



## **Whistleblowing Policy**

**Approved by: The Board of  
Directors**

**Version 2 – 30 March 2020**

## **1. INTRODUCTION**

- 1.1 In continued compliance with the Corporate Governance Code, (Order No. 19 of 2018) (“Corporate Governance Code”), Bahrain Real Estate Investment (Edamah) B.S.C (c) (“Company”) has approved and implemented this Whistleblowing Policy (the “Policy”).

## **2. PURPOSE**

- 2.1 This Policy establishes the standards and procedures to ensure that the Company handles all accounting, audit related or any other complaints/misconduct in compliance with the Corporate Governance Code and the objectives of both the Company’s management and the Audit and Risk Committee (“Committee”).

## **3. DEFINITION**

- 3.1 A whistleblower is defined as an employee who, in good faith, submits a confidential or anonymous allegation of misconduct or potential wrongdoing.
- 3.2 Whistleblowers are not those who raise issues or concerns through the normal business or management channels in an open, non-confidential manner.

## **4. BACKGROUND**

- 4.1 All employees are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting and other malpractices at the earliest opportunity, and in an appropriate way.
- 4.2 This policy is designed to:
- 4.2.1 support our values;
  - 4.2.2 ensure employees can raise concerns without fear of suffering retribution; and
  - 4.2.3 provide a transparent and confidential process for dealing with concerns.
- 4.3 This policy not only covers possible improprieties in matters of financial reporting, but also:

- 4.3.1 fraud;
- 4.3.2 corruption, bribery or blackmail;
- 4.3.3 criminal offences;
- 4.3.4 failure to comply with a legal or regulatory obligation;
- 4.3.5 miscarriage of justice;
- 4.3.6 endangering the health and safety of an individual; and
- 4.3.7 concealment of any of the above.

## **5. PRINCIPLES**

- 5.1 All concerns raised will be treated fairly and properly.
- 5.2 We will not tolerate the harassment or victimization of anyone raising a genuine concern.
- 5.3 Any individual making a disclosure will retain their anonymity unless they agree otherwise.
- 5.4 We will ensure that any individual raising a concern is aware of who is handling the matter.
- 5.5 We will ensure no one will be at risk of suffering some form of retribution as a result of raising a concern even if they are mistaken. We do not however extend this assurance to someone who maliciously raises a matter they know is untrue.

## **6. PERSONS COVERED**

This Policy provides protections to all officers, managers and employees who report, in good faith, suspected violations by other officers, managers or employees.

## **7. GRIEVANCE PROCEDURE**

- 7.1 If any employee believes reasonably and in good faith that malpractice, wrongdoing, Accounting Allegation or misfeasance exists in the work place, then he or she should report this immediately to his or her own Supervisor.
- 7.2 However, if for any reason they are reluctant or feel uncomfortable to do so, then they should report their concerns to the Management Committee. The Management Committee will decide on the most appropriate investigation channels and recourses to deal with all complaints raised through them and, if necessary, will route them to the Committee and / or Board of Directors to reach a decision.
- 7.3 If these channels have been followed and employees still have concerns, or if employees feel uncomfortable following the channels specified above or if the matter is so serious that it cannot be discussed with any of the above, they should contact the representative of the Internal Auditor (KPMG) or discuss it further orally or in writing to the Chairman of the Board.

7.4 Employees who have raised concerns internally, will be informed of who is handling the matter, how they can make contact with them and if there is any further assistance required. We will give as much feedback as we can without any infringement on a duty of confidence owed by us to someone else.

7.5 Employees' identities will not be disclosed without prior consent. Where concerns are unable to be resolved without revealing the identity of the employee raising the concern (e.g. if their evidence is required in court), we will enter into a dialogue with the employee concerned as to whether, and how, we can proceed.

## **8. ACCOUNTING ALLEGATIONS**

8.1 Furthermore, the responsibilities of the Committee with respect to the Accounting Allegation complaints are as follows:

8.2 To receive, retain, investigate and act on complaints and concerns of employees regarding questionable accounting, internal accounting controls and auditing matters, including those regarding the circumvention of internal accounting controls or that would otherwise constitute a violation of the Company's accounting policies ("Accounting Allegation"); and

8.3 In its sole discretion, the Committee created by these procedures may delegate its responsibilities to any one of its members or to one of its sub-committees.

## **9. PROCEDURES FOR RECEIVING ACCOUNTING ALLEGATIONS**

9.1 Any Accounting Allegation that is made directly to management, whether openly, confidentially or anonymously, shall be promptly reported to the Committee.

9.2 The Committee must review all Accounting Allegations referred to it by management whether openly, confidentially or anonymously. The Committee may, in its sole discretion, and in complete confidence, consult with any member of management or the employees whom they believe would have appropriate expertise or information to assist the Committee. The Committee shall determine whether the Committee or management should investigate the Accounting Allegation, taking into account the considerations below:

- a. If the Committee determines that management should investigate the Accounting Allegation, the Committee will notify the Chairman or CEO in writing of that conclusion. Management shall thereafter promptly investigate the Accounting Allegation and shall report the results of its investigation, in writing, to the Committee. Management may in its sole discretion engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of the results.
- b. If the Committee determines that it should investigate the Accounting Allegation, the Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Committee may in its sole discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.

9.3 Consideration relative to whether the Committee or Management should investigate an Accounting Allegation. In determining whether management or the Committee should investigate an Accounting Allegation, the Committee shall consider, among any other factors that are appropriate under the circumstances, the following:

- a. Who is the alleged wrongdoer? If an executive officer, senior financial officer or other high management official is alleged to have engaged in wrongdoing, that factor alone may militate in favor of the Committee conducting the investigation.
- b. How serious is the alleged wrongdoing? The more serious the alleged wrongdoing, the more appropriate that the Committee should undertake the investigation. If the alleged wrongdoing constitutes a crime involving the integrity of the financial statements of the Company, that factor alone may militate in favor of the Committee conducting the investigation.
- c. How credible is the allegation of wrongdoing? The more credible the allegation, the more appropriate that the Committee should undertake the investigation. In assessing credibility, the Committee should consider all facts surrounding the allegation, including but not limited to whether similar allegations have been made in the press or by analysts.

## **10. PROTECTION OF WHISTLEBLOWERS**

10.1 Consistent with the policies of the Company, the Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes an Accounting Allegation, or raises any suspected wrongdoing irrespective of whether they relate to accounting entries, payments, or breach of regulations or improper behavior, or provides assistance to the Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating any allegation or misconduct. The Committee shall not reveal the identity of the whistleblower or and/or who asks that his or her identity as the person who raised concerns/allegations remain confidential and shall not make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any person who makes a good faith concern/allegation anonymously.

## **11. RECORDS**

11.1 The Committee shall retain for a period of seven years all records relating to any allegation and to the investigation of any such allegation unless otherwise stipulated by applicable regulations or required by competent authorities.

## **12. AMENDMENTS**

12.1 This Policy, once approved by the Board of Directors of Edamah, may only be modified or amended from time to time by the Board of Directors.