



WHISTLEBLOWER PROTECTION POLICY

1. INTRODUCTION

1.1 This Whistleblower Protection Policy (the “Policy”) is in furtherance of the commitment by the Development Bank of Zambia (the “Bank”) to strengthen the Bank’s system of integrity and the fight against corruption, fraud and related offences. It is established to provide a framework and procedures to protect employees from reprisals that are or may be taken against them for making corruption, fraud and other related disclosures. The policy is designed to set out the requirements for reporting and investigating unethical conduct involving violations of policies/procedures and fraudulent behavior within the Bank to enable employees and other relevant stakeholders report acts of impropriety to relevant authorities. This Policy takes cognizance of the provisions of the Public Interest Disclosure (Protection of Whistleblowers) Act No. 4 of 2010.

1.2 This Policy is anchored upon the following underlying principles:

- (a) The Board and Management of the Bank shall promote a culture of openness, accountability and integrity and will not tolerate harassment, victimization or discrimination of the whistleblower provided such disclosure is made in good faith with belief that what is being reported is true.
- (b) Employees, stakeholders and members of the public can raise legitimate concerns without fear and by this Policy assurance is guaranteed that such concerns would be adequately addressed.
- (c) The success of the Policy depends in part on the conscience and professional ethics of the Whistleblower and the attendant assurance of confidentiality.

2. PURPOSE

2.1 The Bank is committed to maintaining the highest possible standards of ethical conduct within the Bank. In line with this commitment and in order to enhance good governance and transparency, this Policy is aimed at providing an avenue for raising concerns related to Fraud, Corruption or any other Misconduct and assuring that persons who disclose information relating to fraud, corruption or any other misconduct will be protected from Retaliation

2.2 The Policy is aimed at encouraging staff and other relevant stakeholders to report unethical or illegal conduct of employees, clients and stakeholders to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising a concern under this policy. Specific objectives of the policy shall include:

- (a) To encourage timely reporting of alleged malpractices/misconduct;
- (b) To provide a discreet and confidential channel for escalation of concerns without fear of retaliation;

- (c) To ensure consistent and timely responses to disclosures and awareness by whistleblowers of their obligations/rights; and
- (d) To serve as a means of preventing and deterring misconduct that may be contemplated but has not yet taken place.

3. SCOPE

- 3.1 This policy shall be applicable to all Bank Employees, clients and other stakeholders.
- 3.2 Any employee/individual who has observed reportable misconduct can report his/her concerns to designated authorities as prescribed by this policy provided, they are made in good faith and the disclosure is true and reasonable.

4. WHISTLEBLOWING

- 4.1 A Whistleblower is any person or party who conveys or is proven to be about to convey a concern, allegation or any information indicating that Fraud, Corruption or any other Misconduct is occurring or has occurred in the Bank; with knowledge or good faith belief that the concern, allegation or information is true.
- 4.2 This Policy does not apply to complaints of Bank Employees associated with unsatisfactory probation reports, performance evaluations, discriminatory work assignments, equal employment opportunities, sexual harassment or any other personal grievances. These shall be referred to Human Resources Department and other mechanisms established by the Bank for such grievances.
- 4.3 Whistleblowers are reporting parties. They are neither investigators nor finders of fact; they do not determine if corrective measures are necessary; and they do not determine the appropriate corrective or remedial action that may be warranted.

5. WHISTLE BLOWING PROCEDURE

Making of Disclosure

- 5.1 The whistleblower should ensure that they make their disclosures within the scope of the whistleblowing policy to ensure that the recipient of the disclosure conducts investigations within the ambit of the policy.
- 5.2 The report should not be based on mere speculation, rumors or gossip but on personal knowledge of verifiable facts or circumstances to warrant that the reported misconduct had occurred or is likely to occur.
- 5.3 If an allegation is made in good faith but not confirmed by subsequent investigation, no action shall be taken against the person concerned. However, an employee who knowingly makes a false unsubstantiated claim with malice intent will be subjected to appropriate disciplinary action.
- 5.4 The Bank shall not process any frivolous and vexatious reports.

Reportable Conduct

5.5 Disclosures under this Policy include but are not limited to the following.

- (i) All forms of financial malpractices or impropriety such as fraud, corruption, bribery, nepotism or theft;
- (ii) Improper conduct or unethical behavior that undermines core ethical values such as integrity, honesty, accountability, unfairness and respect;
- (iii) Failure to comply with relevant regulations, policies and procedures during discharge of duties;
- (iv) Breach of the Code of Ethics;
- (v) Other forms of corporate governance breaches;
- (vi) Wastage of Authority resources;
- (vii) Any form of criminal activities; and
- (viii) Attempts to conceal any of the above acts

Reporting Channels

5.6 A whistleblower may raise concerns anonymously through writing either electronically or hardcopy to the following:

- (i) The Board Chairperson; or
- (ii) The Managing Director.

5.7 Where a concern is received by any officer other the Board Chairperson and the Managing Director, the Officer to which the concern has been directed shall be required to forward the concerns immediately to the Board Chairperson and or Managing Director.

5.8 A report of alleged misconduct relating to the Managing Director shall be reported to the Board Chairperson, while reports relating to all other Employees shall be reported to the Managing Director .

Reporting Format

5.9 All Reports shall be made in the following format:

- (a) Background of the conduct with relevant dates, location, time and any other relevant details;
- (b) Reasons why the whistleblower is concerned about the situation; and
- (c) Supporting evidence for the allegations, if available.

Investigating Process

5.10 The Managing Director or Board Chairperson shall within three (3) working days of receipt of the concerns from the whistleblower notify the Development Bank of Zambia Integrity Committee (the “Integrity Committee”) of the issues raised.

5.11 The Managing Director or Board Chairperson shall within seven (7) working days of receipt of the concerns from the whistleblower commence review through members of the

Integrity Committee to ascertain validity of claim and also determine whether the concerns fall within the scope of the whistleblower policy.

5.12 The objective of the investigations shall be to establish whether a wrong-doing has occurred based on the report made and to minimize the effect of the wrong-doing and prevent any further damage to the assets and reputation.

5.13 The Board Chairperson or the Managing Director, as the case may be, shall depending on the gravity of the concerns refer the matter to appropriate jurisdictions for further action. If criminal activity has taken place, the matter may be referred to the Police, Drug Enforcement Commission or Anti-Corruption Commission and where necessary, appropriate legal action taken.

5.14 The Bank shall be committed to prompt resolutions of all concerns or issues raised within fourteen (14) working days. In an event that the investigation of disclosures is not concluded within the timeframe, the Chairperson of the Integrity Committee shall seek from the Managing an extended period for a further 14 days in which to conclude.

6. PROTECTION OF WHISTLEBLOWERS

6.1 The Bank will protect the Whistleblower's identity and person. For whistleblowing to be effective, the concerned parties must be adequately assured that the information given will be treated in a confidential manner and above all that they will be protected against Retaliation from within or outside the Bank.

6.2 The Bank will maintain as confidential the Whistleblower's identity unless

- (a) such person agrees to be identified;
- (b) identification is necessary to allow the Bank or the appropriate law enforcement officials to investigate or respond effectively to the disclosure;
- (c) identification is required by law or under the Bank's rules and regulations, where a false accusation has been maliciously made; or
- (d) the person accused is entitled to the information as a matter of legal right or under the Bank's rules and regulations in the disciplinary proceedings.

6.3 In such an eventuality, the Bank shall inform the Whistleblower prior to revealing his or her identity.

6.4 Retaliation shall not be permissible against any Whistleblower. "Retaliation" means any act of discrimination, reprisal, harassment, or vengeance, direct or indirect, recommended, threatened or taken against a Whistleblower by any Person because the Whistleblower has made a disclosure pursuant to this Policy.

6.5 The protection the Bank can give parties external to the Bank shall be limited to the capability of the Bank. But any retaliatory action against a client, customer or contractor or its employees, agents or representatives by Bank Employees because of a disclosure

made by such persons under the Policy will be treated as Misconduct and subject to disciplinary action.

- 6.6 The Bank shall guarantee employment protection. Bank Employees who submit a complaint or information indicating Fraud, Corruption, or any other Misconduct knowing or reasonably believing the complaint or information submitted to be true, shall be protected from Retaliation.

7. ABUSE OF WHISTLEBLOWER PROTECTION

- 7.1 While this Policy ensures that whistleblowers are accorded complete protection from any Retaliation as set out herein, any abuse of this protection will warrant disciplinary action and Whistleblowers who make any disclosures which have been subsequently found to be malicious shall be liable to disciplinary action.
- 7.2 Protection under this Policy does not entail protection from disciplinary action arising out of false allegations made by the whistleblower.

8. RIGHTS OF IMPLICATED PERSONS

- 8.1 Any Employee implicated by a report of misconduct or irregularities must be notified in a timely manner of the allegations made against them, provided that this notification does not impede the progress of the procedures for establishing the circumstances of the case.
- 8.2 The rights of any employee implicated by the reported incidents shall be respected whilst ensuring that the procedures provided for are effective.

9. PUBLIC DISCLOSURES

- 10.1 Prior to making any public disclosure of Fraud, Corruption, or Misconduct, Bank Employees should first utilize the procedures set out in the Policy.
- 10.2 Protection against retaliation for making a public disclosure shall be available where:
- (a) Such disclosure is necessary to avoid;
 - (i) a significant threat to public health and safety; or
 - (ii) substantive damage to the Bank's operations;
 - (b) The use of internal mechanisms is not possible because:
 - (i) at the time the disclosure is made, the individual has grounds to believe that he/she will be subjected to retaliation by the person(s) he or she should report to pursuant to the established internal mechanism; or
 - (ii) it is likely that evidence relating to the misconduct will be concealed or destroyed if the individual reports to the person(s) he or she should report to pursuant to the established internal mechanism; or
 - (iii) the individual has previously reported the same information through the established internal mechanisms, and the Bank has failed to inform the individual in writing of the status of the matter within six months of such a report; and

- (c) The individual does not accept payment or any other benefit from any party for such disclosure.

10. EMPLOYEE OBLIGATIONS

11.1 In furtherance of the Policy objectives, the Bank and its Employees shall have obligations and rights, amongst which are the following:

- (a) Bank Employees are duty bound to disclose any Corruption, Fraud or other Misconduct that come to their attention immediately but in any event not later than seven (7) days after becoming aware of the corruption, fraud or misconduct.
- (b) Violation of this duty shall be subject to disciplinary action. Furthermore, disciplinary action shall be taken against Bank Personnel who knowingly cover-up any acts of Corruption, fraud and other misconduct.

11.2 Bank Personnel shall be deemed to have discharged a reporting obligation once a report is made to in accordance with clause 5.6.

11. OWNERSHIP

The Whistleblower Policy is vested in Management, through the Corporate Support Services Department which shall be responsible for its implementation and operationalization.

12. EFFECTIVE DATE

This Policy shall was approved and adopted by themeeting of the Board of Directors held on the.....day of2020.

BOARD CHAIRPERSON

DATE

BOARD MEMBER

DATE

BOARD MEMBER

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