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WHISTLE-BLOWER POLICY AND PROCEDURE

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Approved By:	Title	Name	Date
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	Signature:		

Confidentiality

This document contains information concerning Kumul Consolidated Holdings strategies, policy and procedures. We regard such information as extremely sensitive and confidential and request that it is not disclosed in whole or in part to any third party without first seeking our consent.

1. OVERVIEW

Kumul Consolidated Holdings (KCH) recognises that employees, consultants, contractors, suppliers and customers, from time to time have concerns about what is happening at work, but are afraid to report those concerns.

Reports are not limited to fraud, theft or corruption, but about possible misconduct which cover a wider range of bad practices, including behaviour that is not in line with KCH Values and Guiding Behaviours. Such bad practice can be happening, likely to happen or even have happened. Employees are encouraged to voice concerns internally and promptly so as to prevent or remedy acts of misconduct. Consultants, contractors, suppliers and customers are encouraged to use the established Whistle-blower Channel.

This policy addresses the commitment of KCH to integrity and ethical behaviour by helping to foster and maintain an environment where employees, consultants, contractors, suppliers and customers can act appropriately, without fear of retaliation. To maintain these standards, KCH encourages employees, consultants, contractors, suppliers and customers who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Organisation, to come forward and express these concerns without fear of punishment or unfair treatment.

KCH conducts business based on the principles of fairness, honesty, integrity and respect. It is KCH's policy to support and encourage employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures. It is also KCH's policy to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats, coercion or intimidation against employees who report, disclose or investigate improper or illegal activities and to protect those who come forward to report such activities. KCH assures that all reports will be treated strictly confidentially and promptly investigated and that reports can be made anonymously, if desired.

KCH's internal control and operating procedures are intended to detect and to prevent or deter improper activities. However, even the best systems of controls cannot provide absolute safeguards against irregularities. KCH has the responsibility to investigate and report to appropriate parties, allegations of suspected improper activities and to take appropriate actions. Employees and others are encouraged to use guidance provided by this policy for reporting all allegations of suspected misconduct or improper activities.

2. OBJECTIVES OF THIS POLICY AND PROCEDURE

The intended objectives of the policy are:

- To provide avenues for employees, consultants, contractors, suppliers and customers to raise concerns and define a way to handle these concerns
- To enable Management to be informed at an early stage about acts of misconduct
- To reassure employees, consultants, contractors, suppliers and customers that they will be protected from punishment or unfair treatment for disclosing concerns in good faith in accordance with this policy and procedure
- To create a culture of openness, accountability and integrity

- To ensure that complaints are fair and reasonable and not motivated by improper concerns
- To ensure this Policy is compatible with the Whistle-blower Act 2020

3. SCOPE OF THIS POLICY

This Policy governs the reporting and investigation of improper or illegal activities at KCH as well as the protection offered to the "Whistle-blower". This Policy DOES NOT apply to or change the Organisations policies and procedures for individual employee grievances or complaints relating to performance, terms and conditions of employment, which will continue to be administered and reviewed by KCH's Human Resources Department.

4. DEFINITIONS

4.1 Whistle-blower:

A person or entity making a protected disclosure about improper or illegal activities. Whistle-blowers may be KCH employees, applicants for employment, State Owned Enterprise or Government representative, Private Sector representative, consultants, contractors, suppliers, customers or general public. The whistle-blower's role is as a reporting party. They are not, investigators or finders of fact, nor do they determine the appropriate corrective or remedial action that may be warranted.

4.2 Good Faith:

Good faith is evident when the report is made without malice or consideration of personal benefit and the employee, consultant, contractor, supplier or customer has a reasonable basis to believe that the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.

4.3 Misconduct/Improper Activities

Examples of misconduct include, but not limited to, fraud, including financial fraud and accounting fraud, violation of laws and regulations, violation of KCH policies and procedures, unethical behaviour or practices, endangerment to public health or safety and negligence of duty.

5. PROCEDURE

5.1 : General Guidance

This policy presumes that employees, consultants, contractors, suppliers or customers will act in good faith and will not make false accusations when reporting of misconduct by the Organisation's employees. An employee, who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary procedures, which may include termination. Appropriate remedy will be considered for false accusations by consultants, contractors, suppliers and customers. Every whistle-blower is expected to report on genuine cases without substantiating the issue. Employees who report acts of misconduct pursuant to this policy can and will continue to be held to the expected performance standards and adherence to KCH's policies and procedures.

Allegations received will be investigated to substantiate the misconduct raised and these allegations will be vetted by the Whistle-blower Committee before any further investigation. The allegations must be submitted using the Form set out in the **Appendix 1**.

5.2 : Reporting Allegations of Misconduct or Improper Activities

1. Any person may report allegations of suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Organisation, employees, consultants, contractors, suppliers, customers, stakeholders or the public at large.
2. Acts of misconduct may be disclosed in writing, by telephone or in person. However, all reports are encouraged to be made in writing, so as to assure a clear understanding of the issues raised. *The format in **Appendix 1** may be used for reporting purposes*
3. Individuals are recommended to self-identify, though it is not a requirement of the policy.
4. An individual can report a suspected misconduct directly to the Whistle-blower Committee by the following means:
 - a. Email: KCH_whistleblower@au.ey.com
 - b. By hand addressed to the Whistle-blower Committee Chairman, C/-
Chief Risk & Compliance Officer
Kumul Consolidated Holdings
Level 3, Harbourside West Building
Stanley Esplanade, Port Moresby
5. Depending on the nature of the suspected misconduct, individuals are encouraged to first discuss their concerns with their line managers.
6. All reports should be sent directly by email or hand delivery in a sealed envelope to the Whistle-blower Committee comprised of the following individuals; -.
 - Chair, Audit & Risk Committee
 - KCH Board Chairman
 - Managing Director
7. Although the whistle-blower is not expected to prove the truth of an allegation, he/she needs to demonstrate to the person contacted that there are sufficient grounds for concern. For a report to be fully investigated, it must contain sufficient information to form a reasonable basis for investigation. An individual reporting anonymously should provide as much information as possible so as not to compromise the ability to fully investigate the report. Refer to **Appendix 1** for the Whistle blower report form.
8. Individuals must not use this Policy to make malicious and unsubstantiated claims against other individuals without any reasonable basis as previously stated.

5.3 : Investigating Alleged Misconduct or Improper Activities

1. The Whistle-blower Committee Chairman who receives a report will notify the sender and acknowledges receipt of the reported violation or suspected violation within five working days.
2. The Chairman shall notify the Whistle-blower Committee that an allegation has been received from a whistle-blower
3. The Chairman will instruct Chief Internal Auditor (CIA) or Chief Risk Officer (CRO) to review the allegation and report to the Committee on whether or not the allegations have grounds for further investigation. If the allegations require further review by an external consultant, the Committee should be advised of same.
4. The Committee will apply the following criteria and protocols when dealing with Whistle-blower reported cases:
 - a. Matters implicating Directors and CEO's will require close oversight by the Committee.
 - b. Matters not implicating the Directors and CEO's, Management should take carriage of the matter and provide updates to the Committee.
5. The Committee shall meet to discuss on report from the CIA/ CRO. The Committee may also exclude from its meetings any persons it deems appropriate, depending on the nature of the complaint.
6. The Committee will decide on the next course of action following their review of the report on the whistleblower incident.
7. Some concerns may be resolved by agreed action without the need for an investigation. Concerns about allegations which fall within the scope of specific procedures of KCH will be referred for consideration under these procedures.
8. The Committee shall report the results of the investigation on the allegations to the Board.

5.4 : Protection from Victimisation

The Whistle-blower shall be protected in a number of ways including, but not limited to the following:

- Ensuring confidentiality in the investigation
- Protecting, as far as legally possible, the co-worker's identity
- Offering a co-worker leave of absence while a matter is investigated
- Relocating the co-worker or other co-workers to a different work group or division where possible

This policy forbids any co-worker or management or Board from penalising any person who blows the whistle, and or make disclosures within the scope of this policy. This includes any reprimand, reprisal, change in work duties, change in employment amenities, change in reporting requirements, damage to career prospects or

reputation, threats to do any of these or deliberate omissions which damage the person.

5.5 : Reporting & Governance

Reports on matters raised through the investigation process shall be provided to the appropriate levels of Management, and if required at Board level for necessary action. Criminal matters may be referred to the appropriate authorities for further investigation and or criminal prosecution.

ROLES AND RESPONSIBILITIES

Whistle-blower:

Whistle-blowers should act in good faith and should not make false accusations when reporting of misconduct by the KCH's or the SOE employees.

Suspects:

Suspects have a duty to cooperate with investigators. The identity of the suspect shall remain confidential.

Investigators:

All investigators have the authority to handle all matters seriously, confidentially and promptly. All investigators shall be independent and unbiased both in fact and appearance.

Investigation Participants

Employees who are interviewed or asked to provide information have a duty to fully cooperate with the investigators. Participants should refrain from discussing or disclosing matters concerning the investigations.

Appendix 1

WHISTLEBLOWER REPORT FORM

Please provide the following details for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company and submit directly to any of the Whistle-blower Committee members. Please note that you may be called upon to assist in the investigation, if required.

Note: Please follow the guidelines as laid out in the Whistleblowing Policy and Procedure

REPORTER'S CONTACT INFORMATION (This section may be left blank if the reporter wants to be anonymous)			
NAME			
POSITION			
CONTACT NUMBERS			
E-MAIL ADDRESS			
SUSPECT'S INFORMATION			
NAME			
POSITION			
CONTACT NUMBERS			
E-MAIL ADDRESS			
WITNESS(ES) INFORMATION (If any)			
NAME		NAME	
POSITION		POSITION	
CONTACT NUMBERS		CONTACT NUMBERS	
E-MAIL ADDRESS		E-MAIL ADDRESS	
ALLEGATION NO.		ALLEGATION NO.	

COMPLAINT: *Briefly describe the misconduct / improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.*

1. What misconduct / improper activity occurred?

The misconduct / improper activity occurred must be made reference to a policy, procedures, regulations which was breached

2. Who committed the misconduct / improper activity?

3. When did it happen and when did you notice it?

4. Where did it happen?

5. Is there any evidence that you could provide us?*

6. Are you able to make reference to KCH's policies, procedures or rules that has been breached?

7. Are there any other parties involved other than the suspect stated above?

8. Do you have any other details or information which would assist us in the investigation?

9. Any other comments?	
Date:	Signature (Optional):

Note: * - You SHOULD NOT attempt to obtain evidence for which you do not have a right of access since whistle-blowers are 'reporting parties' and NOT 'investigators'.

For Whistle-blower Committee Use	Report No.
Received By	Received On:
	Acknowledgement Sent On:
Investigation Required (Yes / No)? <i>(If no, please state the reason)</i>	
Investigation Done By:	
Investigation Results:	
Action Taken / Conclusion:	
Reported to Whistle-blower Committee Chairman on:	
Signed Off by:	