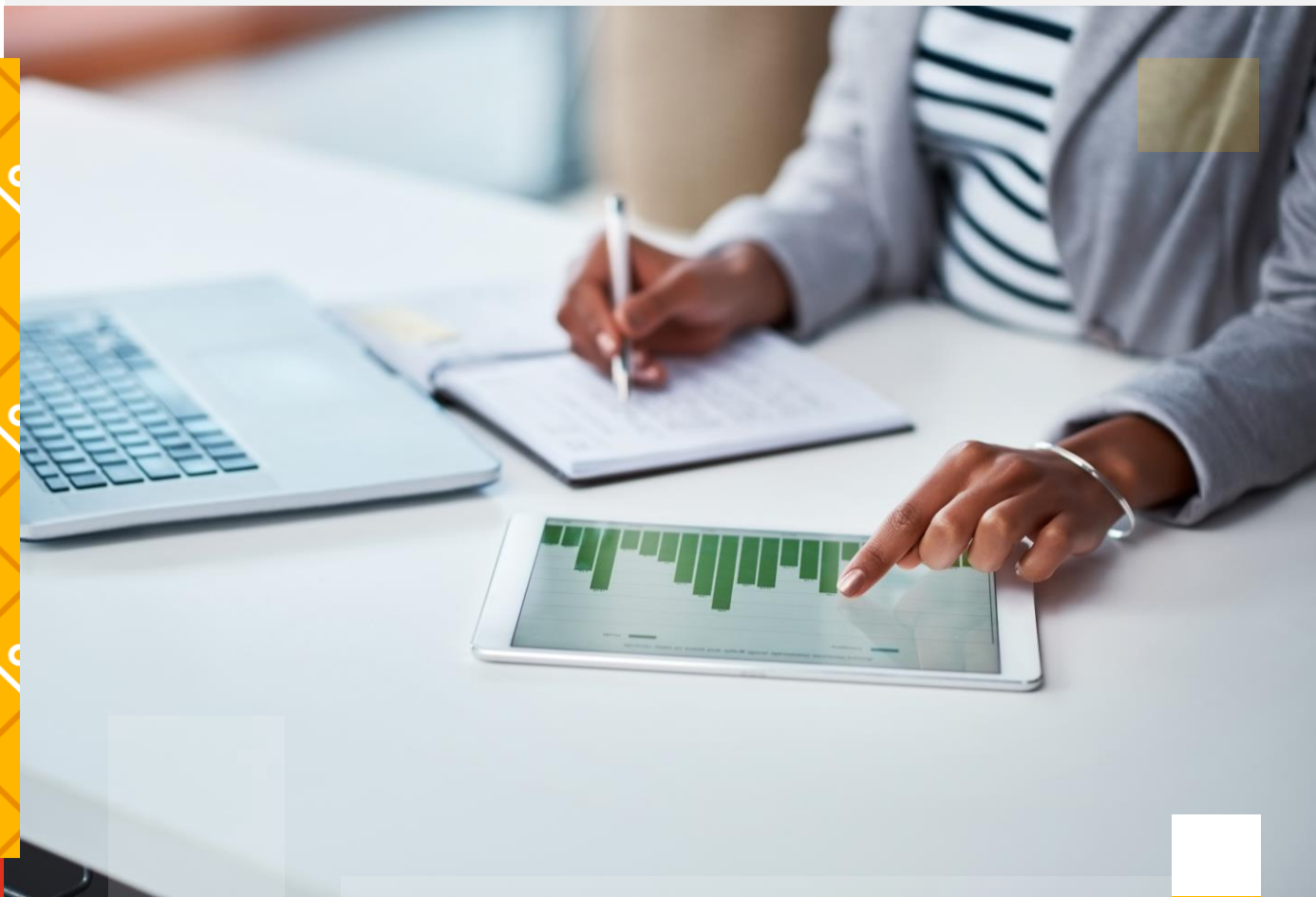


How Effective is Your Whistleblowing Programme?



How Effective Is Your Whistleblowing Programme?

Principle 19 of the Nigerian Code of Corporate Governance (“NCCG”) 2018 requires that all organisations operating in Nigeria implement effective whistleblowing programmes.

Whistleblowing programmes help organizations become aware of suspected wrongdoing or risk of wrongdoing.

Wrongdoing includes, but not limited to, fraud, theft, bullying, harassment, violation of policies or regulations, etc. In 2022, the Association of Certified Fraud Examiners (ACFE) reported that 42% of occupational fraud were detected through whistleblower reports, with more than half of these coming from employees of the victim organisations¹



Effective whistleblowing programs

An effective whistleblowing program is built on three (3) core principles: trust, protection and impartiality.

Trust

- Guarantees Whistleblowers' anonymity.
- Treats whistleblowing reports with confidentiality.
- Ensures management's commitment is clearly communicated and supported with actions.



Impartiality

- Ensures consistent management action in the handling of whistleblowing reports.
- Ensures that all whistleblowing reports are treated transparently and in line with the established policies

Protection

- Ensures adequate protection for the whistleblower against retaliation of any form.
- Includes sanctions for violation of the non-retaliation policy.
- Encourages stakeholders to report any wrongdoing witnessed in good faith that they will be protected.

How Effective Is Your Whistleblowing Programme?

Such programs provide organisations with the following benefits:

Build and foster a trust-based culture by:

- Encouraging openness, transparency and integrity amongst all stakeholders.
- Demonstrating management and board's commitments to preventing and addressing wrongdoings.

Attract and retain talented people who are committed to the organisation's culture and values

Minimize loss of assets and recover lost assets

Identify and address issues or wrongdoings at the earliest opportunity

Although NCCG 2018 did not provide a metric for assessing the effectiveness, a good indication of an ineffective whistleblowing programme is that the organisation is not deriving one or all of the aforementioned benefits from its whistleblowing program. A well designed whistleblowing programme incorporates periodic evaluation of its effectiveness

A whistleblowing programme becomes ineffective when any of the core principles is breached. According to a research study², majority of employees surveyed felt they had direct evidence of wrongdoing but did not report. Employees' unwillingness to report incidents of misconduct is a strong indication that one of the core principles of an effective whistleblowing programme has been breached. The table below highlights examples of reasons provided by employees on why they chose not to report incidents of wrongdoing they witnessed and the core principle relating to each reason.

Why people may not blow the whistle...	Core principle affected
Fearful of their identity being revealed and of being labelled a snitch	Trust
Lack of awareness about whistleblowing channels	Trust
Fear of victimization and retaliation	Protection
Fear that report would not be treated with confidentiality	Protection
Skepticism about management's commitment to take action	Impartiality
Reports on management/supervisors are not treated	Impartiality

How many of these questions can you answer:

- Does your organisation have a whistleblowing programme? How effective is your organization's whistleblowing programme?
- Do your employees and other stakeholders trust your organisation to do the right thing when they report incidents of wrongdoing?

² <https://press-files.anu.edu.au/downloads/press/p144611/pdf/book.pdf>

Here's how we can help...

PwC will support your organisation's whistleblowing program in the following ways:

Current State Assessment

We assess organisations' whistleblowing programmes in line with global and regional standards (such as ISO 37002 – Whistleblowing Management Systems and the Nigerian Code of Corporate Governance 2018) as well as industry-specific regulations. We recommend customized solutions unique to each organisation's requirements.

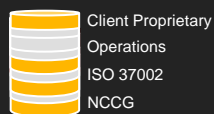


Whistleblowing Programme Implementation:

We implement effective whistleblowing programmes

Whistleblowing Policy

Documenting a policy that is consistent with local and international standards.



Client Proprietary
Operations
ISO 37002
NCCG

Impartiality
Protection

Multilingual Platform

Email and 24/7 toll-free hotlines available in Igbo, Yoruba, Hausa, English and French.



confidential and anonymous

Awareness & Trainings

Posters and bulletins. Virtual and classroom trainings. Annual whistleblowing thermometer.



Investigation of Reports

Forensic investigation to address allegations in whistleblowing reports.



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