



WHISTLE-BLOWING POLICY

1) Introduction

This policy is introduced in furtherance of the aim of improving corporate governance in the Bank. It is also aimed at fulfilling part of the requirements of the Central Bank of Nigeria's code of corporate governance. Whistleblowing enables an organization to obtain early warning signals on what may be going wrong in the organization, especially in cases where it would be difficult to use formal communication channels. This is important where the issues involved are very sensitive and would require the confidentiality of the whistle blower. Whistle-blowing is a confidential channel open to all the stakeholders of the Bank to report any wrongdoing to the management and board of the Bank.

2) What should be reported?

- 2.1 Fraudulent activities
- 2.2 Illegal activities
- 2.3 Bribery and corruption
- 2.4 Gross misuse of Bank's assets including information asset
- 2.5 Conflict of interest and abuse of office on the part of any member of staff or director
- 2.6 Activities likely to endanger life or property
- 2.7 Insider dealings
- 2.8 Use of fake/forged certificates
- 2.9 Theft/leakage of information assets
- 2.10 Purchase of goods at inflated prices
- 2.11 Purchase of inferior goods
- 2.12 Concealment of any malpractice
- 2.13 Override of controls
- 2.14 Abuse of authority
- 2.15 Sexual harassment
- 2.16 Bullying
- 2.17 Other unethical activities

3) Who should report?

- 3.1 Employees
- 3.2 Directors
- 3.3 Clients
- 3.4 Vendors and service providers
- 3.5 Stakeholders and concerned persons

4) Procedure for making whistle-blowing reports

To assure all FSDH MB stakeholders of the confidentiality and anonymity of reported concerns, FSDH MB maintains an outsourced whistleblowing service managed by an independent party, Deloitte. This platform provided by Deloitte for raising concerns is branded Deloitte Tip-offs Anonymous (TOA). All whistleblowing reports should be made using any of the Deloitte TOA reporting channels:

- ☐ Toll free hotline: 0800TIPOFFS (0800 847 6337)
- ☐ E-mail: tip-offs@deloitte.com.ng
- ☐ Web Portal: <https://tip-offs.deloitte.com.ng/>
- ☐ Mobile App: Download Deloitte Tip-offs Anonymous App on Android or iOS devices

Whistle-blowing reports can also be sent direct to the CBN using the email address anticorruptionunit@cbn.gov.ng

4.1 The following procedure should apply for reports:

☐ Step One

Whistleblower contacts Deloitte Tip-offs Anonymous contact centre via the toll-free hotline (Calls are toll-free to all networks). Dial the hotline from any telephone of your choice. You may call anonymously – even if you disclose your name, your identity will remain confidential and will not be disclosed to FSDH MB except with your consent. The call operators are not employed by FSDH MB, thus ensuring that confidentiality is maintained at all times

☐ Step Two

Our contact centre agent provides options of anonymity, prompts questions and provides a unique reference number to the whistleblower. The contact centre agent interviews the whistleblower to obtain as much relevant information as possible. Ensure you provide all the available details:

- a) Nature of the incident
- b) People involved
- c) Dates of incident
- d) Place of occurrence
- e) How the incident occurred

- f) Any other useful information

☐ **Step Three**

Report analyst sanitizes report to remove any details that might identify the whistleblower. You will be assigned a unique reference code (PIN) – keep this confidential as you will need this number if you make a follow-up. You may call back for feedback on your report or to provide additional information.

☐ **Step Four**

The information received is captured in a TOA report format, the report is reviewed by the Contact centre manager and transmitted to designated persons within FSDH MB for further action.

☐ **Step Five**

The investigation is conducted, and feedback is provided by FSDH MB to Deloitte.

☐ **Step Six**

The Whistleblower may subsequently call back to provide additional information or request feedback.

4.2 Whistleblower Identity Options

There are three (3) options to choose from in protecting the identity of a whistleblower. This comprises of Completely Anonymous, Partially Anonymous and Confidential Disclosure. Deloitte encourages whistleblowers to select either option of 'partially anonymous' or confidential disclosure', to afford FSDH MB sufficient information to better handle your concern. All whistleblower reports are handled confidentially.

A. Completely Anonymous

A Whistleblower who selects the completely anonymous option, will not be required to supply his/her name or any information that might reveal the whistleblower's identity. Consequently, the details of the whistleblower are unknown to either Deloitte or FSDH MB. However, Deloitte TOA will be unable to contact the whistle-blower for more information on behalf of FSDH MB, if further information about the whistleblower's reported concern is required.

B. Partially Anonymous

A Whistleblower who selects the partially anonymous option will be required to disclose his/her personal details to Deloitte only. Deloitte Tip-offs Anonymous contact centre manages this reporting facility. The whistleblower's personal

details would not be divulged to FSDH MB. If further information about the whistleblower's reported concern is required, the Deloitte Tip-offs Anonymous contact centre will contact the whistleblower.

C. Confidential Disclosure

A Whistleblower who selects the confidential disclosure option will be required to disclose his/her personal details to Deloitte and FSDH MB. The whistleblower's name and contact details would be known to the Deloitte Tip-offs Anonymous contact centre, FSDH MB and the investigators that will conduct the investigation.

4.3 Subsequent Action

Upon receipt of a report, via any of the TOA reporting channels, Deloitte transmits the report to the designated recipient within FSDH MB for an investigation to be conducted. Deloitte will send each TOA report to designated officers within 24 hours, of receiving an incident reported by a stakeholder.

4.4 Feedback to Whistleblower

Feedback will be provided by FSDH MB to Deloitte Tip-offs Anonymous after investigation and subsequently transmitted to the whistleblower through the initial channel of submission, upon the request of the Whistleblower. Deloitte would immediately acknowledge receipt of any reported concern by a whistleblower.

5) Protection for whistleblower

- 5.1 Whistleblowing is done through Deloitte Tip-Offs Anonymous reporting channels. Deloitte is a reputable international firm that provides accounting and consulting services.
- 5.2 FSDH does not have access to the whistleblowing reports ensuring that the whistleblower is fully protected.
- 5.3 Calls are answered by trained personnel who understand the concerns of the whistleblower and will ensure that all the relevant facts are obtained from the whistleblower in a manner that will ensure full protection and confidentiality for the whistleblower.
- 5.4 You are not mandated to disclose your identity. Even if you disclose your identity to Deloitte Tip-Offs Anonymous, your identity will not be disclosed to FSDH MB without your consent.
- 5.5 The facilities are secure and not accessible to unauthorized persons.
- 5.6 Retaliation against a whistleblower or anyone who has cooperated with investigations is prohibited in FSDH MB.

6) Obligation of the whistle-blower

In making whistle-blowing reports, the whistle-blower should ensure that:

- 6.1 The report is made in good faith.
- 6.2 He or she has reasonable grounds to believe that the report is true. The whistle-blower is encouraged to report even if he or she does not have all the relevant information.
- 6.3 He or she is not making the report for personal gain.

7) Whistleblowing Investigation

- 7.1 The issues will be thoroughly investigated, using all available evidence. The whistleblower may be called upon, if the report is not anonymous, to provide in strict confidence any available evidence necessary to confirm all the issues raised in the report.
- 7.2 Regular feedback will be provided to the whistleblower if he or she calls for feedback. If the report is through an email address, feedback will be provided by Deloitte Tip-Offs Anonymous using that same email address.
- 7.3 Where the allegations are confirmed, FSDH MB undertakes to take necessary disciplinary measures against identified offenders in line with the company's policy. Where injuries have been suffered by the whistleblower, the company undertakes to provide necessary remedies as may be permitted in the company's policy.

8) Schedule of Whistleblowing Recipients

| No | Nature of Whistleblowing report | Recipients of whistleblowing report |
|----|--|---|
| 1 | Report against the Chairman of the Board. | Chairman, Board Audit Committee Chairman, Board Risk Committee Chairman, Board Governance and Nomination Committee Chairman, Finance and Strategy Committee |
| 2 | Report against the Managing Director | Chairman of the Board Chairman, Board Audit Committee Chairman, Board Risk Committee Chairman, Board Governance and Nomination Committee Chairman, Finance and Strategy Committee |
| 3 | Report against the Chairman of the Board Audit Committee | Chairman of the Board Chairman, Board Risk Committee Chairman, Board Governance and Nomination Committee Chairman, Finance and Strategy Committee |
| 4 | Report against the Chairman of the Board Risk Committee | Chairman of the Board Chairman, Board Audit Committee Chairman, Board Governance and Nomination Committee Chairman, Finance and Strategy Committee |
| 5 | Report against the Chairman of the Board Governance and Nomination Committee | Chairman of the Board Chairman, Board Audit Committee Chairman, Board Risk Committee Chairman, Finance and Strategy Committee |
| 6 | Report against the Chairman of the Board Finance and Strategy Committee | Chairman of the Board Chairman, Board Audit Committee Chairman, Board Risk Committee Chairman, Board Governance and Nomination Committee |
| 7 | Report against other directors or members of Board Committees | Chairman of the Board Chairman, Board Audit Committee Chairman, Board Risk Committee Chairman, Finance and Strategy Committee Chairman, Board Governance and Nomination Committee |
| 8 | Report against the Chief Audit Executive | Chairman, Board Audit Committee Managing Director Chief Risk Officer |
| 9 | Report against the Chief Risk Officer | Chairman, Board Audit Committee Managing Director |

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| | | Chief Audit Executive |
| 10 | Report against other members of staff | Managing Director |
| | | Chief Audit Executive |
| | | Chief Risk Officer |
| 11 | Monthly summary of whistleblowing reports | Managing Director |
| | | Chief Audit Executive |
| | | Chief Risk Officer |

9) Definition of terms

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| Whistleblower | Anyone who makes a disclosure |
| Conflict of interest | A situation in which a person is in a position to derive personal benefit (for oneself or close associates) from actions or decisions made in their official capacity |
| Bribery and corruption | Unethical and dishonest practices which includes offering or receiving financial inducements. |
| Good faith | A staff member shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the staff member does not have personal knowledge on a factual basis for the communication or where he/she knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous. |
| Retaliation | <p>A direct or indirect decision or action that adversely affect the employment or working conditions of a Whistleblower. Such action is taken for the purpose of punishing or intimidating the Whistleblower for making a report. Retaliation can include but not limited to:</p> <ul style="list-style-type: none"> ➤ Discrimination ➤ Unsubstantiated negative performance appraisal ➤ Unjustified modification of duties ➤ Unjustified termination or compensation decrease ➤ Malicious delays in authorizing travel or other entitlements ➤ Threat to Whistleblower and their family |
| Concerned persons | These are individuals that can be significantly affected by FSDH's activities, products and/or services; and whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives. Examples are shareholders, customers, associates, consultants etc. |
| Override of controls | A situation where approved procedures is willfully not implemented. |
| Illegal activities | Activities that are against the law e.g bribery, falsification etc |
| Fraudulent activities | Activities involving the use of criminal deception to gain |

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|-------------------|---|
| | undue advantage e.g advance fee fraud, over invoicing, ransomware attack etc |
| Sexual harassment | A behaviour of making unwelcome and inappropriate sexual remarks or physical advances to another person or behaviour of a sexual nature which creates an intimidating, degrading or humiliating environment in the workplace. |
| Bullying | This is repeated behaviour characterized by the use of force or threat to dominate or intimidate another person. Bullying can involve verbal or physical actions and can occur in person or online |
| Chairman | Reference to chairman in this document is gender neutral. A chairman is either a man or a woman. |

10) Review of the Whistleblowing Policy

10.1 Review of the whistleblowing policy will be conducted once in three years.

DOCUMENT APPROVAL

This whistleblowing policy has been approved by:

Board Audit Committee on.....day of2021

Board of Directors onday of 2021

Mr. Musa Ali Baba
BARC Chairman

Mr. Olufemi Agbaje
Board Chairman