

TABLE OF CONTENTS

Cover page

Approval page

Table of Contents-----1

Chapter one

INTRODUCTION

1.0 Purpose-----2

1.1 Scope-----2

1.2 Objectives-----2

Chapter Two

DEFINING WHISTLEBLOWING

2.0 What is whistleblowing? -----3

2.1 Qualifying Disclosure-----3

2.2 Whistleblowing Concern-----3

2.3 Who is a Whistle-blower? -----3

2.4 Roles/Responsibilities-----3

2.5 Who may raise a Whistleblowing Concern? -----4

2.6 What concern maybe raised? -----5

Chapter Three

SAFEGUARDS AND CONFIDENTIALITY

3.0 Protection of Confidential Information-----6

3.1 How to raise a Whistleblowing Concern-----7

3.2 Investigations-----7

3.3 What happens if the Whistle-blower is dissatisfied with the outcome of an Investigation? -----8

3.4 Whom to Report a Whistle-blowing Concern-----8

Chapter Four

EXTERNAL DISCLOSURE/PROTECTION AND SUPPORT FOR WHISTLE-BLOWER

4.0 External Disclosure-----9

4.1 Protection and Support for Whistle-blower-----9

4.2 Review-----9

CHAPTER ONE

1.0 Purpose

This document is intended to encourage staff of Polyunwana Microfinance Bank Nigeria Limited to voluntarily disclosed information about fraud, bribery, financial misconduct and any other form of corruption or theft that affects the Bank or that will affect the Bank. The Bank is committed to maintaining the highest standards of honesty, openness and accountability; and to conducting its business in a responsible way meeting the requirements of the Stakeholders and reflecting the standards in public life as set out in the regulatory guidelines.

The staff of the Bank may be the first to realise that there is something wrong within the Bank. However, they may not express their concerns, because they feel that speaking up would be disloyal to their colleagues or fear reprisal. In these circumstances, it may be easier for Staff to ignore the concern rather than to report what may be a suspicion of wrongdoing.

All staff of the Bank are encouraged to raise genuine concerns about wrongdoing at the earliest opportunity. They should not hesitate to “speak up” or “blow the whistle” if they believe or suspect that fraud, misappropriation of fund, sexual harassment or any other illegal act may be occurring in the Bank.

1.1 Scope

This Policy shall apply to all stakeholders in the Bank.

1.2 Objectives

The following shall be the objectives of this Policy:

- i. To encourage staff and Stakeholders to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate.
- ii. To provide guidance as to how to raise those concerns. That is all responsible parties shall be aware of what to do and the appropriate person(s)/department to notify in the event of concerns around breaches of regulations, policy/practices, fraud, sexual harassment or criminal offences and will allow for investigation of matters where there is ‘reasonable belief’ that the wrongdoing is or may be occurring.
- iii. To reassure staff and Stakeholders that they can raise genuine concerns without fear of reprisal even if they turn out to be mistaken.
- iv. To ensure that the policy shall not be used in relation to employee grievances concerning colleagues or Stakeholders. Rather such grievances shall be channelled to the Managing Director in writing for appropriate action.

CHAPTER TWO

DEFINING WHISTLEBLOWING

2.0 Criteria for Whistleblowing

This policy takes account of the Whistleblowing in the Codes of Corporate Governance for Other Financial Institutions in Nigeria which states that,

- i. A Financial Institutions shall have a whistleblowing policy made known to employees and other Stakeholders.
- ii. The policy shall contain mechanisms, including assurance of confidentiality that encourages all Stakeholders to report any unethical activity to the institution and or/Central Bank of Nigeria.
- iii. Financial Institutions are required to submit returns on the compliance with the whistle blowing policy on a semi-annual basis to the Director, Other Financial Institutions Supervision Department, not later than 7 days after the end of the relevant period.

2.1 Qualifying Disclosure

This policy shall provide protection to prevent Staff or Stakeholders being penalised as a result of making a qualifying disclosure that tends to show one or more of the following:

- (a) A criminal offence;
- (b) Failure to comply with a legal obligation;
- (d) Endangering of health and safety;
- (e) Damage to the Bank/environ; or
- (f) Deliberate concealment of any form.

2.2 Whistleblowing Concern

The “Whistleblowing Concern” is a genuine concern relating to any of the matters set out in qualifying disclosure.

2.3 Who is a Whistle-blower?

The term “Whistle-blower” is used to describe an individual who raises a concern.

2.4 Roles/Responsibilities

A. The Board of Directors:

The Board of Directors shall be responsible for the following:

- i. Have overall responsibility for this policy and for reviewing its effectiveness.

- ii. Proper review and assessment of every report of a whistle-blower as recommended by Board Audit Committee and enforcement of appropriate decision.
- iii. Ensure that the whistle-blower does not face any detrimental treatment either from colleagues or other Stakeholders.
- iv. Provide appropriate training to Staff and Management who deals directly with the policy.
- v. Appointing a member who receives every concern raised on behalf of the Board via electronic channels or word of mouth.

B. Board Audit Committee:

The Committee shall be responsible for the following functions:

- i. Drafting/reviewing of the policy and recommending same to Board. In addition, modification to this document will generally be communicated to Staff upon approval by the Board.
- ii. Reviewing the concern of a whistle-blower as reported by Head, Internal Audit and Risk Management and enforce appropriate decision.
- iii. Delegating the day-to-day responsibility for the implementation of the Policy to the Internal Audit and Risk Management department.

C. Internal Audit and Risk Management Department:

The Internal Audit and Risk Management Department shall be responsible for the following:

- i. Regularly monitor the day-to-day operational level of implementation of the policy.
- ii. Provide report on whistleblowing if any on quarterly basis to the Board Audit Committee.
- iii. Submit returns on compliance with the whistle blowing policy on a semi-annual basis to the Director, Other Financial Institutions Supervision Department, not later than 7 days after the end of the relevant period.

D. Management:

The Management shall be responsible for the following

- i. Management is responsible for the implementation of this policy.
- ii. Management is at liberty to make input into the review of the policy.

2.5 Who may raise a Whistleblowing Concern?

All Stakeholders of the Bank are to blow the whistle if there is any wrong doing occurring within and outside the Bank.

2.6 What Concerns may be raised?

Concerns which are in the public interest and covered by this policy as set out in paragraph 2.1

(a-f) above and may include:

- i. Financial fraud, mismanagement or impropriety,
- ii. Failure to comply with a legal or regulatory requirements including, own policies/practices,
- iii. Improper conduct or unethical behaviour including unauthorised disclosure of confidential information,
- iv. Corruption, bribery or blackmail.

The procedures set out in this policy is distinct from existing internal procedures for dealing with Staff complaints connected with their personal circumstances at work, terms of employment or collective grievances.

This procedure may not be used to re-open or review a matter already decided in such procedures or to question or reconsider financial or business decisions taken by the Bank. The essence is to assist Staff who believe that they have discover wrongdoing in the Bank to have their concerns considered.

If a Staff is uncertain whether his/her concern is within the scope of this policy he/she shall contact the Managing Director in writing who will refer the matter to the Internal Audit and Risk Management Department for an advice/investigation into the matter.

CHAPTER THREE
SAFEGUARDS AND CONFIDENTIALITY

3.0 Protection of Confidential Information

This policy is designed to offer protection to Stakeholders of the Bank who disclose Whistleblowing Concerns provided that:

- i. The individual making the disclosure reasonably believes that it is a matter of public interest (see section 2.1).
- ii. The disclosure is made to an appropriate person(s) (see paragraph 3.4).
- iii. The Bank aims to promote a culture in which individuals feel confident to raise their concerns.

Consequently, anyone reporting a disclosure is encouraged to identify him/herself. However, if an individual wishes to raise a Whistleblowing Concern confidentially, the Bank will make every effort to keep that individual's identity secret. Concerns which are expressed anonymously will be considered at the discretion of the Board to:

- a. the seriousness of the issues concerned;
- b. the likelihood of confirming the allegation from alternative credible sources.

In the event that it is deemed necessary to reveal the identity of the Stakeholders making the disclosure, this will be discussed with the individual who will be advised prior to the release of his/her identity. The investigation process may require that the source of the information and the individual making the disclosure provide a statement as part of the evidence required or to assist in further investigations. All reasonable steps will be taken to ensure that the Whistle-blower suffers no detriment as a result of his or her identity becoming known. Similarly, a Whistle blower who is a contractor, Consultant or supplier of the Bank who raises a concern will not be subject to sanctions or discrimination against their business.

If it is concluded that the Whistle blower has made a malicious or vexatious allegation or with a view to personal gain and particularly where they persist in making them, disciplinary action may be taken against the individual concerned.

Employees may be personally liable if they subject the Whistle-blower to any kind of detriment on the grounds that they have made a protected disclosure and the Bank will take all reasonable steps to protect employees from any form of harassment for making a disclosure.

3.1 How to raise a Whistleblowing Concern

The Bank wishes to promote a culture of openness and therefore hopes that in most cases an employee will be able to raise any concerns in person or in writing in line with 2.4 (v).

3.2 Investigations

The form of the investigation shall depend on the nature of the matter raised. The Head, Internal Audit and Risk Management will determine whether the matter shall:

- i. Be investigated and if so whether that investigation shall take place under an existing internal procedure or be referred to the Board Audit Committee.
- ii. The outcome of any investigation under an existing internal procedure will be reported to the Board Audit Committee so that they may decide whether any further action should be taken or reported to the police or regulators.
- iii. It will however be for those conducting the matter under the internal procedure to comply with the terms of the relevant procedure in respect of matters such as keeping the Whistle-blower informed as to progress of the investigation. Except as may be otherwise provided in internal procedures, referral to the police will not prohibit a parallel internal investigation, if considered appropriate.

Investigations will not normally be conducted by Head, Internal Audit and Risk Management, Head, Accounts and Administration and the Managing Director but by any other person(s) that may be nominated by Board Audit Committee who will have to reach a decision on the matter.

Any investigation under this policy will be conducted as sensitively and speedily as possible. The intended timetable for the investigation will be notified to the Whistle-blower. In order to seek to protect the identity of the parties concerned, those participating in the investigation will be reminded of the need to maintain strict confidentiality in appropriate cases at all stages of the process.

The findings of the investigation under this policy (which may include recommendations for change to minimise the risk of future wrongdoing) will be reported to the Board Audit Committee by Head, Internal Audit and Risk Management who will decide what action should be taken.

3.3 What happens if the Whistle-blower is dissatisfied with the outcome of an investigation?

- i. The Bank may not guarantee that a Whistle-blower shall obtain the outcome that he/she may be seeking. However, it will try to deal with any concern raised fairly and in an appropriate way.
- ii. The Whistle-blower may not seek review of any decision made but if he/she is concerned about the way in which the Whistleblowing Concern has been handled him/her may raise the concern to the Board of Directors.

3.4 Whom to Report a Whistleblowing Concern

The whistle-blower may choose to report a concern to the following persons;

- i. Head of Department,
- ii. Head, Internal Audit and Risk Management,
- iii. Head, Accounts and Administration,
- iv. Managing Director.

CHAPTER FOUR

DISCLOSURES/PROTECTION AND SUPPORT FOR WHISTLE-BLOWER

4.0 Disclosure

As set out above (see paragraph 1.2) the objective of this policy is to provide a mechanism for reporting, investigating and remedying wrongdoing in the Bank. In most cases, an employee shall not find it necessary to alert anyone externally of its concern.

The policy recognises that in some circumstances it may be appropriate for an employee to report its concerns to an external body such as the regulatory or external authority. It will rarely, if ever, be appropriate to inform the media. The Bank strongly advises any individual considering reporting a concern externally to seek advice from:

- i. The Managing Director
- ii. The Whistleblowing Concerns usually relate to the conduct of the Bank's staff but they may sometimes relate to the actions of a third party such as a supplier or service provider. In some circumstances the Bank would encourage an employee to raise a concern with a third party internally instead of directly with the third party.

4.1 Protection and Support for Whistle-blowers

It is understandable that individuals are concerned about the possible repercussions of raising a Whistleblowing Concern. The Bank aims to encourage openness and will support staff who raise genuine concerns under this policy even if they turn out to be mistaken. Hence,

- i. A Whistle-blower shall not suffer any detriment as a result of raising a genuine concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment (including poor treatment from colleagues) connected with raising a concern.
- ii. If an employee believes that he or she has suffered any such treatment, he shall inform the Managing Director in writing immediately. If the matter is not remedied then the Whistle-blower may escalate to the Board through the Board Audit Committee.
- iii. Under no circumstances may a Staff of Polyunwana Microfinance Bank Nigeria Limited retaliate against a Whistle-blower. If a staff is involved in such conduct, he or she may be subject to disciplinary action. In some cases, the Whistle-blower may have a right to sue that employee personally for any such conduct.

4.2 REVIEW: This policy document can be reviewed yearly and/or when necessary.