

Whistle-blowing **Policy**

**APPROVED BY THE BOARD OF DIRECTORS IN
THEIR 123rd MEETING HELD ON APRIL 26, 2014**

**THEIR 129 AMENDED BY THE BOARD OF DIRECTORS IN MEETING HELD ON
JULY 31, 2015**

**THEIR 161 AMENDED BY THE BOARD OF DIRECTORS IN MEETING HELD ON
DECEMBER 22, 2021**

PAK-LIBYA HOLDING COMPANY (PVT.) LTD.

Whistleblowing **Policy**

1. Introduction

Pak-Libya is committed to maintaining an effective internal control environment to detect and to prevent or deter improper activities. Through this Policy, Pak-Libya encourages its employees and outside parties such as vendors, customers, etc. to report (i) violations of law, including the regulator's laws, (ii) accounting irregularities and/or (iii) any suspected wrongdoing to the responsible/authorized person(s) without any fear or reprisal or adverse consequences. Pak-Libya does not encourage frivolous complaints.

The Whistle blowing Policy of Pak-Libya is a key element for safeguarding the Company's integrity. It is aimed at enhancing the Company's transparency and underpinning its system for combating practices that might damage its activities and reputation. Protecting the integrity and reputation of Pak-Libya requires the active support of all employees, who are required to report incidents of suspected fraud & forgery, financial malpractices, corruption, personal harassment, improper conduct or wrong doing, collusion and coercion, and other serious infringements of the rules and policies in force at the Company. Employees must also cooperate in investigations into such incidents. Any officer or employee of the Company or person (referred as "whistleblower"),

who knows of a Harmful Violation or potentially Harmful Violation (defined below) may contact the responsible/authorized person(s) through a memo/application or through a complaint in the prescribed form.

A “Harmful Violation” includes the following:

- ✓ Violations of law, including any prudential regulations/laws/act of regulatory authorities or any law related to fraud, and the laws and regulations of any jurisdiction in which the Company operates;
- ✓ Violations of Company policies and statutory or other requirements for good corporate governance;
- ✓ Improper accounting entries, violations of internal accounting controls or improper matters;
- ✓ Any other matter, which in the good faith belief of any whistleblower, could cause harm to the business or repute of the Company;
- ✓ Any attempt to conceal a potential Harmful Violation or evidence of a potential Harmful Violation; or
- ✓ Any Retaliation (defined below) for any report, complaint, allegation or other disclosure made pursuant to this policy (a “Disclosure”).

Any person who, in Good Faith, makes a Disclosure pursuant to this policy with respect to a Harmful Violation or potential Harmful Violation is protected from any Retaliation by the Company. “Good Faith” means that a person has a reasonably held belief that the disclosure made by him/her is true and has not been made either for personal gain or for any ulterior motive.

The Company through this policy provides certain legal protection to whistleblowers. The Company cannot discharge, demote, suspend, threaten, harass, or in any other manner discriminate (collectively, “Retaliate” or “Retaliation”) against employees who provide information in investigations – including internal investigations.

2. Objectives

The objectives of this policy are to discourage illegal activity and business conduct that damages the Company’s good name and business interests and to assist individuals who believe they have discovered malpractice or impropriety.

3. Scope

3.1 This policy covers the voluntary disclosure of any individual or person of harmful violation, malpractice, impropriety by a person who has privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within the company and he/she has ability to control it.

3.2 It does not cover the financial or business decisions taken by the Company. This policy provides a means whereby a person or persons can safely raise, internally and at a high level, serious concerns and disclose information that a person or persons believe in good faith could cause a Harmful Violation. This policy does not apply to staff grievances, such as those related to terms of employment or those concerns that are addressed by the Company’s policies/procedures.

4. Purpose

The Company encourages its employees and outside parties, such as vendors, customers, etc to disclose any Harmful Violations before anyone can disrupt the business or operations of the Company, or lead to serious loss. The main purpose of this policy is to promote a climate of

accountability with respect to Company resources, including its employees and to ensure that no person should feel at a disadvantage in raising legitimate concerns.

5. Protection and reward to Whistleblower

5.1 This policy and the related procedures offer protection from Retaliation to Affected Persons, who make any Disclosure with respect to matters that are, or could give rise to, Harmful Violations, provided the Disclosure is made:

- In Good Faith;
- In the reasonable belief of the individual making the Disclosure that the matter covered by the Disclosure could give rise to a Harmful Violation, and
- Pursuant to the procedures contained in Section 7 below.

5.2 No complaint that satisfies these conditions shall result in any Retaliation or threat of Retaliation against the complainant by the Company or any officer or employee of the Company. Any acts of Retaliation against a Whistleblower shall be treated by the Company as a serious violation of Company policy and could result in disciplinary action against the concerned person or persons.

5.3 On recommendation of Whistle-blowing Unit comprising **Head of RMRC & Head of IBSA** and the Audit Committee of the Board, the Board of Directors may consider rewarding a whistleblower by way of cash payments, increment or promotion etc depending on the gravity of the subject matter which can be harmful to company's interest/business/image or financial loss or its financial impact.

6. Confidentiality of Disclosure

6.1 The Company will treat all Disclosures by Whistleblowers as confidential. The Company will exercise particular care to keep confidential the identity of whistleblower making a Disclosure under this procedure until a formal investigation is launched.

6.2 Thereafter, the identity of the Whistleblowers making the Disclosure may be kept confidential, if requested, unless such confidentiality is incompatible with a fair investigation, unless there is an overriding reason for identifying or otherwise disclosing the identity of the Whistleblower or unless such disclosure is required by law. In this instance, the Whistleblowers making the Disclosure will be so informed in advance of his or her being identified with the Disclosure.

6.3 Where disciplinary proceedings are invoked against any individual following a Disclosure under this procedure, the Company will normally require the name of the person making the Disclosure to be disclosed to the person subject to such proceedings.

6.4 The Company encourages individuals to put their name to any Disclosure they make, but any Whistleblower may also make anonymous Disclosure. In responding to an anonymous Disclosure, the Company will pay due regard to fairness to any individual named in the Disclosure, the seriousness of the issue raised, the credibility of the information or allegations in the Disclosure and the prospects of an effective investigation and discovery of evidence.

6.5 Investigations will be conducted as quickly as possible, taking into account the nature and complexity of the Disclosure and the issues raised therein.

7. Unsubstantiated Allegations

7.1 If a Whistleblower makes a Disclosure in Good Faith pursuant to this policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Whistleblower. In making a Disclosure, all individuals should exercise due care to ensure the accuracy of the information disclosed.

7.2 If after investigation a matter raised under this procedure is found to be without substance and to have been made for malicious or frivolous reasons (if the mala-fide intention of whistleblower is proved through an enquiry to be conducted by the Whistle-blowing unit or any officer or officers appointed by it), the person making the Disclosure 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 Enquiry Officer (s), in accordance with the Punishment and Appeal rules as prescribed in the HR Policy & Rules Manual.

7.3 Where alleged facts disclosed pursuant to this policy are not substantiated, the conclusions of the investigation, if necessary, will be made known both to the person who made the Disclosure and to the person(s) against whom any allegation was made in the Disclosure.

8. Disclosure to external bodies or anonymous disclosures

8.1 The Whistleblower is not allowed to disclose internal concerns to any of the external bodies. This will be subject to disciplinary action in case the person found guilty of breach of secrecy.

8.2 Anonymous complaints/disclosures will be discouraged and may not attract any action thereon.

9. Independence of Whistle blowing unit

9.1 An independent Whistle-blowing unit, comprising Heads of RMRC & IBSA is established. This unit will be headed by Head of RMRC reporting directly to the Audit Committee of the Board for receiving, handling and monitoring allegations and concerns raised by the whistle blower.

10. Procedures for lodging and handling of complaints

10.1 The Whistleblower may submit any disclosure through a memo/application/Complaint Form (attached hereto as Exhibit A) directly to the Whistle-blowing unit.

10.2 Communication channel for lodging complaints

Employee(s) or outside parties with concerns or complaint may report of incidents of suspected fraud & forgery, financial malpractices, corruption, personal harassment, improper conduct or wrong doing, collusion and coercion, and other serious infringements of the rules and policies in force at the Company, directly to the Whistleblowing Unit through:-

- E-mail: wbu@paklibya.com.pk
- Fax: + 92 21 35630655 (marked confidential and addressed to the Head of RMRC or Whistle-blowing Unit)

- Regular mail addressed to the Head of **RMRC** or Whistle-blowing Unit, Pak-Libya Holding Co. (Pvt.) Ltd., 5th Floor, Block-C, FTC Building, Sharea Faisal, Karachi – marked confidential on the envelope.

- 10.3** Upon receiving a Disclosure, the Whistle-blowing unit shall immediately record the Disclosure to a log of Disclosures and a file for each Disclosure shall be maintained in a secure location to protect the confidentiality of the Disclosure.
- 10.4** An acknowledgement receipt of Disclosure will be issued to the Whistleblower within 03 working days.
- 10.5** The Whistle-blowing Unit shall then make a preliminary investigation of the facts alleged in the Disclosure. All the Heads of Departments, officers and staff members must cooperate and provide the information, details, data, documents, files, etc. required by the Whistle-blowing Unit for examining the merit of the Disclosure. The Whistle-blowing Unit may also appoint any officer or officers, at its discretion, for further investigation and report in writing within a period specified by the Whistle-blowing Unit.
- 10.6** If on preliminary examination, the concern, issue or facts raised or alleged in any Disclosure are judged to be wholly without substance or merit, the matter shall stand closed and the Whistleblower may be informed of the decision with conclusion (if necessary).
- 10.7** If it is judged that the allegation(s) or issue(s) covered in the Disclosure have merit, the matter shall be reported to the Audit Committee of the Board for appropriate actions in accordance with the Company's normal disciplinary procedures and/or as otherwise may be deemed appropriate according to the nature of the case. The SBP will be informed in accordance with the requirement of the Prudential Regulations and its directives issued from time to time. The outcome of the investigation may be reported to the Whistleblower.

11. Follow-Up

A report of all substantial Disclosures and any subsequent actions taken will be submitted to the Audit Committee of the Board in detail. The conclusion of any investigation may be communicated to the person or persons against whom the Disclosure is made and to the person making the Disclosure (if necessary).

12. Annual Review, Updating and Reporting.

The Whistle-blowing Unit shall make a report to the Audit Committee of the Board of any disclosure made, (i) summary of investigation in response to Disclosure, (ii) the wrongdoings discovered, and (iii) disciplinary actions taken / to be taken in response to matters discovered through Disclosures.

The policy will be reviewed **as and when required but at least once in two years period** by the Head of HR&A and Whistle-blowing Unit and suggest any modification/amendment/updating of policy, if necessary, in order to meet the requirement of law, rules/regulations of the regulatory authorities, etc or taking into account the effectiveness of the policy and submit a report to the Audit Committee of the Board for review and recommendation to the Board of Directors for approval.

COMPLAINT FORM

Case Number: _____

Name of complainant: _____ Tel: _____

Department: _____ E-mail: _____ Supervisor: _____

Type of Violation: Legal Accounting Auditing Embezzlement
 Retaliation Others

Date Caller became aware of potential violation: _____

Violation is: Ongoing Completed Unclear whether ongoing or completed

Department suspected of violation: _____

Individuals suspected of violation: _____

Describe all of the relevant facts of the violation: _____

How did Caller become aware of the violation: _____

Who, if anyone, may be harmed or affected by the violation? _____

If the violation is legal/embezzlement/inside trading, estimate the amount of loss to the Company as a result of the violation: _____

Actual Potential

If the violation relates to accounting/auditing matters, estimate the amount of the misreporting and indicate the affected category (or categories) of misreporting:

Amount : _____

Category : Assets / Liabilities / Expenses / Revenues / Valuation / Equity

Provide any suggestions for remedying the violation: _____

Do you wish to be contacted by the investigating officers regarding the status of the investigation? Yes No

Signature: _____

Date : _____