

BUA CEMENT PLC, RC 1193879



WHISTLE BLOWING POLICY AND PROCEDURES

NOVEMBER 2020

1.0 INTRODUCTION

In compliance with the provisions of section 32 of Code of Corporate Governance for Public Companies issued by the Nigeria's apex capital market regulator, Securities & Exchange Commission (SEC) which is consistent with the International Best Business Practice on Corporate Governance, the Board and Management of BUA Cement Plc separately and unanimously agreed to put in place a Whistle Blowing Policy and Procedures for reporting any illegal or substantial unethical behaviour.

The Whistle Blowing Policy and Procedure will be known to Company's employees including prospective applicants, recognized unions and associations, cement dealers, contractors, agents, partners, bankers, service providers, suppliers, shareholders, general public, transporters, distributors, hired labourers, host communities, etc.

2.0 WHISTLE BLOWING POLICY & PROCEDURES

This Policy has been established to ensure that all cases of suspected unethical behavior or unlawful activity are promptly reported, investigated and dealt with in line with extant laws, policies and procedures or widely accepted best practice.

The Head of the Company's Internal Audit Department in each of its Plants is responsible for reviewing all the reported cases and initiate action, promptly to redress situation. However, the Company's Legal Section is responsible for reviewing all the reported cases of contractual disagreements and initiate action, promptly to redress situation.

2.1 Policy Dedicated email address and hot lines

It is BUA Cement Plc's whistle blowing policy to report all cases of suspected unethical behavior or unlawful activity to a dedicated email address: **whistleblower@buacement.com** or a dedicated hotline **+234 09029000300** for Sokoto Plant and **+234 09029037359** for Obu Plant who will ensure that all cases are dealt with in a timely manner, with sensitivity, confidentiality and by the appropriate person.

Also, the whistle blower can submit a written report or dispatch it by courier to the Head, Internal Audit, BUA Cement Plc, Sokoto Plant, Km 10 Kalamaina Road, P.M.B. 02166, Sokoto, Sokoto State for Sokoto Plant or Head, Internal Audit, BUA Cement Plc, Obu Plant, Km 164 Benin-Okene Expressway, Okpella, P.M.B. 61 Auchi, Edo State, for immediate action.

2.2 Policy statement

BUA Cement Plc is committed to doing business with everyone, wherever and whenever lawfully, with high ethical values, transparently and with integrity. It is the responsibility of each and every one of us to ensure that we fulfill this commitment in our day to day working lives. However, from time to time there may be situations where the right course of action is ambiguous, or there may be situations where you suspect or know that something is illegal, harmful, improper, unethical, fraudulent or inappropriate. We have both a legal and moral duty to take appropriate measures to identify such situations and attempt to remedy them.

It is sometimes difficult to know whether to speak up about something that concerns us. Often people are reluctant to get involved but this could result in serious negative consequences for BUA Cement Plc and its employees including prospective applicants, recognized unions and associations, cement dealers, contractors, agents, partners, bankers, service providers, suppliers, shareholders, general public, transporters, distributors, hired labourers, host communities, etc. That is why we have put in place this Whistle Blowing Policy – so that you can talk to someone confidentially so that we can help.

2.3 Policy aims

The aim of this policy is to:

- i. ensure all employees feel supported in speaking up in confidence and reporting matters they suspect may involve anything illegal, unethical, harmful, improper or inappropriate;
- ii. ensure all stakeholders; namely, employees including prospective applicants, recognized workers' union and associations, cement dealers, contractors, agents, partners, bankers, service providers, suppliers, shareholders, general public, transporters, distributors, hired labourers, host communities, feel supported in speaking up in confidence and reporting matters they suspect may be illegal, harmful, improper, unethical or inappropriate;
- iii. provide clear whistle blowing policy and procedures;
- iv. manage all disclosures in a timely, consistent and professional manner;
- v. provide assurance that all disclosures will be taken seriously, treated as confidential and managed without fear of retaliation;
- vi. help develop a culture of openness, accountability and transparency in BUA Cement;
- vii. enable Management to be informed at an early stage about act of misconduct and unethical behavior; and
- viii. comply with the SEC code of corporate governance for public companies as required.

2.4 Approval and Adoption

This policy, which is being issued by the Board of Directors of BUA Cement Plc, is a statement that illegal, unethical, harmful, improper or inappropriate behaviour within the Company is unacceptable and will attract severe sanctions including possible dismissal of staff or/ and termination of contract in line with the Company's sanction grid.

2.5 When should I speak up?

This policy is designed to deal with concerns raised in relation to specific issues that are in the public interest and detailed below. Only genuine concerns should be reported and such issues include, but not limited to the following:

- i. a criminal offence;
- ii. stealing or/ and wastages of the Company's cement, LPFO, AGO, PMS, rice husk, saw dust, gypsum, limestone, clinker, bags, oil/ lubricants, industrial chemicals, spare parts, stationeries, other inventory items, etc;
- iii. stealing or/ and suppression of the Company's cash, bank drafts, cheques and other near liquid assets;
- iv. stealing or/ and vandalization of the Company's motor vehicles, buildings, furniture, fittings, industrial machinery, equipment, computers, printers and similar items of property, plant & equipment;
- v. aiding and abetting of fraud, stealing, vandalization and wastages;
- vi. aiding, abetting or/ and breaching of a contractual agreements with cement dealers, employees, suppliers or contractors, etc.;
- vii. contravention of laws and regulations;
- viii. failure to carryout statutory duty or administrative requirement;
- ix. malpractice or breach of the Company's Code of Business Conduct and Ethics;
- x. aiding and/ or abetting of miscarriage of justice;
- xi. a danger to the health and safety of any individual;
- xii. insider-dealing and conflict of interest;
- xiii. damage to the environment; and
- xiv. aiding, abetting, financing of suspected act of terrorism or/ and insurgency;
- xv. any other illegal activities or/ and unethical behavior;
- xvi. aiding and/ or abetting or deliberate concealment of information tending to show any of the above.

BUA Cement Plc has human resources policies and procedures that deal with complaints including disciplinary procedures, which also address standards of behaviour at work. We would implement the HR policy where appropriate.

2.6 Reporting in good faith

If you make an allegation in good faith, but it is not confirmed by investigation, no action will be taken against you. However, all malicious or false allegations will attract disciplinary actions in line with the the Cmpany's procedures or widely accepted best practices.

2.7 Who should I contact?

We recognize that, due to the potential sensitivity of the situation, you may not always feel comfortable about discussing your concerns internally. As soon as you become aware of any suspected illegal activity or unethical behaviour, you should notify the matter to one of the people below:

- i. Your direct supervisor or line manager;
- ii. Human Resources Department (Industrial Relations);
- iii. Your Line Director;

Or, in situations where you feel uncomfortable in approaching these people, as you feel that they may not manage your issue appropriately or this would serve no purpose: the Company's Head of Internal Audit, who can be contacted through whistleblower@buacement.com or directly through the contact details that can be found at www.buacement.com

Concerns raised under this policy will relate to our employees but may also relate to the actions of a third party, such as a supplier, transporter, contractor, distributor, etc. It may be appropriate for you to raise your concerns directly with the third party where you believe that the wrongdoing identified or suspected relates solely or mainly to their conduct or is a matter which is their legal responsibility. However, you should consult the Head of Internal Audit before speaking to any third party.

2.8 Who can use the reporting process?

This policy can be used by any employee or group of employees or contractors in addition to cement dealers, suppliers, shareholders, customers and other third parties such as agents, distributors or workers unions and associations may also use this policy to report suspected wrongdoing.

2.9 How do I speak up and what information should I provide?

You can raise your concerns by email, orally or in writing, stating that you are using the Whistle Blowing Policy.

We request that, where possible, you include the information below:

- i. an outline of the known or suspected wrongdoing;
- ii. details, to the best of your knowledge, about when, where and how it occurred;
- iii. a list of the names of those suspected of being involved (both within BUA Cement Plc and externally);
- iv. a list of the names of anyone who may have relevant information;
- v. details of how you came to know about the suspected activities;
- vi. what, if any, do you estimate to be the value of the loss to the Company or other parties;
- vii. what, if any, breaches of internal controls, policy, procedure or other requirements you believe took place;
- viii. the names of anyone who you have discussed or reported this incident to;
- ix. your name and contact details. Please note – these will be kept confidential as far as is reasonably practicable; and
- x. the date and time of making the report.

You will not be expected to prove the illegal activity that you believe you have witnessed or suspected.

2.10 Anonymity

We understand that disclosures made under this policy may involve highly confidential and sensitive matters and that you may prefer to make an anonymous disclosure. When

this is the case we will endeavour to investigate your concerns fully, although a full investigation may be impeded if we cannot obtain further information from you.

2.11 What happens following speaking up?

The person you contacted will acknowledge receipt of your concern within 2 working days and reply to your contact details and, if relevant, to discuss the next steps with you. If you attend any meetings as part of this process, you may choose to be accompanied to this meeting by a work colleague, recognized Union/ Association Representative or a Qualified Legal Professional.

The person managing the meeting may report the incident to other internal departments. Please be assured that these matters will always be kept confidential and where possible, the details of the person or persons reporting the incident will be removed.

2.12 Investigation

We will decide how to respond in a responsible and appropriate manner under this policy. An investigation will be conducted as speedily and sensitively as possible in accordance with all relevant laws and procedures. If appropriate, you will be regularly informed on the progress of these investigations and any action to be taken. The purpose of this investigation is:

- i. to establish if an illegal activity has occurred, and if so to what extent; and
- ii. to minimize the risk of further illegal activity, to prevent any further loss of assets, damage to reputation and to protect all sources of evidence.

We will endeavour to handle investigations as fully, promptly and fairly as possible. As far as reasonably practicable, the confidentiality of the person reporting the suspected illegal activity will be maintained.

Any person found to be involved in any illegal activity or unethical behavior will be subjected to investigation using BUA Cement Plc's conditions of service (in the case of employees) or may have his/ her contract terminated (in the case of casual or temporary staff and contractors). Also, the financial loss may be recovered from the person if found culpable. Where it is believed that criminal activity has taken place, the matter may be reported to the police and appropriate legal action taken.

The Company's Legal Section would handle all reported cases of contractual disagreements and write detailed reports with appropriate recommendations with a copy to the Head, Internal Audit Department for further action.

If you are not satisfied with the investigation or its conclusion, you should write directly to the Chairman of the Company's Audit Committee. Where this is not appropriate, you should write to the Chairman of the Company's Board of Directors, detailing your concerns.

2.13 Protection

BUA Cement Plc undertakes that no one who reports any concern under this policy in good faith will be subjected to any detriment for coming forward, regardless of whether or not the concern is ultimately substantiated. In the event that a whistle blower believes that he/ she is being victimized or subjected to a detriment by any person within the Company as a result of reporting a concern or assisting the Company in any investigation under this policy they must inform the Head, Internal Audit immediately and appropriate action will be taken to protect him/ her from any reprisal.

2.14 Disciplinary action

If during the course of the investigation it is discovered that the matter has not been reported in good faith, this will be subject to investigation under the disciplinary procedure.

2.15 Reporting of reported cases

The Head, Internal Audit of each of the two Plants (Sokoto and Obu) will report all reviewed cases to the Managing Director/CEO and the Chairman of the Audit Committee for its consideration of the nature of the incident, how it happened, financial losses involved (if any), persons involved, the measures taken to prevent a recurrence, and any actions required to strengthen the system.

2.16 Data protection and privacy

All information will be treated confidentially as far as reasonably practicable. There may be circumstances where, because of the nature of the investigation or disclosure, it will be necessary to disclose your identity. In such circumstances, every effort will be made to inform you before such disclosure is made.

If it is necessary for you to be involved in an investigation (for example by providing evidence), the fact that you made the original disclosure will, so far as reasonably practicable, be kept confidential and all reasonable steps will be taken to protect you from any victimization or detriment as a result of having made a disclosure.

2.17 Further information

If you have any questions about the content or application of this policy, you should contact the Head, Internal Audit of your Plant or Head, Human Resources whose contact details can be found on www.buacement.com

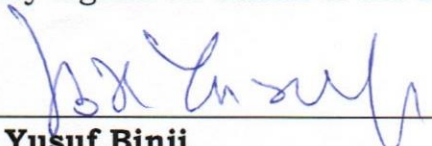
3.0 Review of Whistle Blowing Policy and Procedures

This policy is subject to review from time to time or as may be demanded by the exigencies of any legislation or in compliance with any statute, bye-law, rules or code that may be issued from time to time by any regulatory body or authority, or to reflect any changes in the Company's (BUA Cement Plc) Memorandum and Articles of Association.

that may be issued from time to time by any regulatory body or authority, or to reflect any changes in the Company's (BUA Cement Plc) Memorandum and Articles of Association.

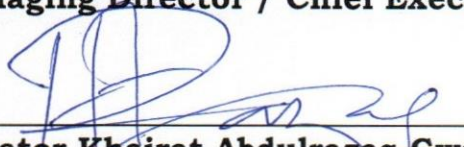
4.0 Approval of Whistle Blowing Policies and Procedures

This policy and the procedures contained therein are approved by the Board of Directors of BUA Cement Plc as recommended by the Management and the Governance, Establishment and Remuneration Committee on this Day of, 2020 and duly signed on behalf of the Board by:




Engr. Yusuf Binji
Managing Director / Chief Executive Officer

December 10, 2020
Date



Senator Khairat Abdulrazaq-Gwadabe
Chairman Governance, Establishment and Remuneration Committee, BUA Cement Plc.

10th December 2020.
Date



Alhaji Abdulsamad Rabiou, CON
Chairman Board of Directors, BUA Cement Plc.

10/12/2020
Date