

Anti-Bribery and Corruption Policy

1. INTRODUCTION

First Pension Custodian Nigeria Limited (“FPCNL”) is committed to conducting business with an utmost level of integrity, transparency, and compliance with legal, ethical and regulatory standards. Our reputation and success as an organization is built upon this foundation as we strive to maintain our position as a leading organization locally and internationally.

The Company adopts a zero-tolerance approach to bribery and corruption and is committed to upholding related laws in our business dealings and relationships. Accordingly, we recognise anti-corruption laws in Nigeria such as the Criminal Code (Cap38, Laws of the Federation of Nigeria (LFN) 2004); Penal Code (Cap P3, LFN 2004); Corrupt Practices and other Related Offences Act, 2000; Economic and Financial Crimes Commission Act (Cap E1, LFN 2004); Code of Conduct Bureau and Tribunal Act (Cap C15, LFN 2004) and the Constitution of the Federal Republic of Nigeria (Cap C23, LFN 2004). We also acknowledge other related international legislation.

This policy therefore reflects not only our cultural and ethical commitment to preventing bribery and corruption but also compliance with specific legal requirements of various jurisdictions in which we operate or relate with.

The sanctions for violating these laws can be severe, including significant fines, imprisonment and reputational damage. We, therefore aim to establish a strong culture against bribery and corruption by implementing and enforcing effective systems to counter such activities.

2. PURPOSE

The Policy outlines the expectations of all employees and stakeholders in observing and upholding our position against bribery and corruption. It covers bribes; gifts and hospitality; facilitation payments; reciprocal agreements; donations/ contributions.

It is intended to ensure compliance with all anti-bribery and corruption laws and regulations across our business dealings particularly as enforcement of these laws become more stringent and expectations of our business partners in this regard increases.

3. SCOPE

All directors, employees (core-and non-core); temporary workers, consultants; contractors and agents of the company, are required to familiarise themselves and comply with this policy.

4. POLICY STATEMENT

In view of the nature of our business activities and operating environment, it is important for all staff to be committed to the prevention of bribery and corruption.

4.1 The company prohibits the offering, giving, solicitation or the acceptance of any bribe or corrupt inducement, whether in cash or in any other form:

- To or from any person or company wherever located, whether a public official or public body, or a private person, or company;
- By any individual employee, director, agent, consultant, contractor or other person or body acting on behalf the company;

- In order to gain any commercial, contractual, or regulatory advantage for the Company in any way which is unethical or to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.
- 4.2 This policy is not intended to prohibit the following practices provided they are appropriate, proportionate and are properly recorded:
- Normal hospitality provided that it complies with the FPCNL's Policy;
 - Fast tracking a process which is available to all on the payment of a fee; and/or
- 4.3 All staff are expected to be adequately informed on the contents of the policy and would form part of the organisation's orientation process for all new employees. The Policy would also be uploaded on FPCNL website
- 4.4 However, given that, it may not always be clear to determine whether a possible line of action is appropriate, particularly where such is not expressly covered in the policy, anything that would breach the essence of the policy or guiding principles should be avoided.

If in any doubt as to whether a possible act might be in breach of this policy or the law, the individual should be referred to respective Heads of Department for clarification. If necessary, further guidance should be sought from the Chief Compliance Officer.

- 4.5 The organisation will thoroughly investigate any actual or suspected breach of this policy and employees found to be in breach would be subjected to disciplinary action which may ultimately result in dismissal.

5. UNDERSTANDING BRIBERY AND CORRUPTION

Acts of bribery or corruption are designed to influence an individual in the performance of their duty and incline them to act in a way that a reasonable person would consider to be dishonest in the circumstance.

- 5.1 Bribery can be defined as offering, promising or giving a financial (or other) advantage to another person with the intention of inducing or rewarding that person to act or for having acted in a way which a reasonable person would consider improper in the circumstance.
- 5.2 Corruption is any form of abuse of entrusted power for private gain and may include, but is not limited to, bribery.
- 5.3 Depending on the circumstances, bribes can take on different forms and are not always a matter of handing over cash. Gifts, hospitality and entertainment can be categorized as bribes if they are intended to influence a decision. It can also take place where the offer or payment is made indirectly by or through a third party, such as an agent or business partner.
- 5.4 If given or received as an inducement or reward for an improper act, the following could be bribes:
- Cash payments;
 - Gifts (including gifts of cash or cash equivalents);
 - Hospitality (such as meals, hotel stays, travel tickets or invitations to sporting and cultural events);
 - Other promotional expenses (such as travel and accommodation expenses);
 - Free use of company services, facilities or property; or
 - Political contributions or charitable donations.

5.5 Employees who are offered or asked for a bribe are expected to:

- Reject demands for, or offers of, bribes;
- Communicate anti-bribery stance to the offering person;
- Record the details of any bribery or request or attempted bribery, immediately after the occurrence of the event;
- Report the incident to the Chief Compliance Officer as a whistleblowing activity.

6. GIFT AND HOSPITALITY

Occasionally, exchange of business gifts and hospitality are considered common practice intended to create goodwill and establish trust in business relationships.

6.1 Excessive gifts, entertainment and hospitality could however be used to exert improper influence on decision makers and in line with our employee handbook, the company frowns strongly at employees receiving gratification in cash or in kind including gifts of value from existing or potential clients to provide legitimate custodial services, influence decisions or for preferential treatments.

6.2 The giving or receipt of gift must, therefore, be subject to the requirements of the company's policies in respect of gifts, particularly the Gift Policy and Procedure.

6.3 It is not acceptable for any employee (or someone on their behalf) to:

- Give, promise to give or offer a payment, gift or hospitality with expectation or hope that a business advantage will be received; reward the provision or retention of business or business advantage in exchange for favours or benefits
- Give, promise to give, offer a payment, gift or hospitality to a government official, agent or representative to, facilitate or expedite a routine procedure.
- Accept payment or gift from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them.
- Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this Policy; or
- Engage in activities that might lead to a breach of this Policy or damage the reputation of the organization.

6.4 In addition to the Gift Policy and Procedure, the following factors should be considered when accepting gifts, benefits or hospitality:

- Whether the gift is an appreciation for good services
- Whether the gift places the employee under a kind of obligation
- Whether there is an expectation as a result of accepting the gift
- Whether the gift was offered openly or covertly
- Whether the gift is deemed appropriate and in line with business practices and local customs
- Frequency of the party offering the gifts

6.5 Employees should actively, but thoughtfully, discourage clients from offering personal benefits of any kind (including favours, services, loans or fees, or things of monetary value).

6.6 Where an employee receives a gift, it should be declared to his/her immediate supervisor. Non declaration when discovered may be subjected to investigation and application of recommended sanctions.

6.7 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties such as clients, suppliers and business contacts should be prepared and maintained with strict accuracy and completeness.

7. FACILITATION PAYMENTS

Facilitation payments are used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer has an entitlement as of right. Acknowledging that facilitation payments are bribes, this policy expressly prohibits such payments. Thus, stakeholders are not allowed to solicit, make or receive facilitation payments on behalf of the company. They are also not allowed to solicit, make or receive such payments for themselves or any other person in the course of business.

8. RECIPROCAL AGREEMENTS

Reciprocal Agreements or any other forms of 'quid pro quo' (an exchange of goods or services, where one transfer is contingent upon the other) are prohibited unless they are legitimate business arrangements which are properly documented and approved by Management.

8.1 Improper payments to obtain new business; retain existing business or secure any improper advantage should never be accepted or made.

8.2 Actions by third parties for which the company may be held responsible include agents, contractors and consultants, acting on the company's behalf. Appropriate due diligence should therefore be undertaken before a third party is engaged. Third parties should only be engaged where there is a clear business rationale for doing so, with an appropriate contract. Any payments to third parties should be properly authorised and recorded.

8.3 Agents, contractors, consultants, vendors providing goods and/or services to the Company must make full declarations in line with FPCNL Conflict of Interest and Related Party Transaction Policy, and attest to the Company's Third Party Code of Conduct before they are engaged/ on-boarded to ensure transparency in dealings.

9. DONATIONS

Donations and contributions to political parties', organizations or their representatives are strictly prohibited.

Whilst charitable donations are acceptable, management and employees must ensure that these contributions and sponsorships are not used as a ploy to facilitate a bribe; and are in line with Company's Corporate Responsibility and Sustainability policy. All donations made, on behalf of FPCNL, must be in line with the FPCNL Corporate Responsibility and Sustainability policy.

10. EMPLOYEE RESPONSIBILITY

The Compliance Department shall ensure that staff and third party agents are trained on the Company's Anti-Bribery and Corruption Policy on an annual basis. However, every individual is responsible for ensuring that they act in compliance with the policy. Failure to comply with this policy may ultimately result in disciplinary action

It is pertinent to note that the role and responsibility of an employee is not confined to official working hours and continues when business partners, prospective customers are entertained, attend professional events or travel on official trips and when representing the company.

In this regard, the principles outlined in this Policy also apply to those and similar activities and requires adherence to the same compliance standards that operate in the workplace. It is expected that employees will, at all times, exercise good judgment and avoid any appearance of impropriety.

11. RAISING CONCERNS & SEEKING GUIDANCE

The prevention, detection and reporting of bribery or corruption is the responsibility of all employees throughout the organisation. Staff members are expected to report, upon awareness/discovery, a suspected bribery or corrupt conduct. Any such incident should be reported in accordance with the company's whistle blowing policy.

Concerns should be raised promptly about any issue or suspicion of malpractice and if unsure about whether a particular act constitutes bribery or corruption, or in the event of other enquiries, these should be referred to your line manager and/or the Chief Compliance Officer

It is important that an offer of a bribe by a third party, request to make one or suspicion of a future occurrence is reported immediately.

12. EMPLOYEE PROTECTION

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes concerned about potential repercussions. There are however secure and accessible channels through which to raise concerns and report violations in confidence and without risk of reprisal. The company encourages openness and supports anyone who raises genuine concerns in good faith under this policy.

- 12.1 The company is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or suffer any for reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future, in accordance with the Whistleblowing Policy.
- 12.2 Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. Those who believe they have suffered any such treatment should inform the Chief Compliance Officer immediately through appropriate channel for redress.

13. RED FLAGS

The following is a list of possible red flags that may arise during the course of employment which may raise concerns under various anti-bribery and anti-corruption laws. The list is not exhaustive and is therefore for guidance purposes only.

If you encounter any of these red flags, you must report them promptly to your Head of Department or to the Chief Compliance Officer:

- awareness that a third party engages in, or has been accused of engaging in, improper business practices
- knowledge that a third party has a reputation for paying bribes, or requiring that bribes are paid to them
- a third party insists on receiving a commission or fee payment before committing to sign up to a contract, or carrying out a government function or process;
- a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- a third party requests an unexpected additional fee or commission to "facilitate" a service;
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;

- a third party requests that a payment is made to "overlook" potential legal violations;
- an invoice is received from a third party that appears to be non-standard or customised;
- a third party insists on the use of side letters or refuses to put terms agreed in writing;
- an observation on an invoice for a commission or fee payment that appears large given the service stated to have been provided;
- a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; or
- You are offered an unusually generous gift or offered lavish hospitality by a third party.

14. INVESTIGATION OF POTENTIAL VIOLATIONS OF THE POLICY & SANCTIONS

The organization takes all reports of potential violations of the Policy and other compliance policies seriously and is committed to confidentiality and a full investigation of all allegations.

14.1 The objectives of the investigation would be to:

- Confirm whether or not a corrupt activity or bribe has been given or accepted, and to identify who was responsible.
- Confirm whether internal controls and anti-bribery procedures have worked in practice.
- Identify any improvements required for anti-bribery and corruption procedures.
- Depending on the findings of the investigation, subsequent disciplinary action will be determined. This may involve disciplinary action against employee involved or external reporting to:
 - A senior official or director of another organisation, if the person making the bribe is from that organisation; OR
 - Relevant government department where the bribe occurred.

15. CONSEQUENCE MANAGEMENT

A breach of the provisions of the Policy constitutes serious misconduct and will be subject to appropriate disciplinary measures including, but not limited to, termination of employment or appointment of the affected officer or employee in line with the Company's Sanction Grid in the Employee Handbook.

Breach of the Policy by agents, contractors, intermediaries, suppliers, vendors, consultants or other business partners may lead to the termination of such business relationships

16. RISK ASSESSMENT

The Compliance Department shall assess the level of knowledge and implementation of the policy on an annual basis to determine gaps and implement controls to mitigate risks. On an annual basis, surveys will be carried out on large transactions and randomly selected business areas to ascertain where facilitation payments may have been made.

17. CONCLUSION

All staff must be aware of the requirements of this policy and the company's position against bribery and corruption.

It is the responsibility of all staff to ensure that principles of this policy are adhered to at all times.