



FIRST E&P
FIRST EXPLORATION & PETROLEUM
DEVELOPMENT COMPANY LIMITED

FIRST E&P Speak Up Policy
(For Company Use Only)

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DEVELOPMENT COMPANY LIMITED

SPEAK UP POLICY



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I.0 CEO's Opening Statement

FIRST E&P is a Nigerian independent oil and gas company focused on developing and operating an existing portfolio of upstream oil and gas assets mainly in the shallow offshore of Nigeria. FIRST E&P's vision is to be the most admired E&P company contributing to the well-being of Nigerians. FIRST E&P has a mission to be a deeply, technical, commercial, and entrepreneurial organization with full delivery capability across the entire upstream oil and gas value chain. Our reputation for high standards in all that we do is crucial to our business success. We must have confidence that this reputation is earned and maintained by continued commitment to the highest standards of corporate responsibility, governance, compliance and accountability as set out in our Code of Business Conduct.

FIRST E&P's Code of Business Conduct sets out the core values and behaviours that define the way we work. FIRST E&P employees have a duty to Speak Up promptly if they have observed or witnessed a breach or a potential breach of our Code of Business Conduct or any other misconduct or have any reason to suspect that there has been a breach or potential breach of same. You may raise your concern in confidence and if you want anonymously. When raising a concern, it is important that you provide as much information as possible so as to enable a proper investigation to be conducted. By coming forward and raising concerns, you are fulfilling one of your responsibilities as an employee. You are also doing the right thing and helping to make FIRST E&P a stronger and more effective company.

Usually, speaking to your line manager will be all that is required to achieve a satisfactory outcome – this should be the first step for any concerns as your line manager will generally be closest to the situation and best able to help. However, we recognize that there may be instances when employees feel unable to raise concerns with their line manager. In such a situation, we have a second alternative channel through which employees may decide to raise concerns anonymously via the Speak Up section of the FIRST E&P HR Seamless Portal. This **Speak Up Policy** further provides a third alternative reporting channel (“KPMG Ethics Line”) for employees and third parties to raise concerns, which is external, independent and confidential. I recognize that it may sometimes not be easy to make the decision to raise a concern, but you have my assurance that, when concerns are raised in good faith, confidentiality will be protected, and retaliatory action will not be tolerated.

We all share the values expressed in the Company's Code of Business Conduct. Together with the values, goes the responsibility for upholding them. I hope I can rely on you to help us strengthen and build our Company by Speaking Up when it is necessary.

Ademola Adeyemi-Bero
CEO/MD, FIRST E&P



2.0 Applicability

The Speak Up Policy applies to all employees in FIRST E&P (“Company”) and all other third parties, who have dealings with the Company, as further explained below.

In this context, “employees” refer to all employees of FIRST E&P and any individual working for entities and third parties within and outside FIRST E&P locations, such as “contracted employees” (means an independent contractor, who is an individual who enters into a contractual agreement with FIRST E&P in order to provide a service in exchange for a fee) and agency employees (means any individual that has a contract directly with an agency but works temporarily for FIRST E&P based on a secondment to FIRST E&P by the agency, where the agency has a direct contractual relationship with FIRST E&P and not the seconded individual).

The duty to report concerns applies to all employees of FIRST E&P. To fulfil this duty, employees must provide as much information as possible to ensure that a proper investigation can be carried out and will necessarily need to respond to requests for further information as the investigation progresses.

Contracted employees and agency employees working within and outside FIRST E&P locations also have a duty to report concerns under this Policy. Third parties are encouraged to leverage this Policy and bring their concerns relating to FIRST E&P employees, its operations or anyone acting on our behalf, to our attention.

Any other individual or organization such as a joint venture partner, service provider, supplier or family member can also rely on this Policy to report concerns regarding the conduct of FIRST E&P or anyone acting on our behalf. Such openness can help information reach us, which may otherwise go unnoticed, for example fraud, bribery or exploitation of gifts and hospitality.



3.0 Purpose

- 3.1 To create a work environment where employees, contract employees, vendors and service providers, customers and other stakeholders are able to report concerns on misconduct, irregularities or malpractices, without fear of harassment and/or victimization and with an assurance that their concerns will be taken seriously, investigated, and appropriate action taken.

In this context, “stakeholders” refer to shareholders, board members, regulators, vendors and business partners.

- 3.2 To encourage 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.
- 3.3 To provide those who Speak Up with guidance as to how to report those concerns.
- 3.4 To reassure those who Speak Up that they should be able to report genuine concerns without fear of reprisals, even if their concerns turn out to be erroneous. However, we strongly encourage all our stakeholders not to maliciously raise Speak Up concerns, so that the implementation of this Policy will be effective.



4.0 What is Speaking Up?

4.1 Speaking Up is the disclosure of any information which, in the reasonable belief of the person making the disclosure, relates to suspected acts of misconduct, fraud, unethical behaviour or dangers at, and in the course of work for FIRST E&P. These include:

- **Fraud**
 - ✓ any type of fraud or mismanagement
 - ✓ any activities that may constitute bribery or corruption in breach of any relevant laws or of FIRST E&P's Code of Business Conduct ("COBC")
 - ✓ misuse or theft of FIRST E&P's assets and property
 - ✓ forgery (use of fake certificates, false declaration of age, etc.)
 - ✓ override of controls

- **Misconduct**
 - ✓ failure to comply with any legal, professional obligations or regulatory requirements
 - ✓ breach of the COBC or any other FIRST E&P internal policies and procedures
 - ✓ conduct that is likely to damage FIRST E&P's reputation
 - ✓ sexual or physical abuse
 - ✓ abuse of office on the part of any member of staff or director
 - ✓ unauthorised disclosure of confidential information
 - ✓ conflicts of interest
 - ✓ misuse of FIRST E&P's information systems, computer databases and store information assets
 - ✓ the deliberate concealment of any malpractice
 - ✓ miscarriage of justice

- **Health and Safety**
 - ✓ Incidents or risks of pollution or environmental hazard
 - ✓ Any conduct capable of damaging FIRST E&P's reputation
 - ✓ Health and safety risks including risks to employees in the workplace and the public

Please note that this list is not exhaustive as other concerns may be reported based on the particular circumstances of each case.

4.2 A person who Speaks Up is 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 FIRST E&P's activities (a Speak Up concern) to report it under this Policy.



5.0 Confidentiality

5.1 Every effort will be made to treat the identity of anyone who Speaks Up with appropriate regard for confidentiality which will include:

FIRST E&P

- 5.1.1 To ensure confidentiality, reports received internally are never faxed or emailed and are only available by accessing the Speak Up secure server. The infrastructure ensures that reports are never shared with an implicated party. Access to the Speak Up secure server is restricted and is only granted on a need to know basis.
- 5.1.2 If you have intentionally or erroneously disclosed your identity, FIRST E&P will treat your concern confidentially but there may be circumstances where FIRST E&P is required to disclose your identity – for example in a legal proceeding or government investigation. However, we will notify you before disclosing your identity.

KPMG Ethics Line

- 5.1.3 All concerns/complaints reported via the KPMG Ethics Line (telephone calls, emails, mobile application, weblink or physical letters) will be received confidentially and anonymously, by highly trained KPMG personnel within the KPMG Ethics Line infrastructure
- 5.1.4 Where you Speak Up via telephone calls, the KPMG Ethics Line infrastructure does not reveal your number and therefore not visible to the call operators.
- 5.1.5 Where you make a report via email, thereby advertently or inadvertently revealing your identity, KPMG Ethics Line will not disclose your identity without your written consent.
- 5.1.6 Please note that KPMG will not disclose the identity of anyone that Speaks Up to FIRST E&P unless:
- due to the nature of the report, a thorough investigation cannot be conducted without disclosing the identity of such person to FIRST E&P, and
 - KPMG obtains the written consent of the person Speaking Up to disclose his/her identity.



6.0 Reporting a Speak Up Concern

6.1 Reports made through FIRST E&P internal mechanisms

- 6.1.1 Employees and other stakeholders are enjoined to raise a Speak Up concern to FIRST E&P by walking up to the line manager or in a confidential and anonymous manner through internal reporting channel i.e., the HR Seamless Portal.
- 6.1.2 For reports made directly to FIRST E&P, once the report is placed to the Speak Up secure server, it is made available to the person Speaking Up, the General Counsel and Internal Auditor of FIRST E&P, who shall both escalate the report to the Management Audit Committee ("MAC")¹ as necessary. The MAC will review the report and decide on the form of investigation to be taken. This will involve either an internal investigation or, if appropriate, and/or an external investigation by an independent third party or law enforcement authorities. The MAC will perform a preliminary check to determine whether the claim is credible and/or warrants further investigation.
- 6.1.3 If a complaint is made against the General Counsel, Internal Auditor or a member of the MAC, the designated recipients who receive the report will forward the concern to the entire MAC directly (excluding the individual whom the report was made against).

6.2 Reports made through KPMG Ethics Line

- 6.2.1 The KPMG Ethics Line consists of telephone lines, dedicated email address, KPMG Nigeria Whistleblowing App (available on Google Play Store) and web link reporting facilities that are operated by KPMG, a global consulting firm and market leader in Ethics and Compliance services.

You can report any concerns by contacting the KPMG Ethics Line:

Telephone:

MTN: 0703 000 0026, 0703 000 0027,

Airtel: 0808 822 8888, 0708 060 1222,

9mobile: 0809 993 6366

Globacom: 07058890140

Calls are toll free i.e., when you call using the same network

Email: kpmgethicsline@ng.kpmg.com

Mobile App: KPMG Nigeria Whistleblowing App (on Google Play Store)

Web Link: <https://apps.ng.kpmg.com/ethics>

Speak Up reports received via the KPMG Ethics Line will be sent to designated recipients of FIRST E&P, who will review the complaints and take necessary steps.

¹ The MAC consists of the Chief Executive Officer, Chief Financial Officer, General Manager, Finance and the General Counsel.



7.0 Investigation and Outcome

- 7.1 All concerns raised under this Policy will be monitored to ensure that FIRST E&P takes appropriate action to redress any issues. Any concerns regarding audit, accounting, or internal controls shall also be reported to the Internal Auditor, except where the report is against the internal auditor.
- 7.2 The General Counsel and Internal Auditor shall on a quarterly basis make reports to the MAC on concerns received, related investigations and remedial actions completed, and then subsequently to the Board Audit, Risk and Portfolio Management Committee (“BAC”) on a quarterly basis.



8.0 Protection of those who Speak Up

- 8.1 If you raise a genuine concern under this Policy, you will not be at risk of losing your job or suffering any form of reprisal as a result. We take claims of retaliation seriously. Allegations of retaliation will be investigated, and appropriate action taken. Anyone responsible for reprisals against individuals who report suspected misconduct or other risks to the business will be subject to disciplinary action, up to and including dismissal.
- 8.2 If you as someone Speaking Up is implicated in a Speak Up misconduct, FIRST E&P will protect you from retaliation in respect of the disclosure, but we cannot provide you with immunity. FIRST E&P will review each case in accordance with its internal policies and procedures.



9.0 Notification

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 General Counsel. Details of this Speak Up Policy and our Code of Business Conduct can be found on our website: <https://www.first-epdc.com/>

Regular and periodic Speak Up awareness sessions will be organised to continue to sensitize employees and other stakeholders on the benefits of using the Speak Up platforms.



10.0 Responsibility for this Policy

- 10.1 The Board of Directors have overall responsibility for this Policy, and for reviewing the effectiveness of actions taken in response to concerns reported under this Policy.
- 10.2 The Board is also:
- a) to ensure that this Policy is implemented, enforced and updated as required, and that the appropriate mechanisms for reporting suspected or actual breaches of FIRST E&P's policies are established.
 - b) required to continually reaffirm its support for and commitment to the Speak Up mechanisms.
- 10.3 The Board of Directors has constituted the MAC, which will be responsible for implementing this Policy.
- 10.4 Responsibility for investigating concerns raised under this Policy in the first instance rests with the General Counsel and Internal Auditor, who shall make reports to the MAC and subsequently to the BAC for oversight and governance purposes.
- 10.5 Certain investigations will be outsourced to external professional services firm if there is a potential conflict of interest in conducting the investigations internally or it is more appropriate to outsource because of the level of people involved in the allegations.
- 10.6 This Policy will be reviewed by MAC every 2 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, FIRST E&P's legal obligations and to reflect relevant best practice. All amendments to the Policy will be approved by BAC and Board of Directors.



Glossary of Terms

Abbreviation	Meaning
BAC	Board Audit, Risk and Portfolio Management Committee
FIRST E&P	FIRST Exploration and Petroleum Development Company Limited
KPMG	KPMG Advisory Services
MAC	Management Audit Committee
this Policy	Speak Up Policy



Appendix A-I

Fraud and Misconduct

Fraud refers to any intentional act committed to secure unlawful or unfair gain. It can occur internally or externally i.e., by employees or third parties and can be perpetrated by an individual or through collusion with others. An act will be categorized as fraud if the act has the following characteristics:

- Intent
- Direct or indirect benefit
- Loss suffered by the victim
- Attempt to conceal the act.

According to Association of Certified Fraud Examiners (ACFE), occupational fraud is classified as follows:

- Corruption
- Asset Misappropriation
- Fraudulent Financial Statements.

Corruption

- Inappropriate relationships with third parties thereby causing conflict of interest.
- Bribery, where someone is influenced by payment or benefit in kind to unreasonably provide advantage to another through his or her position.
- Giving or receiving kickbacks from vendors, transporters, other service providers, among others.
- Illegal gratuities.

Asset Misappropriation

- Skimming (theft of cash that has not yet been recorded in the accounting system) and cash larceny (theft of money that has been recorded in the accounting system).
- False invoicing via shell companies, false invoicing via non-accomplice vendors and personal purchases made with FIRST E&P funds.
- Falsification of amount of sales made by a salesperson in order to earn more commission.
- Theft or willful destruction or loss of assets e.g., inventory (by employees or transporters).
- Theft or misuse of non-cash assets, including supplies, fixed assets, etc.
- Disclosing confidential and/or proprietary information to third party without authorization.

Fraudulent Financial Statements

- Intentional misstatement or omission of material information in the organization's financial reports.
- Recording fictitious revenues.
- Timing differences fraud e.g., channel stuffing to record higher sales or meet targets.
- Concealing liabilities and expenses.
- Improper assets valuation.
- Improper disclosures.

Please note that these examples are not exhaustive and are not intended to be exhaustive.