

## **NATIONAL BANK OF FUJAIRAH PJSC**



### **WHISTLEBLOWING POLICY**

Approved by the Board on the 24<sup>th</sup> of February, 2020

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# **1 Introduction**

## **1.1 About the Policy**

The Whistleblowing Policy (the Policy) of the National Bank of Fujairah (the Bank) sets out the principles for the management of the whistleblowing cases. The Policy is applicable to the Bank and all its subsidiaries.

The Bank is committed to best practices and providing a highly ethical workplace which encourages open communication, accountability, transparency, healthy challenges, and constructive criticism.

An important aspect of accountability and transparency is a mechanism to enable staff, and other stakeholders of the Bank, to voice concerns in a responsible and effective manner. It is a fundamental term of every contract of employment that an employee will faithfully serve the Bank and not disclose confidential information about the Bank's affairs. Nevertheless, where an individual discovers information which they believe shows serious malpractice or wrongdoing within the Bank then this information should be disclosed internally without fear of reprisal, and there should be arrangements to enable this to be done independently of line management (although in relatively minor instances the line manager would be the appropriate person to be told).

## **1.2 Policy Ownership, Review & Approval Process**

This Policy has been designated as a Schedule A document under the Enterprise Risk Management Framework. This policy is developed by Internal Audit and is issued under the authority of the Board of Directors.

The policy will be subject to review on an annual basis.

Any enquiries related to this policy or requests for additions/deletions of any points should be addressed to Head of Internal Audit. Head of Internal Audit will evaluate such requests and if deemed necessary additions/amendments will be issued after taking the requisite approval from the Board based on the review and recommendation of the Management Risk Committee and Board Risk Committee.

## **1.3 Definitions**

When used within this Policy, these words shall have the following meaning:

*Whistleblower:* Is an employee of NBF, customers, suppliers, shareholders, or other third parties such as agents, distributors or joint venture partners (associated directly or indirectly with the Bank) who make a report on the protected disclosure to the Head of Internal Audit, CEO or Board Secretary, as defined in this policy.

*Whistleblowing:* Whistleblowing is the act of making a disclosure advising that an organisation is doing, or is suspecting of doing, something immoral or illegal.

# **2 Safeguards**

## **2.1 Protection**

This policy is designed to offer protection to those employees of NBF who disclose concerns, provided the disclosure is made:

- in good faith,
- in the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety, and
- to the appropriate person.

It is important to note that no protection from internal disciplinary procedures is offered to those who choose not to use the procedure. In an extreme case, malicious or wild allegations could give rise to legal action on the part of the persons complained about.

## **2.2 Confidentiality**

NBF will treat all disclosures made under the whistleblowing policy (and associated guidelines) in a confidential and sensitive manner. The identity of the individual making the allegation should be limited to the Head of Internal Audit, Head of Compliance and the Board. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required. Disclosure of the whistleblower's identity should only occur with the prior agreement of the whistleblower, and in any event disclosure should be limited to Head of Internal Audit, Head of Compliance and the Board, and specific members of the senior management team as is deemed necessary.

## **2.3 Anonymous Allegations**

This policy encourages individuals to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the Bank. In exercising this discretion, the factors to be taken into account will include:

- The seriousness of the issues raised
- The credibility of the concern
- The likelihood of confirming the allegation from attributable sources

## **2.4 Untrue Allegations/False Reporting**

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes malicious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against that individual.

# **3 Policy Objectives**

The Bank's Whistleblowing Policy aims to fulfill the following objectives:

- To provide a mechanism to report genuine concerns of unethical, non-compliant or other improper act, omission or conduct on the part of any other employee of the bank, without fear of reprisal or retribution of any kind and to provide for investigation and further action on such reports received.
- To encourage employees and others to make good faith reports of suspected fraud, corruption, or other improper activity, or health and safety concerns.
- To define the roles and responsibilities for reporting any wrongdoing which comes to the attention of the employees of NBF, customers, suppliers, shareholders, or other third parties such as agents, distributors or joint venture partners.

This policy applies to all permanent and regular employees, including outsourced staff, management, contractors, customers, suppliers, shareholders, and other third-parties such as outsourcing partners, agents, brokers, distributors, etc.

## **4 Responsibility for Implementation**

The Board Audit Committee has overall responsibility for this policy, but has delegated day-to-day responsibility for overseeing and implementing it to the Head of Internal Audit.

Responsibility for monitoring and reviewing the operation of the policy and any recommendations for action resulting from investigations into complaints lies with the Board Audit Committee.

Management must ensure that employees feel able to raise concerns without fear of reprisals.

All employees should ensure that they take the appropriate steps to disclose any wrongdoing or malpractice of which they are aware.

If you have any questions about the content or application of this policy, you should contact the Head of Internal Audit.

## **5 What Constitutes Malpractice?**

A genuine concern should be reported if there are reasonable grounds for believing that:

1. A criminal offence has been committed, is being committed, or is likely to be committed; or
2. A person has failed, is failing, or is likely to fail to comply with their legal obligations (for instance by making misleading or deceitful statements to the authorities, self-dealing, not disclosing related third-party transactions, accepting bribes or kickbacks, aiding or not reporting incidences of money-laundering ; or
3. The health and safety of any individual has been, is being, or is likely to be endangered; or
4. Any of the above are being, or are likely to be, deliberately concealed.

In general, this policy covers actions or omissions that are illegal, contrary to policy or established procedure or outside the scope or any individual's authority, actions which could damage the Bank's reputation, and conflicts of interest.

**Please refer to the associated Whistleblowing Guidelines document for the procedures to follow for making a disclosure under this policy.**

**NATIONAL BANK OF FUJAIRAH PJSC**



**WHISTLEBLOWING  
GUIDELINES**

Approved by the MRC on the 31<sup>st</sup> of July 2019

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## 1 Introduction

The Whistleblowing Guidelines provide guidance in the application of the Whistleblowing procedure.

Please refer to the associated **Whistleblowing Policy** document to understand the bank's policy.

## 2 What Constitutes Malpractice?

A genuine concern should be reported if there are reasonable grounds for believing that:

- A criminal offence has been committed, is being committed, or is likely to be committed; or
- A person has failed, is failing, or is likely to fail to comply with their legal obligations (for instance by making misleading or deceitful statements to the authorities, self-dealing, not disclosing related third-party transactions, accepting bribes or kickbacks, aiding or not reporting incidences of money-laundering ; or
- The health and safety of any individual has been, is being, or is likely to be endangered; or
- Any of the above are being, or are likely to be, deliberately concealed.

In general, this policy covers actions or omissions that are illegal, contrary to policy or established procedure or outside the scope or any individual's authority, actions which could damage the Bank's reputation, and conflicts of interest.

## 3 To Whom Should A Disclosure Be Made?

For the purposes of this procedure you are asked, in the first instance, to raise concerns about any form of malpractice with your line manager or a senior manager in your Department. If you feel this is inappropriate or are unable/unwilling to do this, you should contact the Head of Internal Audit or a member of the Board of Directors.

## 4 How Should A Disclosure Be Made?

Recognise that disclosure made under this policy may involve highly confidential and sensitive matters and that you may prefer to make an anonymous disclosure. However, the bank cannot guarantee to investigate anonymous allegations. Proper investigation may prove impossible if the investigator cannot obtain further information from you, give you feedback, or ascertain whether your disclosure was made in good faith.

**You can raise your concerns by:**

- **Email** using **whistleblow@nbf.ae**  
This is accessed by Head of Internal Audit, Head of Legal and Head of Human Resources, or
- **Writing** - stating that you are using the Whistle Blowing Policy.

You should specify whether you wish your identity to be kept confidential.



Where possible, the information below should be included:

- an outline of the known or suspected wrongdoing;
- details, to the best of your knowledge, about when, where and how it occurred;
- a list of the names of those suspected of being involved (both within NBF and externally);
- a list of the names of anyone who may have relevant information;
- details of how you came to know about the suspected activities;
- what, if any, do you estimate to be the value of the loss to NBF or other parties;
- what, if any, breaches of internal controls, policy, procedure or other requirements you believe took place;
- any specific recommendations you have for actions;
- the names of anyone who you have discussed with or reported this incident to;
- your name and contact details (please note – these will be kept confidential as far as is reasonably practicable); and
- the date and time of making the report.

## **5 Investigation Of Disclosure**

Following the submission of a formal written disclosure, the Head of Internal Audit (or another individual acting in his place) will acknowledge receipt within a few days and make appropriate arrangements for an investigation. Note that in event of the disclosure being received by the CEO or Board Secretary, they will acknowledge receipt and pass on the investigation to Internal Audit.

In most instances, the Internal Audit Department of the bank will carry out an initial assessment of the disclosure to determine whether there are grounds for a more detailed investigation to take place.

If a longer investigation is considered necessary, the Head of Internal Audit might appoint an investigator or investigative team including personnel with experience of operating workplace procedures or specialist knowledge of the subject matter or the disclosure.

So far as the Head of Internal Audit considers it appropriate and practicable, you will be kept informed of the progress of the investigation. However, the need for confidentiality may prevent the bank giving you specific details of the investigation or actions taken.

Also, recognise that there may be matters that cannot be dealt with internally and in respect of which external authorities will need to be notified and become involved either during or after the investigation. Therefore, the bank will endeavour to inform you if a referral to an external authority is about to or has taken place, although we may need to make such a referral without your knowledge or consent if we consider it appropriate.

At the conclusion of the investigation a report will be produced and copies will be provided to the Audit Committee, Head of Compliance, appropriate senior management, and if appropriate you will also receive a copy. In the event that the investigation report cannot be shared with you, the Head of Internal Audit will advise to you the outcome of the investigation.

## **6 Corrective Action And Compliance**

As part of the investigation into disclosures made under the Whistleblowing Policy, recommendations for action will be made by the Head of Internal Audit or the investigative team to enable the bank to minimise the risk of the recurrence of any malpractice or impropriety discovered.

The Audit Committee will be responsible for reviewing recommendations and for reporting on any actions required to the board and the CEO.