has a concern about malpractice, he/she must raise it first with his/her manager/supervisor. This may be done verbally or in writing.

**Step two:** If an employee is unable to raise the matter with his/her manager, for whatever reason, he/she must raise the matter either with the Divisional Executive or Group Executive.

**Step three:** if these channels have been followed but the employee still has concerns, or if he/she feels that the matter is so serious that he/she cannot discuss it with any of the above, the employee must contact the Chief Risk Officer.

Should the employee have exhausted these internal mechanisms or where he/she has substantial reason to believe that there would be a cover-up or that evidence will be destroyed or that the matter might not be handled properly, he/she may raise the matter in good faith with the Chief Executive.

Should the employee have a reason to believe that he/she is victimized as a result of reporting an alleged transgression; the matter should be raised with the Chief Executive who will deal with the matter accordingly.

Should the concern relate to a Board Member, the matter must be raised with the Chairperson of the Board.

## 5.6 Anti-corruption and Fraud Hotline

While this policy provides the employees with the assurances they need to raise matters internally, employees are urged to report to the Hotline than not reporting at all. Provided the employee is acting in good faith, the employee may report incidences of fraud and corruption using the Anti-Corruption and Fraud Hotline reporting facility (0800 204 933), if the employee wishes to remain anonymous.

## 6. POLICY ENFORCEMENT AND SANCTIONS

Any violation of this Policy by any person subject to this Policy will subject such person to appropriate disciplinary action, up to and including termination of his or her employment.

## 7. MONITORING AND POLICY REVIEW

The Corporate Secretariat will monitor the implementation of this policy. The policy shall be reviewed on annual basis.

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