



FIRST HYDROCARBON NIGERIA COMPANY LIMITED

WHISTLEBLOWING POLICY



FHN believes that it is essential to create an environment in which employees feel comfortable to raise concerns internally without fear of disciplinary action being taken against them as a result of any disclosure.

There is provision which gives legal protection to employees wishing, in certain circumstances, to make a “protected disclosure” – this has become known colloquially as “whistle blowing”.

Whistle blowing occurs when an employee provides certain types of information, usually to the employer or in more serious cases, to an external regulator, which has come to their attention through work. The whistleblower is usually not directly, personally affected by the danger or illegality. Whistle blowing occurs when a worker raises a concern about danger, illegality or malpractice that affects others, for example members of the public.

FHN is committed to ensuring that its business is conducted ethically, honestly and to high standards. If employees become aware of circumstances in which FHN is failing to meet these commitments, then it is FHN’s policy that these should be reported, at the first possible opportunity. This policy forms part of the FHN Code of Business Conduct which should be signed and returned to Human Resources. It should also be read in conjunction with FHN’s Grievance and Harassment Policies. 30.1 Statutory Obligations

The Nigerian Labour Law protects employees from dismissal or other disciplinary action when they report wrong-doing by their employers, e.g.

- commission of a criminal offence
- some form of financial impropriety
- failure to comply with a legal obligation
- damage to the environment
- danger to any person’s health or safety
- miscarriage of justice

Procedure

Any FHN employee becoming suspicious that such circumstances as those mentioned above may have happened, or are likely to happen, should inform their line manager immediately. In more serious cases or if the allegation is about their line manager, then the employee should inform a member of the Executive team, e.g. the Chief Executive. If the employee feels uncomfortable informing a member of the Executive team, then they may inform the Company Secretary or alternatively contact a Senior Manager. The



Company Secretary will forward the report to the appropriate manager who will initiate an investigation and recommend remedial action as appropriate.

Providing they have acted in good faith and in the belief that what is being reported is true, an employee reporting incident under the terms of this policy will be protected from any recrimination as a result of making their report. Whistleblowers can ask for their concerns to be treated in confidence and such wishes will be respected. Employees will not be penalized for informing either their line manager or the Executive team about any concerns relating to danger, illegality or malpractice.

Protection Afforded To a Whistleblower

It will be automatically unfair dismissal to dismiss an employee for making a qualifying disclosure in good faith. The employee may claim automatically unfair dismissal whether they have one year's continuity of employment or not. The compensation is also uncapped. Whistleblowers do not lose statutory protection simply because they are mistaken.

Our employment policy protects a whistleblower if they raise a concern about wrongdoing internally and in most cases, with an external regulator. External disclosure:

- must first be raised with the employer or
- has not been raised internally because the employee believes evidence would be destroyed or that they would be penalized.

The whistleblower must:

- have a genuine belief in the information being disclosed
- not make the disclosure for personal gain, and
- show it is reasonable to make the disclosure.

Whistleblowers who make wider disclosures, i.e. who report malpractice to an external regulator, for example, are still protected provided the above criteria have been met.

If, however, the whistleblower commits an illegal act leading to the disclosure, then the employee may not be protected and the employer may be able to discipline or dismiss them provided that the correct procedures have been followed.

Difference between Whistle-blowing and Grievances

Whistle-blowing occurs when an employee raises a concern about danger, illegality or malpractice that affects other people, for example, customers, members of the public, or their employer. The whistleblower rarely has a personal interest in the outcome of any investigation into their concerns and are not usually directly, personally affected by



the danger, illegality or malpractice. By contrast, a grievance normally concerns treatment directed at the individual employee. This could involve a breach of their terms and conditions of employment rights or harassment. The employee raising the grievance therefore has a vested interest in the outcome of the complaint.

Responsibility

Responsibility for ensuring the effective implementation and operation of this policy rests with line managers, who are responsible for creating an atmosphere where people are able to raise their concerns freely and for the appropriate action to be taken.

Employees should make themselves aware of this policy.

Monitoring and Review

The Whistle-blowing Policy will be reviewed and updated regularly to reflect any changes in legislation and/or Company procedures.

You can help the company in the fight against fraud and unethical practices by reporting any suspicions of malpractice to your line manager. If it is not appropriate to report to your line manager or to use the other internal procedures you can call the Company's anonymous Hotline on the following number:

+234 (0) 907 301 5995

All calls are treated with the utmost confidentiality by independent staff who will, should you wish, guarantee your anonymity. Please note that the Company's Hotline is an additional service and does not replace other Company policies and procedures already in place.