



Whistle Blowing Policy

Saudi Pak Industrial and Agricultural Investment Company Limited

2023

Control Page - Policy's Approval and Review Track Record

For record purposes, a control table relating to track record of Whistle Blowing Policy's approval and review is given as under:

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Table of Content

1. Introduction:..... 4

2. Definitions: 4

3. Objectives: 6

4. Scope:..... 6

5. Independence of Whistle Blowing Unit:..... 7

6. Responsibility of Whistleblower: 7

7. Procedures and Limitations for Lodging Complaints:..... 8

8. Communication Channels for Lodging Complaints: 8

9. Complaint Handling Procedure: 9

10. Reporting Requirements: 10

11. Confidentiality: 10

12. Protection and Reward for Complainants:..... 11

13. Disciplinary Actions against Deliberate False Complaints: 11

14. Review and Update of Policy: 12

1. Introduction:

Saudi Pak is committed to maintain an effective internal control environment while delivering services in an ethical, professional and legal manner. Saudi Pak has adopted a code of business conduct that establishes general requirements regarding the behavior of its personnel and to detect and prevent improper activities.

Through this document, Whistle Blowing Policy / Program is being designed and implemented which will provide a new platform to the staff of Saudi Pak and outside parties to raise their voices about any suspicious or undesired events / activities which are against the rules and policies of Saudi Pak.

Whistle Blowing Policy is additional to the existing systems of complaint and grievance handling. The Policy is focused at enhancing the overall operational transparency of Saudi Pak and underpinning its system for combating practice that might damage reputation.

The Policy applies to all employees and extends to every individual associated with Saudi Pak including contractors, vendors and business partners etc. They are encouraged and have been enabled to participate without fear of reprisal or repercussions, to report directly to relevant authority.

The approved Whistleblowing Policy is available on Saudi Pak's Official Website and Intranet for review and information of all internal and external stakeholders.

2. Definitions:

2.1 In this Policy, unless otherwise specified, following expression will carry meaning as explained below:

- i. **Allegation** refers to a concern or assertion that prima facie someone in the employment of Saudi Pak has intentionally done something illegal or committed a wrong doing, individually or in connivance with others, against the interest of Saudi Pak.
- ii. **Competent Authority:** For the purpose of this policy, Competent Authority means GM/CE (for non-head level employees) and Board of Directors for Head level employees or SVP1 and above graded employees, if not hired as Head but selected by the Board.
- iii. **Complaint.** For the purpose of this Policy, "complaint" means a written communication of allegation(s) falling under the scope of this Policy and addressed to Saudi Pak's Whistle Blowing Unit by a whistleblower about any alleged fraud, improper conduct or a wrongdoing, supported by documentary evidence / voice or video recording against any employee of Saudi Pak.

- iv. **Fraud** means intentional misrepresentation or concealment of information in order to deceive or mislead.
- v. **Good Faith.** Nothing is said to be done or believed in 'Good Faith' which is done or believed without due care and attention.
- vi. **Malicious** means an intentional doing of a wrongful act without just cause or excuse to cause harm.
- vii. **Malpractice** means any professional misconduct, unreasonable lack of skills or fidelity in professional or fiduciary duties, evil practice or illegal or immoral conduct.
- viii. **Misconduct** means act of deliberate failure or neglect by Saudi Pak's employee(s) to observe policies, rules, applicable regulatory obligations and Code of Business Ethics including embezzlement of official finances/funds.
- ix. **Saudi Pak** means "Saudi Pak Industrial and Agricultural Investment Company Limited" incorporated in Pakistan under relevant laws.
- x. **Whistleblower** is an employee of Saudi Pak or a complainant, who blows the whistle and sends written authentic communication to the Whistle Blowing Unit of Saudi Pak, following the process as prescribed in the Whistle Blowing Policy, and includes Saudi Pak's directors, vendors, contractors, service providers, customers, or the general public.
- xi. **Whistle Blowing** means the deliberate, voluntary disclosure of individual or organizational malpractice by a person who has or had privileged access to data, events or information, about an actual, suspected or anticipated wrongdoing within or by an organization that is within its ability to control.

3. Objectives:

3.1 The objectives of this Policy are to:

- i. develop a culture of openness, accountability and integrity;
- ii. create awareness amongst employees and stakeholders regarding the Whistle Blowing Function;
- iii. encourage confidence in all employees and other associated parties to question and raise complaints in the interest of Saudi Pak;
- iv. provide avenues for confidentiality of complaints raised and allow feedback on corrective measures employed;
- v. ensure existence of a mechanism that allows a whistleblower to monitor and where required, act against the unsatisfactory proceedings;
- vi. reassure a whistleblower for protection from possible reprisals or victimization and
- vii. eliminate unlawful / dishonest activities that may damage Saudi Pak's reputation and business interests.

4. Scope:

4.1 Whistleblower(s) are encouraged to report any genuine matter or behavior that they honestly believe breaches Saudi Pak's policies or the law. Following acts of Saudi Pak's employees¹ are reportable / fall under scope of this Policy:

- i. fraudulent activity;
- ii. dishonest / unethical behavior (this may represent a breach of the Code of Conduct or be considered generally dishonest / unethical behavior);
- iii. unlawful or wrongful use of Saudi Pak's funds or practices;
- iv. an act, omission or course of conduct that is oppressive, discriminatory or grossly negligent;
- v. an unsafe work-practice;
- vi. an act, omission or course of conduct that constitutes a serious risk to public health, public safety or the environment and
- vii. any other conduct which may cause financial or non-financial / reputational loss to Saudi Pak or be otherwise detrimental to its interests.

4.2 ***This Policy is not designed to question any:***

- i. financial or business decisions taken by Saudi Pak / competent authority;
- ii. other matters which have already been addressed under other procedures, rules or regulations of Saudi Pak;
- iii. conscious decision taken by the management or Board for smooth running of overall operations, systems and procedures of Saudi Pak and

¹ For the purpose of this policy, Saudi Pak employees means all regular, outsourced and contractual employees.

iv. employee's career related issues like terms of employment, promotions, transfers, dispensations / terminations, relocations, trainings etc. for which separate procedure / Policy / rules exist.

4.3 Further, complaints related to other Human Resource matters and administrative issues shall be processed as per existing mechanism in place and anonymous complaints with no identity of whistleblower will not be considered for investigation.

5. Independence of Whistle Blowing Unit:

5.1 Through this Policy an independent Whistle-Blowing Unit (WBU) is being established under the supervision of Board Audit Committee. The unit will directly report to Audit Committee of the Board. Quorum will form at-least three members. The unit will comprise of following officials of Saudi Pak:

- | | |
|---|--------------------|
| i. Company Secretary | Chairperson/ Head |
| ii. Head Risk Management Division | Member |
| iii. Head Compliance Division | Member |
| iv. Head Internal Audit Division | Member / Secretary |
| v. or any other official of Saudi Pak deemed appropriate by General Manager / Chief Executive in consultation with Chairman - Audit Committee of the Board. | |

5.2 However, the Board Audit Committee on recommendation of management may change the composition and quorum of Whistle Blowing Unit.

5.3 If accusation is attributed to or an accusation is made by any member of Whistle Blowing Unit, to the exclusion of such member the Whistle Blowing Unit will work with the strength of remaining members subject to a quorum of at least three members.

6. Responsibility of Whistleblower:

6.1 If any of the accusation falling under the scope of this Policy have occurred due to involvement of Saudi Pak's officials / staff members, the employees who have knowledge are ethically and morally bound to report the matter as per procedures defined in Section – 7 (Procedures for Lodging Complaints) of this Policy. It is strictly desirable that whistleblower must remain unbiased while reporting matters covered sufficiently under this Policy.

6.2 In making a complaint / allegation, the whistleblower should exercise due care to ensure accuracy of the information. The complaint should be based on material facts against particular employee with name and designation, rather than speculations / thoughts, and contain as much specific information as possible, including name(s), dates, places, events, valid reasoning and evidence as to why the noted event requires reporting to Whistle Blowing Unit. Whistleblower must not make repeated, malicious, wrong, not based on bald facts, based on personal grudges, grievances or personal enmity or false allegations.

In such case, appropriate action may be taken against whistleblower by the management of Saudi Pak.

7. Procedures and Limitations for Lodging Complaints:

7.1 Following are the parties to Whistle Blowing process:

- a) All employees of Saudi Pak as complainant / whistleblower.
- b) Any outside aggrieved party (other than Saudi Pak's employees), including directors, vendors, contractors, service providers, customers or the general public as complainants / whistleblowers.
- c) Whistle-Blowing Unit, handling complaints, allegations, complaints against malpractice, wrongdoings etc.

7.2 All complaints / accusations are to be made in writing to the Chairperson - Whistle Blowing Unit at Head office of Saudi Pak, with a clear understanding of the issues being raised. It should give background, nature of complaint; relevant dates where possible; reasons for the complaint and names with designations of individuals against whom the complaint is being reported. In case a complaint is against or raised by a member of the Whistle Blowing Unit, the same shall be reported directly to the General Manager / Chief Executive of Saudi Pak. The outcome of the complaint may be reported to the Whistleblower by the Secretary Whistle Blowing Unit with the consent of Whistle Blowing Unit.

7.3 Any aggrieved party can file complaint in accordance with prescribed procedures with the Chairperson - Whistle Blowing Unit as soon as possible but not later than 90 days from the knowledge of occurrence of the event, with support documents. No complaint will be entertained by the Whistle Blowing Unit after 90 days.

8. Communication Channels for Lodging Complaints:

8.1 Based on the procedure defined above, employee(s) or outside parties with complaints will report accusations falling under the scope of this Policy, to Chairman – Whistle Blowing Unit through following methods:

Online Form: The whistleblowers can convey their concerns by filling out an online form available on Saudi Pak's Website.

For further correspondence regarding the event and seeking necessary documentary evidence(s) in support of the complaint, the Whistleblower will be contacted through designated email address by the secretary Whistle Blowing Unit.

Regular Mail - captioned "Chairperson - Whistle Blowing Unit" at Saudi Pak's registered office address i.e. Saudi Pak Industrial and Agricultural Investment Company Ltd, Head Office, Saudi Pak Tower, 61 A - Jinnah Avenue, Islamabad - Pakistan. The letter should be specifically marked as confidential.

9. Complaint Handling Procedure:

- 9.1 Upon receipt of a complaint through on-line communication channel, the Whistle Blowing Unit will approach the whistleblower within 05 working days to provide relevant documentary evidence(s) or ancillary details to substantiate his / her complaint. The whistleblower will be required to provide the requisite information / documents within 07 working days. Upon receipt, the formal investigation process will be initiated.
- 9.2 Upon receipt of requisite information i.e. details of events along with necessary evidence(s), an acknowledgment as per Annexure – A will be provided to the whistleblower within 07 days from the date of receipt of information.
- 9.3 A preliminary investigation of the accusations alleged in the complaint will be initiated by Whistle Blowing Unit. All Divisional Heads, officers and staff members must cooperate and provide the information, details, data, documents, files, etc. required by the Whistle Blowing Unit for examining merit of the complaint. The Whistle Blowing Unit may also appoint any officer or officers of Saudi Pak, at its discretion, for further investigation and report in writing within a period specified by the Whistle Blowing Unit.
- 9.4 If on preliminary examination, the complaint raised or alleged in any complaint is found to be without substance or merit, the matter shall stand closed and whistleblower may be informed of the decision with conclusion (if necessary).
- 9.5 If it is found at the preliminary review that the allegation(s) or issue(s) covered in the complaint have merit, it will be accepted by the Whistle Blowing Unit for detailed investigation.
- 9.6 In case the whistleblower fails to provide any evidence or further information as sought by the Whistle Blowing Unit in support of his/her complaint, the whistle blowing unit will carry out necessary due diligence on its own based on the materiality and sensitivity of the information provided by the whistle blower. The purpose of such due diligence will be to establish any need for further investigation. Otherwise, the complaint will be closed.
- 9.7 The investigation process will be preferably completed by the Whistle Blowing Unit within 60 days from the lodging of complaint. However, in exceptional circumstances this time may be extended for 30 days maximum according to the nature of complaint and availability / preoccupation of the Whistle Blowing Unit members.
- 9.8 If a complaint has been reported against any member of Whistle Blowing Unit, the same shall be investigated in accordance with Clause No. 5.3 above. However, to ensure the quorum requirement of Whistle Blowing Unit, Chief Executive / General Manager in consultation with Chairman - Audit Committee of the Board will be authorized to appoint any other officer / executive as member of Whistle Blowing Unit to replace the person / member being accused.

9.9 Whistle Blowing Unit will add the complaint in complaint file. This file / database will be placed under lock and key with Secretary Whistle Blowing Unit to make the complaints data base secure for all time.

9.10 Records of all whistle blowing complaints, investigations, and reports are to be retained for at least 5 years of close / final decision by the Board Audit Committee.

10. Reporting Requirements:

10.1 Strict confidentiality will be observed in submission of the investigation reports. The Whistle Blowing Unit upon completion of investigation will submit its unbiased report to Board Audit Committee for its review and recommending appropriate course of action to the Competent Authority.

10.2 A report on complaints reviewed / processed by Whistle Blowing Unit will also be prepared and presented to Board Audit Committee by Secretary Whistle Blowing Unit on annual basis as per format attached as Annexure -B. The report will be submitted to GM / CE for information before presentation to the Board Audit Committee.

10.3 a) Depending on severity of the issue, disciplinary action against employees of Saudi Pak (on the recommendation of Board Audit Committee) may be taken by the Competent Authority in accordance with the service rules of the company.

b) In case of Outside Parties:

i. Immediate termination of contract and reporting to relevant authorities i.e. Pakistan Banks Association, Securities and Exchange Commission of Pakistan, State Bank of Pakistan, or any other relevant body / regulator.

ii. Blacklisting for future business dealings.

iii. Seeking legal recourse

11. Confidentiality:

11.1 All matters will be dealt with confidentially and identification of whistleblower will be kept secret. However, in inevitable situations, where disclosure of identity of the whistleblower is essential (for instance, his / her statement / evidence is needed in court) or report of a complaint has to be disclosed to those persons who have a need to know in order to properly carry out an investigation of the complaint, the matter will be discussed with whistleblower prior to making such disclosure with a view to provide a fair chance of defense to the accused where required, on conditions if deemed appropriate by the Whistle Blowing Unit.

12. Protection and Reward for Complainants:

12.1 Protection:

This Policy and the related procedures offer protection to the whistleblower from a possible reprisal of his / her complaint. Saudi Pak stands committed to protect whistleblowers from any possible harassment or victimization.

In case the whistleblower feels that at his / her place of posting, he / she will be subjected to victimization or harassed by the alleged officials after Whistle Blowing, management may consider on his / her request to transfer him / her to another suitable place. However, this assurance is not extended in cases where it is proved that whistleblower raised the matters to settle his / her personal grudges or grievances or enmity or where the whistleblower has been involved in habitual complaining activities.

Protection that Saudi Pak can extend to whistleblower is limited to the Saudi Pak's capability, but any retaliatory action against any whistleblower as a result of whistle blown by a complainant under this Policy shall also be treated as Misconduct warranting separate disciplinary action under the rules.

12.2 Reward:

Employees of Saudi Pak and other parties are encouraged to behave honestly, with loyalty to Saudi Pak, independently and without any fear, to save Saudi Pak from risks of financial or reputational losses caused due to any activity. On the recommendation of the Board Audit Committee, the whistleblower, who brings to the notice of management or report any activity falling under scope of this Policy, may be rewarded according to the significance of the information he / she had provided and impact of losses averted as a result.

13. Disciplinary Actions against Deliberate False Complaints:

13.1 If a whistleblower makes a complaint in good faith pursuant to this Policy and allegation(s) are not confirmed by subsequent investigation, no action will be taken against the whistleblower. In making a complaint, all individuals should exercise due care to ensure the accuracy of the information disclosed.

13.2 In case, the investigation of a matter raised under this Policy is:

- (i) found to be without substance and
- (ii) have been made for malicious or frivolous reasons (if the mala-fide intention of whistleblower is proved during the investigation of Whistle Blowing Unit),

such complainant (employees of Saudi Pak) making the false / bias complaint could be subject to disciplinary actions which can lead to a minor or major punishment in view of gravity of the matter, as recommended by the Whistle Blowing Unit. In case the complainants are outside parties, action proposed at 10.3 (b) may be recommended by the Whistle Blowing Unit.

14. Review and Update of Policy:

- 14.1 The Policy will be reviewed after every three years from the approval / latest review date. Review of the Policy will be conducted by Compliance Division and subsequently a reviewed Policy will be submitted to Board for approval. However, the Policy may be amended with the approval of Board as and when required.
- 14.2 Until approval of the updated policy by Board, existing policy will prevail.

Whistle Blowing Complaint Form

Please provide the following details for any actual / suspected event, or suspected breach of law(s) or regulation(s) that may adversely impact the Company in any way. Please note that you may be called upon to assist in the investigation, if required.

Note: Please follow the guidelines as laid out in the Whistleblowing Policy in the matter of filing your complaint.

Whistleblower's Contact Information	
Name <i>*(Mandatory)</i>	
CNIC	
Department/Agency/ Firm / Organization	
Contact Number <i>*(Mandatory)</i>	
E-Mail Address <i>*(Mandatory)</i>	
Suspect's Information	
Name	
Designation	
Department	
Witnesses's Information (If Any)	
Name	
Department / Organization	
Contact Number (If Outside Saudi Pak)	
E-Mail Address (If Outside Saudi Pak)	
COMPLAINT: <i>Briefly describe the event / concern and how you know about it. In case of more than one allegation, number each allegation and use as many pages as necessary.</i>	
1. Details of event.	
2. Date of occurrence of event.	
3. Place of event.	
4. Date of knowledge / awareness of event.	
5. Other parties involved.	
6. Any other additional details or information.	

Annexure-A

Disclaimer

“Saudi Pak is thankful to you for raising the Complaint. Saudi Pak is committed to investigate into the allegation(s) in accordance with its Whistle Blowing Policy and to maintain confidentiality of your name and the information received from you. Please note that this is only an acknowledgement receipt of your Complaint and it does not confer any right upon you or any other person to take or demand any action against Saudi Pak or its employees on the basis hereof nor can you utilize this for the purpose of publishing in print or electronic media in any manner. If violated and attempted to malign / defame any person, it shall be at your own risk and cost.”

Annual Report of Complaints Reviewed / Processed and Disposed off by Whistle Blowing Unit during the Year -----

S.No.	Date of Complaint	Source of Complaint Email , Letter / Memo	Nature of Complaint Financial / Non-financial	Whistleblowers Type Internal / External	Brief Detail of Complaint	Status of Complaint Resolved / In process / Closed	If closed Reasons for Closure	Date of Disposal / Closure of Complaint	Action Taken
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>

Secretary – Whistle Blowing Unit

Chairman / Head – Whistle Blowing Unit