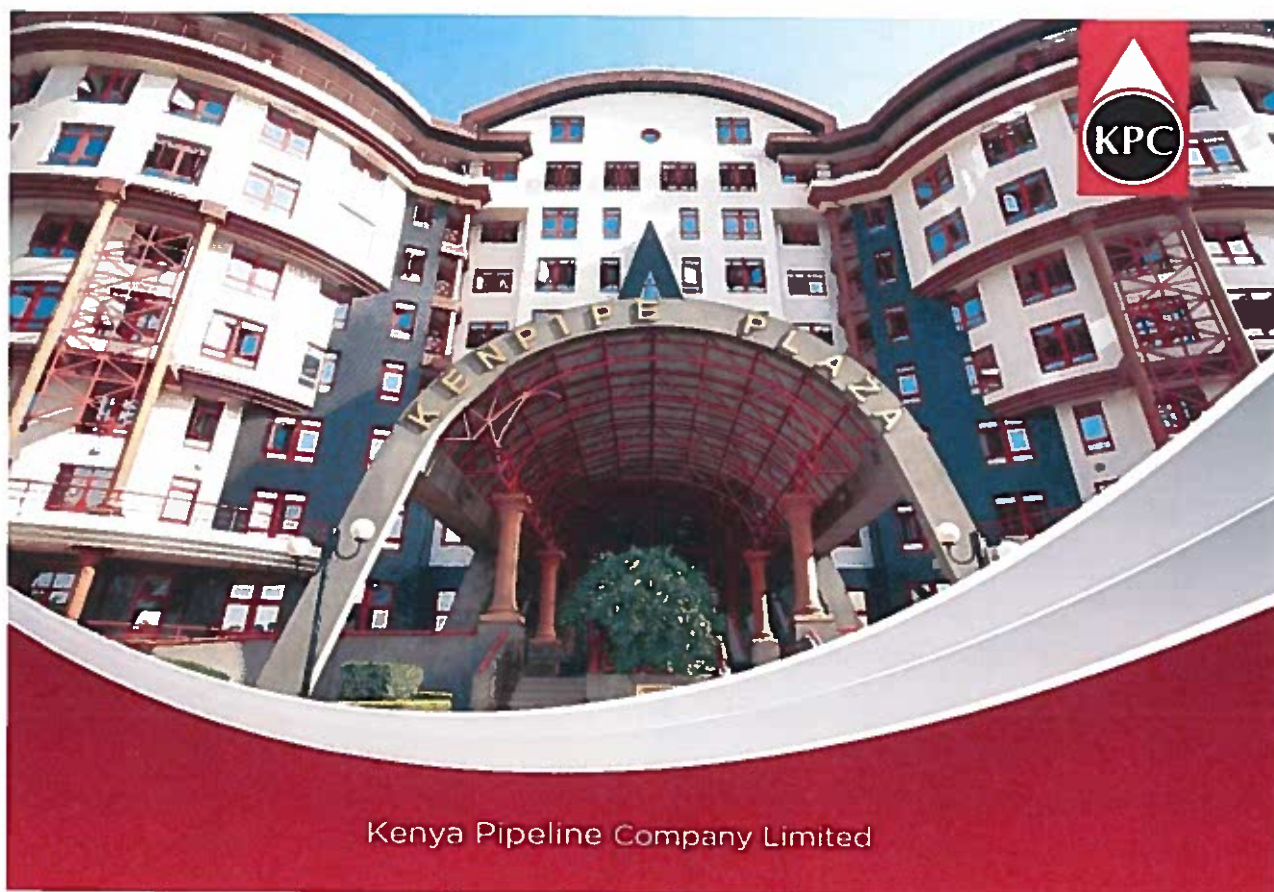


# Kenya Pipeline Company Ltd

## Whistle-Blower Policy



**(2nd Revision, 2023)**

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## List of Abbreviations

<b>ACRONYMS</b>	<b>MEANING</b>
<b>KPC</b>	Kenya Pipeline Company
<b>MIOC</b>	Management Integrity Oversight Committee
<b>EACC</b>	Ethics and Anti-Corruption Commission
<b>ACECA</b>	Anti-Corruption and Economic Crimes Act
<b>LIA</b>	Leadership and Integrity Act

## Definition of Terms

<b>Terms</b>	<b>Definition</b>
Corporate Governance	The system of rules, practices and processes by which a company is directed and controlled or the way in which companies are governed and to what purpose
Unethical Conduct	Behavior that falls below or violates professional standards and ethics such as violations of Board policies, regulations, and/or the Standards of Conduct
Fraud	Wrongful or criminal deception intended to result in financial or personal gain
Corruption	The offering, promising, or giving of something in order to influence a public official in the execution of his/her official duties
Disclosure	The delivery or supply of documents to a case, or to the other parties informing of the issues to be disputed at the trial, and to assist in resolving disputes
Bribery	The offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty
Corruption	The abuse of entrusted power for private gain

<b>Terms</b>	<b>Definition</b>
Whistleblower	A person who makes a report to a designated Officer in a Corporate body, the Commission, or the law enforcement agencies on acts of bribery or other forms of corruption
Informer	Someone who is informed or knows about a subject matter and who gives information in secret, especially to the law enforcement
Witness	Someone who, either voluntarily or under compulsion, provides testimonial evidence, either oral or written, of what they know or claim to know
Senior Officer	in relation to a body corporate, a director, manager, secretary, or other similar officer of the body corporate
Stakeholders	KPC Clients/Customers, Service Providers that include Suppliers, Contractors, and Consultants
Integrity Program Structures	The various systems, positions, and program a company can undertake to implement ethical behavior

## **Policy Statement**

Kenya Pipeline Company Ltd, (herein after referred to as 'the Company') is committed to fostering good corporate governance, and recognizes that unethical conduct, fraud, and corruption is detrimental to good, effective, accountable, and transparent practices; and that such actions could endanger the financial stability of the Company and potentially cause social damage.

The Company Board, Management, and staff are committed to high levels of professionalism and ethical behavior in service delivery. The Company seeks to put in place systems that foster a culture of transparency, accountability, and ethical behavior in the business process. The Whistleblower Policy implores all Board members, employees, clients/customers, service providers and the public, to take up the responsibility to disclose any unethical conduct, fraud, bribery, or corruption that may come to their knowledge.

The Managing Director takes the responsibility of ensuring that all the necessary steps to protect whistleblowers, informers, and witnesses against any reprisal, intimidation, harassment, detrimental action, or any form of victimization because of such disclosure, in line with the Bribery Act, 2016, and the Bribery Regulations, 2021.

Any person who harasses, intimidates, victimizes, or takes any detrimental action against a whistleblower, informer, or witnesses, commits an offence and is liable to disciplinary action as well as other legal action as defined in the Bribery Act, Regulations, 2021, and the KPC procedures for the prevention of bribery and corruption.



**Signed by:**

**Managing Director**

## **1.0 Introduction**

The Whistleblower Policy seeks to provide internal administrative mechanisms, and approach relevant to the effective receipt and management of disclosures of suspected bribery or corruption violations, in a responsible manner, and provide protection against reprisal which may result from such disclosures.

The Whistleblower Policy is aligned with the provisions of the Anti-Corruption and Economic Crimes Act (ACECA), 2003, The Witness Protection Act 2006, the Leadership and Integrity Act (LIA), 2012, The Bribery Act, 2016, Bribery Act Regulations, 2021, KPC's approved Code of Conduct 2016, and Corruption Prevention Policy 2016. As outlined in the Bribery Act Regulations, 2021, the Company has developed the Procedures for Prevention of Bribery and Corruption which provides guidelines and obligations for the Board members, Management, staff, suppliers, clients, contractors to report any knowledge or suspicion of bribery and corruption in the Company.

KPC is committed to the highest levels of ethics and integrity in the way we do business and recognize that this is crucial to our continued success and reputation. We endeavor to achieve excellence in service delivery guided by our Shared Values, Principles of Business Ethics, Policies, entwined with the tenets of our corporate Vision, Mission, and Core Values outlined below:

### **Our Vision**

"Africa's Premier Oil & Gas Company."

### **Our Mission**

"Transforming lives through safe and efficient delivery of quality oil and gas from source to customer."

### **Our Core Values**

KPC fraternity shares the following core values:

**Integrity**  
**Transparency**  
**Accountability**  
**Diligence**  
**Team Spirit**  
**Loyalty**  
**Care for Environment**

## **1.1 Objective of the Policy**

The objective of this whistleblower Policy is to provide for a culture of zero tolerance towards fraud, corruption, bribery, and any malpractice in KPC. Further this Policy seeks to:

- 1) Encourage stakeholders to bring out information helpful in enforcing good corporate governance practices.
- 2) Provide a platform through which employees, Board members, clients/customers, service providers and the public, may, without fear of reprisal, disclose information relating to any suspected incidences of bribery or corruption, concerns of malpractices or alleged unethical conduct in the Company.
- 3) Explain what qualifies as a whistle-blow and guidelines on how to report a concern; Provide a platform to disclose concerns of malpractices within the organization and explain the process of determining whether a report holds merit or not.
- 4) Provide guidelines on the procedures for investigation, handling of confidential information, and protection of the whistleblowers, informants, witnesses against any reprisal, intimidation, or harassment.
- 5) Assure 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, regardless of whether these are subsequently proven.

## **1.2 Scope of the Policy**

The Whistleblower Policy is applicable to the KPC Board of Directors, Management and Staff, KPC Clients, Suppliers and Contractors whenever they are engaged to provide services. It also anticipates collaboration and cooperation with other industry regulatory agencies and the public who, while interacting with KPC in the process of service delivery, may encounter challenges that are attributed to bribery and corruption, or the consequences of whistleblowing.

## **2.0 Disclosure Mechanisms**

This Policy outlines various disclosure mechanisms available for the Board of Directors, employees, and other stakeholders.

### **2.1 Line Relation**

An employee who in good faith, is aware of, or suspects a bribery or corruption incident has taken place or is likely to, is encouraged to report the concern to his/her supervisor or line Manager.

## **2.2 Integrity Program Structure**

Any employee who is not comfortable reporting suspected violations through the formal reporting framework may report through the Integrity program structures, including the Integrity boxes that have been provided in all Depots and Stations, by the whistleblower presenting himself/herself to the Integrity Officers, or to any Office they feel comfortable reporting to within the Company, or through the anonymous email – [report.corruption@kpc.co.ke](mailto:report.corruption@kpc.co.ke).

## **2.3 Executive Management and Board**

Concerns by any Board member or Executive Management may be reported to the respective Managers or General Managers in charge of the area of concern, Management Integrity Oversight Committee, Managing Director, any Board member, the Board Chairperson, or to EACC.

## **2.4 KPC Stakeholders**

KPC Clients/Customers, Service Providers (including suppliers, contractors, consultants) may report bribery or corruption related concerns to the respective Managers in charge of the area of concern, Managing Director, the Board Chairperson, any Board member, anonymously through the email [report.corruption@kpc.co.ke](mailto:report.corruption@kpc.co.ke), or to EACC.

## **3.0 Disclosure Framework**

### **3.1 Responsible Officers**

While Clause 3.0 defines the designated offices where Directors, staff, management, or the KPC stakeholders may submit whistleblower reports, the whistleblower may at their own volition and comfort, make disclosure to any Office deemed by them to be the appropriate including the following:

- i. The Managing Director
- ii. The Management Integrity Oversight Committee (MIOC)
- iii. The Head, Integrity, Ethics & Compliance
- iv. All Integrity Assurance Officers

### **3.2 Confidentiality**

The Company shall ensure the confidentiality of information relating to any person that reports of an act of bribery or corruption, including the disclosure of the incidence, and the identity of the person making the report as stipulated in the Bribery Act Regulations, 2021.



### **3.3 Identity of the Whistleblower**

A person to whom a willful disclosure is made must comply with confidentiality requirements as provided in the Anti-Corruption and Economic Crimes Act (ACECA), 2003 and Bribery Act 2016, to protect the identity of the whistleblower. Any person who knowingly or negligently discloses the information of whistleblowers, informants, or witnesses that leads to harassment or intimidation, shall be subjected to disciplinary process, and further be liable upon conviction, to a fine not exceeding one million shillings or to an imprisonment for a term not exceeding one year, or to both.

### **3.4 Protection from Retaliation/Victimization**

The Company has established appropriate measures for the protection of whistleblowers who reports, in good faith, any knowledge or suspicion of an act of bribery or corruption. Any Director, Management, or staff, who retaliates, victimizes, or institutes any form of adverse consequences against someone who has reported a violation in good faith will be subject to disciplinary action.

## **4.0 Procedure of Handling a Concern**

Upon receipt of whistleblower report(s), the recipient shall record, and submit to the Integrity Secretariat for further action. The Integrity Secretariat Officers shall determine the cause of action to be taken, which depending on the nature of the report, may either be investigated internally and submitted to the MIOC for review and action, or escalated to EACC or any other relevant law enforcement agency.

### **4.1 Investigation of Reported Concerns**

The investigation process will vary depending on the precise nature of the violation reported. All investigations must be conducted in a manner that is fair and objective to all people involved. The Company shall communicate in writing to the whistleblower, acknowledging receipt of the concern reported with appreciation and assuring them that verification shall be carried out, and appropriate action taken; whereas if the matter is beyond KPC, offer guidance on the relevant office to report. After investigation is completed, the report shall be submitted to the Management Integrity Oversight Committee for review and direction. The Company shall provide feedback to the whistleblower for closure.

## **5.0 Implementation Roles and Responsibilities**

### **5.1 Board of Directors**

The Board of Directors shall offer oversight in the implementation of Whistleblower Policy and ensure that Management is committed to its provisions. Further, the Board shall give direction regarding verification of whistleblower reports submitted directly to the Chairperson or any other member of the Board including the following:

- i. Directing the Managing Director to facilitate an investigation and give feedback.
- ii. Appoint an Ad-hoc Committee to undertake investigation and give feedback.
- iii. Refer the matter to the Ethics and Anti-Corruption Commission or any other relevant law enforcement agency.

### **5.2 Managing Director**

The Managing Director shall be responsible for:

- i. Providing an enabling environment for the implementation of this Whistleblower Policy.
- ii. Shall ensure a Senior Officer with authority is designated to oversee the implementation of the Whistleblower Policy and the Procedures for Prevention against Bribery and Corruption in line with the gazetted Guidelines on the Procedures for Prevention of Bribery and Corruption 2021.
- iii. Ensure that all staff are aware of this Policy and that its objectives are met.
- iv. To the extent possible, ensure that whistleblowers, informants, or witnesses are protected against any victimization, or reprisal, intimidation, harassment, or any form of detrimental action.

### **5.3 Nominated Responsible Officer(s)**

The role of the nominated responsible Officer(s) is to:

- i. Receive, Record, and Investigate the substance of the complaint/concern to determine whether there is evidence in support of the matter raised.
- ii. Advise the whistleblower, informant, or witness of their rights and obligations.

- iii. Protect the identity of the whistleblower, informant, or witness, except insofar as is provided in law.
- iv. To the extent possible, protect whistleblower, informant, or witness, from any victimization or reprisal.
- v. Where appropriate, conduct and/or manage any internal investigations and write a report with recommendations.
- vi. Where appropriate, escalate the matter to the Management Integrity Oversight Committee (MIOC) for action or referring to an appropriate external body for investigations.
- vii. Keep the informant apprised on the progress and the resultant outcome of any investigation relevant to his/her disclosure.

#### **5.4 Role of Whistleblowers and Informants**

The whistleblower or informant has a responsibility to provide accurate and reliable information to the responsible Officer or any other Officer that they make disclosure to. While not expected to provide all the facts of the allegation(s), they must demonstrate that there are sufficient grounds for the concern and be willing to assist in the investigation of the concern if required.

#### **6.0 Monitoring, Evaluation and Review**

The Integrity, Ethics and Compliance in-charge shall be responsible for ensuring implementation of this policy, monitoring and evaluation of its impact, and review. Monitoring and evaluation reports shall be escalated to the Management Integrity Oversight Committee annually.

#### **7.0 Effective Date**

This Whistleblower Policy has been revised effective this ..... Day of ..... 2023.

Signed by: ..... *HK Jang* ..... Date: *4<sup>th</sup> August 2023* .....

**Managing Director, Kenya Pipeline Company Ltd.**

