

ZENITH PENSIONS CUSTODIAN WHISTLE BLOWING POLICY

1. INTRODUCTION

One way to manage fraud in an organization is the implementation of a Whistleblower policy. The Whistle blower reporting system is designed to make it as simple as possible for employees to make a disclosure while maintaining the highest level of confidentiality.

It is expected that an effective reporting framework will encourage employees to report suspected or known acts of fraud and improper conducts by making it easier, more confidential and less adversarial.

The whistle blowing guidelines issued by Pensions Commission protects employees against detrimental treatment or dismissal as a result of any disclosure by them to the commission of information normally considered as confidential in the interest of all stakeholders of the pension scheme. .

The policy is a framework of processes and procedures for reporting, assessing and investigating improper conducts. In simple terms, it describes how employees can report fraud or improper conduct and how this report will be dealt with. It essentially allows for the effective and efficient disclosure (reporting) of fraud and improper conducts.

2. ZENITH PENSIONS CUSTODIAN POLICY ON WHISTLE BLOWING

ZPC recognizes the values of transparency and accountability in its administrative and management practices and hence supports installation of structure or channels that encourages disclosures of improper conducts, fraudulent activities or mismanagement of pension fund assets.

All allegations of suspected improper activity will be dealt with level of severity consistent with ZPC's desire to eliminate fraud and improper conduct from the business.

It is the policy of ZPC to take all steps possible to protect the identity of the employee making the disclosure.

ZPC understands that maintaining the confidentiality of the whistle blower is necessary to avoid reprisals or detrimental action towards the whistleblower.

3. WHAT IS WHISTLE BLOWING?

Whistle blowing involves the reporting of events of misconduct relating to or affecting an organization to enable the organization take necessary actions. It is when someone raises a concern about wrong doings occurring in an organization.

4. WHO CAN USE THE WHISTLE BLOWING PROCEDURES?

In line with Section 68 of the Pension Reform Act (PRA) 2004, the Compliance Officer of ZPC has the statutory responsibility to report any breach of the PRA 2014 Amended, codes, guidelines, rules and regulations issued by the commission, in the course of the company's business, to the commission.

The directors, management, employees, and any other person(s) that have dealings with ZPC shall also have the responsibility to report breaches to the commission.

In order to verify that every ZPC staff are aware of their responsibilities with regards to whistle blowing, it is mandatory for all staff to obtain and 'must read' a copy of the guidelines issued by Pencom. Additionally, members of staff are made to undergo a written test to confirm their understanding of the basic tenets of the whistle blowing guidelines.

WHERE THE WHISTLE BLOWER IS AN EMPLOYEE

When the whistle blower is an employee of the ZPC, the following shall apply to protect the whistle blower:

The employee shall not be dismissed, suspended or the employment terminated without the prior consent of the Commission.

He/She shall not be demoted or redeployed without the consent of the Commission

ZPC shall not deny whistle blower his/her entitlement in terms of promotion, salary increases, training and opportunities.

ZPC shall refer to the Commission for approval before implementing any down ward review in salary that will affect the whistle blower.

A breach shall be blown on the following misconduct;

Dishonesty including fraud, bribery and other corrupt practices.

Misappropriation and misuse of assets or contribution.

Poor corporate governance, inadequate controls resulting in deficient administration.

Inappropriate decision-making practices.

Failure to pay contribution.

Acting or failing to act in the face of a deliberate contravention of the law, regulations, guidelines and rules issued by the Commission.

Poor of material significant to the Commission where a contributory cause of the breach is:

5. WHEN SHOULD THE WHISTLE BLOWING BE USED?

Whistle blowers should report breaches that are likely to be of material significance to the Commission in carrying out its functions. A breach is considered as materially significant in the following circumstances;

- Act of dishonesty including fraud, bribery and other corrupt practices by company's management**
- Misappropriation/diversion of funds under custody.**
- Failure to act in the face of deliberate contraventions of regulations, guidelines and rules issued by the commission.**
- Other activities inimical to the sanctity of pension administration in Nigeria and can result to public loss of confidence in the scheme.**

6. PROTECTION OF THE WHISTLE BLOWER

ZPC has undertaken in writing to PenCom that in the event of its employee blowing the whistle on its unethical or illegal operations or activities, such employee shall not be victimized in any way. The commission shall be obliged to employ appropriate regulatory tools to offer redress to any employee victimized on the account of whistle blowing.

Procedure flow for whistle blowing facility

- **A whistle blower shall report all concerns in writing or may contact the appropriate officers of ZPC or the Commission. The concern should be reported promptly through the following means:**
 - I. In compliance with the whistle blowing guideline issued by Pencom, ZPC has established a dedicated whistle blowing feedback mail address on our website www.zenithcustodian.com. The whistle blower has the option to include sender name or be anonymous. Mails are automatically forwarded to Managing Director and Head of Compliance and Risk Management of ZPC.**
 - II. Letters can also be sent directly to:**

**The Director General,
National Pension Commission (PENCOM),
Plot 174, Adetokunbo Ademola Crescent
Wuse II
Abuja.**
 - III. In addition the following dedicated lines are available for the whistle blower to call directly to express their concerns.**

ZPC: 01 2782915, 07040000044

ZPC: 01 2782916, 07040000197
 - IV. A suggestion box has been provided in the office where by staff of ZPC can report breaches and make suggestions.**
- **The whistle blower shall not be expected to prove the truth of an allegation, but must demonstrate that there are sufficient grounds for the concern.**

- A whistle blower can report an incident anonymously but he/she is encouraged to put his/her name to his/her allegations as anonymous reports are considered at the discretion of ZPC/commission.
- The Company/ commission shall take into account the seriousness of the issues raised, the credibility of the concern and the likelihood of confirming the allegation from reputable sources.

7. INVESTIGATION AND REMEDIES

All issues reported by whistle blowers through any of the media (I – IV) above are investigated by the Whistle blowing management committee made up of the Managing Director, Head of Compliance and Head of Custody operations and necessary remedial action taken.

Where the whistle blowing management committee is unable to resolve the issue conclusively, such matters are escalated and referred to the board of directors.

An issue can be referred to any of the law enforcement agencies based on the severity and the impact of the concerns on the pension scheme.

It is imperative that issues that emanates through whistle blowing, how the issues were investigated, the findings and remedial actions taken must be documented and reported to the commission.

However, where the whistle blower reports the concerns directly to the commission ZPC would provide all necessary assistance to enable the commission carry out the required fact findings to ascertain the authenticity of the concerns.

8. WHAT HAPPENED WHEN ALLEGATION IS INVESTIGATED?

If the allegation is made in good faith, but it is not confirmed by the investigation, no action shall be taken against whistle blower. If, however, the whistle blower made allegations that are malicious or simply to cause anger, irritation or distress, disciplinary action may be taken against the whistle blower.

9. REVIEW AND UPDATE

The policy will be subject to review and update from time to time as the need arises.