



PMDC'S WHISTLE BLOWING
POLICY

“RAISE YOUR VOICE”
Against corruption & malpractices

PAKISTAN MINERAL DEVELOPMENT CORPORATION
(PRIVATE) LIMITED

WHISTLE BLOWING POLICY

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PMDC WHISTLE BLOWING POLICY

1. SYNOPSIS OF POLICY

Pakistan Mineral Development Corporation (PMDC) is dedicated to conduct its affairs and working with all stakeholders including employees, suppliers, customers and contractors in a manner which is lawful and ethically responsible and in a way that reflects the Company's values. The Company does not tolerate any unlawful and unethical activity, and declare to take suitable action to ensure compliance with law and safeguarding the interest of all stakeholders.

This Policy formalizes the Company's commitment to enabling its employees and business associates to make fair and prompt disclosure of circumstances where it is genuinely believed that the Company's affairs are being carried out in an inappropriate manner or in violation of applicable laws, Company's policies, procedures and ethical values.

1.1 Definition:

"Whistle blowing" is a verbal and / or written communication to a person, a body or organizational competent authority. The purpose of such communication is to expose and / or inform upon, alleged wrongdoing (fraud, theft, etc.), or discrimination, or some other type of adverse occurrence that violates a law, or a regulation, or a policy, or morals, or ethics and especially those matters that jeopardize the repute of the entity.

"Whistleblower" is 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"

This Policy is designed to:

1. Develop a culture of openness, accountability and integrity;
2. To create awareness amongst employees and stakeholders regarding the whistle blowing function;
3. Provide guidance for handling such concerns;
4. Support Company's values in line with its commitment to the highest possible standards of ethical, moral and legal business conduct and its strong pledge to open and straight communication.
5. Ensure that all stakeholders can raise concerns/complaints without fear of vengeance and with full confidence that **their identities will not be exposed**.
6. Provide a swift and confidential process for rectifying malfeasance wherever and whenever it occurs in the Company.

The Chairman, Board Audit Committee (BAC) and Chief Internal Auditor, PMDC Audit Department will overall responsible for this Policy, ensuring that the highest level of governance in dealing with any matter be maintained under this Policy. The Board of Directors of the Company also commits to support the Board Audit Committee in managing the Policy, as far as practicable, for the best interest of its varying stakeholders. The day-to-day responsibility for overseeing and implementation of the Policy rests with the Chief Internal Auditor, PMDC Internal Audit Department.

2. SCOPE OF POLICY

This Policy covers any action which results, or is likely to result, in any misconduct which goes against Company's values including but not limited to the following:

- a. Breach of Code of Conduct or principle values of the Company;
- b. Corruption, bribery, theft or blackmailing;
- c. Criminal offences such as fraud or tax evasion resulting in loss of Company assets or damage to Company's reputation;
- d. Failure to comply with legal and regulatory obligations;
- e. Miscarriage of justice;
- f. Fraud, which means any intentional act by one or more individuals;
- g. Misconduct meaning failure of the Company's personnel to observe the Company's policies, rules and codes;
- h. Endangering the health and/or safety of any individual;
- i. Use of Company's funds in an unauthorized manner;
- j. Breach of internal controls or Company policies (including Accounting Policies);
- k. Malpractice or unethical representation from any member of the Company resulting in exposure of reputation risk to the Company;
- l. Collusive practices, which mean an arrangement between two or more persons / employees designed to achieve mala fide objectives, including improperly influencing the actions of another person / employee;
- m. Concealment of any of the above; and
- n. Any other activity which undermines the Company's operations and objectives.

This is not an exhaustive list and any other matter raised under this Policy will be considered seriously.

Whistle should be blown and complaints should be made in the reasonable belief that what is being reported is true. Allegations and concerns expressed

anonymously shall be considered at the discretion of the Chairman Board Audit Committee (CBAC) or Chief Internal Auditor. In the exercise of such discretion, the factors to be considered shall include, without limitation:

- i. The seriousness of the issues raised;
- ii. The credibility of the concern; and
- iii. The likelihood of confirming the allegation from reliable sources.

Please note that this policy does not apply to complaints of the Company's personnel associated with unsatisfactory performance, sexual harassment or any other personal grievances.

3. PROCEDURE FOR LODGING CONCERNS

Complainants may report their concerns/complaints through the following methods:

- 3.1) Via E-mail directly at;
 - a) premium.energy@hotmail.com Chairman Board Audit Committee
 - b) ciapmdc@gmail.com Chief Internal Auditor
- 3.2) By sending mail at Postal address to;
Chief Internal Auditor,
PMDC Head Office,
Plot No.13, Sector H-9,
Islamabad. or
- 3.3) Following Line Number 051-2722116
Cell Number 0333-5202588.

It is preferred that all complainants should provide their names, mobile contact number, email address, residential address and position in the Company or its affiliates (contractors, suppliers etc.). In addition, where possible complainants should provide details of the violation, relevant dates and document references or copies, name(s) of individual(s) against whom the concern is being reported, and any other detail which will enable proper investigation.

The Chief Internal Auditor will acknowledge receipt of complaints to the email address / residential address of the complainant within 03 days from the date of receipt of Complaint.

Strict confidentiality will be observed in submission of the investigation reports. The reports alongwith recommendations as result of investigation by the Chief Internal Auditor, PMDC Internal Audit Department will be sent to the Chairman Board Audit Committee for necessary action.

4. HANDLING OF CONCERNS RAISED

Each complaint received will be investigated and reported to the concerned Incharge by Chief Internal Auditor, PMDC Internal Audit Department.

Initial inquires / assessments will be made by Chief Internal Auditor to determine whether an investigation is appropriate and the form that it should take. Trivial concerns may be resolved by agreed action without the need for investigation.

Once a concern/complaint has been raised, it will be reviewed by the Chairman, Board Audit Committee who at his discretion can bring it to the attention of the Board Audit Committee / Board. The Board Audit Committee will, depending on the complaint, shall promptly decide on a suitable course of action in regard to investigating the complaint and composition of the Investigating team (internal or external). Some unimportant concerns may be resolved by Board Audit Committee based on agreed actions without the need for a detail investigation. The Board Audit Committee may also require the complainant to provide additional information where the complaint received is incomplete or does not provide sufficient clarity or evidence to justify a detail investigation. All PMDC Departmental Heads and Project Managers will lend their full co-operation to the designated Investigating Team (internal or external) in ensuring a prompt and complete investigation of the complaint.

Depending on the gravity and nature of each concern/complaint raised, the Board Audit Committee may appoint internal/external investigators with relevant specialized experience and knowledge. On completion of the investigation the investigating team will prepare a confidential report for the Board Audit Committee. The Board Audit Committee will circulate the report to all members of the Board Audit Committee, if required, for their review and instructions on what action to take.

The investigation shall be completed within 30 days from lodging of concern/complaint. Board Audit Committee is authorized to extend the time for finalization of investigation of Complaints, on case to case basis, where deemed necessary.

Board Audit Committee will communicate to the complainant the final results of the investigation and corrective actions taken, within 30 days from the conclusion of investigation.

A monthly report on the status of all Whistle Blowing Complaints will be submitted by the Chief Internal Auditor to the Board Audit Committee / Board on the prescribed format (enclosed as Annexure).

5. **PROTECTION AND SUPPORT FOR WHISTLEBLOWERS**

It is understandable that complainants are sometimes worried about possible repercussions. The Company ensures that the information given will be treated in a confidential manner. Any harassment or victimization of the whistle blower will not be tolerated.

The Company encourages openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

Confidentiality

The Company undertakes to handle all concerns/complaints confidentially and promises that it will under no circumstances disclose the identity of the complainant, during the investigation and subsequent to it, to anyone other than the following:

- i. Chairman and members of the Board Audit Committee
- ii. Chief Internal Auditor

Protection against retaliation

In the unlikely event that the identity of the complainant becomes known to his/her department/opponent, the Company will ensure that the complainant is not subjected to any form of detrimental treatment. Such treatment includes dismissal, disciplinary action, threats or other discriminatory actions connected with raising a complaint. Any Departmental Head or Project Manager found to have so violated this Policy, by causing or aiming to cause any unfavorable action against the complainant will be subject to disciplinary action in accordance with the guidelines issued by Board Audit Committee.

Reward for Whistle Blower

- i) The Board Audit Committee will recommend to the Board, a suitable reward for the Whistle Blower in cases where substantial benefit to company has resulted. Any such prize/award will be given to the concerned whistleblower confidentially and in a manner that no one can grasp the actual reason thereof. The Board reserves the right to approve any such reward to a Whistle Blower. However, this policy is not intended to support any Whistle Blower in gaining an employment, or a progression thereof, or any Contract in the Company or raising a claim against the Company for any form of compensation there against.
- ii) The whistle blowing Policy does not apply to employees' career related issues like promotions, transfers, relocation, training etc. for which separate procedure exists. Under the Policy, anonymous concerns shall not be taken into consideration.

6. POSSIBILITY OF FALSE ALLEGATIONS

The Company recognizes the possibility that false, frivolous and vindictive complaints may be made. And hence we urge all those who are making a complaint under this Policy to do so with the clear motivation that they are acting to protect the company and all its stakeholders from actions that are in general repugnant to all of those who work here. We also urge complainants to appreciate that their action will set in motion a process which will consume the time and effort of many people who will be acting in good faith to correct injustice and wrong doing in the Company.

Any deliberate false concern / complaint is also an allegation under this policy. This is not meant to discourage or limit the rights of individuals from raising concerns of alleged malpractices or wrongdoings. If however, staff makes malicious or vexatious allegations, disciplinary action may be taken against them as per Company Policy.

7. CORRECTIVE ACTION AND COMPLIANCE

As part of the investigation into disclosures made under this Policy, recommendations for action will be invited from the Internal Audit Department and its investigative team to enable the Company to minimize the risk of the recurrence of any malpractice or impropriety which has been uncovered. The Board Audit Committee will review these recommendations and for reporting on any action required to the Board and the Managing Director.

8. RESPONSIBILITY FOR THE SUCCESS OF THIS POLICY

The Internal Audit department is responsible for the effective implementation of this Policy under the supervision of the Chairman, Board Audit Committee.

The Chairman, Board Audit Committee will review the Policy periodically, and amend it as necessary, to make it more operationally effective.

All stakeholders are responsible for the success of this Policy and should ensure that they use it to disclose suspected danger or wrongdoing. If a stakeholder has any question about the content or application of this Policy, he or she may contact the Internal Audit Department for obtaining necessary clarification. The Chairman, Board Audit Committee will periodically assesses the implementation of the Policy and will arrange training and awareness sessions throughout the Company.

This Policy will be available on the Company's Intranet and on Company's website and condensed/shorter version will be displayed at all Company locations at a prominent position, in English and Urdu.

The internal audit department is authorized to approve any procedure manuals to be developed and followed for the implementation and compliance of this policy.

9. DISCLOSURE TO EXTERNAL BODIES

The Internal Audit Department is not allowed to disclose internal concerns to any of the external bodies unless required by the law and will be subject to disciplinary action in case he/she is found guilty of breach of secrecy.

10. EFFECTIVE DATE

The policy was approved by PMDC Board of Directors in its 178th meeting held on May 29, 2019.