



Niger Delta Exploration and Production Plc

**WHISTLE BLOWING POLICY
2nd EDITION**

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1. INTRODUCTION

1.1 Policy Statement

This whistle blowing policy shall be applicable to all employees of NDEP and/or any of its subsidiaries (collectively referred to as the NDEP Group). It is a fundamental term of every contract of employment entered into by NDEP or any of its subsidiaries that an employee will faithfully serve the company and not disclose confidential information about the employer's affairs.

- i. NDEP and its subsidiaries are committed to the highest standards of honesty, integrity and accountability. An important aspect of accountability and transparency is a mechanism to enable employees and other stakeholders of the Company, to voice concerns in a responsible and effective manner.
- ii. An effective whistle-blowing policy would go a long way in establishing good corporate governance, which is also a key element in fraud risk management.
- iii. This document thus stipulates the Whistle-Blowing Policy ('Policy') of NDEP Group of companies and compliance with this Policy is mandatory.

2. DEFINITIONS OF TERMS

Appointed Receiver means the external firm appointed from time to time by the Board of Directors to receive all whistleblowing reports through the designated channels set up by the said firm.

Authorized Company Investigator (ACI) means any person or persons authorized by the company to investigate any credible claims reported under this whistle blowing policy by gathering and analyzing information disclosed by the whistle blower to determine whether a misconduct has occurred. The ACIs shall be the Company Secretary and the Internal Audit Manager.

Confidential Information means sensitive information that should not be disclosed to unauthorized persons or third parties without caution.

Conflict of Interest means a situation whereby an employee has a private interest sufficient to influence the objective exercise of his/her authority in his/her official capability towards the business of the Company.

Detriment means victimization or reprisal of a whistleblower which can take any or a combination of the following forms; dismissal, termination, redundancy, undue influence, duress, withholding of benefit and/or entitlements and any other act that has negative impact on the whistleblower.

Employee(s) shall include Directors, permanent staff (confirmed and unconfirmed), ex-employees, consultants, contract/agency staff regardless of their status/location at the time of the on-going investigation.

External Investigator(s) means the firm duly appointed by the Board of Directors as the Appointed Receiver.

External whistle blower means a person who reports an organization's illegal, immoral, illegitimate works to someone outside the organization and/or a third party/non-employee who reports the illegal, immoral, illegitimate works within the organization to an external regulatory authority.

Good Faith is evident when a report or concern is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.

Internal whistle blower means an employee who reports misconduct to an internal party.

Investigation means the process employed by KPMG and NDEP team to gather and analyse information in order to determine whether misconduct has occurred and if so, the party or parties responsible.

Misconduct means a failure by an employee or other relevant stakeholder to observe the rules of conduct or standards of behaviour prescribed by the company.

Reporting lines means any phone line(s) or email set up by KPMG through which whistle-blowers can report any misconduct in good faith.

The Company means Niger Delta Exploration & Production (NDEP) Plc and all its subsidiaries together making up the Niger Delta Group of Companies.

Whistleblower means any person including Employees, management, directors, service providers, creditors and other stakeholders of the organization who reports any form of unethical behaviour or dishonesty to the appropriate authority.

Whistleblowing means the act of reporting an observed/perceived unethical misconduct/danger affecting the company's business/genuine concern related to suspected wrongdoing of employees, management, directors and other stakeholders of an institution by an employee or other person to appropriate authority. It is an early warning system that enables an organization to find out when something is going wrong in order to take necessary corrective action.

3. OBJECTIVES

- i. This Policy is designed to enable Employees or other stakeholders of NDEP (including but not limited to NDEP's contractors to report, through the specified channels, any perceived acts of impropriety which should not be based on mere speculations, rumors and gossip but on knowledge of facts.
- ii. This policy aims to:
 - a) provide for matters to be dealt with quickly and appropriately;
 - b) ensure that concerns are taken seriously; and

- c) reassure employees that they will be protected from reprisals or victimization for whistleblowing in Good Faith.
- iii. Reportable misconducts covered under this Policy shall include but not be limited to any of the following
 - a) All forms of financial malpractice or impropriety or fraud;
 - b) Failure to comply with a legal or professional obligation or statute that impacts on the Company;
 - c) Any form of criminal activity;
 - d) Improper conduct or unethical behavior impacting the Company;
 - e) Leaking of confidential or proprietary information;
 - f) Actions detrimental to Health, Safety, Security and the Environment;
 - g) Unprofessional conduct and acts likely to tarnish the image of the Company;
 - h) Failure to comply with regulatory directives;
 - i) Other forms of corporate governance breaches;
 - j) Connected transactions;
 - k) Insider abuses;
 - l) Non-disclosure of Conflicts of Interest;
 - m) Breach of internal policies; and
 - n) Attempts to conceal any of the above.
- iv. The above listed reportable misconducts or concerns are not exhaustive. However, judgment and discretion are required to determine misconduct that should be reported under this Policy. The general guide in identifying reportable misconduct is to report concerns which are repugnant to the interest of the Company and the general public.

It is pertinent to note that this Policy does not cover individual staff grievances and other employee-related matters already covered in the staff Handbook of the Company.

4. BOARD AND MANAGEMENT COMMITMENT TO THE POLICY

- i. Board and Management are aware that a robust internal system for Employees and other relevant stakeholders to disclose workplace malpractices without fear of reprisal shows that Employees take their responsibilities seriously, and also helps to avoid the negative publicity that often accompany disclosures to external parties.

- ii. Hence, the Board of Directors and Management of NDEP is committed towards promoting a culture of honesty, accountability and integrity, and will not tolerate any harassment, victimization or discrimination of the whistleblower provided such disclosure is made in Good Faith with reasonable belief that what is being reported is fact.

5. ROLES AND RESPONSIBILITIES

5.1 The following are the roles and responsibilities of key parties in the Whistleblowing process:

S/N	Officer	Responsibilities
i.	Whistleblower	The Whistleblower is expected to act in Good Faith, refrain from making false accusations when reporting his/her concern(s) and provide evidence at his/her disposal to aid investigation of the issues reported.
ii	External Investigators & the Authorised Company Investigators	<p>The Investigators are expected to carry out handle all investigations promptly with the highest degree of professionalism, confidentiality and transparency.</p> <p>They shall be independent and unbiased in carrying out their investigation.</p> <p>The Investigators have the responsibility of investigating all credible claims and thereafter reporting its findings to the Executive Management Committee and the Board of Directors (through the Board Committee responsible for Audit).</p>
iii	The Authorized Company Investigators	The ACIs shall on a quarterly basis jointly issue to Executive Management and Board Committee responsible for Audit a summary of all cases reported and the result of the investigation into each one.
iv	Head of Human Resources	The Head of Human resources of the Company shall communicate this policy to all existing and future employees and shall implement any disciplinary measures prescribed by the Executive Management Committee in line with the laid down disciplinary procedures as contained in the NDEP's staff Handbook.

v	Board Committee Responsible for Audit	The Chairman, Board Committee responsible for Audit through the Company Secretary, shall make available to all committee members, a quarterly report submitted by the Head of Internal Audit on Whistleblowing.
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6. WHISTLE BLOWING PROCEDURE

6.1 The Whistleblowing Procedure involves steps that should be taken by the whistleblower in reporting misconduct, and steps required for the investigation of the reported misconduct.

6.2 The following procedures shall guide the whistleblowing process:

Step 1: Raise Concern(s) by Whistleblower

- i. A Whistleblower may raise concerns by sending all relevant information to any of the designated channels set up for that purpose by the Authorized Receiver. Only the Authorized Receiver shall have access to the said dedicated channels
- ii. While it is preferable for the purpose of lending credibility to the complaint, the complainer/whistleblower is not obligated to disclose his/her identity.
- iii. The concern(s) shall be presented in the following format;
 - a. Background of the concerns (with relevant dates)
 - b. Reason(s) why the Whistleblower is particularly concerned about the situation.
- iv. The Authorized Receiver shall thoroughly evaluate the credibility of the complaint based on the facts and any other supporting documents supplied by the whistleblower/complainer.
- v. Disciplinary measures in line with the staff Handbook may be taken against an internal whistleblower who knowingly provides incorrect and/or malicious information against another employee of the company.

Step 2: Essence of the Investigation

The essence of any whistleblowing investigation is as follows:

- i. Establish if a wrongdoing has occurred based on the concern(s) raised, and if so to what extent; and
- ii. To minimize the risk of further wrongdoing, prevent any further loss of asset, damage to the group's reputation and if possible, protect all sources of evidence.

Step 3: Investigation by the Investigators

- i. Where the claim is found to lack merit, same shall also be reported to the ACIs for completeness and any necessary action in accordance with the company's policies.
- ii. Where the preliminary evaluation by the Authorised Receiver establishes that a claim has merit, the Authorised Receiver shall issue a comprehensive Report and forward same to the CAI for further investigation to be carried out jointly by the ACIs and the external Investigator, with a copy of the report sent to the Chairman of the Board Committee responsible for Audit. Where the allegations involve either of the ACIs, then the Authorized Receiver's report shall be made directly to the Chairman of the Board Committee responsible for Audit who will in conjunction with the Board, appoint alternative ACIs to conduct a joint investigation with the External Investigator
- iii. The ACIs and External Investigator shall use their best endeavours to ensure that the investigation by is concluded within 14 days of the submission of the Authorised Receiver's report.
- iv. Where the joint investigation reveals that wrongdoing has occurred, a comprehensive report shall be prepared and delivered to the Managing Director with a copy sent directly to the Board of Directors through the Chairman of the Board Committee responsible for Audit.
- v. Where the investigation finds the concerns raised to be frivolous or unwarranted, the investigators shall dismiss such complaint after having presented a report of their findings along with the recommendation for dismissal to the Managing Director (with a copy to the Board of Directors through the Chairman of the Board Committee responsible for Audit. In such cases, the investigators may recommend that disciplinary action be taken against the whistleblower in accordance with the Staff Handbook on such matters
- vi. Where the Managing Director or the Chairman of the Board Committee responsible is of the view that there is reasonable cause for concern, either may refer the matter back to the investigators with their observations and request for a further investigation

Step 5: Non-satisfaction with the result of investigation/action.

- i. Where the Whistleblower is not satisfied with the extent of investigation and/or the internal actions taken based on the outcome of the investigation, the Whistleblower is at liberty to request that a comprehensive report of the entire investigation be forwarded directly to the Chairman of the Board of Directors. **This is without prejudice to the fundamental right of the internal whistleblower to seek redress in the court of law.**

7. WHISTLEBLOWING BY THIRD PARTIES

All third parties including but not limited to contractors, sub-contractors and consultants, shall be advised of the company's whistleblowing policy and the designated reporting channels provided by the Authorised Receivers. Any claims/allegations or other communication containing whistleblowing information by such third parties shall be submitted/forwarded to the Authorised Receivers through the designated channels provided by the Authorised Receiver.

8. PROTECTION AND COMPENSATION FOR WHISTLE BLOWERS

- i. Where the identity of any whistleblower is disclosed or uncovered, it shall be the policy of NDEP to protect such whistleblowers, provided the disclosure is made;
 - a) in the reasonable belief that it is intended to show malpractice or impropriety;
 - b) to an appropriate person or authority; and
 - c) In Good Faith without malice or mischief.
- ii. While all disclosures resulting from whistleblowing shall be treated with an elevated level of confidentiality, employees and other relevant stakeholders are encouraged to disclose their name and designation to make the report more credible. The Company shall take the following into consideration in determining anonymous disclosures:
 - a) seriousness of the issues being reported;
 - b) the significance and credibility of the concern;
 - c) possible consequence of the concern/issue if not immediately handled; and
 - d) the ability to independently verify the allegation
- iii. The Company shall not subject a whistleblower to any detriment where he/she feels unfairly treated after his/her actions having exhausted all internal Company mechanisms for redress. Such Whistleblower shall be at liberty to report to the appropriate regulatory body with oversight on the Company's businesses. This is without prejudice to the right to take appropriate legal action.
- iv. Where necessary, compensation for whistleblowers whether internal or external that have suffered detriment shall be at the discretion of the Board of Directors, taking into consideration regulatory guidance, if any, on compensation for whistleblowers to be issued from time to time.
- v. Any retaliation, including, but not limited to, any act of discrimination, reprisal, harassment, suspension, dismissal, demotion, vengeance or any other occupational detriment, direct or indirect, recommended, threatened or taken against a whistleblower because he/she has made a disclosure in accordance with this policy will be treated as gross misconduct and dealt with accordingly.

- vi. Whistleblowers must ensure that they do not make disclosures outside of the prescribed channels (e.g. media-print or electronic).
- vii. The Board of Directors shall, subject to its discretion, consider appropriate reward to Employee(s) whose disclosure(s) lead to the protection of the Company's assets and reputation.
- viii. In order to ensure protection for the whistleblower, all disclosures should be made in Good Faith.
- ix. A whistleblower is at liberty to disclose his/her identity but even where the identity of the whistleblower is disclosed, such identity shall remain confidential.
- x. Where the confidentiality of the whistleblower is compromised, the Company shall do everything within its power to protect such person from any harm or victimization of any kind.

9. AWARENESS

The awareness mechanisms to be adopted for the proper implementation of the Whistle blowing policy include but not limited to:

- Distribution of Staff Handbook to all employees of the Company and trainings on whistleblowing to be organized for or attended by the employees of the company.
- Passage of regular information on whistle-blowing activities of the company by email or through other social-media avenues available to the company.
- Printing of information banners and display signages on whistleblowing in and around the company premises.
- Regular update of the Whistle-Blowing policy to incorporate evolving trends and strategies for an effective whistle-blowing process in the company.
- Adherence to laid-down procedure for determination of a misconduct arising from information derived from whistleblowing.

10. STANDARD OF PROOF

It shall not be necessary for a whistle-blower to prove that the act has occurred or would occur. A reasonable belief that the act will or has occurred is all that is required.

11. 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 the accuracy of the information. If, however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against that individual.

12. PROPRIETARY RIGHTS AND REVIEW OF THE POLICY

- i. This policy document remains the property of NDEP Plc. However, its custody and management shall rest with the Head, Internal Audit Department of the company who also has oversight on the Compliance function.
- ii. This Policy shall be subject to review every two (2) years from the date of operation of this policy and procedure in line with regulatory requirements as may be deemed necessary.
- iii. All suggestions for review and or amendments shall be forwarded to the Head, Internal Audit or Company Secretary of the Company for necessary action. Executive Management of the Company shall ensure strict compliance with this Policy.

Approved by the Board of Directors of Niger Delta Exploration & Production Plc

Dated this 7th Day of December 2020



CHAIRMAN



MANAGING DIRECTOR