

# Freehearts Africa Reach Out Foundation (FAROF)

## WHISTLEBLOWING POLICY (ANTI-CORRUPTION)



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## 1. INTRODUCTION

FAROF's whistleblowing policy is in furtherance of our desire to strengthen the organizations system of integrity. This policy sets forth the conditions and procedures for investigations of allegations of corruption, fraud and any form of misconduct.

The purpose of this policy is to maintain the highest possible standards of ethical and legal conduct within the organization and in all its projects activities. In line with our commitment towards enhancing transparency and accountability, the main aim of this policy is to provide an avenue for raising concerns related to fraud, corruption or any other form of misconduct and to assure that persons who disclose information relating to fraud, corruption or any other form of misconduct will be protected from retaliation.

## 2. DEFINITIONS

**Whistleblower:** a whistleblower is any person or party who conveys or is proven to be about to convey a concern, allegation or any information indicating that fraud, corruption or any other misconduct is occurring or has occurred in FAROF or any FAROF project; with knowledge or good faith that the concern, allegation or information is true. Such persons or parties include FAROF staff, government officials, non-governmental organizations and any other entity or person.

**Misconduct** is a failure of a staff member to abide by the rules of conduct or standards of behavior prescribed by the organization.

Fraudulent and corrupt practices include:

**A corrupt practice** is the offering, giving, receiving or soliciting directly or indirectly anything of value to influence improperly the actions of another party.

**A fraudulent practice** is any act or omission including a misrepresentation that knowingly or recklessly misleads or attempts to mislead a party to obtain a financial or other benefit to avoid an obligation.

## 3. WHISTLEBLOWER (ANTI-CORRUPTION)

3.1.1. **Purpose:** This policy governs the reporting and investigation of allegations of suspected financial and/or fraudulent misconduct and the procedures for investigating such complaints. Complaints may be made

directly to supervisors or by using an anonymous reporting system as described below.

- 3.1.2. **Description:** Consistent with FAROF' Guiding Principles, all employees are responsible for the good stewardship of all FAROF resources, including public and private support, which enables FAROF to continue its mission. The organization's internal controls and operating procedures are intended to detect, prevent and deter improper activities and misuses of those resources. However, intentional and unintentional violations of these internal controls and operating procedures and/or of laws and regulations can occur in any organization. All members of the FAROF community are encouraged to report suspected financial and accounting misconduct and/or fraudulent activity in accordance with this policy. FAROF will investigate allegations of misconduct and protect those individuals who in good faith report such allegations. FAROF who is currently a registered entity with the EFCC (SCUM Certificate) to report misappropriation of funds.

### **3.2. SCOPE**

- a) Accounting and Auditing Matters, including;
  - i. Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the organization
  - ii. Fraud or deliberate error in the recording and maintaining of financial records
  - iii. Deficiencies in compliance with the organization's internal accounting controls
  - iv. Misrepresentation or false statements to or by a senior officer, employee or accountant regarding a matter contained in financial records, financial reports or audit reports
  - v. Deviations from full and fair reporting of the organization's financial position
  - vi. Any fraud or violation of law relating to acts of financial misconduct
- b) Embezzlement/Fraud (to appropriate improperly for one's own use money or property, including the misapplication of funds, mishandling of cash and bookkeeping errors)
- c) Falsification of Contracts, Reports or Records (including altering, fabricating, falsifying, or forging all or any parts of a document, contract, or record.
- d) Improper Supplier or Contractor Activity (including and improper negotiation or diversion or illegal activity with respect to supplier or contractor awards)
- e) Theft
- f) Partners' Inappropriate Use of Resources (including use of organization's or donated resources such as cash, food, commodities, materials for purposes other than those for which they have been intended.)

- g) Other illegal or criminal use of organization property or assets.
- h) Kickbacks, bribery or the pay or giving of anything of value to a government official directly or indirectly for the purpose of securing an improper advantage.

#### **4. PRINCIPLES**

- All staff have a duty to report any potential breach of the organization's internal rules that may come to their attention and thus help to protect the organization and the resources entrusted to it. It is also the duty of staff to cooperate with an authorized audit or investigation.
- All individuals who report in good faith a suspicion of alleged misconduct, fraud or corrupt practice or cooperates with an authorized audit or investigation has the right to be protected by the organization against retaliation.
- It is FAROF's responsibility to take all necessary, relevant measures to protect the organization's personnel against retaliation in the context of a report of a suspected alleged misconduct, fraud or corrupt practice or for participating in an authorized audit or investigation. For this reason, FAROF maintains an atmosphere where it can receive and address concerns and complaints in confidence.

##### **4.1. PROTECTION FOR WHISTLEBLOWERS**

- FAROF will protect the whistleblower's identity and person. For whistle blowing handling mechanism to be effective, the concerned parties must be adequately assured that the information given will be treated in a confidential manner and above all, they will be protected from retaliation within and outside the organization. The organization will maintain the confidentiality of the whistleblower unless:
  - Such persons agree to be identified
  - Identification is necessary to allow FAROF or the appropriate law enforcement officials to investigate or respond effectively to the disclosure
  - Identification is required by law or under FAROF's rules and regulations, where a false accusation has been maliciously made
  - The person accused is entitled to the information as a matter of legal right under FAROF's rules and regulation in the disciplinary proceedings.

FAROF shall inform the whistleblower prior to revealing his/her identity.

## **5. REPORTING A SUSPICIOUS OF ALLEGED FRAUD, CORRUPTION OR MISCONDUCT THROUGH THE ESTABLISHED CHANNELS**

- A suspicion of alleged misconduct, fraud or corrupt practices should be reported in writing as soon as possible and normally not later than 3 months after the whistleblower has come to learn of the specific events. The report should be factual and contain as much information as possible to allow for a proper assessment of the nature, extent and urgency of the matter.
- Reports of a suspicion of alleged fraud, corrupt practice or misconduct should be made through the established internal channels as follows:  
Directly to the human resource department, to the whistleblower's senior manager or supervisor, to the risk management and audit department through the hotlines provided by the organization.
- In all cases, the senior manager risk management and audit department shall refer to the Head of Human Resources, who shall acknowledge the receipt of the report of the alleged misconduct, normally within 3 days of receipt thereof.

### **5.1. REPORTS MADE IN BAD FAITH**

- Anyone reporting a suspicion of alleged misconduct must be acting in good faith and have reasonable grounds for believing the information disclosed constitutes a potential breach of FAROF's code of conduct.
- Any report or accusation or statement that is shown to have been intentionally false, defamatory or misleading, or is made with reckless disregard as to the accuracy of the information, or is done with malice, will be considered a violation of acceptable standards of conduct and will lead to administrative or disciplinary action in accordance with the procedure applicable to the whistleblowers type of appointment.

### **5.2. ADDRESSING REPORTS OF SUSPICIONS OF ALLEGED MISCONDUCT**

- Upon receipt of a report of a suspicion of alleged misconduct, the head of human resources in consultation with the legal department shall conduct a preliminary assessment of the report, such assessment may include preliminary fact finding.

- If the report involves a fraud or financial matter, the human resources and the legal department will consult with the risk and audit departments.
- Human resources and/or risk management and audit department shall investigate the matter, as deemed necessary, in accordance with the established procedures set out in the staff code of conduct.

## **6. PROCEDURES FOR RECEIVING COMPLAINTS**

### **a) Anonymous Reporting:**

Employees with concerns or complaints regarding the above matters may report such concerns or complaints anonymously through the following platforms: send an SMS as Anonymous to 07081333335 or send an email to [whistle@farof.org](mailto:whistle@farof.org)

### **b) Complaints to Supervisors:**

Employees may also report concerns or complaints to a supervisor. In such cases, the supervisor shall immediately report the matter to the CEO. The CEO shall follow the procedures outlined below. Supervisors shall ensure that employees are not discharged, demoted, suspended, threatened, harassed, discriminated or otherwise retaliated against for the making of a report in good faith under this policy.

### **6.1.1. PROCEDURE FOR HANDLING COMPLAINTS**

#### **a) Receipt of Complaint.**

Upon receipt of a complaint, the CEO shall acknowledge receipt of the complaint to the sender where possible and shall develop a strategy for the investigation of the complaint in consultation members of executive management, In-house Counsel and others as appropriate.

#### **b) Confidentiality and Non-Retaliation:**

To the fullest extent possible, a complainant's identity will be kept confidential. It is against the policy of FAROF for any employee, officer or director to discharge, demote, suspend, threaten, harass or discriminate against any individual for making a report in good faith under this policy. Any such retaliation or harassment may subject an employee to disciplinary action up to and including discharge. Reports shall be deemed made in good faith if the individual had reasonable grounds to believe or suspect misconduct, even if the belief or suspicion later proves to be unsubstantiated.

#### **c) Reporting and Record Retention**

Compliance will maintain a record of all complaints covered by this policy and shall prepare a periodic report to the Board of such matters. Copies of all complaints and investigation records will be maintained in accordance with the organization's document retention policy. In addition, during or in reasonable anticipation of an investigation under this policy or by government authorities, no FAROF employee

shall destroy, alter, conceal or remove any records, documents or other potentially relevant evidence, nor shall any FAROF employee otherwise obstruct any such investigation.

**d) Consequences:**

Anyone filing a complaint governing a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense. Whistle blowers will be protected from retribution

**7. HOTLINE FACILITIES**

FAROF will make available hotlines to potential whistleblowers complainants. The existence of such facilities is a deterrent in itself and a strong reminder to FAROF’s staff of an organizational commitment to fight corruption and fraud. The available shall include a secured phone line as well as a secured email address. The facilities shall be operated by the office of the CEO and/or outsourced and shall entail a round the clock confidential service available every day of the week.

**Secured phone line: +2347081333335**

**Secured email address: [whistle@farof.org](mailto:whistle@farof.org)**

*This policy is signed and approved by:*

**Chairman Board of Trustees:**

**Chief Executive Officer**

*Date: 28<sup>th</sup> November 2023*

*Date: 28<sup>th</sup> November 2023*

*Signature*



*Signature:*

