



**FRAUD DETERRENCE
AND WHISTLEBLOWING
POLICY STATEMENT**

Version

Policy Version Reference	2024_1.0
Policy Approver	AGF Board of Directors, following the recommendation of the Audit and Risk Committee.

1. Introduction

The African Guarantee Fund (AGF) is a Pan-African non-bank financial institution whose primary mandate is to assist financial institutions (FIs) in Africa to scale up their SME financing initiatives.

AGF contributes to the promotion of economic development, vital for the prosperity, stability and poverty reduction in Africa through provision of a mix of financial guarantees and other products which will reduce the risks supported by financial sector lending to SMEs that have insufficient collateral and support for capacity development of the partner financial institutions.

AGF is rated 'AA-' by the globally renowned Fitch Ratings Agency.

2. Purpose

The purpose of this Policy is to establish the organization's commitment to preventing fraud, define staff and stakeholders responsibilities for reporting concerns, ensure that a protective framework is in place for anyone reporting incidents and promote a culture of transparency and accountability in support of effective risk management and good governance.

3. Scope

This Policy applies to reports of suspected Fraud activity or compliance incident that may threaten the operations or governance of AGF.

The protections set out in this policy apply whether the subject of the allegations is a staff member or any other person or entity inside or outside that has dealing with AGF.

4. Our Responsibilities

At AGF, we are committed to maintaining the highest standards of integrity, transparency, and accountability. In line with our Fraud Deterrence and Whistleblowing policies and procedures, our responsibilities include:

- Ensuring effective governance and ethical leadership in preventing and addressing fraud and compliance incidents.
- Promoting a culture of compliance and accountability across all levels of the organization.
- Implementing and maintaining robust policies, procedures, and systems to deter, detect, and manage fraud and whistleblowing matters.
- Monitoring the effectiveness of our fraud deterrence and whistleblowing measures and continuously improving our approach.

5. AGF Fraud Deterrence and Whistleblowing Guiding Principles

Fraud is a deliberate deception or misrepresentation used to gain an unfair or unlawful advantage, typically for financial gain.¹ Fraud encompasses any corruption, asset misappropriation and financial statement fraud.

A compliance incident is any act or omission that violates laws, regulations, policies, or ethical standards relevant to the organization's operations. Compliance incidents include breaches of statutory obligations, internal policies, or ethical standards. They may be intentional or unintentional and can significantly affect the organization's reputation and legal standing.

AGF acknowledges the critical importance of preventing, detecting, and addressing fraud, bribery, corruption, and other compliance incidents. This principle is underpinned by the following commitments:

- **Zero Tolerance:** Strict measures will be enforced to address any fraudulent or unethical behaviour.
- **Ethical Leadership:** Leaders and employees are expected to uphold integrity and serve as role models in compliance and governance.
- **Accountability:** Systems and procedures are in place to ensure transparency and accountability in all operations.

AGF Prohibits:

- The offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form to/from any person or company, public official, or private individual.
- Actions by any individual employee, director, agent, consultant, contractor or other person or body acting on AGF's behalf to gain unethical advantage.

¹ Refer to the "Financial Crime Commission ACT - FIU – Mauritius" for more detail.



AGF Recognizes:

Whistleblowing is a key mechanism for fostering transparency and accountability. It is committed to:

- **Providing a Safe Environment** where employees and stakeholders can report concerns without fear of retaliation.
- **Protecting Whistleblowers** by ensuring that individuals who report in good faith are safeguarded from adverse consequences. The organization enforces a zero-tolerance policy for any form of retaliation against individuals who, in good faith, report misconduct, participate in investigations, or refuse to engage in unethical or illegal activities.
- **Encouraging Reporting** by actively promoting the reporting of suspected fraud, bribery, corruption, or other compliance incidents to uphold the organization's values and regulatory obligations.

6. Reporting Channels

All employees, contractors, and third parties are required to report any suspected or actual cases of fraud and compliance incident through the prescribed channels.

Reporting Channels	Minimum Requirements
<p>Group Chief, Internal Controller & Compliance Officer</p>	<ul style="list-style-type: none"> Ensures confidentiality and protection for whistleblowers. Trained and qualified to handle sensitive reports professionally. Report functionally to the Board of Directors through the Audit & Risk Committee. Approved by the Regulator (Financial Services Commission of Mauritius). Member of relevant professional body.
<p>Email: An email on which any incident can be reported. whistleblowing@africanguaranteefund.com</p>	<ul style="list-style-type: none"> Email address managed by an independent team. Encryption to protect sensitive information. Access to the email restricted.
<p>Online Portals: Secure platforms that allow for the submission of reports anonymously or with full identification. https://whistleblowing.africanguaranteefund.com/</p>	<ul style="list-style-type: none"> Option for anonymous reporting. Multi-language support for inclusivity. Server managed by an independent team. Encryption to protect sensitive information.
<p>Physical Submission: Drop-boxes or designated locations where employees can confidentially submit written reports.</p>	<ul style="list-style-type: none"> Securely locked drop-boxes placed in discreet, accessible locations. Periodic collection by an independent team to maintain confidentiality. Tamper-proof design to prevent unauthorized access.

7. Sanctions

An AGF Person failing to comply with this Policy or with any applicable laws and regulations shall be subject to disciplinary action and may also face civil or proceedings as per the applicable laws and regulations.

Moreover, these sanctions may include, but not limited to:

- Written warnings, probation, or dismissal.
- Legal action (civil or criminal) and recovery of monetary losses.

Equal treatment of individuals at all levels of the organization, regardless of position or affiliation will be ensured.





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