



# FIDELITY PENSION MANAGERS LTD.

## WHISTLEBLOWING POLICY

Version 1.0

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## Document Control Sheet

### Version and Update History

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Chairman, Board Audit Committee		
Chairman, Board of Directors		

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## 1. BACKGROUND

- 1.1 This Whistle-blowing Policy and Procedures (“the Policy”) is in furtherance of the desire of Fidelity Pension Managers Limited (“the Company” or “FPML) to strengthen its corporate governance and risk management framework, which will result in enhanced stakeholders’ value. The Policy sets forth the Company’s policy and procedures for reporting to the Company instances of ostensible unethical activities that relate to the business of the Company, with a view to allow the Company to address such incidents appropriately.
- 1.2 Whistle-blowing is the reporting of alleged unethical conduct of employees, management, directors and other stakeholders of an institution by an employee or other person to appropriate authorities. A whistle blower is any person(s) including the employee, management, Directors, customers, service providers, and other stakeholder(s) of an institution who reports any form of unethical behavior or dishonesty to the appropriate authority.
- 1.3 This Policy takes cognizance of the *Corporate Governance Guidelines for Pension Fund Operators* which was released by the National Pension Commission (PenCom) in 2019 and the PenCom Whistleblowing Guidelines for Pensions, 2008. It has been reviewed to comply with the requirements of the Guidelines for whistle-blowing. The Guidelines were formulated to address corporate governance issues among Pension Fund Operators (PFOs) and to encourage them to align with international best practices. Among other things, the Guidelines require PFOs to establish whistle-blowing procedures that encourage (through the assurance of confidentiality) all stakeholders (Directors, Management, Staff, Customers, Suppliers, Service Providers, Applicants, etc) to report unethical activities or dishonesty and breaches to the appropriate authority. Cognizance was also taken of the provisions of the National Code of Corporate Governance, 2018.

## **2. POLICY STATEMENT**

FPML is committed to achieving the highest possible service and ethical standards in its business. The Company therefore encourages all of its stakeholders to raise legitimate concerns about any ostensible unethical and/or illegal acts and/or omissions by the Company or its personnel so as to enable the Company to appropriately address such concerns. The Company encourages raising the concerns to the Company rather than the concerned stakeholder overlooking the problem, thereby causing avoidable damage to the Company in particular and the society in general.

## **3. SCOPE OF APPLICATION**

3.1 The Company has existing procedures in place to enable its employees to report or lodge grievances relating to their own employment. This Policy, therefore, is intended to address concerns that fall outside the scope of the grievance procedures. Incidents or concerns that may be reported pursuant to this Policy include, but are not limited to:

- i. Any form of fraudulent activity;
- ii. Falsification of records;
- iii. Unauthorized destruction of records;
- iv. Rendition of false returns;
- v. Misuse/Misappropriation of Assets/Contributions;
- vi. Failure to pay contributions correctly or promptly;
- vii. Inadequate controls resulting in deficient administration
- viii. Pre-employment malpractices; including assisting a candidate in the pre-employment test of leaking questions to a candidate.
- ix. Breach of regulatory requirements;
- x. Breach of the policies, rules and/or regulations of the Company;

- xi. Bribery and corruption;
- xii. Conflict of interests;
- xiii. Insider trading;
- xiv. Insider abuses
- xv. Non-disclosure of interests
- xvi. Connected transactions
- xvii. Sexual harassment;
- xviii. Theft, conversion or misappropriation of assets or funds of the Company or customers;
- xix. Unauthorized access to personal data of Company personnel or customers;
- xx. Unauthorized disclosure of confidential information;
- xxi. Questionable accounting or auditing practices;
- xxii. Mismanagement or gross waste of the resources of the Company;
- xxiii. Conduct involving substantial risk to public health and/ or environmental safety;
- xxiv. Breach of PenCom Regulations and Guidelines;
- xxv. Collusive practices such as an arrangement between two or more persons, which is intended to achieve an improper purpose;
- xxvi. Coercive practices such as impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- xxvii. Commission of any other type of offence;
- xxviii. Any other form of misconduct; and
- xxix. Deliberate concealment of all or any of the above unethical activities.

3.2 This Policy applies to all the stakeholders of the Company including shareholders, directors, employees (permanent and temporary), suppliers, contractors, service providers and applicants.

#### **4. RESPONSIBILITY FOR POLICY IMPLEMENTATION**

The Board and Management of FPML are responsible for the implementation of this Policy as well as ensuring the application of ethics within the Company. They are also responsible for ensuring that all Company staff are familiar with and have access to this Policy. The Policy will be explained to new employees as part of the Company's induction or orientation program. The Board and Management are also responsible for communicating the provisions of the Policy to other stakeholders of the Company. Every employee of the Company is expected to familiarize his/herself with the provisions of this Policy.

#### **5. ETHICS COMMITTEE**

5.1 The Company will establish an Ethics Committee for the purpose of this Policy. The Ethics Committee will comprise a minimum of three (3) and maximum of seven (7) members appointed by Management from among the management and staff of the Company. Management should ensure that members of the Ethics Committee are persons of integrity who generally command the confidence of the management and staff of the Company. The tenure of office of the members of the Ethics Committee will be three (3) years in the first instance, which may be renewed by the Executive Committee for another term of three (3) years but no more. If a person ceases to be a member of the Ethics Committee for any reason whatsoever, Management will appoint a replacement for such a person. The Ethics Committee will be accountable to the Board through Management. The Ethics Committee is entitled to regulate its proceedings. However, Management may give directions of a general nature to the Ethics Committee, and the Ethics Committee is expected to abide by such general directions.

- 5.2 The functions of the Ethics Committee will be as follows:
- a. Receiving and evaluating reports of concerns or incidents in accordance with **Section 3.1** of this Policy;
  - b. Deciding the nature of action to be taken on such reports; Deciding the appropriate persons to whom such reports may be referred for enquiry or investigation;
  - c. Receiving reports of the enquiry or investigation;
  - d. Considering the reports of the enquiry or investigations and deciding whether there is substance to the concerns to necessitate further action by the Company;
  - e. Reporting to the Board through Management (**Section 5.1**) on concerns and incidents reported to, or received by, the Ethics Committee including the action taken on them.
- 5.3 If a member of the Ethics Committee is the subject of a concern that is raised pursuant to **Section 3.1** of this Policy, he/she will not participate in the deliberations of the Ethics Committee in respect of the particular concern.
- 5.4 To enable the Chief Compliance Officer of the Company to render any necessary returns to PenCom, as may be required by the Guidelines, the Ethics Committee should notify the Chief Compliance Officer in writing of every incident reported to, or received by, the Ethics Committee. The Ethics Committee also should communicate to the Chief Compliance Officer the final outcome and decision taken on a reported incident.
- 5.5 The Chief Compliance Officer will periodically review the status of the cases being handled by the Ethics Committee. He will submit a report of his review/findings to Management for consideration

with a view to ensuring that the Ethics Committee is effective and unbiased.

## **6. CONFIDENTIALITY AND PROTECTION OF WHISTLE BLOWERS**

- 6.1 The Company recognizes that one of the most important factors that discourages potential whistle blowers from “blowing the whistle” is the fear of retribution, discrimination or victimization. Thus protecting the identity of a whistle blower is crucial in ensuring there is no reprisal against him/her. It is also crucial in encouraging the potential whistle blowers to report legitimate concerns.
- 6.2 The Company will not subject a whistle blower to any form of detriment whatsoever on the grounds that s/he has made a disclosure in accordance with the provisions of these policy. ‘Detriment’ may include; discharge, dismiss, demote, suspend, threaten, redundancy, withholding of entitlements, undue influence, duress, harass or in any manner discriminate or retaliate against any employee or any other stakeholder in respect of legitimate concerns about wrongdoing raised by him/her. Any act (including an attempt) of retaliation, discrimination or victimization by any Company staff against any employee or any other stakeholder for raising legitimate concerns of wrongdoing, as envisaged by this Policy, constitutes gross misconduct and will attract appropriate sanction from the Company, which may include dismissal or termination of employment, as the case may be.
- 6.3 The Company will take all reasonable measures to protect the identity of the whistle blower. It is at the discretion of the whistle blower to disclose his/her identity or to remain absolutely anonymous when reporting an incident. If the whistle blower discloses his/her identity, the person to whom the identity is disclosed must not disclose the identity of the whistle blower to any

persons whomsoever except with the prior written consent of the whistle blower. The whistle blower has the absolute prerogative to give or withhold the consent. Unauthorized disclosure of the identity of the whistle blower constitutes gross misconduct and will attract appropriate sanctions from the Company, which may include dismissal or termination of employment, as the case may be.

- 6.4 The Company discourages the making of false allegations due to malicious intent. Raising legitimate concerns in good faith, which turn out to be false when investigated, will not be considered to have been made with a malicious intent.

## **7. REPORTING CHANNELS**

The Company has provided the following reporting channels to ensure that the whistle blower can report to the Ethics Committee directly, or anonymously any act that s/he considers as unethical. A customer, staff or non-customer can blow a whistle by:

1. sending an email to **[ethicscommittee@fidelitypensionmanagers.com](mailto:ethicscommittee@fidelitypensionmanagers.com)** or,
2. Go through the Portal, using:  
**<https://www.fidelitypensionmanagers.com/whistleblowing/>**

## **8. REPORTING AND HANDLING PROCEDURES**

- 8.1 All stakeholders of the Company are encouraged, and have the responsibility, to report any known or suspected incidences of improper or unethical conduct by making a disclosure in accordance with this Policy.
- 8.2 Employees ordinarily should report concerns pursuant to this Policy to the Ethics Committee using the reporting facilities provided pursuant to **Section 8** of this Policy. However, if an employee has

any concern reporting directly to the Ethics Committee, or is of the opinion that reporting the concern directly to the Ethics Committee is inappropriate in the circumstances, s/he may report the concern to Management. A report against all the members of the Ethics Committee may be made to the Managing Director of the Company or any other member of Management. Management will be responsible for determining how to handle the report against all the members of the Ethics Committee. Also a report against any member of the Management Team shall be made to the Chairman of the Board who will be responsible for determining how to handle the report.

8.3 Concerns may be raised verbally or in writing depending on the preference of the person raising the concerns. The following information should be provided in detail, to ensure that appropriate action is taken on reported incidents:

- (i) The nature of the incident;
- (ii) The persons involved in the incident;
- (iii) The witnesses to the incident (if any);
- (iv) The date(s) of the incident;
- (v) The place(s) of occurrence of the incident;
- (vi) How the incident happened;
- (vii) Any supporting document: and
- (viii) Any other useful information.

8.4 A whistleblower is not expected to prove the truth of an allegation made by him/her. However, s/he will need to demonstrate, through the information provided by him/her, that there are reasonable grounds for the concern.

8.5 The Ethics Committee will register all whistle-blowing reports received by it. Once registered, the report will be screened and evaluated by the Ethics Committee to determine its credibility, materiality and verifiability. To this end, the report will be evaluated

to determine whether there is a legitimate basis to necessitate an enquiry or investigation.

- 8.6 The preliminary evaluation will determine whether there are grounds for a more detailed enquiry or investigation. The evaluation will be based on information and/or documentary evidence provided by the whistle blower and will consider whether the disclosure has been made on the basis of reliable information and in good faith. An enquiry or investigation will be launched if the preliminary evaluation by the Ethics Committee discloses tangible and credible information that supports the existence of a reportable incident listed in **Section 3.1** of this Policy.
- 8.7 The Ethics Committee will refer such matters with tangible and credible information to the Group Head, Audit for investigation. S/he shall review and submit a report with the appropriate recommendations to Management and where the issues affect members of the Management Team, it should be referred to the Board who will take appropriate action to redress within a reasonable time. The Group Head, Audit will be required to forward the approved investigation report to the Ethics Committee for closure.
- 8.8 A person who is the subject of the enquiry or investigation may be informed unless such communication would, in the view of the Ethics Committee or the person conducting the enquiry or investigation, interfere with the enquiry or investigation.
- 8.9 The subject of a report of an enquiry or investigation is presumed innocent of the allegation until the contrary is proven.
- 8.10 The Ethics Committee, will provide feedback to the whistle blower on the outcome of his/her report if the whistle blower has provided a means of communicating with him/her. Thus, although the whistle blower has the right to remain anonymous, s/he should recognize that the ability of the Ethics Committee, to provide

feedback to him/her or even to take appropriate action on his/her report may be adversely impeded by his/her anonymity. For example, anonymity of the whistle blower may make it difficult or impossible to obtain clarification or additional information, which may be within his/her knowledge, thus affecting the ability of the investigator to make a reasonable conclusion on the report.

## **9 GUIDANCE FOR ETHICS COMMITTEE AND SUPERVISORS**

- 9.1 Where appropriate, the concerns raised may be:
- (i) Investigated internally;
  - (ii) Referred to an appropriate law enforcement agency; or
  - (iii) Referred to an independent third party for investigation.
- 9.2 In order to protect individuals and those accused of unethical practices, initial enquiries should be made to determine whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations that fall within the scope of specific disciplinary procedures or statutory procedures will normally be referred for consideration under those procedures.
- 9.3 Some concerns may be resolved by agreed action without the need for an investigation. If urgent action is required, this should be taken before any investigation is conducted.
- 9.4 An investigation should be carried out in accordance with the relevant rules and regulations.
- 9.5 If the concern has been raised in good faith but investigations reveal that the concern is unfounded, this finding too should be shared with the whistle blower.
- 9.6 The Company will take steps to minimize any difficulties that a whistle blower may experience as a result of raising a concern. For example, if the whistle blower is required to give evidence in

criminal or disciplinary proceedings, the Company should advise him/her about the procedure.

- 9.7 Ethics Committee, should assure the whistle blower that the matter has been properly addressed. Thus, subject to legal and confidential constraints, the whistle blower will receive feedback about the outcome of an enquiry or investigation into the concerns raised by him/her.

## **10. REWARD TO WHISTLE BLOWER**

If a report made by a whistle blower results in avoidance of significant loss or damage to the Company, Management, in its sole discretion, may provide reward to the whistle blower. Management has the prerogative to determine what qualifies as “significant loss or damage” and the nature of the reward to be provided to the whistle blower.

## **11. REVIEW OF POLICY AND PROGRAMME**

This Policy will be reviewed every three years (3) to ensure its continued compliance with applicable regulations and that it remains relevant and effective. The Board and Management will be responsible for ensuring the periodic review and the effectiveness of the programme and implementing the necessary measures to enhance its effectiveness.