



## **WHISTLE BLOWING POLICY**

### **1. INTRODUCTION**

- 1.1. M/s Allawasaya Textile & Finishing Mills Limited (AWTX) is a quality conscious Company, therefore it employs all available methods and processes to identify fault lines and take timely actions to address these in the larger interest of the Company is committed to the highest possible standards of honesty, excellence, consistency, compassion, fairness, integrity and accountability. Whistleblowing is encouraged as it enables all concerned to raise serious concerns within the Company providing due protection to the whistle blower, rather than overlooking a problem or 'blowing the whistle' outside.
- 1.2. Whistleblowing for the purpose of this policy is the act of reporting perceived unethical conduct of employees, management, directors, and other stakeholders by an employee or other persons to appropriate authorities. This document outlines the policy on whistleblowing and the procedure for investigating and dealing with all reported cases of illegal and unethical conduct and any other misconduct.
- 1.3. The Policy applies to all employees, management and the Board, and extends to every individual associated with the Company including employees, contractors, suppliers, business partners and the shareholders etc. They are encouraged and have been enabled to participate without fear of reprisal or repercussions, in confidentiality, under defined reporting channels, with initial reporting to immediate supervisor and where this is impracticable, to report directly to the management.

### **2. OBJECTIVES**

- 2.1. To encourage confidence in all employees and other associated individuals to question and raise concerns in the Company's interest.
- 2.2. To encourage all improper, unethical or inappropriate behavior to be identified and challenged at all levels of the Company;
- 2.3. To provide clear procedures for reporting and handling such concern(s);
- 2.4. To provide avenues for confidentiality of concerns raised and allow feedback on corrective measures employed.
- 2.5. To ensure existence of a mechanism that allows a whistleblower to monitor and where required, act against the unsatisfactory proceedings.
- 2.6. To help promote and develop a culture of openness, accountability and integrity.
- 2.7. To reassure a whistleblower for protection from possible reprisals or victimization.



## WHISTLE BLOWING POLICY

### 3. SCOPE OF APPLICABILITY

3.1. This policy and procedure is designed to enable employees and other relevant stakeholders to report any perceived act of impropriety which should not be based on mere speculation, rumors and gossip but on knowledge of facts. Reportable misconducts covered under this policy include:-

3.1.1. All forms of financial malpractices or impropriety such as fraud, corruption, bribery, theft and concealment;

3.1.2. Failure to comply with legal obligations, statutes, and noncompliance of Company's policies / procedures or regulatory directives;

3.1.3. Actions detrimental to health and safety or the work environment;

3.1.4. Any form of criminal activity;

3.1.5. Improper conduct or unethical behavior that undermines universal and core ethical values such as integrity, respect, honesty, accountability and fairness;

3.1.6. Other forms of corporate governance breaches;

3.1.7. Connected transactions not disclosed or reported in line with regulations;

3.1.8. Whistle blower abuse;

3.1.9. Illegal use of sensitive company data.

3.1.10. Non-disclosure of interests/conflicts of interest;

3.1.11. Sexual or physical abuse of staff, customers, prospective staff, service providers and other relevant stakeholders; and

3.1.12. Attempt to conceal any of the above listed acts.

3.2. The above misconducts or concerns are not exhaustive. However, judgment and discretion is required to determine misconduct that should be reported under this policy. The general guide in identifying reportable misconduct is to report concerns which are repugnant to the interest of the Company and the general public.

### 4. BOARD AND MANAGEMENT COMMITMENT TO THE POLICY

4.1. The Board and Management are aware that a robust internal system for employees and other relevant stakeholders to disclose workplace malpractices without fear of reprisal shows that employees take their responsibilities seriously, and also helps to avoid the negative publicity that often accompanies disclosures to external parties.



## WHISTLE BLOWING POLICY

4.2. Hence the Board of Directors and Management is committed towards promoting a culture of openness, accountability and integrity, and will not tolerate any harassment, victimization or discrimination of the whistleblower provided such disclosure is made in good faith with reasonable belief that what is being reported is fact.

### 5. ROLES & RESPONSIBILITIES

5.1. The following are the roles and responsibilities of key parties in the whistleblowing process:

S/N	Responsible Officer	Responsibilities
1	Whistleblower	Whistleblowers are expected to act in good faith and should refrain from making false accusations when reporting his/her concern(s), and also provide further evidence at his/her disposal to aid investigation of the issues reported.
2	Suspect	Suspect has a duty to cooperate with investigators during the period of investigation including provision of relevant information, documents or other materials as may be required by the investigator.
3	Investigator/ CFO	The Chief Financial Officer is expected to handle all matters with high professionalism, confidentially and promptly. He/ she shall be independent and unbiased in carrying out investigation. The CFO has the responsibility of acknowledging all concern(s) reported and reporting on the progress of investigation to the whistleblower. The CFO shall on a quarterly basis provide to the Chief Executive Officer a summary of all cases reported and the result of the investigation. The CFO /Investigator shall refrain from discussing or disclosing matters under investigation.
4	Head of Human Resources	The head of Human Resources of the Company shall handle the report of investigation that relates to the entity's employees in line with the laid down disciplinary procedure of the Company.
5	Company Secretary	Review, update the whistleblowing policy and procedure and obtain requisite Board approval. Also update the Board on all whistleblowing matters reported.



## WHISTLE BLOWING POLICY

### 6. SAFEGUARDS AGAINST VICTIMIZATION

- 6.1. The Company recognizes that the decision to report a concern can be difficult. However, if the report is true and well-intended, the whistleblower has nothing to fear because the report shall be in the line of duty towards the Company.
- 6.2. No harassment or pressures towards the whistleblower shall be tolerated and the Company shall take appropriate actions to protect all such individuals.

### 7. CONFIDENTIALITY

- 7.1.1. All concerns raised will be treated in confidence and wherever required, every effort will be made to maintain confidentiality of the whistleblower's identity. At the appropriate time, one may however, need to come forward as a witness.
- 7.1.2. The policy encourages all to believe that disclosure of concerns is in the Company's interest. It however cautions all concerned not to act maliciously or make false allegations. Similarly one must not seek any personal gain through this Policy.

### 7.2. Whistleblowing Unit

- 7.2.1. The Whistle Blowing Unit will comprise of the following officials of the Company:-
  - i. Chief Financial Officer.
  - ii. Company Secretary.
  - iii. Head of the concerned department as coopted member if not directly involved in the reported concern.

### 8. WHISTLE BLOWING PROCEDURE

#### 8.1. Raising Concern

- 8.1.1. The employees shall normally raise concerns with immediate supervisor/manager. Depending upon the seriousness/sensitivity of the issues involved, a senior level of management within respective department may be approached. If the issue is not addressed at departmental level or warrants reporting to the higher level, Whistleblowing Unit may be approached. All others may also follow the same procedure to report the concerns. The Company will investigate anonymous complaints but will not entertain such complaints unless raised concern is in the Company's interest.
- 8.1.2. All concerns are to be reported in writing to ensure a clear understanding of the issues being raised. It must contain the background, the nature of concern, relevant dates and timings where possible, the reasons for the concern and the names of individuals against whom the concern is being reported.



## WHISTLE BLOWING POLICY

- 8.1.3. Whistleblowers may report their concerns through the following methods:-
- 8.1.3.1. *Confidential Call* - To make a confidential call; the Unit members are available on the following telephone numbers:- **0092-61-4233624-26, 0092-61-6761498, 0092-61-6528827.**
- 8.1.3.2. *E-mail* – [ceo@allawasaya.com](mailto:ceo@allawasaya.com), [secretary@allawasaya.com](mailto:secretary@allawasaya.com) & [cfo@allawasaya.com](mailto:cfo@allawasaya.com) which shall only be accessible to the Whistleblowing Unit
- 8.1.3.3. *Regular Mail* – Captioned 'Whistleblowing Allawasaya Textile and Finishing Mills Limited, Multan
- 8.1.4. In case a concern is against any member of the Whistleblowing Unit itself, the same may be reported directly to the Chief Executive Officer (CEO).
- 8.2. **Handling Concern**
- 8.2.1. Each concern received by the Whistle Blowing Unit is to be logged and assigned a code that will be used in the subsequent investigation and reporting of the concern.
- 8.2.2. Initial inquiries / assessments will be made by the CFO in consultation with other members 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.
- 8.2.3. An investigation will only be conducted if available information is sufficiently specific and if it contains adequate corroborating evidence to warrant an investigation.
- 8.2.4. The Whistleblowing Unit in consultation with respective head of department shall nominate a person either from within the department and/or from any other department to investigate the concern.
- 8.2.5. A person who is investigating any concern under this policy shall be empowered to seek information from the relevant persons and the concerned departments of the Company shall also cooperate with him.
- 8.2.6. The investigation will be preferably completed within thirty (30) days from the lodging of concern.
- 8.2.7. The Whistleblowing Unit shall acknowledge receipt to the whistleblower within 07 days of receipt of the concern, with the indication that the matter will be dealt with as per Company policy.
- 8.2.8. At the end of the investigation, a written report that provides the findings, basis of findings and a conclusion is to be submitted to the CEO.



## WHISTLE BLOWING POLICY

- 8.2.9. Whistleblowing Unit should mutually decide about disposal of the concern and disseminate messages across the Company for avoidance of such incidents in the future.
- 8.2.10. Whistleblowing Unit will recommend to CEO for further investigation if required. In case of split decision, the case will be referred to CEO.
- 8.2.11. CFO will produce a quarterly report documenting all concerns and the actions taken to resolve them for the review of CEO.
- 8.2.12. Yearly Summary of the concerns raised and their disposal will be reflected in annual financial report of the Company.
- 8.2.13. Records of all whistle blowing concerns, investigations, and reports are to be retained for at least 5 years.

### 9. FALSE ALLEGATIONS

- 9.1. Deliberately making a false concern is also an allegation under this Policy and may lead to a disciplinary action against complainant.

### 10. DISCLOSURE TO EXTERNAL BODIES

- 10.1. Whistleblower Unit is not allowed to disclose internal concerns to any of the external bodies unless the concern raised attracts legal actions or disclosure is required by law.

### 11. DEFINITIONS

- 11.1. In this policy unless there is anything repugnant in the subject or context of its usage, the following expressions shall carry meanings hereunder assigned to them namely:-
- **“Allegations”** means accusing before proving with evidence.
  - **“CEO”** means the Chief Executive Officer of AWTX.
  - **“Company”** means the Allawasaya Textile and Finishing Mills Limited.
  - **“Complaint”** means the information about any alleged fraud, improper conduct or wrongdoing.
  - **“External Bodies”** means any external person or group of persons or any statutory regulatory body or institution.
  - **“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 deliberately causing loss to the company.



## WHISTLE BLOWING POLICY

- **“Improper Conduct or Wrongdoing”** is defined as any fraudulent activity/ theft/ corruption, a substantial mismanagement of Company resources, any other violation of Company’s Code of Conduct, core values, misuse of Company's fund / assets / belongings, a civil wrong or criminal act, improper conduct in Company’s operations; accounting; internal controls, auditing, or financial reporting and act detrimental to the interests of the company.
- **“Policy”** means the Whistle Blowing Policy of the Allawasaya Textile and Finishing Mills Limited. .
- **“Victimization”** means unwarranted singling out of an employee or group of employees for subjection to crime, exploitation, tort, unfair treatment, or other wrong.
- **“Whistleblowing”** means the voluntary disclosure of a complaint by a whistleblower to the whistleblowing unit.
- **“Whistleblower”** means any employee, director, related officer, contractor, service user, customer, an ex-employee or any member of public, who makes or attempts to make a disclosure of improper conduct or wrongdoing or fraud to the whistle blowing unit.
- **“Whistleblowing Unit”** means the unit of the Company which is handling all concerns raised under the Whistleblowing Policy.

### 12. MODIFICATIONS

- 12.1. The Board shall annually review the provisions of Whistle Blowing Policy upon recommendation of the Company Secretary and shall propose suitable amendments to it as and when deemed necessary.

### 13. VERSION CONTROL

- 13.1. This version shall supersede the previously adopted criteria, if any, for raising concern within the Company through whistle blowing process, investigation and reporting of the concern(s) and related actions / recommendations to resolve the concern(s) as adopted by the Board of Directors.