

# Whistleblowing Policy

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Policy Approved by: Watu Tuu Limited (group level document)



# 1 Introduction

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Watu Credit Limited and other Watu Group companies (hereinafter Watu or Company) together form a dynamic and fast-growing non-bank finance company that offers asset financing. The Company is built on five core values which are the guiding principles for company policies, employee conduct, behaviour, and tone of voice:

- Customer focus. Watu success goes hand-in-hand with the success of Watu customers. Watu endeavors to deliver world-class support and service through customer engagement.
- Empowerment. Watu strives to empower its customers by providing them with the right tools to improve their lives.
- Integrity. Watu believes in honest, transparent, fair, and respectful treatment of its customers and employees.
- Ownership. Watu promotes accountability and willingness to learn from past experiences which is the driving force for continuous improvement culture.
- Responsibility. Watu promotes mutual respect and maintenance of respectful relationships within and between our teams and with our customers and partners.

## 2 Purpose and Scope

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Watu has committed to do business according to certain ethical and compliance standards. To ensure compliance with these standards, the Company depends on all involved and concerned parties to speak up early to identify and address any misconduct effectively.

The purpose of Whistleblowing Policy is to:

- Describe the guiding principles for reporting and addressing reported ethical and compliance standard violations,
- Reduce compliance risks and prevent future misconduct.
- Protect the Company and employees from legal, financial, and reputational risks.

Watu believes that speaking up is an essential part of the Company's culture and shall ensure Company's long-term success. Whistleblowing supports our commitment to respecting all internationally recognized human rights and national laws.

Watu Whistleblowing policy is applicable to all Watu locations, all permanent and temporary employees, hired self-employed or third-party contractors who work on behalf of Watu. Customers, investors, partners, contractors, suppliers and any other third parties engaged in any form of contractual relationship with Watu can report any ethics or compliance violations as per guidelines of this policy.

## 3 Policy Communication and Review

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This Policy communication and implementation falls under the responsibility of the Watu Management Team. As part of a continuous improvement approach, this Policy shall be reviewed as per business needs but no less often than annually.



## 4 Policy Statement

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### 4.1 General Terms

The general terms used in this policy include:

- **Compliance** – adherence with Company policies and procedures, as well as local and international laws and regulations.
- **Compliance allegation** – a reported compliance violation which is any declaration of information made by a whistleblower regarding the conduct of one or more persons, where the whistleblower has a reason to believe that the information given shows, or tends to show, one or more improprieties contrary to the professional and business standards of Watu.
- **Compliance violation** – a Company employee's or third-party act or failure to act that violates any laws or regulations, contractual obligations, the Code of Conduct, Employee Handbook or one of the Company's Policies, including this policy.
- **Bad faith reporting** – a compliance allegation that one knows is false, or that is deliberately misleading.
- **Good faith** - Means the honest intent to act without taking an unfair advantage over another person and includes honesty, fairness, and lawfulness of purpose and absence of any intent to cause malice or disrupt the ordinary course of business in the Company.
- **Investigator** – Watu employee assigned by the Head of Compliance and Investigations or the Head of HR to conduct investigation of the suspected compliance violations in accordance with established standards and guidelines.
- **Retaliation** – an attempt of or an adverse act made in response to and against another person who does or attempts to do whistleblowing in a good faith or cooperates with an investigation.
- **Senior Manager** – Heads of Department and/or any higher-level manager they report to.
- **Whistleblowing** – speaking up or reporting information about actual, potential, or possible compliance violation.

### 4.2 Confidentiality

Report on compliance violation or suspected compliance violation may be submitted on a confidential basis by the Whistleblower. All information disclosed during investigation will remain confidential, except as necessary or appropriate for the conduct of the investigation and to undertake any remedial action, in accordance with any applicable laws and Regulations.

#### 4.2.1 Whistleblower Identity Disclosures

The recipient of the information shall at all times be required to keep the Whistleblower's identity confidential and may only disclose the Whistleblower's identity where:

- such person agrees to be identified,
- identification is necessary to allow the Company or the appropriate law enforcement officials to investigate or respond effectively to the disclosure,
- the person accused is entitled to receive the information as a matter of legal right or under the Authority's rules and regulations in the disciplinary proceedings. Where the Whistleblower's identity is to be disclosed,



the Company shall inform the whistleblower prior to revealing his or her identity. If consent is denied, the report may be submitted without revealing the Whistleblower's identity.

The purpose of confidentiality is to save the whistleblower from being which hunted, harassed, or victimized in any way by the accused person and or the friends or accomplices.

Unauthorized breach of confidentiality shall and can constitute a form of obstruction of investigation, harassment, and victimization to which the Company holds a strict and firm no retaliation policy herein.

### 4.3 Reporting Responsibility

Speaking up and reporting any ethics or compliance violations is considered both a right and responsibility as this is expected and supported by the Company policies.

The management is expected to be perceptive of all employee complaints and reports. Where necessary, the manager should promote awareness and encourage all employee to report all violations through the various violation reporting channels.

Persons reporting the violation do not need to have proof to report however the reporting must be done in good faith with a reasonable belief of compliance violation. Persons shall also report shall where there is genuine belief that the violation has not yet happened but has a possibility to occur.

No policy statements in this or any other Company policy shall be interpreted in a way that prevents employees from reporting a possible compliance violation.

The person who experiences or suspects a compliance violation shall disclose the same immediately to avoid a delay in justice. A Whistleblower must exercise sound judgment to avoid baseless allegations. However, any allegation made in good faith but not proven by investigation shall not warrant disciplinary action against the Whistleblower.

#### 4.3.1 Reporting Violations

A person who receives information about a suspected compliance violation shall:

- Recognize that whistleblowing is the right thing to do and not discourage it.
- Listen, ask relevant questions, and take notes if necessary.
- Report the received information to the Compliance and Investigations Department through violation reporting channels and/or to the Head of HR or encourage the person to report information themselves.
- Maintain confidentiality as it is prohibited to share any information related to the reported violation, including that it happened, with anyone other than assigned Compliance and Investigations or HR representative.
- Not attempt to personally investigate the matter.

#### 4.3.2 Reporting One's Own Compliance Violations

Persons who believe they may have participated in a compliance violation, must report their violation promptly. Such action demonstrates good intentions, and the Company shall consider this as a mitigating factor. In most cases, reporting about one's own misconduct reduces the severity of disciplinary measures, and in some cases can result in the avoidance of disciplinary measures altogether.



## 4.4 Reporting Channels

The Company has established various reporting channels that can be used by Watu employees, customers, contractors, suppliers, partners, or anyone else who notices, or experiences ethics and compliance violation conducted by Watu employees or contractors operating on Watu behalf:

1 Reporting Channel	2 Contact
3 Confidential e-mail	4 <a href="mailto:watu@speakup.click">watu@speakup.click</a>
5 Web portal	6 <a href="https://watu.speakup.click">https://watu.speakup.click</a>
7 Hotline dial – Kenya	8 0800 211 279
9 Hotline dial – Tanzania	10 0800 120 051
11 Hotline dial – Uganda	12 0800 113 278

Watu employees may report the compliance violation to the Compliance and Investigation Department through one of the reporting channels, to HR Department, or to a member of Senior Manager.

The violation may be reported anonymously through the web portal in which case the person who reports anonymously is responsible for maintaining regular contact by checking investigation reports on the web portal. Regular follow-up enables the Company to conduct a timely and effective investigation.

## 4.5 Compliance Allegation Investigation

Each investigation shall be led by an Investigator assigned by the Head of Compliance and Investigations or the Head of HR Department according to the established standards and guidelines.

The Head Compliance and Investigations or the Head of HR Department can delegate investigations to other departments or functions. Employees must not commence an investigation into a Compliance Allegation without the approval of the Head of Compliance Investigations or the Head of HR Department.

The investigators shall recommend measures to prevent future compliance violations as well as on disciplinary measures, considering all established facts, the surrounding circumstances, and aggravating and mitigating factors. Holding a senior role in the Company is usually considered an aggravating factor while having a junior role can be considered a mitigating factor.

## 4.6 Employee Engagement in Compliance Allegation Investigation

An Investigator shall contact every whistleblower, if possible, to ensure the person is aware their concern has reached the Investigator. The Investigator may request additional information about the compliance allegation to investigate effectively.

Watu employees are required to cooperate during any compliance allegation investigation by attending interviews, providing documents, and maintaining appropriate confidentiality, as requested, and being truthful and forthcoming. Interviews held by investigators shall be recorded with the consent of the person being interviewed for accuracy and accountability.

Persons engaged in compliance investigation shall be treated respectfully and fairly. Failure to do so shall be treated as retaliation, which is not tolerated and should be reported as compliance violation.

#### 4.7 Investigation Outcome Report

Investigations of suspected compliance violations are confidential. Information about the investigation shall only be accessible to authorized personnel.

The whistleblower will receive information or can request information through the hotline by providing the case number about investigation outcome. The report shall include general information about how the Company addressed the issue. The Company shall not provide information from the investigation that violates the privacy of others.

For cases submitted anonymously through web portal, investigation status reports shall be available at the web portal through which submissions were made.

#### 4.8 Compliance Violation Prevention

All compliance investigations shall seek to implement solutions to prevent any similar future compliance violations. Any suspicion that the implemented measures fail to prevent new compliance violations, the same shall be reported and addressed as per this policy.

Heads of Departments have a responsibility to follow the recommendations of the Compliance and Investigations Department regarding the implementation of the solutions/actions that will prevent similar compliance violations in future.

#### 4.9 Reporting or Investigation Obstruction

All employees are required to cooperate with and to protect the confidentiality of Company investigations. The Company does not and shall not tolerate any obstruction of an investigation.

The Company does not tolerate retaliation against employees who do whistleblowing in good faith about a suspected compliance violation or cooperate with an investigation.

Obstruction of an investigation, Retaliation and Dishonest Compliance Allegations shall be treated as a compliance violation.

#### 4.10 Interfering with Whistleblowing

The Company holds a strict and firm position against retaliation, obstruction of an investigation, or dishonest compliance allegations as they are considered compliance violations. All such cases must be reported for investigation in accordance with this policy.

The Company shall investigate all reported suspected retaliation, obstruction of an investigation and dishonest compliance allegations.

The Company shall impose strict disciplinary measures in compliance with HR policies and procedures against any employee found guilty of:

- willfully disclosing a false statement,
- making a disclosure with malicious intent,
- making a disclosure solely or substantially with the motive of avoiding dismissal or other disciplinary action during the investigation.

#### 4.11 Exclusions

The provisions of this Policy shall not require the Company to compensate an employee for participation in court action or in an investigation, hearing, or inquiry by a public body and/or authorize the disclosure of information that is legally required to be kept confidential.