

WHISTLE BLOWING POLICY

PREFACE

Ethics and responsible behavior, which define the high standard of governance and business conduct to which we pledge ourselves as an organization, has always been our core strength. Towards this end, Dawood Hercules Corporation Limited (“DH Corp”, “the Company”) has adopted the Code of Conduct (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code which states that all employees are expected to report violations of the Code (Clause 13). The Clause further states that all employees who report violations of the Code are assured that no employee shall suffer demotion, penalty or any other adverse consequence for their act of reporting a violation.

For this purpose, DH Corp has implemented a Whistle Blowing mechanism which encourages and enables all concerned to raise serious concerns within the organization rather than overlooking a problem or ‘blowing the whistle’ outside.

POLICY

This Policy has been established to ensure that all cases of suspected wrongdoing and misconduct are reported and managed in a timely and appropriate manner. The Policy applies to all employees, management and the Board, and extends to every individual associated with DH Corp including contractors, suppliers, business partners and the shareholders, etc. DH Corp expects all stakeholders to not only abide by our standards of business conduct but also to speak out about any concerns they have or have observed regarding business ethics, safety, environmental performance or other possible breaches of compliance. This policy is a statement that improper, unethical or inappropriate behavior within the organization is unacceptable and this statement is endorsed and supported at the highest level.

OBJECTIVES

- To ensure confidence in all employees and other associated individuals to question and raise concerns in the best interest of the organization.
- To encourage identification of all improper, unethical or inappropriate behavior to be challenged at all levels of the organization.
- To provide clear procedures for reporting of such matters in a confidential manner and allow feedback on corrective measures employed.
- To administer and manage all disclosures in a timely, consistent and professional manner.
- To provide assurance that all disclosures will be taken seriously and to reassure a whistle blower for protection from possible reprisals or victimization.

SCOPE

This Policy is an extension of the Code. Whistle blowing means a disclosure of information made by an employee or contractor, an external person or body where they reasonably believe that one or more of the following matters is happening now, took place in the past or is likely to happen in the future. This is a non-exhaustive list of examples:

- Conduct by anyone, which is unlawful or may damage the reputation of DH Corp.
- Failure to comply with legal obligations.
- Damage to organization's assets and corporate image.
- Possible fraud / corruption / incorrect financial reporting with malafide intentions.
- Illegal use of sensitive corporate data.
- Violation / non-compliance of corporate policies governing business conduct.
- Violation of health, safety & environmental standards applicable to the business.
- Harassment, discrimination or other unfair employment practices.

The Whistle Blowing Policy does not apply to employees' career related issues like promotions, transfers, relocations, trainings, disciplinary, etc. for which separate procedure exists under HR policies which should be followed where appropriate.

PROTECTION OF THE WHISTLE BLOWER

Complete confidentiality of complainants will be maintained and they will be protected from any form of retaliation or victimization for genuinely held concerns that are raised in good faith. However, one may need to come forward as a witness at the appropriate time.

PROCEDURE

- All concerns are to be reported in writing to ensure a clear understanding of the issues being raised.
- Whistle blowers may use the independent **"Speak Out"** email address speakout@dawoodhercules.com to raise their concerns. Through this channel concerns would be reported directly to the Chairman of BAC of DH Corp.
- Information listed below should be included where possible:
 - an outline of the known or suspected wrongdoing;
 - details, to the best of your knowledge, about when, where and how it occurred;
 - List of names of those suspected of being involved (both within DH Corp & externally);
 - a list of the names of anyone who may have relevant information; and
 - your name and contact details. Please note that these will be kept confidential as far as is reasonably practicable.

Under the Policy, anonymous concerns shall not be taken into consideration.

You will not be expected to prove the wrongdoing that you believe you have witnessed or suspect.

- Receipt will be acknowledged to the whistle blower within 3 working days of receipt of the concern with the indication that the matter will be dealt with as per the Policy.
- As part of this process, concerned authorities will contact you and can schedule a meeting to discuss the incident.

INVESTIGATION

Concerned authorities will decide how to respond in a responsible and appropriate manner under this policy. They will also 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. An investigation will be conducted as speedily and sensitively as possible in accordance with all relevant laws and regulations. If appropriate, you will be regularly informed on the progress of these investigations and any action taken or to be taken.

The purpose of investigation is:

- to identify the root causes of wrongdoings;
- to establish if a wrongdoing has occurred, and if so to what extent; and
- to minimise risk of further wrongdoing, to prevent any further loss of assets, damage to reputation and to protect all sources of evidence by proposing corrective and preventive controls.

We will endeavour to handle investigations as fully, promptly and fairly as possible. As far as reasonably practicable, the confidentiality of the person reporting the suspected wrongdoing will be maintained. A person / committee who is investigating any concern under this policy shall be empowered to seek information from the relevant persons and the concerned departments of DH Corp shall also cooperate with him. The written investigation report will be preferably issued within thirty days from the date of assignment of investigation.

At the end of the investigation, a written report that provides the findings, basis of findings, conclusion and recommendations is to be submitted to the Chairman BAC. If an investigation concludes that an improper or unethical act has been committed, the Chairman BAC shall recommend to the CEO to take such disciplinary or corrective action as Chairman BAC deems appropriate. Where it is believed that criminal activity has taken place, the matter may be reported to the police and appropriate legal action taken. Chairman BAC should decide about disposal of the concern and advise Head of Internal Audit (HIA) to disseminate messages across the organization for avoidance of such incidents in the future.

If complainant is not satisfied with the investigation or its conclusion, they should write directly to the Chairman BAC along with reasonable justifications. Where this is not appropriate, they should write to the Chairman of DH Corp, detailing their concerns.

REPORTING IN GOOD FAITH

If an allegation is made in good faith and best interest of the Company, but it is not confirmed by investigation, no action will be taken against the complainant. In the event that a reporter believes that they are being victimized or subjected to a detriment by any person within the Company or by any outsider as a result of reporting a concern or assisting the Company in any investigation under this policy they must inform the Chairman BAC immediately and appropriate action will be taken to protect them from any reprisal.

If, however, allegations are made that are malicious or simply to cause anger, irritation or distress, or due to any personal rivalry other than in the best interest of the Company, disciplinary action may be taken against the complainant. Similarly, one must not seek any personal gain through this Policy.

RECORD KEEPING

- HIA will produce a quarterly report documenting all concerns and the actions taken to resolve them for the review of BAC and CEO.
- Records of all whistle blowing concerns, investigations and reports are to be retained for at least five years.

DISCLOSURE TO EXTERNAL BODIES

All information shall be treated confidentially as far as reasonably practicable. There may be circumstances where, because of the nature of the investigation or concern raised involves legal provisions or disclosure is required by law, it will be necessary to disclose your identity. In such circumstances every effort will be made to inform you before such disclosure is made.

AMENDMENT

DH Corp reserves the right to change or withdraw all or any part of the policy at any time.

ADMINISTRATION

The BAC has overall responsibility for this policy, ensuring that the highest level of governance is involved in dealing with any matter that is raised under this policy. The Board of Directors of DH Corp also commits to support the BAC in managing the policy, as far as practicable, for the best interest of its varying stakeholders. The day-to-day responsibility for administration of this policy rests with the HIA.