Nigeria Sovereign Investment Authority (NSIA)

Fraud and Investigation Framework

1. Introduction and Commitment The Nigeria Sovereign Investment Authority (NSIA) maintains a "zero tolerance to fraud policy". The Authority is committed to promoting the efficient and ethical use of its resources. This framework establishes the methodology applied to initiate, conduct, and report investigations regarding allegations of misconduct, breach of trust, or fraud.

2. Scope and Applicability The framework applies to all inquiries relating to the activities of NSIA personnel, Management, Custodians, Fund Managers, and other counterparties. An investigation may be triggered by suspicions of:

- **Internal Fraud:** Misconduct perpetrated by individuals inside the organization.
- **External Fraud:** Acts such as theft, deception, and computer hacking carried out by outside individuals.
- **Collusion:** Fraudulent activities involving two or more internal or external parties working together.
- **Irregularities:** Behaviours including insider dealing, money laundering, theft, and property crime.

3. Core Investigation Principles

- **Objectivity and Impartiality:** Investigators have a strict duty of objectivity, thoroughness, and adherence to professional standards. Findings are determined through an unbiased and independent process of gathering both inculpatory and exculpatory evidence.

- **Protection from Retaliation:** All personnel have a responsibility to report wrongdoing and cooperate fully with investigations. Retaliation against any individual for reporting alleged misconduct or cooperating in an inquiry constitutes gross misconduct.

- **Confidentiality:** Investigation results and records are kept in a secure environment. Documents produced during an investigation are strictly safeguarded on a 'need to know' basis to prevent unauthorized access.

4. Governance and Oversight

- **Internal Audit Function:** The Head, Internal Audit (HIA) is responsible for managing all investigations and investigators within NSIA. For investigations, the HIA reports to the MD/CEO and the Board Audit, Risk & ESG Committee.
- **Management Responsibility:** NSIA management is responsible for ensuring fraud risks are identified and treated appropriately. Management must also establish mechanisms to detect and control incidents and ensure prompt reporting.

5. Investigations Involving Executive Management To ensure strict independence and impartiality at the highest levels of the Authority:

- **Universal Mandate:** The HIA is authorized to conduct an investigation of any personnel within NSIA, without exception.
- **Board Oversight:** If an investigation involves the MD/CEO or members of Executive Management, the Board of Directors and the Board Audit, Risk & ESG Committee maintain direct oversight to determine if the alleged misconduct should be investigated.
- **Independent Reporting:** In such instances, the HIA maintains independence by reporting investigation findings and recommendations directly to the Board Audit, Risk & ESG Committee.

6. Reporting Mechanisms NSIA encourages the reporting of suspected fraud and abuse through multiple secure channels. These include:

- An independent Hotline/Ethics Line (Deloitte Tip-Offs Anonymous contact centre).
- Anonymous emails or letters directed to Internal Audit.
- Direct referrals from line managers, personnel, or external third parties.

7. The Investigation Process Investigations are structured as objective fact-finding processes.

- **Preliminary Evaluation:** Upon receiving a complaint, the HIA conducts a preliminary evaluation to establish basic facts and secure evidence. This determines whether the evidence justifies a formal internal investigation.
- **Conducting the Investigation:** A detailed investigation plan is developed to specify evidence-gathering methods and determine the extent and root causes of the alleged fraud. Investigators secure original documents, digital records, and conduct formal interviews with witnesses and subjects.
- **Reporting and Resolution:** Findings are detailed in a comprehensive report containing conclusions and recommendations for corrective action. The HIA submits this final report to executive management and the Board Audit, Risk & ESG Committee. Any subsequent disciplinary actions are taken by Senior Management in line with the Authority's existing disciplinary process