Whistle-Blowing Policy

1. Objectives of Whistle-blowing Policy

Barkat Frisian Agro Limited (the company) is committed to maintaining the highest standards of ethical and professional conduct in all aspects of its operations. To this end, the Company has designed and implemented its Code of Conduct, SECP's Code of Corporate Governance and HR's Discipline Rules. The Company acknowledges the fact that only a sincere adherence to these Codes by all its employees and professional associates in the everyday course of business can help the Company achieve its objectives. The Company also appreciates the fact that employees are often the first to notice if any illegal or unethical act is committed, or when misconduct begins to go unnoticed by the relevant managers. The prime objective of the formulation of this Whistle-blowing Policy (WBP) is to encourage employees and professional associates of the Company to formally bring to the notice of an appropriate official their concerns about or knowledge of an actual or suspected wrongdoing noticed by them.

2. What is meant by Whistle-blowing?

For the purpose of this policy, whistle-blowing is defined as "a deliberate and non obligatory act of disclosure made by a person who has or had privileged access to data or information on BFAGRO, its subsidiary companies or business associates, about a non-trivial illegality, unethical conduct or other wrongdoing whether actual, suspected or anticipated, which implicates and is under the control of BFAGRO, to an official specifically designated for this purpose by this policy."

Briefly this means that:

- The disclosures made under this policy are deliberate and non-obligatory, i.e. the person making these disclosures is under no legal or contractual obligation to make them.
- The disclosures may be about what has already happened, or is suspected to be happening, or is anticipated to happen.
- The disclosure should be based on the knowledge or information available to the whistleblower due to his position. It should not be based on hearsay or rumors.
- The disclosures should be about non-trivial issues, i.e. an illegality, unethical conduct or wrongdoing which is not trivial in nature. For trivial matters, employees are encouraged to inform their immediate superior officers.

- The disclosures should only be made in the prescribed format and to a designated person, as stated later in this policy.

3. Aims of the Policy

The Policy is designed to ensure that concerns about wrongdoing or malpractices within the Company can be raised by its employees and professional associates without fear of victimization, subsequent discrimination, retaliation, disadvantage or dismissal. It is also intended to encourage and enable the employees to raise serious concerns within the Company rather than ignoring a problem, or 'blowing the whistle' outside. This policy is not intended to replace any existing procedures for various formal and routine reports that may be made by employees of the Company on such matters as work grievances, harassment, etc. For example, if the concern relates to an employee's own treatment it should be raised under the existing grievance or harassment reporting procedure as per Company's Code of Conduct. Similarly, a client or a professional associate who is unhappy about any aspect of the service provided by the company, should contact the Company through Form on the Company's website.

This Policy aims that:

- Employees and professional associates are encouraged to feel confident in raising concerns at the earliest opportunity and to query and act upon those concerns.
- All concerned are provided with a formal avenue to raise concerns.
- Those persons who wish to remain informed about the actions taken by appropriate authorities on the concerns raised by them should be provided suitable feedback on the disclosure. Depending on the nature of the issue raised, such a feedback may include the results of investigations and details of remedial or other action taken by the competent authority.
- All persons making a disclosure in good faith under this policy will be protected from all and any possible reprisals or victimization.

4. The Scope of the Policy

The Policy covers the following:

- Who can raise issues under this policy?
- The type of issues that can be raised under the policy
- How to make a disclosure, and
- What actions may be taken by the designated authority on disclosures received under this policy.

- How the persons making disclosures under this policy will be protected from victimization and harassment.

4.1 Who can make a Disclosure under this Policy?

The policy applies to all:
a. Employees of Barkat Frisian Agro Limited.
b. Employees of contractors working for the Company.
c. Professional associates (e.g. consultants) of the company and/or their employees.

This policy does not apply to outsiders, employees of our suppliers or customers, or others who do not have any contractual relationship with the Company.

4.2 What may be reported under this Policy?

Any serious concerns about service provision, or the conduct of employees of the Company, or others acting on behalf of the Company that:

- Makes an employee feel uncomfortable in terms of known standards and practices.
- Are not in compliance with the Company's codes and policies.
- All below established standards of integrity and/or ethical practice, or otherwise lead to improper behavior or conduct.

These might relate to:

- Conduct which is an offence or a breach of the law (a criminal offence has been committed or failing to comply with any other legal obligation).
- Disclosures related to confidentiality of the Company.
- Insider trading.
- Racial, sexual, disability or other discrimination accorded to an employee or professional associate other than the person making the disclosure. If an employee or a professional is himself/herself subjected to such discrimination, he/she should report under the relevant Grievance Procedure as provided for in HR Manual.
- Health and safety of the public and/or other employees.
- Damage to the environment.
- Unauthorized use of Company funds or other assets or damage to company property.
- Possible fraud and corruption.

- Neglect or abuse of clients, or
- Other unethical conduct.

This list is not exhaustive.

4.3 *What may not be reported under this Policy?*

This policy is not intended to provide an alternative route for raising normal complaints. It should not be used for:

- Leveling scores with other employees/officers;
- Raising personal grievances (which are covered by other procedures);
- Reporting on complaints that arise in normal course of business and for which a formal channel of reporting already exists under applicable procedures; and
- Reporting on trivial matters.

4.4 *Designated Authority to Handle Disclosures under this Policy*

The Chairman of Board's Audit Committee (CBAC) is formally authorized to receive disclosures under this Policy and to take appropriate actions there upon in accordance with the gravity and nature of the disclosure. Unless otherwise declared by the Board of Directors, the Chairman of the Board's Audit Committee will act as the Co-ordinator for the purposes of this policy. The BAC can delegate this responsibility, on case to case basis, to another suitable official from HR or any other department (e.g. Internal Audit) of the Company.

4.5 *How to make a Disclosure under this Policy?*

Disclosures can be made verbally, but should preferably be made in writing.

4.5.1 Verbal Disclosures

Verbal disclosures can be made by seeking an appointment with the CBAC. Also, persons who are not sure on whether or not to make a disclosure under this policy, or who wish to get independent advice at any stage, are encouraged to contact the CBAC for a formal or informal discussion.

4.5.2 Written Disclosures

Written disclosures can be made either by sending an e-mail to the CBAC, or by completing a Disclosure Form which is available at the web-site for this purpose. If a whistleblower feels that the Disclosure Form is not suitable for the purpose of his/her particular disclosure, he may write a normal letter, giving as much detail as possible and enough evidence in support of his/her allegation. It is acknowledged that a whistleblower may not be in a position to conclusively prove his allegation beyond all doubts, but he should try to provide as much information as possible in his report. This will help the CBAC investigate the issue more accurately and speedily. Inadequate or sketchy information may not only lengthen the process the of investigation, they may actually lead to unwarranted conclusions.

The website can be accessed by any employee and allows them to send an email to CBAC with or without the details of the sender. While the Policy encourages the persons making the disclosures to make all disclosures under their name, but if they wish to remain anonymous, the web-site allows them to send anonymous e-mails which cannot be traced to them.

Persons not wishing to use the website for sending e-mail to CBAC, can down load the form and complete it as fully as possible and send it by normal mail to CBAC.

If the disclosure concerns the conduct of CBAC, it can be sent directly to the Chairman of the Board of Directors.

4.6 *Action to be taken by CBAC on disclosures received*

The Chairman of Board Audit Committee shall take the following actions on receipt of any disclosure under this policy:

1. Investigate the reported matter as discretely and as urgently as possible. In this regard, he should involve the members of the HR Department or Audit Committee or Internal Audit staff only if none of them is connected in any way with the subject matter of the disclosure. This is very important because inviting only a “connected” member of HR Department or Audit Committee to a meeting will give an impression that all the uninvited member(s) may been accused of some wrongdoing.

2. CBAC may approach and/or involve the functional head of the relevant department and/or internal audit department, depending on the nature of the concern raised.

3. CBAC can constitute an inquiry committee that may have representatives from internal audit, HR Dept., and/or relevant department.

4. If CBAC deems necessary, he can approach the CEO for obtaining assistance from an external expert.

5. Based on the findings of his investigation, he will prepare a formal report for CEO.

6. CEO in conjunction with appropriate functional head will decide on what particular action needs to be take in the matter.

7. If, in the opinion of the CEO, the disclosure concerns a major misconduct, illegality or unethical issue, and particularly if the issue has significant financial or corporate compliance implications, the CEO should bring the matter to the attention of the Chairman of the Board. Once the matter is reported to the Chairman of the Board, the Chairman is obligated to bring it to the notice of the Board of Directors (BOD). The Board can commission further investigation of the matter if it deems it necessary. For such cases, the final decision shall be taken by the Board of Directors under advice from Board Audit Committee.

8. Full confidentiality must be maintained in regard to all proceedings on each disclosure, and no details should be disclosed to any person (other than those actually consulted on the matter) till the final decision is taken by the appropriate authority, i.e. the CEO for non-serious disclosures and the Board of Directors for serious disclosures.

9. At an appropriate stage but no later than one month after the receipt of a disclosure, CBAC is required to inform the whistle-blower (where such a person has disclosed his/her name) on the actions taken, giving such suitable details as may be appropriate to the situation.

4.7 *Protection and Support for the Whistle-blower*
The Company is committed to high ethical standards and to being supportive for employees who make disclosures under this policy. To this end, the HR Department may constitute a Disciplinary Committee which shall follow an unbiased and comprehensive charter of practice.

The Company recognizes that it may be very difficult for an employee to make a decision to report a concern. If the whistleblower honestly and reasonably believes that the concern is true, he/ she should not have anything to fear because his act of making the disclosures will be seen by the Company as a genuine attempt to safeguard the company's reputation and performance as well as a duty towards the employer, colleagues and all other stakeholders of the company.

It is the responsibility of HR Department and Internal Audit Department to ensure that no whistle-blower is subjected to any harassment or victimization (including informal pressures).

If any whistleblower feels that he is being unfairly treated in any aspect as a consequence of his disclosure, he can bring the matter as a formal complaint to CBAC. If he feels that CBAC or any officer of the Company is involved in harassing or victimizing him, he can write directly to the Chairman of the Board who will treat such harassment/victimatization as a serious breach of discipline and deal with it in strict accordance with the prevalent rules and codes.

Throughout the process involving the investigation of a reported issue till its final resolution, the company will ensure that:

- Whistleblower is given full support from Senior Management and B.O.D. (where needed).
- Whistleblower's concerns are addressed professionally; and
- If deemed appropriate, the Disciplinary Committee may temporarily re-deploy the whistleblower for the period of the investigation to protect him.
- For those who are not Company employees, the Head of Internal Audit will endeavor to provide appropriate advice and support wherever possible.
- If the whistleblower faces any life or physical injury threats as a consequence of his disclosure, he should report it to CBAC. In such a case, the company will make suitable arrangements for his safety, special insurance, medical care and/or legal support.

Every complaint of harassment by a whistleblower will be investigated by the Head of Internal Audit. The offender(s) shall be dealt with in accordance with the rules of employment applicable to serious breach of discipline which may include penalties and/or termination from company's employment.

5. Confidentiality

As stated earlier, full confidentiality must be maintained in regard to all proceedings on each disclosure, and no details should be disclosed to any person (other than those actually consulted on the matter) till the final decision is taken by the appropriate authority, i.e. the CEO for non-serious disclosures and the Board of Directors for serious disclosures. The name of the whistleblower shall not be disclosed to any party unless it becomes inevitable e.g. where a formal evidence, or a testimony from the whistleblower is required as a part of the investigation process. In such cases, the whistleblower will be requested by the Internal Audit Department to appear as a witness, or withdraw his disclosure. In the event, it becomes inevitable to disclose the identity of the whistleblower, full support and protection will be accorded to him as outlined above in Para 4.7.

6. Anonymous allegations

This policy is not ideally suited to concerns raised anonymously. It encourages whistleblower to put name on the Disclosure Form for the following reasons:

- Anonymous disclosures generally carry less weight.
- Anonymity of the whistleblower may actually make it difficult for the company to protect him.
- No feedback can be provided to an anonymous whistleblower.
- Anonymous whistleblower cannot be contacted for providing any further details or clarifications should a need arise for them.

However, Internal Audit Department shall not ignore any anonymous disclosure. These will be investigated depending upon the seriousness/credulity of the reported issue and possibility of its verification from other sources.

7. Untrue allegations

If an allegation made in good faith and reasonably believing it to be true, but it is not confirmed by the investigation, the Internal Audit Department will recognize the concern. If however, an allegation is made frivolously, maliciously or for personal gain, it will be treated as a serious breach of discipline and dealt with in accordance with applicable rules.

8. Self disclosure

In a situation, where an employee is a party to an illegal act, unethical practice or breach of Company's Codes, either alone or in conjunction with others, he/she can use this avenue to make the disclosure. Depending on the details of the issue, Internal Audit Department will give due regard to the fact of self-disclosure when deciding upon the case.

9. Corporate Recording and Monitoring

CBAC will maintain a corporate register containing all concerns that are reported under this policy.

The CBAC will review the corporate register and produce an annual report for the Chief Executive and the Internal Audit Department. The report will include a summary of the concerns raised, to which department they related, the post to which the concerns related (if not confidential) and any lessons learned. Unless essential for the cause, this report will not include names of any employees or whistleblowers.

The objective of maintaining a register and filing an annual report on whistleblowing incidents is to ensure that:

- The Internal Audit Department and/ or the relevant department learns from mistakes and evolves means of ensuring non-recurrence of such mistakes/lapses, and
- Consistency of approach across the departments.
- The corporate register together with the annual reports will be available for inspection by internal and external audit.

10. Review of the Policy

The Board Audit Committee and the Board of Director can revise this policy at any time it becomes necessary to do so. In the normal course, atleast one review of the policy must be made by the Board after three years. The Head of Internal Audit shall ensure that this item (review of WB Policy) is placed on Board Audit Committee meetings' agenda appropriately.