

2017

WHISTLEBLOWING POLICY

[POLICY ON CONFIDENTIAL DISCLOSURE OF WORKPLACE
WRONGDOING]

LAW UNION AND ROCK INSURANCE PLC
25th July 2017



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INTRODUCTION

Law Union & Rock Insurance PLC ('the Company' or 'LUR') has as one of its corporate ethos, strict conformity with the principles and spirits of best corporate and ethical governance standards in the conduct and operation of our business.

The Company has identified the Whistleblowing Policy as a means to promote accountability and transparency, both of which are key ingredients in entrenching and upholding corporate and ethical values in the Company.

The LUR Whistleblowing Policy provides a mechanism that enables all employees, and the public generally, to voice concerns in a responsible and effective manner when they discover information which they believe shows serious malpractice or illegitimate corporate behavior which deviates from the core value of ethics and integrity. The principle of integrity implies that we all remain consistent and honest in our dealings with others and strive to treat people with trust and mutual respect while maintaining transparency.

Whistleblowing Policy covers situations where a Whistleblower raises a concern about a risk, malpractice or wrongdoing that affects others such as clients, counterparties, other staff, the Company or the public interest.

An effective Whistleblowing process would establish a good corporate governance system and it is also a key element in fraud risk management. However, in order to gain the protection afforded to the whistle blowers, such disclosures must be made in Good Faith and the information provided must be true and reliable.

This manual outlines the Company's policy on Whistleblowing and the procedure for investigating and dealing with all reported cases of illegal and unethical conduct of employees and Directors and any other relevant Misconduct across the Company.

DEFINITION

Complaint	An allegation or concern that is subject to Investigation by the appropriate authority.
Detriment	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.
Good Faith	This is evident when a Complaint or concern is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the Complaint is true; provided, however, a Complaint 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.
Investigation	A process designed to gather and analyze information in order to determine whether Misconduct has occurred and if so, the party or parties responsible.
Misconduct	A failure by a staff member or other relevant stakeholder to observe the rules of conduct or standards of behavior prescribed by the Company in the Sanction's Grid, Employee Handbook, Code of Business and Ethical Conduct, any other policies of the Company, as well as Board directives.
Suspect	A person who is alleged to have committed a Misconduct and is subject of an Investigation.
Whistleblower	Any person(s) including employee, management, directors, depositors, service providers, creditors and other stakeholders of an institution who reports any form of unethical behavior or dishonesty to the appropriate authority.
Whistleblowing	The act of reporting an observed/perceived unethical Misconduct of employees, management, directors and other stakeholders of the Company 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 time to take necessary corrective action.

OBJECTIVE

This policy is intended to encourage staff and other relevant stakeholders to report perceived unethical or illegal conduct of employees, management, directors and other stakeholders across the Company to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising concern(s) under this Policy. Specific objectives of the policy are:

- a. To ensure all employees feel supported in speaking up in confidence and reporting matters they suspect may involve improper, unethical or inappropriate conduct within the Company
- b. To encourage all improper, unethical or inappropriate behavior to be identified and challenged at all levels of the organization;
- c. To provide clear procedures for reporting and handling such concern(s);
- d. To proactively prevent and deter Misconduct which could impact the financial performance and damage the Company's reputation;
- e. To provide assurance that all disclosures will be handled seriously, treated as confidential and managed without fear of reprisal of any form; and
- f. To help promote and develop a culture of openness, accountability and integrity.

POLICY ETHOS AND WHISTLEBLOWER PROTECTION

This Whistleblowing policy is fundamental to the Company's professional integrity. In addition, it reinforces the value the Company places honesty and professionalism within and without the insurance industry. It provides a method of properly addressing bona fide concerns that individuals within and outside the Company might have, while also offering Whistleblowers protection from victimization, harassment or disciplinary proceedings.

The policy is intended to assist individuals/stakeholders who believe he/she has discovered malpractice or impropriety by reporting through the appropriate channels. It is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters which have already been investigated and concluded under/ in accordance with existing disciplinary policy and procedures.

The Company shall treat all disclosures resulting from whistle-blowing in a confidential manner. The identity of the whistle-blower shall be kept confidential.

SCOPE OF THE POLICY

This policy and procedure manual is designed to enable employees and other relevant stakeholders to report any act of impropriety which is founded on knowledge of facts. Reportable Misconducts covered under this policy include:

- All forms of financial malpractices or impropriety such as fraud, corruption, bribery, theft and concealment
- Failure to comply with legal obligations, statutes, and regulatory directives;
- Actions detrimental to Health and Safety or the work environment;
- Any form of criminal activity;
- Improper conduct or unethical behavior that undermines universal and core ethical values such as integrity, respect, honesty, accountability and fairness;
- Other forms of corporate governance breaches;
- Connected transactions not disclosed or reported in line with regulations;
- Insider abuse;
- Non-disclosure of interests;
- Sexual or physical abuse of staff, customers, prospective staff, service providers and other relevant stakeholders; and
- Attempt to conceal any of the above listed acts.

The above listed reportable Misconducts or concerns are not exhaustive. However, judgment and discretion is 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 and appropriate sanctions applied.

This policy covers the activities of the Law Union & Rock Insurance Plc. This is without prejudice to the requirements that may be imposed by regulation.

BOARD AND MANAGEMENT COMMITMENT

The 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 accompanies disclosures to external parties.

Hence the Board of Directors and Management is committed towards promoting a culture of openness, 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.

It is the responsibility of management to continuously create sufficient awareness of the program among all staff across all branches. Management shall create awareness and promote the Whistleblower program via Company website, newsletter, village meetings, month-end and quarter-end meetings and by engaging all other internal campaign avenues such as would provide staff with adequate information of the program and the steps to take in the reporting process. All staff must be duly informed of their confidential disclosure and protection.

ROLES AND RESPONSIBILITY

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

S/N	Responsible Officer	Responsibilities
1	Whistleblower	Whistleblowers are expected to act in Good Faith and should refrain from making false accusations when reporting his/her concern(s), and also provide further evidence at his/her disposal to aid Investigation of the issues reported.
2	Suspect	Suspect has a duty to cooperate with investigators during the period of Investigation including provision of relevant information, documents or other materials as may be required by the investigator.
3	Investigator/Head of Internal Audit, Law Union & Rock Insurance Plc.	<p>The Head of Internal Audit is expected to handle all matters with high professionalism, confidentially and promptly. He/she shall be independent and unbiased in carrying out Investigation.</p> <p>The Head of Internal Audit has the responsibility of acknowledging all concern(s) reported and reporting on the progress of Investigation to the Whistleblower.</p> <p>The Head, Internal Audit shall report his findings to the Executive Management or the Board Audit & Compliance Committee, where a member of the Executive Management is the subject of Investigation.</p> <p>The Head of Internal Audit shall on a quarterly basis provide to the Chairman of the Board Audit & Compliance Committee a summary of all cases reported and the result of the Investigation.</p> <p>The Head of Internal Audit /Investigator shall refrain from discussing or disclosing matters under Investigation.</p>
4	Head, Human Capital Management	The Head, Human Capital Management shall apply appropriate disciplinary measures under the Sanctions Grid as are necessary
5	Board Audit & Compliance Committee	The Chairman, Board Audit & Compliance Committee through the Company Secretary shall make available to all Committee members and the Board quarterly reports submitted by the Head of Internal Audit on Whistleblowing, and also treat all Whistleblowing concern(s) brought to the attention of the Committee with dispatch.
6	Heads, Legal and Internal Audit	Review, update the Whistleblowing policy and procedure and obtain requisite Board approval.

WHISTLEBLOWING PROCEDURE

The Whistleblowing procedure involves steps that should be taken by the Whistleblower in reporting Misconducts, and steps required for the Investigation of the reported Misconduct. The following procedures shall guide the Whistleblowing process:

A. Whistleblowing Procedure

Whistleblowing involves staff members across the Company raising concerns about unethical conduct. The following procedure shall be adopted for the purpose of Whistleblowing:

S/N	Step	Action
1	Step One Raising concern(s) by Whistleblower - medium and format.	<p>A Whistleblower may raise concern through any of the following media (this can be done either by declaration or in confidence/ anonymously):</p> <ul style="list-style-type: none"> • Complaints/Suggestion Box. The box should be boldly marked 'Whistle Blowing'. Only the Head, Internal Audit shall have access to the box. • Dedicated phone number/ communicator chat. 0817 9838 566 • Dedicated email address: whistleblowing@lawunioninsurance.com. Recipients shall include the Head, Internal Audit and the Chairman, Board Audit & Compliance Committee • Via Law Union & Rock Insurance Plc. website: http://www.lawunioninsurance.com. <p>Where the concern is received by staff other than the Head of Internal Audit, the recipient of such concerns shall be required to immediately pass the concern(s) to the Head of Internal Audit.</p> <p>Where the concerns affect a member of the Executive Management; or where a Director is involved, such concern shall be directed at the Chairman, Audit & Compliance Committee @ auditchair@lawunioninsurance.com.</p> <p>The concern(s) shall be presented in the following format:</p> <ul style="list-style-type: none"> • Background of the concerns (with relevant dates) • Reason(s) why the Whistleblower is particularly concerned about the situation.
2	Step Two Investigation of Concerns and update on progress of Investigation.	<p>The Head of Internal Audit shall on receipt of the concern(s) acknowledge receipt of the concern from the Whistleblower within 5 working days, and immediately commence Investigation. The purposes of Investigation are to:</p>

		<p>a. Establish if a wrongdoing has occurred based on the concern(s) raised, and if so to what extent; and</p> <p>b. To minimize the risk of further wrongdoing, prevent any further loss of assets, damage to the Company's reputation and if possible protect all sources of evidence.</p> <p>If preliminary Investigation shows that the concern falls within the Whistleblowing reportable concerns, then further Investigation shall be carried out. If otherwise or the concern is outside the reportable Misconduct, then the Head of Internal Audit shall refer the matter to appropriate quarters for further action.</p> <p>The Head of Internal Audit shall give update of the progress of Investigation to the Whistleblower if the concerns fall within the reportable concerns. In every such update, the Head, Internal Audit shall notify the Whistleblower that he/she reserves the right to escalate the matter to the Chairman of the Board Audit and Compliance Committee @ auditchair@lawunioninsurance.com.</p> <p>Finally, if the concern raised by the Whistleblower is frivolous or unwarranted, the Head of Internal Audit shall ignore such Complaint, and if necessary disciplinary measure in line with the Sanctions Grid shall apply to staff that raise such frivolous, unwarranted or malicious Complaint.</p>
3	<p>Step Three Report of Investigation and action on Complaint.</p>	<p>Upon conclusion of Investigation, the Head of Internal Audit shall submit his/her report to the Managing Director and the Chairman, Board Audit and Compliance Committee. If the concern(s) relate(s) to a member of the Executive Management, the report should go straight to the Chairman of the Board Audit & Compliance Committee for further action.</p> <p>The Head, Internal Audit shall send quarterly reports to the Chairman, Statutory Audit Committee to keep members abreast of developments in Whistleblowing.</p> <p>All disciplinary actions relating to the report shall follow the Company's disciplinary procedure as contained in the Sanctions Grid.</p> <p>If the concern relates to a service provider or vendor, the Head, Legal shall immediately review the SLA with such service provider.</p>

		Where it is established that a criminal activity has taken place, upon the advice of the Head of Legal, the matter may be referred to the Nigerian Police Force, and where necessary, appropriate legal action taken.
4	Step Four Non Satisfaction with result of Investigation/action	In the event that the Whistleblower is not satisfied with the extent of Investigation and or the action taken based on the outcome of the Investigation, the Whistleblower is at liberty to report to the Chairman of the Board Audit & Compliance Committee, by emailing: auditchair@lawunioninsurance.com
Any Whistleblower that feels victimized can report his/her grievance(s) to the Chairman, Board Audit & Compliance Committee @ auditchair@lawunioninsurance.com . This is without prejudice to the fundamental right of the Whistleblower to seek redress in the court of law.		

TIME LIMIT FOR INVESTIGATION

It shall be the policy of the Company to handle Investigations promptly and as fairly as possible. While it might not be possible to set a specified time frame for the conclusion of Investigation, since the diverse nature of potential concerns may make this impracticable. The Head, Internal Audit shall endeavor to resolve all concerns within four weeks. Where for any reason, proper resolution is unable to be achieved within this time frame; the Head, Internal Audit shall advise the Managing Director accordingly, and report to the Chairman, Board Audit & Compliance Committee.

PROTECTION AND COMPENSATION FOR WHISTLEBLOWER

It shall be the policy of the Company to protect Whistleblowers who disclose concerns, provided the disclosure is made:

- in the reasonable belief that that it is intended to show malpractice or impropriety;
- to an appropriate person or authority; and
- In Good Faith without malice or mischief.

While all disclosures resulting from Whistleblowing shall be treated with high level of confidentiality, staff and other relevant stakeholders are encouraged to disclose their name to make the Complaint more credible. The Company shall take the following into consideration in considering unanimous disclosure:

- seriousness of the issues being reported;
- the significance and credibility of the concern; and
- the possibility of confirming the allegation.

Where necessary, compensation of Whistleblowers that have suffered Detriment shall be at the discretion of Management taking into consideration any regulatory guidance on compensation of Whistleblowers that may be issued from time to time.

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 under the Sanctions Grid and dealt with accordingly.

Whistleblowers must ensure that they do not make disclosures outside of the prescribed channels (e.g. media-print or electronic), or their disclosures may not be protected.

OWNERSHIP AND FREQUENCY OF REVIEW

This policy document remains the property of Law Union & Rock insurance Plc. However, its implementation shall rest with the Head, Internal Audit, Law Union & Rock insurance Plc. This policy document and procedure manual shall be subject to review every two (2) years or as may be deemed necessary. All suggestions for review and or amendments shall be forwarded to the Head of Legal for necessary action. This document shall be hosted in the official website of Law Union & Rock insurance Plc.

STAFF DECLARATION

I have received the Law Union & Rock insurance Plc. Whistleblowing Policy, which I have read and understood.

NAME:-----

STAFF NO:-----

DEPARTMENT:-----

LOCATION:-----

SIGNATURE:-----

DATE-----

Please return this page to Human Resources Department