



PENSIONS

WHISTLE BLOWING POLICY

October, 2019

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Executive Management	Date:..... Sign:.....
Chairman, Board Risk Management Committee	Date:..... Sign:.....
Board Chairman	Date:..... Sign:.....
Administrator	Chief Compliance Officer
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<p>1.0 POLICY STATEMENT</p>	<p>1.1 Clear communication is key to building an organization where employees and other stakeholders feel comfortable raising their concerns. Thus a resulting positive work environment allows for complete dedication to the organization’s mission and success. By encouraging whistle blowing, Legacy Pension Managers Limited (also referred to as LPFA) seeks to promote transparent culture and effective communication.</p> <p>1.2 To maintain these standards, the PFA encourages employees and relevant stakeholders who have material concerns about suspected misconduct or any breach or suspected breach of laws or regulations that may adversely impact the Company or Funds under its Management to come forward and report them through appropriate channels without fear of retribution or unfair treatment.</p>
<p>2.0 DEFINITION</p>	<p>2.1 Whistle Blowing is simply ‘making a disclosure in the public interest’ and also involves when a worker raises a concern about danger or illegality that affects staff members and the Company.</p> <p>2.2 A Whistle-Blower is any person(s) including the employee, management, directors, service providers, and other stakeholder(s) of an institution who reports any form of unethical behavior or dishonesty to the appropriate authority.</p>

<p>3.0 PURPOSE</p>	<p>3.1 The purpose of this policy and procedure is to outline modality in which the PFA employees or persons associated with the PFA can express concerns about malpractices, wrong doing and to encourage employees to raise these at an early stage and in an appropriate manner in line with PenCom’s Guidelines on Whistle blowing.</p>
<p>4.0 SCOPE</p>	<p>4.1 This Policy is not designed to question financial or business decision taken by relevant authorities in the PFA nor should be used to reconsider any matters which have already been addressed under Harassment, Compliance, Disciplinary and other procedures as contained in the staff Handbook. It is designed to enable individuals disclose any malpractice or impropriety touching on any of the following areas which may have negative consequences for the PFA as a Company or the pension funds under management: –</p> <ul style="list-style-type: none"> • Financial malpractice or impropriety or fraud • Failure to comply with legal obligations or statutes, regulations, guidelines etc • Improper conduct or unethical behavior • Attempts to conceal any of these improprieties.
<p>5.0 SAFEGUARDS</p>	<p>5.1 Protection - The PFA will not tolerate any harassment or victimization (including any informal pressure) nor any attempt to apply a sanction or any other act detrimental to the person who has reported any serious and genuine concern that they have of any malpractice provided that the disclosure is made in good faith.</p> <p>5.2 Confidentiality - All matters of disclosure will be treated in a confidential and sensitive manner. The identity of the whistleblower may be kept confidential so long as it does not hinder</p>

	<p>or frustrate an investigation. Where required, the investigation process may reveal the source of the information, and the individual making the disclosure may need to provide a statement as part of the evidence required.</p> <p>5.3 Anonymous Allegations - This policy encourages individuals to put their name to any disclosure they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of an investigating Officer or Team. In exercising this discretion, the factors to be taken into account include:</p> <ul style="list-style-type: none"> - The seriousness of the issues raised - The credibility of the concern - The likelihood of confirming the allegation from attributable sources. <p>5.4 Untrue Allegations - If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. In making a disclosure the individual should exercise due care to ensure accuracy of the information. If, however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them, and investigations reveal nothing; disciplinary action may be taken against such an individual (supposed whistleblower).</p>
<p>6.0 RESPONSIBILITIES</p>	<p>6.1 The Chief Executive Officer (CEO)</p> <p>The Chief Executive Officer is to ensure the Policy is entrenched and that all concerns raised are dealt with.</p> <p>6.2 The Chief Compliance Officer</p> <p>The Chief Compliance Officer has the regulatory responsibility to report serious breaches to the Management, the Board and lastly to the Commission where all efforts to get Executive Management and the Board bridge the breaches failed. Members of staff with</p>

	<p>concerns are to 'speak up' by reaching out to the Compliance Officer.</p> <p>6.3 Supervising Officers All Heads of Departments, Divisions and Executive Managers are responsible for ensuring that staff are aware of the Policy and its application and for creating an enabling environment in which staff are able to express their concerns freely and without fear of reprisal.</p> <p>6.4 Individuals The individuals have the responsibility to raise concerns providing s/he has a reasonable belief that malpractice and or wrong doing has occurred.</p>
<p>7.0 BREACHES</p>	<p>7.1 Conducts considered as breaches include:-</p> <ul style="list-style-type: none"> i. and timely information to RSA holders Dishonesty, including fraud, bribery and other corrupt practices; ii. Misuse/misappropriation of assets or contributions; iii. poor corporate governance; iv. Inadequate controls resulting in deficient administration; v. failure to pay/credit contributions correctly or promptly; vi. Inappropriate decision making practices; acting or failing to act in the face of deliberate contravention of the law, regulations, guidelines and rules issued by the Commission or other applicable legislative authorities vii. Actions which negatively or adversely impact on the functions of the Commission (includes remittance of the right amount of contribution into an RSA and at a right time by the employer; viii. Legitimate and timely payments of pension by the PFA; Investment of pension funds in line with the provisions of the Investment Guidelines, issued by the Commission; ix. Proper administration of the pension fund and maintenance of appropriate records;

	<p>x. Issuance of accurate, clear.</p> <p>7.2 Materiality of Breaches</p> <p>In order to consider materiality of breaches, the following vulnerability issues will be carefully evaluated -</p> <ul style="list-style-type: none"> • The nature or the type of the breach • The significance and credibility of the breach • The possibility of confirming the allegation <p>7.3 Breaches arising from an isolated incident e.g. due to teething problems with a new system procedure etc shall not be considered of material significance to the Commission or where the PFA takes prompt and effective action to investigate and correct the breach and its causes and where appropriate, notify any RSA holder whose benefits have been affected. If these are not done, it will be considered a breach of material significance, as enshrined in PenCom’s Guidelines on Whistle Blowing. The following are categories of breaches:</p> <p>7.4 Red Scenarios: These are considered materially significant breaches because they could immediately or potentially pose significant risk to contributors’ interests e.g. fraud, misappropriation of assets, trading assets of the fund in the name of the PFA, its shareholders or directors, persistent misallocation of contributions, persistent failure to carry out reconciliation of contribution received resulting in persistent discrepancies, persistent failure to update records of contributors whose personal details have changed etc.</p> <p>7.5 Green Scenarios: These are breaches which are not materially significant and do not have to be reported but must be recorded e.g. failure to invest a month’s contributions promptly, pay benefits correctly or timely, provide RSA holder with timely or correct</p>
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	<p>information etc., simple breaches of investment guidelines through dealing or implementation errors etc.</p> <p>7.6 Amber Scenarios: These are breaches which are less clear cut and the context of the breach must be taken into account in order to decide whether it is materially significant and should be reported e.g several green breaches which stem from the same cause, failure by PFA to take all reasonable and proper measures to recover all debts and monies due to the fund within a reasonable time constituting a breach of trust etc.</p>
<p>8.0PROCEDURE FOR REPORTING AND HANDLING BREACHES</p>	<p>8.1 These are steps to be followed when raising a concern and ways of verifying such by any Committee put in place to investigate these concerns.</p> <p>1. Initial concerns may be raised orally or in writing (through a superior officer, immediate boss or the Compliance Officer etc), in writing to the Head, Compliance. You would be expected to set out the background and history of the concern, giving names, dates and places where possible, and the reason why you are particularly concerned about the situation.</p> <p>2. Complaints of malpractice will be investigated by a constituted team unless the complaint is against a Director or is in any way related to the actions of the Director. In such a case, the complaint should be passed to the Chief Executive Officer for referral.</p> <p>3. Complaints against the Chief Executive Officer shall be passed to the Chairman, Board of Directors who will nominate an appropriate internal or external investigating officer.</p> <p>4. A preliminary investigation will be carried out by an investigating officer with assistance where necessary from any official of the company. Where a full investigation is involved, the identity of the person making the disclosure may have to be revealed in evidence.</p> <p>5. Lodged disclosures should be investigated within 10 work days of concern being raised – the Investigating officer will write to the person raising the concern to:</p>

	<ul style="list-style-type: none"> - acknowledge the concern has been received. - indicate the initial findings and how he/she progresses to deal with the matter, giving an estimate of how long it will take to provide a final response. <ol style="list-style-type: none"> 6. Where a full investigation is required, this will be carried out by a constituted committee or team. Further action could be decided on such as referral to other higher external investigating authorities. 7. The Committee or Team will take appropriate steps to minimize any difficulties, which an employee may face. If employees are required to give evidence in criminal or disciplinary proceedings, the Committee will need to inform such employee and consider what steps are required to provide support. 8. The Investigating officer should inform the member of staff against whom the complaint is made as soon as is practically possible. 9. The allegations should be fully investigated by the investigating officer or Committee with the assistance where appropriate, of other individuals. 10. A judgment concerning the raised concerns and validity of the complaint will be made by the investigating officer. This judgment will be detailed in a written report containing the findings of the investigations and reasons for the judgment. The report will be passed to the Chief Executive Officer (CEO). 11. The Compliance Officer shall keep records of the number of whistle-blowing disclosures they receive and their nature. 12. The Compliance Officer shall also maintain records of the date and content of feedback provided to whistle-blowers.
<p>9.0 SANCTIONS</p>	<p>9.1 Disciplinary action may be taken against any member of staff who is discovered to have made allegations frivolously, falsely or maliciously, for example to pursue a personal grudge against an employee. The Committee will try to ensure that any negative</p>

	<p>impact of either a malicious or unfounded allegations about a person is minimized.</p> <p>The investigating Officer upon certifying that an allegation was frivolous, false or maliciously made shall recommend such staff for disciplinary action according to the relevant sections of Staff Handbook.</p>
<p>10.0 WHISTLE BLOWING CHANNELS/ HOTLINES</p>	<p>10.1 Email: <u>Compliance@fcbmpensions.com</u></p> <p>10.2 Suggestion/Complaint/Whistle-blowing Box</p> <p>Verbal and or Written Disclosures.</p> <ol style="list-style-type: none"> 1. MD /CEO – 08022235807 2. Chief Compliance Officer – 08032201004 3. FCMB Group- Head, Group Internal Auditor - 08052733147. 4. Head, Risk Management - 08033087076
<p>11.0 CONCLUSION</p>	<p>11.1 This Policy underscores the need for all concerned to adopt the speak – up culture and entrench transparency and accountability in every day dealings in the PFA.</p>

