






STANDARD OPERATING PROCEDURE

Internal Audit
 SOP No: IA-WP- 005
 SOP Title: Whistleblower SOP

SOP Number **IA-WP 005**
Revision **03**
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	NAME	TITLE	SIGNATURE	DATE
Drafted By	Yasser Fouad	Head of Internal Audit		01.Nov. 2023
Reviewed by	Ahmed Kamal	Head of Legal and compliance officer		15.Nov 2023
Reviewed By	Gopa Kumar	Chief Human Resource Officer (CHRO)		16/11/2023
Approved by	Basel Ziyadeh	Chief executive officer (CEO)		21/11/2023
Approved by	Rabih Khouri Raman Garg Razi Doulani	Members of the Steering committee		23/11/23

Effective Date:

1 PURPOSE

- 1.1 We, Julphar – Gulf Pharmaceutical Industries and all its subsidiaries or affiliate companies (collectively referred to as “the Group”), are committed to conducting our business with honesty and integrity and we expect all employees to maintain high standards in accordance with our policies and procedures. However, all organizations face the risk of things going wrong from time to time, or of unknowingly harboring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.
- 1.2 The aims of this policy are:
- 1.2.1 To encourage you to report suspected wrongdoing as soon as possible in the knowledge that your concerns will be taken seriously and investigated as appropriate and that your confidentiality will be respected.
 - 1.2.2 To provide you with guidance as to how to raise those concerns.
 - 1.2.3 To reassure you that you should be able to raise genuine concerns without fear of reprisals.
- 1.3 It should be emphasized that this policy is intended to assist individuals who believe they have encountered or discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by the Group nor should it be used to reconsider any matters which have already been addressed under other procedures except in cases where the whistleblower is associated with un-ethical act that resulted in the issuance of this decision.

2 SCOPE

- 2.1 This policy is designed to enable employees and other relevant stakeholders (customers, agents, service providers, contractors etc.) to raise concerns at a high level and to disclose information which the individual believes show malpractice or impropriety. This policy is intended to include concerns which are in the public interest and may, at least initially, be investigated separately but might then lead to the invocation of other procedures e.g. disciplinary. These concerns could include possible:
- 2.1.1 Bribery or financial fraud
 - 2.1.2 Paying false (or inflated) invoices, either self-prepared or obtained through collusion with suppliers or any third party
 - 2.1.3 A breach of professional conduct, unethical behavior by employees including any dishonest or fraudulent act or attempted act by employees of the Company
 - 2.1.4 Not declaring a conflict of interest (e.g. a person using his position in the Company to further his own interest or those of others)
 - 2.1.5 Disclosing confidential and proprietary information to third parties without authorization
 - 2.1.6 Forgery or alteration of any official records including forging of signatures
 - 2.1.7 Misappropriation or misuse of funds, supplies, or other assets
 - 2.1.8 Financial irregularities, Impropriety in the handling or reporting of money or financial transactions
 - 2.1.9 Failure to comply with a legal obligation or statutes and deliberate violations of laws/ regulations.
 - 2.1.10 Criminal activity
 - 2.1.11 Attempt to conceal any of the above.
 - 2.1.12 Other general concerns covered by the Employee Code of Conduct and other Julphar Policies
- 2.2 Whistleblowers are encouraged to enclose adequate documentation with their whistleblowing in order for Julphar to be able to verify the reported matter, supporting documents can include copy of the documents or even documents reference (Examples, Purchase order number , invoice number , contracts , Supporting emails , whatsapp communications , Witnesses, etc.)

STANDARD OPERATING PROCEDURE

Internal Audit

SOP No: IA-WP- 005

SOP Title: Whistleblower SOP

- 2.3 Concerns related to issues/relationship with line managers, performance, unfair treatment, termination, and other employment matters are out of scope and shall be addressed and reported in accordance with Human Resource policies and procedures.
- 2.4 The aim of this policy is to provide a confidential internal mechanism for reporting, investigating, and remedying, as appropriate, any wrongdoing in the workplace. In most cases, employees should not find it necessary to alert anyone externally. External reporting of relevant matters (e.g. reporting to a regulatory authority or police department) should normally be left to those investigating a matter which has been drawn to Julphar's attention through the whistleblowing process. Employees are strongly encouraged to seek legal advice before considering any form of external disclosure.

3 DEFINITION & ABBREVIATION

- 3.1 CEO – Chief Executive Officer
- 3.2 CHRO – Chief Human Resource Officer

4 RESPONSIBILITIES

- 4.1 Head of Internal Audit shall
 - 4.1.1 Track whistleblowers communication and the final resolution
 - 4.1.2 Maintain the whistleblowing register with quarterly reporting to the Audit committee
- 4.2 Internal Committee shall
 - 4.2.1 Review Whistleblower's claim and validate concerns
 - 4.2.2 Initiate internal or external investigation, i.e. forensic investigation, for example
 - 4.2.3 Make recommendations to the Steering Committee for action
 - 4.2.4 Take final decision on investigations related to N-2 and below
- 4.3 Steering Committee shall
 - 4.3.1 Review Internal Committee recommendation
 - 4.3.2 Take final decision on all investigations related to CEO and N-1
 - 4.3.3 Review whistleblower register/log on a periodic basis
 - 4.3.4 Approve the actions recommended by the internal committee

5 POLICY

- 5.1 This policy shall be reviewed on an annual basis to ensure that it is in-line with the industry leading practices and caters for other applicable changes and guidelines.
- 5.2 Whistleblower Protection
 - 5.2.1 This policy is designed to offer protection to those individuals who disclose such concerns provided the individual:
 - 5.2.1.1 makes the disclosure in good faith
 - 5.2.1.2 believes it to be substantially true
 - 5.2.1.3 does not act maliciously nor makes false allegations
 - 5.2.1.4 does not seek any personal or financial gain

Julphar strictly prohibits all forms of retaliation, victimization and detriment against a whistleblower as a result of making a Protected or any disclosure. We will take all reasonable steps to protect whistleblowers from such retaliation, victimization and detriment. Retaliation and/or detriment is a serious violation of our Global Code of Conduct and any Julphar individual who is found to have retaliated against a whistleblower will be subject to disciplinary action which may include termination of employment. The individual may also be exposed to criminal or civil liability for a breach of the relevant legislation.

5.3 Confidentiality

5.3.1 The Group will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

5.4 Anonymity

5.4.1 We do not encourage individuals to raise concerns anonymously as a proper investigation may be more difficult or impossible if we cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible.

Appropriate measures can be taken to preserve confidentiality. The Group shall strive to protect your anonymity except when a disclosure is required by law.

5.5 Unsubstantiated Allegations

5.5.1 If an individual makes an allegation in good faith, which is not substantiated by subsequent investigation, no action will be taken against that individual. However, in making a disclosure, the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes an allegation which proves not to be substantiated by subsequent investigation and where such allegation was established as being made frivolously, maliciously or for personal gain, disciplinary action may be taken.

6. How to report a whistleblowing?

6.1 Julphar has dedicated three ways of whistleblowing reporting channels to all Employees, Customers, suppliers, Contractors, and people in public as below :-

Email : whistleblowing@julphar.net

Hotline : 600566771

Website : www.julphar.net

6.2 from an anonymous email, it's important that the whistleblower keep checking his/her inbox in order to answer Julphar enquires or provide further data needed to enable Julphar to complete the investigation and verify the received whistleblowing.

6.3 It's recommended that the whistleblower should always leave his contact number for further communication which will remain confidential and will not be disclosed.

6.4 If the individual raising the concern is unsure about raising the concern and whether to use the Whistleblowing SOP, he/she may seek confidential advice from the Head of internal audit .

7. Who receives the Whistleblowing?

- Whilst a disclosure made to a non-eligible recipient may not qualify as a whistleblowing disclosure and therefore, the anonymity protections do not apply to the discloser, Julphar addresses every report received confidentially and in accordance with Julphar values and our Ethics.
- Hotline calls, received emails, and whistleblowing reported at Julphar website will be addressed solely by the Head of Internal Audit who is functionally reporting to the Audit committee with full independence from management.
- The Head of Internal Audit will acknowledge the receipt and reply back to the whistleblower within a maximum of two working days.

8. Investigation process by Julphar

- 8.1 The head of Internal Audit in coordination with the Audit committee will first assess the received whistleblowing in light of the content and the supporting documents in order to reach a conclusion if the company should investigate the received whistleblowing or not.
- 8.2 If the assessment is positive, the Head of Internal Audit will call for a meeting with the internal committee within max of 5 working days from receiving the whistleblowing.
- 8.3 The Head of internal Audit will always maintain the anonymity of the whistleblower and will not be disclosed with the Internal committee.
- 8.4 The internal committee duties and responsibilities are as follows:-
- Selection of an investigation team,
 - Preparation of document preservation instructions, securing of electronic and physical evidence
 - Determination of whether interviews are required, will be determined, aligned with the level of consent provided by the whistleblower.
 - Submit request to steering committee for approval whenever there's a need to report to a third party.
 - Take final decision on investigations related to N-2 and below
 - Submit the investigation report to the steering committee for cases related to CEO & N-1 within a max of 30 days

In investigating the whistleblowing, Julphar will obtain an understanding of the matter including:

- ▶ The nature of the Whistleblowing and how the situation came to light
- ▶ The nature of the potential law or regulatory violation, including any applicable reporting obligations
- ▶ Whether the matter relates to a single event or transaction or might apply to multiple events, transactions or parties
- ▶ Whether the situation is current or relates to past events
- ▶ The number or extent of people that might be involved or affected, including the effect on the entity, its stakeholders and the general public
- ▶ The geographies or organizational groups involved and whether the disclosable matter has cross-border implications, if it can be determined
- ▶ Whether there is a previous history of similar allegations or issues related to the disclosable matter

All investigations will be conducted in a thorough, fair and independent manner in accordance with the principles of natural justice and procedural fairness to ensure whistleblowers are treated fairly.

Updates will be provided to the whistleblower and the whistleblower will be informed of the outcome of the investigation and any required next steps within max of 60-days from the date of making the whistleblowing to Julphar

Julphar will document the disclosure, all investigative actions taken, and the conclusion. Where

STANDARD OPERATING PROCEDURE

Internal Audit

SOP No: IA-WP- 005

SOP Title: Whistleblower SOP

the disclosure content or findings of an investigation indicate a matter that may constitute a breach of law or regulation that could cause substantial harm to investors, creditors, employees or general public, the internal committee will determine whether an immediate notification to the appropriate authority is required after getting the advice from the steering committee and ensuring the adequacy of all supporting evidences.

8.5 The steering committee duties and responsibilities are as follows: -

- Advise the internal committee whenever the whistleblowing should be reported to third party (Regulatory body, police, etc.)
- Endorse the investigation report and the conclusion submitted by the internal committee.
- Take final decision on all investigations related to CEO and N-1
- The Internal Committee or the Steering Committee may at any stage recommend assigning any third party to conduct the investigations, subject to the Steering Committee's approval.

9. Protection of files and records

Unauthorized release of information (unless authorized or required for the purpose of the investigation), without a whistleblowers consent will be a breach of this policy.

Whistleblowers are assured that a release of information in breach of this policy will be regarded as a serious matter and will be dealt with under Julphar disciplinary procedures.

STANDARD OPERATING PROCEDURE

Internal Audit
SOP No: IA-WP- 005
SOP Title: Whistleblower SOP

- 1.1 A consolidated register of all whistleblower communication (and final resolutions thereof) should be maintained by the Head of internal audit and available for review quarterly by the Audit committee as required

2 ATTACHMENTS

- 2.1 Appendix A – Internal Committee and Steering Committee Contact Details for Head Office

3 DISTRIBUTION INDEX

DISTRIBUTED TO	COPY No.
Internal Audit	Original
Committee Members	e-Copy
All through Ana Julphar	e-Copy

4 REASONS FOR REVISION

ISSUE DATE	SUPERSEDES	REVISION NO.	DESCRIPTION OF CHANGE / REASONS FOR REVISION
20/06/2019	N/A	N/A	i) New SOP
20/08/2020	LG-PR-EN-005	01	i) 2.3 Use of external legal advice before raising a whistleblowing claim was amended ii) 5.4.1 The statement regarding investigation of anonymous concerns was removed
22/10/2020	LG-PR-EN-005	02	i) Separate process for the members of the subsidiaries or affiliates was added. ii) Added Country Head's and Compliance Officer's responsibilities iii) Update attachments to include contact details and process flow or subsidiaries.
1/11/2023	IA- WP-001	03	iv) Whistleblowing management has been managed by Internal Audit since Aug Y2021. v) Julphar developed hotline for Whistleblowing vi) Change in members of the Steering committee

Any exception(s) to the policy must be approved by the CEO & the Audit committee

Appendix A – Contact Details for the Head Office

No.	Title	Existing Incumbent Name	Email Address
Internal Committee for Head Office			
1	CEO (Committee Chairman)	Basel Ziyadeh	
2	CHRO	Gopa Kumar	
3	HOIA	Yasser Fouad	
4	Head of compliance	Ahmed Kamal	
Steering Committee for Head Office			
1	Chief Audit Officer - IDO	Razi Doulani	razi@ido.ae
2	Vice Chairman	Rabih Khouri	rabih.khouri@ido.ae
3	Chairman of Audit Committee (Committee Chairman)	Raman Garg	raman.g@falconinvestment srak.com