



Whistle Blowing Policy

“Speak Up”
Acting with Integrity
Around the Clock



“Speak up”

Let us work together with
confidence against what is
wrong.



PIDC REGIONAL OFFICE, ISLAMABAD

July 28, 2017

Dear Colleague:

We live in an era when public trust and confidence in business are among the lowest levels in history. We at PIDC are fortunate, however to work for an organization which name is identical to the industrialization of Pakistan, since 1952. We know that at the time of independence the economic condition was critical as there were no industry at all and the agriculture base was also insignificant, unable to cater alone for the funding requirements of the nation. The story of PIDC thus, is the story of the Government of a newly created country, successfully undertaking the daunting task of building up the industrial base of the country virtually from scratch. Proving true to the trust and promise the government reposed in it, PIDC embarked on the gigantic task of bringing up the industrial base from infancy, nay, rather conception to the magnificent edifice as it exists today. So, a reputation that has been enhanced and safeguarded over the years by a rich culture of integrity and ethical conduct.

Our organization is built on this trust and this reputation. It influences how stakeholders feel about our conduct and how shareholders perceive us as investment. We have seen plenty of examples in recent years of powerful corporations/companies with once stalwart reputations tarnished forever by unethical actions of a few people or even just one person. We all know that **“It takes years to build a reputation and only a few seconds to ruin it”**.

Because our success is closely related with our reputation, it’s up to all of us to protect that reputation.

Acting with integrity is about more than our Company’s image and reputation, or avoiding legal issues. It is about sustaining a place where we all are proud to work. Ultimately, it’s about each of us knowing that we have done the right things. This means acting honestly and treating each other’s and our customers, partners, suppliers, shareholders fairly and with dignity.

The Whistleblowing Policy is our guide to encourage confidence in all employees of the Company to question and raise concerns in the interest of the Company. Together with other policy guidelines, we have set standards to ensure that we all do the right thing. Keep the Policy with you and refer to it often.

With your help, we are confident that our Organization will continue to deserve that everyone has in us.

Bushra Naz Malik
Chairperson- Board Audit Committee



Whistle Blowing Policy

Content

S.NO.	Description	Page No.
1.	Whistle Blowing- Overview	5
2.	Definitions	5
3.	Procedure for lodging concerns	8
4.	Procedure for handling concerns	8
5.	Protection of Whistle Blowers	10
6.	Recognition	10
7.	Right available to the Company under any other law	10
8.	Treatment of False Allegations	11
9.	Disclosure to external bodies	11
10.	Monitoring and Review of Policy	11
11.	Effective date	11



1. Whistle Blowing Policy- Overview

This Whistle Blowing Policy is a part of the Company's efforts to further improve governance and service quality. The document set out the procedure for lodging of concerns by the employees/outside parties, handling of concerns by the Organization (PIDC), reporting requirements, protection of whistleblowers and periodic monitoring of the policy.

The employees and outside parties are encouraged to use the guidance provided by this program for reporting any wrongdoing / improper conduct. It is emphasized that this policy is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decision taken by the Company with the approval of the Board under law of the land nor it should be used to reconsider any matters which have already been suitable and duly addressed.

This Policy deals with concerns, which are specially of public interest or in the interest of the Company.

A **Whistle Blowing Unit (WBU)** is established to carry out this initiative under the **Chief Internal Auditor, reporting to the Board Audit Committee.**

2. Definitions

In this Policy unless there is anything repugnant in subject or context:

a. Accused

"Accused means a person against whom a concern has been reported either to the whistle-blower unit or to other appropriate authority as mentioned in Clause 3 sub clause iii of the policy. It also includes an alleged beneficiary of fraud, improper conduct or wrongdoing".

b. Allegations

"This refers to accusing before proving with evidence".



c. Company

“the word Company wherever used in this Policy shall mean Pakistan Industrial Development Corporation (Private) Limited”.

d. Concern

“Concern means the information about any alleged fraud, improper conduct or wrongdoing”.

e. Fraud

“Fraud means the commission of an illegal act or omission of legal duty by an employee of the company either for personal gain or for willfully causing loss to the Company. It also includes the untrue statements by a person, who did not believe the same to be true and active concealment of the facts”.

f. Improper conduct or wrongdoing

For the purpose of this policy improper conduct or wrongdoing is defined as:

- i. any fraudulent activity/theft/corruption;
- ii. s substantial mismanagement of the Company resources;
- iii. Any other violation of the Company Code of Business Conduct;
- iv. Any other violation of Company Anti-Corruption & A Anti-Bribery Policy;
- v. Misuse of Company’s funds;
- vi. A civil wrong or criminal act;
- vii. Improper conduct in company operations/business processes, i.e. accounting, internal controls, administration or financial reporting (financial misrepresentation); and
- viii. An act detrimental to the interest of the Company.

g. Malicious

“Intended to cause harm without justification and regard of legal rights”.



h. Protected Disclosure

For the purpose of this Policy, protected disclosure is defined as:

“Any communication in good faith based on reasonable grounds that discloses or demonstrates an intention to disclose information that may evidence a wrongdoing, fraud or improper conduct”.

i. Whistleblowing

For the purpose of this Policy, whistleblowing is defined as:

“Whistleblowing means the voluntary disclosure of a concern by a whistleblower either to the whistleblowing unit or to other appropriate authority as mentioned in clause 3 sub clause iii of this Policy”.

j. Whistleblower

For the purpose of this policy, a whistle blower is defined as:

“Any employee, director, related officer, contractor, service user, customer, client, an ex employee or any member of public, who makes or attempts to make a disclosure of improper conduct or wrongdoing or fraud either to the whistle blowing unit or to other appropriate authority as mentioned in clause 3 of sub clause iii of this Policy.

k. Wrongdoer

“Wrongdoer is a person against whom a concern has been established”.



3. Procedure for Lodging Concerns

- i. All concerns are to be made in writing to ensure a clear understanding of the issue being raised. It should give the background, nature of concern; relevant dates where possible; reasons for the concern and the name of the individuals against whom the concern is being reported.
- ii. Whistleblower may report their concerns through the following methods:
 - Via internet- a link on the company website
 - Email – an address such as cia@pidc.com.pk
 - Fax- a dedicated number manned by a member of the whistleblowing Unit
 - Regular mail-Captioned Whistleblowing Unit 'PIDC, House, Karachi
 - Telephone- a dedicated telephone line with automated recording facility.
- iii. All concerns to be made to the followings:
 - To the Whistleblowing Unit(WBU) of PIDC;
 - To CEO of PIDC; and
 - In case after reasonable time no reply is received or concerns not addressed suitably, to the Board Audit Committee.

4. Procedure for handling concerns

- i. Each concern received by the Whistleblowing Unit is to be lodged and assigned a code that will be used in the investigation and reporting of the concern.
- ii. Initial inquiries/ assessment will be made by the Chief Internal Auditor to determine whether an investigation is appropriate, and the form that it should take. Some trivial concerns may be resolved by agreed action without the need for investigation. Chief Internal Auditor, and any two person nominated by Board Audit Committee should be three persons in committee who would mutually decide whether the case requires further investigation or not due to lack of concrete information / evidence and the same should be presented to the Board Audit Committee for final closure and decision.



- iii. An investigation will only be conducted if the concern information is sufficiently specific and contains adequate corroborating evidence to warrant an investigation. Otherwise all such concern should only be highlighted to the Board Audit Committee on the premise that no investigation can be carried out by the Whistleblowing Unit. In all such instances decision of the Board Audit Committee shall be final. The need for confidentiality of all participants in the investigation must be honored.
- iv. Chief Internal Auditor may nominate a person either from Internal Audit Department/ Whistleblowing Unit (WBU) and/ or any other department to investigate the concerns. The nominated persons should be competent, trained, independent, unbiased, objective and ethical and observe legal and professional standards. In case of nomination of a person from outside Internal Audit/WBU, approval of the **Board Audit Committee** is required.
- v. A person who is investigating any concern under this policy shall be empowered to get information from the relevant persons and the concerned departments of the Company shall also cooperate with him.
- vi. The investigation will be preferably completed within 90 days from the lodging of concern. However, in exceptional circumstances this time may be extended for the reasons to be recorded in writing.
- vii. The Whistleblowing Unit shall inform to the whistleblower within 07 days, from the date of receipt of the concern, acknowledging that the concern was received and informing that the matter will be dealt with as per Company Policy. Disclaimer clause, attached as Annexure-A, shall be made part of the communication with the whistle blower.
- viii. At the end of investigation, a written report that provides the findings, basis of findings and a conclusion as to whether or not the allegations are substantiated is to be submitted to the Board Audit Committee for necessary action.
- ix. Chief Internal Auditor will provide quarterly report documenting all concerns and actions taken to resolve them for review of the Board Audit Committee as separate agenda item.
- x. Reports of all whistle blowing concerns, investigations, and reports are to be retained for at least 10 years.



- xi. Anonymous complaints shall be taken into consideration only if the same carrying verifiable facts and supported with reasonable evidence or proof. In case, after a preliminary inquiry, it is decided not to consider an anonymous compliant, the reason thereof shall be recorded in writing.
- xii. The decision of the Board Audit Committee on based on investigation shall be final.

5. Protection to the Whistleblowers

The Company is committed to the protection of genuine whistleblowers against action taken in reprisal for the making of protected disclosures. Any adverse action on reprisal i.e. suspension/termination shall be void. Confidentiality of the Whistleblower's identity, nature of the report, and suspected person's identity is to be strictly maintained, and therefore, the whistleblower should put his name on the concern whenever possible so that the designated investigation officer may consult him over the evidence.

6. Recognitions

Whistleblower may be recognized, depending upon the nature and gravity of the concern disclosed and proved. The decision of the Board Audit Committee shall be full and final in demining the recognition. But only those whistleblowers will be awarded who report such allegation by disclosing their complete identity and would also help in investigating the matter through providing proofs/evidences if asked for by the investigators/ Chief Internal Auditor.

7. Right available to the Company under any other law

The lodging of any concern to the whistleblowing Unit or Board Audit Committee shall not prejudice the Company's right to take action against the accused or the wrongdoer under any other law for the time being enforced.



8. Treatment of false allegations

Deliberately making a false concern is also an allegation this policy. This is not mean to discourage or limit the rights of individuals from raising concerns of alleged malpractices or wrongdoings. The Company recognizes that, in some instances, it may not be possible to determine whether a report/action is indeed based on truth. Employees should not be reluctant to report information because they are uncertain of who will be believed and whether the allegation can be proved.

At the same time, it is expected from all employees to refrain from rumors mongering, irresponsible behavior and false allegations and if staff makes allegation in good faith, but it is not confirmed by the investigation, no action will be taken against them. If, however, staff makes malicious or vexatious allegations, disciplinary action may be taken against them as per Company Rules. In all these circumstances, the decision of the Board Audit Committee shall be final.

9. Disclosure to External Bodies

Whistleblowing Unit is not allowed to disclose internal concerns to any of the external bodies unless required by the law.

10. Monitoring and review Policy

The Board Audit Committee is responsible for monitoring the effectiveness and compliance of the Whistle Blowing Program.

11. Effective Date

This Policy is effective from the date approved by the Board of Directors of PIDC.



Disclaimer

Annexure-A

“The Company is thankful to you for raising the Concern. The Company is committed to investigate the Concern 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 acknowledgment of receipt of a Concern and it does not confer any right upon you or any other person to take or demand any action against the Company or its employees on the basis hereof.”

Bushra Naz Malik
Chairperson- Board Audit Committee