

Whistle Blowing Policy 'SPEAK UP' With Confidence

1. **Introduction.** Frontier oil Company-II (Private) Limited herein, hereinafter called (The Company) or (FOC-II) committed to conducting its business and working with all stakeholders, including employees, suppliers, customers, and shareholders in a manner that is lawful and ethically responsible, Therefore, a Whistleblowing Policy has been issued to enable all stakeholders to make fair and prompt disclosure of circumstances where it is genuinely believed that the company's business is being carried out in an inappropriate manner or violation of applicable laws, company policies, procedures and ethical values.
2. Whistleblowing is one of the effective contemporary managerial techniques used for the Prevention/detection of the likely attempt(s) of defrauding the organization and other malpractices by its employees, customers and/or other parties. It mobilizes all stakeholders to communicate their suspicions and reasonable doubts to the management about malicious activities without fear of the loss of job, discrimination, victimization, harassment, prejudice etc.
3. FOC-II has developed the Whistleblowing policy to demonstrate its commitment to open and accountable management. This policy is designed to allow staff to:
 - a. Disclose information that they believe shows malpractice, unethical conduct or illegal practices in the workplace which may hurt the business or goodwill of the company or the society at large.
 - b. This includes protecting staff from any detriment or discrimination if they do report improper or illegal conduct within the company.
4. **Objective.** The objective of the policy is to establish:
 - a. Appropriate and timely handling of the receipt, retention, and treatment of alleged malpractices/misconduct.
 - b. Provide means for discreet and confidential channels for escalation of concerns without fear of reprisal.
 - c. Provide guidelines to establish an objective and impartial process for prevention, detection and remedial measures of unethical behaviour, corruption and fraudulent activities that may cause damage to the company's assets or reputation.
 - d. Develop a culture of transparency, honesty, integrity, fairness and accountability that is in the greater interests of the stakeholders and the company, to create awareness among employees and stakeholders regarding Whistleblowing function.
 - e. Enable management to be informed at an early stage about fraudulent, immoral, unethical or malicious activities or misconduct and take appropriate actions.
5. **Scope of Whistleblower.** The policy applies to all individuals associated with FOC-II including but not limited to management, employees, contractors, consultants, vendors and third parties.
6. **Reporting Categories.** Whistleblower(s) can report concerns related to, but not limited to the following categories:-

- a. Fraud.
- b. Corruption.
- c. Misappropriation of Funds.
- d. Safety & Environmental Violations.
- e. Unethical Conduct.
- f. Violations of Company Policies or Procedures.

7. **Confidentiality & Protection of Whistleblower.** The policy encourages the staff to blow the whistle if there is a genuine concern that malpractice has occurred or is occurring. It is however expected that the Whistleblower will raise the concerns in good faith and without any malice and that the charges contained in his/her complaint are substantially true.

8. Information passed on through whistleblowing will be kept confidential to the extent possible to protect the reporting person as well as the accused from any consequent discrimination or unfair treatment. If such a complaint is made in good faith acting in the best interest of the company, the whistleblower will be protected against any unfair treatment from his/her colleagues, or management, as a consequence.

9. The policy provides a discreet and confidential channel for verification of genuine concerns without fear of reprisal. Any form of harassment, victimization or retaliation undertaken by a staff member against any person for reporting an irregularity in good faith is prohibited and considered to be a breach of the loyalty and professional ethics requirements of the Code of Conduct.

10. **Misuse of the Policy.** It is expected all employees refrain from rumours-mongering, irresponsible behaviour and false allegations and if the Whistleblower makes an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against them. If, however, the Whistleblower makes malicious or frivolous allegations /complaints or misuses the policy for undue purposes, action may be taken against them after proper investigation.

11. **Company's Responsibilities & Method of Filing Whistleblowing Complaint.** Various modes of Whistleblowing complaint filling are being introduced under the policy, which includes a direct email to the Chairman of the Board and head of the Audit Committee at official email address of the company oilinfra@fwo.com.pk.

12. The company shall circulate this policy for the information of all the employees and other stakeholders of the company and shall establish the following communication channels for whistleblowing complaints:

- a. The dedicated e-mail address for Whistleblowing is oilinfra@fwo.com.pk which will only be accessible by the Head of Audit Committee.
- b. Whistleblowing form, which should be available on the Company's website.
- c. The Company shall ensure that the Whistleblowing Policy is fairly and consistently applied. It should spell out zero tolerance for all violations e.g, fraudulent, immoral, unethical or malicious activities.

- d. The Company shall ensure that the Whistleblower feels secure while reporting fraudulent, immoral, unethical or malicious activities.
- e. Responsibility of the Head of Audit Committee to treat all reported concerns in confidence, verify the background of the reported concern, verify all the documents submitted as proof and, make every effort not to reveal the employees' identity even to other members of the Audit Committee, if the employee wishes so.
- f. It is the responsibility of the Human Resource Departments of the Company to provide the necessary support to the Head of the Audit Committee executing and concluding the reported concerns.
- g. Head of Audit Committee shall have the authority to utilize the services of company personnel under the circumstances to assist in the evaluation of reported concerns.

13. **Responsibilities of the Whistleblower.** If any fraud, forgery, fraudulent, immoral, unethical or malicious activities have occurred due to the involvement of the company's officials, the employees and/or other stakeholders who know are ethically and morally bound to Whistleblowing or take appropriate action if they are authorized to. It is expected that the Whistleblower shall remain unbiased while reporting matters under this policy: In making a disclosure, the Whistleblower should exercise due care to ensure the accuracy of the information. Whistleblower should not make repeated, malicious, wrong, not based on facts, based on personal grudges, grievances or personal enmity or vexatious allegations.

14. **Reporting Mechanism.** Employees are encouraged in such circumstances to share and discuss this with their Reporting / Line managers before considering the use of whistleblowing procedures to hear their concerns. However, in case it is not possible for them or they do not wish to share or discuss their concerns with their Reporting / Line managers then the employee should raise the matter through the whistleblowing procedures. Although the Whistleblower is not expected to prove the truth of an allegation, he/she would need to demonstrate to the Committee that there are sufficient grounds for concern. The Whistleblower should write its concern in the Whistleblowing form (Annex-A) available on the company's website and send it via email to oilinfra@fwo.com.pk which is only accessible to the Head of Audit Committee.

15. **Disciplinary Action.** If involvement of the company's officials in fraudulent, immoral, unethical or malicious activities and other malpractices is proved during the investigation of the case then disciplinary action will be initiated as per applicable rules and procedures of the company (up to and including termination of employment and commencement of civil as well as criminal proceedings in the court of law). For external parties, the company may based on investigation reports and recommendations, consider taking appropriate legal action against the concerned party.

16. There will be no adverse consequences for anyone who reports a whistleblowing concern in good faith. However, an employee who recklessly makes statements or disclosures that are not in good faith and/or without substantive proof may be subject to disciplinary procedures. Similarly, in case of such complaints lodged by outsiders, the company reserves the right to take appropriate action.

17. **Review of the Policy.** The Head of the Audit Committee shall be responsible for keeping this document updated from time to time. Therefore, this Policy shall be subject to formal review by the Head of Audit Committee periodically (at least once every three years) and the proposals for any changes/modifications/amendments therein shall be submitted to the Board of Directors for consideration and approval.