



## Seplat Petroleum Development Company Plc

### Whistleblowing Policy

Adopted by the Board on 22 March 2013

Updated on 29 January 2016

#### 1. INTRODUCTION AND PURPOSE

- 1.1 SEPLAT promotes a business culture of openness, integrity and zero tolerance for wrongdoing. This Policy demonstrates SEPLAT's commitment to ethical business practices to the Board, stakeholders, Employees and the community at large.
- 1.2 A robust Whistleblowing policy provides a mechanism for exposing systemic fraud and malpractice. It also serves as a useful catalyst for highlighting other misconduct, such as harassment and bullying, which can have an equally debilitating effect on corporate performance, reputation and the wellbeing of Employees.
- 1.3 The purpose of this Whistleblowing Policy (this "Policy") is to outline SEPLAT's position and provide guidance to all our Employees, contractors and other stakeholders on what to do if they become aware of any illegal or unethical conduct.
- 1.4 The aims of this Policy are:
  - (a) to create a work environment where Employees, contractors and other stakeholders are able to report concerns on misconduct, irregularities or malpractice, in a responsible and effective manner without fear of harassment and/or victimization and with an assurance that their concerns will be taken seriously, investigated, and the outcome duly communicated;
  - (b) to encourage and enable all Employees and other stakeholders to report any suspected fraud, misconduct or danger as soon as possible, in the knowledge that their concerns will be taken seriously, investigated as appropriate, and that their confidentiality will be respected, rather than do nothing or blow the whistle to the media or other external parties;
  - (c) to provide Whistleblowers with guidance as to how to report those concerns; and
  - (d) to reassure Whistleblowers that they can report genuine concerns without fear of reprisals, even if their concerns turn out to be erroneous.
- 1.5 This Policy is not intended to be used to question the financial or business decisions of SEPLAT or to reconsider any matters which have been investigated and concluded or would be more appropriately dealt with, by the Human Resources Department under any Grievance Procedure of the Company.
- 1.6 The Company has endorsed this Policy, as set out below, to further ensure that no Employee feels disadvantaged in raising genuine concerns.
- 1.7 Other Whistleblowing related issues not specifically addressed in this Policy must be dealt with according to the principles and intent of this Policy.

#### 2. APPLICABILITY

- 2.1 This Policy applies to all Employees, former Employees, prospective Employees, contract workers, contractors, prospective contractors and other stakeholders.

#### 3. RESPONSIBILITY

- 3.1. The Board shall have overall responsibility for ensuring that this Policy: (i) is updated as required to reflect current issues related to Whistleblowing, and (ii) is implemented and strictly enforced.
- 3.2. The Review Panel on the recommendation of the Head of Business Integrity Unit shall be responsible for the review, decision-making, and initiation of disciplinary action pursuant to this Policy.
  - 3.2.1 The Review Panel shall consist of the following individuals:

- (a) CEO
  - (b) COO
  - (c) CFO
  - (d) General Counsel
  - (e) General Manager, Human Resources
  - (f) Head, Business Integrity
- 3.3. The Head of Business Integrity Unit shall be responsible for the day-to-day implementation and enforcement of this Policy, including the conduct of training and the interpretation of this Policy.
- 3.4. The Head of Business Integrity Unit shall be responsible for maintaining a record of all Whistleblowing concerns that are brought to the company's attention. These would be reported on a quarterly basis to the Financial Committee and Audit Committee of the Board.
- 3.5. Managers shall be responsible for ensuring that Employees under their supervision comply with this Policy and the decision of the Review Panel.
- 3.6. Each Employee is responsible for reading this Policy carefully, understanding and complying fully with this Policy – in letter and in spirit.

#### **4. DEFINITIONS**

For purposes of this Policy, the following definitions of key terms shall apply:

- 4.1. "Board" means the Board of Directors of Seplat Petroleum Development Company Plc.
- 4.2. "Director" means a member of the Board.
- 4.3. "FINCO" means the Financial Committee of the Board
- 4.4. "Appropriate Authority" means the line manager of a Whistleblower or the line manager of the Employee against whom a complaint is made or if they are conflicted/connected to the complainant, then the next officer in line.
- 4.5. "Employee(s)" for the purpose of simplicity only, means someone employed by SEPLAT and/or its affiliates and non-Employees such as: contract staff, agent and consultant working for SEPLAT and/or its affiliates.
- 4.6. "Whistleblowing" means the disclosure of any information which, in the reasonable belief of the person making the disclosure, relates to suspected misconduct, fraud or dangers at and in the course of work for SEPLAT. These include but are not limited to:
- (a) criminal activity;
  - (b) any type of fraud or mismanagement;
  - (c) health and safety risks including risks to the public as well as other Employees;
  - (d) incidents or risks of pollution or environmental hazard;
  - (e) failure to comply with any legal, professional obligation or regulatory requirements;
  - (f) any activities that may constitute bribery or corruption in breach of any relevant laws or the Anti-Corruption and Bribery Policy;
  - (g) breach of SEPLAT's Code of Business Conduct;
  - (h) breach of any of SEPLAT's internal policies and procedures;
  - (i) conduct that is likely to damage SEPLAT's reputation;
  - (j) sexual or physical abuse;
  - (k) misuse or theft of SEPLAT's assets and property;
  - (l) abuse of office on the part of any member of staff or director;

- (m) unauthorised disclosure of confidential information;
- (n) conflicts of interest;
- (o) override of controls;
- (p) forgery (use of fake certificates, false declaration of age, etc.);
- (q) misuse of SEPLAT's information systems and computer databases; and
- (r) the deliberate concealment of any malpractice

- 4.7 "Whistleblower" means a person who reports a genuine concern (examples of which are set out above) and who has reasonable grounds to believe that the disclosure is true. This Policy encourages Employees and other stakeholders with genuine concerns relating to suspected fraud, misconduct or danger affecting any of SEPLAT's activities (a Whistleblowing concern) to report it under this Policy.
- 4.8 Employees and other stakeholders can report incidence of misconduct to SEPLAT in a confidential and anonymous manner through the internal reporting channels and/or the KPMG Ethics line.
- 4.9 There may be complaints which relate to employment matters or labour relations matters concerning an Employee, which would be more appropriately dealt with by Human Resources Department under the Grievance Procedure, for example if they relate to the Employee's personal employment terms and conditions.
- 4.10 If an Employee is uncertain whether a particular conduct is within the scope of this Policy, he/she should approach any member of the Business Integrity Unit or the Legal Department for necessary clarifications or alternatively contact the KPMG Ethics Line on a confidential basis.

## **5. RELATED POLICIES**

- 5.1 This Policy should be read together with the other policies of SEPLAT, particularly its Code of Conduct, and Anti-Bribery and Corruption Policy.

## **6. POLICY STATEMENT**

- 6.1 SEPLAT is committed to conducting its business with honesty, integrity, transparency and accountability and expects all Employees to maintain high standards in accordance with SEPLAT's Code of Business Conduct and all SEPLAT company policies.
- 6.2 An important aspect of this commitment is to establish a mechanism that enables Employees and other stakeholders disclose concerns internally upon discovery of malpractice, fraud or other misconduct.
- 6.3 Disclosures must be made without malice, in good faith and not for personal gains. Employees must exercise caution and reasonable care to ensure the accuracy of information given.
- 6.4 All Employees are protected from victimization, harassment or disciplinary action as a result of any disclosures made in line with this Policy.

## **7. PROCEDURE**

### **7.1 Confidentiality**

SEPLAT intends that its Employees and other stakeholders feel comfortable to report concerns openly under this Policy. However, if the Whistleblower wishes to report his/her concerns confidentially, SEPLAT will make every effort to keep the individual's identity confidential. If it is necessary for anyone investigating the concern to know the Whistleblower's identity, SEPLAT/KPMG Ethics Line will discuss and obtain consent of the Whistleblower to disclose his/her identity.

- 7.1.1 Where a Whistleblower does not give his/her consent, his/her identity to be disclosed, SEPLAT and/or KPMG Ethics Line will not disclose such identity.
- 7.1.2 Confidentiality clauses in SEPLAT's employment contracts are not intended to prevent Whistleblowers from reporting concerns about misconduct or dangers in the work place through the Whistleblowing procedures set out in this Policy.

7.1.3 Reported concerns may be difficult to investigate if the Whistleblowers do not provide sufficient information, SEPLAT therefore encourage all Whistleblowers to provide detailed information that will facilitate efficient and effective investigation. Such information include, but not limited to the following:

- nature of the incident;
- people involved;
- date(s) of incident;
- place of occurrence;
- how the incident occurred; and
- any other useful information

7.1.4 Where a Whistleblower erroneously discloses his/her identity during complaints, SEPLAT/KPMG Ethics Line will keep such identity confidential.

## 7.2 Reporting A Whistleblowing Concern

7.2.1 SEPLAT hopes that in many cases Employees will be able to report any concerns with their line manager. The Whistleblowing Employee may inform the line manager in person or put the matter in writing. The appropriate authority and the Employee may agree a way of resolving the concern quickly and effectively.

7.2.2 However, where the concern is considered to be serious, or the Employee considers that his or her line manager or supervisor has not sufficiently addressed the concern, or the Employee is not confident that the manager or supervisor will handle the concern adequately, or the allegation is against the line manager or supervisor, he/she should contact one of the following:

- (a) the Head of Business Integrity Unit;
- (b) the Chief Operating Officer (“COO”); or
- (c) the Chief Executive Officer (“CEO”); or
- (d) the Chairman of the Board; and/or
- (e) the KPMG Ethics Line

7.2.3 When reporting a concern under this Policy, a Whistleblower must:

- (a) disclose the information in good faith;
- (b) believe it to be reasonably true;
- (c) not act maliciously or make false allegations; and
- (d) not seek any personal gain by reporting such concern

7.2.4 Although the Company encourages Whistleblowers to report concerns openly under this Policy, a Whistleblower may alternatively elect to make a report anonymously by sending an email to [speakup@seplatpetroleum.com](mailto:speakup@seplatpetroleum.com) or [kpmgethicsline@ng.kpmg.com](mailto:kpmgethicsline@ng.kpmg.com). The Whistleblower can also call the dedicated **SEPLAT’s Whistleblowing Hotline: 0800 444 1234 (free phone)** or **KPMG’s MTN toll free number: 0703-000-0026**.

7.2.5 Any email sent to the above SEPLAT email address will only be viewed by the Head of Business Integrity Unit, who will review reported cases and consider the appropriate authority to address same. It is not necessary for a Whistleblower to prove that their allegation has occurred or is likely to occur. Whistleblowers may simply report concerns based on reasonable suspicion of violation of Company policy or relevant laws and regulations.

7.2.6 All concerns/complaints reported via the KPMG Ethics Line (phone calls, emails, physical letters) will be sent confidentially and anonymously to appropriate recipients within SEPLAT. The identity of the Whistleblower will not be disclosed to or by SEPLAT unless KPMG and SEPLAT obtain the Whistleblower’s consent.

7.2.7 Please note that KPMG Ethics Line will always send concerns/complaints reported to at least two recipients, being the Head Business Integrity and any nominated person.

### **7.3 Investigation and Outcome**

7.3.1 When a complaint is made through the KPMG Ethics Line, the complaint is given a reference number which is a unique identifier for the complaint and will need to be quoted to make a follow up call or when seeking feedback on complaint. KPMG will send an incident report of the complaint to the appropriate management level personnel of SEPLAT within 24 hours or as soon as possible.

7.3.2 Once a concern has been reported (internally or through KPMG Ethics Line), the Business Integrity Manager or the recipients of the incident report will arrange to have an initial assessment carried out to determine whether the claim is credible and/or warrants further investigation. Where the claim is not made anonymously, SEPLAT will inform the Whistleblower of the outcome of its assessment, and the Whistleblower may be required to provide further information. In the event of an anonymous report, the person who made the allegation may be informed through the existing emails or telephone services.

7.3.3 In some cases, SEPLAT may appoint an investigator(s) (who may be a member of our Legal, Human Resources team, a member of staff with relevant experience, or an external investigator). The investigator(s) may make recommendations for change to enable SEPLAT to minimise the risk of future wrongdoing. If any crime has been committed against any person or property, SEPLAT reserves the right to report these to the appropriate law enforcement authority without delay.

7.3.4 The Head of Business Integrity Unit will be charged with reviewing all reported cases and initiating appropriate action (except reports against him/her and Team Members of Business Integrity which should be sent to the CEO, FINCO chairman, a Senior Independent Non-Executive Director and the GM, Internal Audit and Control), to redress the situation. The Head of Business Integrity Unit will also be required to provide the Board with a summary of reported cases, cases investigated, the process of investigation and the result of the investigation.

7.3.5 Reports against a director or CEO should be conveyed to the recipients stated in table 8.2.8 above

7.3.6 Where necessary, a member of staff who is the subject of an investigation arising from a Whistleblowing concern may be required to make representations within five working days to the Head of Business Integrity Unit, relevant senior management personnel, or appropriate panel following the result of the investigation. The representation will be considered and further investigation or review may be conducted as appropriate.

7.3.7 Employees and other stakeholders are advised not to use the Whistleblowing platform to make malicious or false allegations in bad faith or for personal gain as these acts undermine the purpose and effectiveness of the Whistleblowing mechanism.

7.3.8 Where an allegation or report against a director or Employee or other member of SEPLAT's staff is found to be valid, such person will be subject to disciplinary action. Such disciplinary action may include summary dismissal or other legal means necessary to protect the reputation of SEPLAT, members of the Board, Employees and shareholders of SEPLAT. Please refer to SEPLAT's sanctions grid for details.

### **7.4 Protection of Whistleblowers**

7.4.1 It is understandable that Whistleblowers are sometimes worried about possible repercussions of Whistleblowing. To this end, SEPLAT aims to encourage openness and will support members of staff who report concerns under this Policy, even if they turn out to be erroneous.

7.4.2 Members of staff will not suffer any detrimental treatment as a result of reporting a concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with reporting a concern. If you believe that you have suffered any such treatment, you should report it formally with the Business Integrity Manager, or Head of Human Resources department, or Head of Legal Department, or the KPMG Ethics Line, or directly to the CEO where you consider this more appropriate.

7.4.3 Members of staff must not threaten or retaliate against Whistleblowers in any way. In the event that such Whistleblower is or feels victimised, SEPLAT shall be obligated to employ appropriate tools to offer redress to the Whistleblower concerned following the necessary investigation of such victimisation, in line with the provisions of 7.2 above. Anyone involved in such conduct will be subject to disciplinary action which may lead to their summary dismissal.

## **7.5 Notification**

7.5.1 All Departmental Heads are required to notify and communicate the existence and contents of this Policy to all Employees of their department. New Employees shall be informed of this Policy by the Human Resources Department as part of the normal induction programme and a statement in this regard should be periodically submitted to the Head of the Legal Department and Head of Business Integrity Unit. This policy is available on SEPLAT's website as a "Read Only" document for all staff to access. Regular Whistleblowing awareness sessions will be organised to continue to sensitize Employees and other stakeholders on the benefits of using the Whistleblowing platforms.

## **8. DOCUMENTATION AND RECORD KEEPING**

8.1 The Head of Business Integrity Unit will maintain a register containing all Whistleblowing concerns that are brought to the Company's attention. These will be reported on a quarterly basis to the Board.

8.2 All Whistleblowing concerns to be entered in the register will primarily include a summary of the reported cases, whether it was investigated, the process followed and findings of the investigation and any action taken as a result of the investigation.

## **9. EXCEPTIONS TO THIS POLICY**

9.1 Any exception to this Policy must be approved in advance by the Board.

## **10. AMENDMENTS**

10.1 This Policy may be amended from time to time by the Board. The Board reserves the right to change, delete, suspend, or discontinue any part or parts of this Policy and any procedures stated herein at any time without any prior notice to you. However, the Board will endeavour to communicate any substantive amendments to you. It is your responsibility to familiarise yourself with this Policy as amended from time to time.

10.2 This Policy will be reviewed every 3 years and/or when there is a new regulation affecting the content of the policy to ensure that its provisions continue to meet its objectives, SEPLAT's legal obligations and to reflect best practice.