

# Whistleblowing Policy and Procedures



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## Contents

1. Introduction .....	3
2. Definitions.....	3
3. Purpose.....	4
4. Scope.....	4
5. Exclusions .....	5
6. Principles .....	5
7. Whistleblower Protection .....	6
8. Confidentiality.....	6
9. Anonymous Disclosure .....	6
10. Untrue Allegation.....	7
11. Whistleblowing Procedures .....	7
12. Corporate Record and Monitoring .....	9
13. Policy Review .....	9

## 1. Introduction

In compliance with the Corporate Governance Code, Order No. 19 of 2018, BNET B.S.C. (c) (the “Company”) has approved and implemented this whistleblowing Policy and Procedure (the “Policy”).

## 2. Definitions

<b>Corruption</b>	A form of dishonest or unethical conduct by someone entrusted with a position of power, authority, or influence, often to acquire personal benefit and/or benefit to others.
<b>Fraud</b>	Intentional deception, resulting in a loss for the Company and/or its stakeholders, and/or resulting in the perpetrator achieving a gain.
<b>Good Faith</b>	Reporting a concern without malice or consideration of personal benefit, with reasonable basis to believe that what is reported is true and is not malicious, false or frivolous.
<b>Harassment</b>	A behaviour of an offensive nature that demeans, humiliates or embarrasses a person.
<b>Head of Internal Audit (HIA)</b>	Is the person designated by the Board Audit Committee to interact with the matters related to this Policy.
<b>Misconduct</b>	Wrongful, improper or unlawful conduct.
<b>Retaliation</b>	The act of hurting or doing something harmful to someone, because he/she reported a misconduct in a good faith.
<b>Victimization</b>	The act of causing someone to be treated unfairly.
<b>Whistleblower</b>	A person who exposes information or activity within the Company which is in contravention with the Company’s policies, rules and general conduct.

## **Whistleblowing**

It's the action of which the whistleblower report in good faith suspected misconduct or potential wrongdoing at work.

### **3. Purpose**

This Policy establishes the standards and procedures to ensure that the Company handles wrongdoing and misconduct in compliance with the Corporate Governance Code and the objectives of the Company's management and the Board of Directors and its Audit Committee (the "Committee"). The Policy aims to:

- Provide a safe and secure channel for stakeholders to feel confident in raising serious concerns at the earliest opportunity, with the knowledge that their concerns will be taken seriously and investigated as appropriate, while ensuring that their confidentiality and identity are protected.
- Provide stakeholders with avenues and guidance to raise those concerns.
- Reassure stakeholders that they will be protected from possible Retaliation or Victimization if they have made any disclosure in good faith.

### **4. Scope**

#### **4.1.Stakeholders**

The Policy applies to the following stakeholders:

- Employees of the Company.
- Employees of contractors and subcontractors working for the Company.
- Employees of suppliers.
- Those providing services under a contract or other agreement with the Company.
- The Company's customers and their authorized representatives.
- Voluntary workers working with the Company.
- Shareholders including public and minority shareholders.
- Any other person dealing with the Company for business purpose.

## 4.2. Misconduct and Wrongdoing

Misconduct and Wrongdoings\* include but are not limited to the following:

- Fraud.
- Corruption, bribery or blackmail.
- Criminal offences.
- Failure to comply with a legal / regulatory obligation.
- Endangering the health and safety of an individual.
- Concealment of any of the above.

*\*Appendix (1) provide further examples of misconduct and wrongdoings.*

## 5. Exclusions

The Policy should not be used for the following:

- Complaints relating to employee's personal circumstances, such as the way they have been treated at work. In those cases, employees should use the Grievance Procedure.
- If a client has a concern about services provided to him/her, it should be raised as a complaint to the Company.
- Complaints relating to Company's management/employees controverting Company's policies and procedures are dealt with under a separate procedure.

## 6. Principles

- All concerns raised should be treated fairly and in accordance with due process.
- There is no tolerance for harassment or victimization towards whistleblowers raising a genuine concern.
- Any individual making a disclosure will retain their anonymity, unless required according to law (i.e. in the case of criminal activity).
- To ensure no one will be at risk of suffering some form of retribution or retaliation as a result of whistleblowing.

## 7. Whistleblower Protection

- 7.1. The Company is committed to good practice and high standards and to being supportive of whistleblowers.
- 7.2. The Company will not tolerate any harassment, retaliation or victimization of a whistleblower, and will treat this as a serious disciplinary offence which will be dealt with under the disciplinary procedure\*.
- 7.3. If the whistleblower believes that he/she has suffered any detrimental treatment, he/she should immediately inform HIA for further guidance.

*\* Appendix (2) specify disciplinary procedures.*

## 8. Confidentiality

- 8.1. The Company will treat all whistleblowing in a confidential and sensitive manner. As part of this policy, the identity of any whistleblower raising a concern will only be made to the HIA.
- 8.2. If a criminal investigation follows, the whistleblower identification may be disclosed. If this occurs, the HIA will notify the whistleblower at the earliest opportunity.
- 8.3. Unauthorized disclosure by the HIA of data received from the whistleblower that would also reveal his identity, will be considered as a serious disciplinary offence which will be dealt with under the disciplinary procedure.

## 9. Anonymous Disclosure

All concerns raised according to this Policy will be dealt fairly, whether they are expressed anonymously or not, bearing in mind that disclosing the whistleblower's identity will contribute positively to take appropriate actions in dealing with raised concerns.

## 10. Untrue Allegation

If a whistleblower makes a genuine allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against him. If, however, they make an allegation frivolously, maliciously or for personal gain, then disciplinary and/or appropriate legal action may be taken against the individual concerned.

## 11. Whistleblowing Procedures

11.1. If any stakeholder believes reasonably and in a good faith that a matter of practice within the scope of this Policy (section 4.2) exist in a working place, then they should report their concerns to [Integrity@bnet.com.bh](mailto:Integrity@bnet.com.bh), or by calling the hotline for whistleblowing – 17175850 which will be received by the HIA.

whistleblower should not try to take justice into his/her own hands by confronting the person reported or speaking to any other internal/external parties regarding the case details.

11.2. Whistleblowers would not be expected to have absolute proof of wrongdoing or misconduct, but would need to show the sound reasons for their concerns, and where possible to disclose the following (see appendix 3):

- Date of the incident.
- Type of the incident.
- Description of the incident/details of concern.
- Where did it happen?
- Who has been involved?
- Date of reporting the incident.

11.3. Once the concern is received, it will be assessed and reviewed by the HIA. Further, a meeting will be held between the whistleblower and the HIA to gather all information needed to understand the situation and to determine merit of the case.

The HIA will consult with the Committee to plan the way forward of managing concerns, in cases where the application of procedures (11.5), (11.6) and (11.7) will cause a conflict of interest.

11.4. Upon receiving the concern, first response should be made within 48 hours by the HIA, acknowledging that the concern has been received, and indicating how the Company proposes to deal with the matter.

11.5. Formal investigation will be held, which will formulate the way forward for each case.

The HIA and the Company CE will arrange for the investigation, by forming an investigation committee and determining the following:

- The nature and scope of the investigation.
- The committee leader and members – they should be independent of the persons to which the case pertains.
- The nature of any technical, financial, legal advice that may be required.
- A timeframe for the investigation.

11.6. Upon completion of the investigation, the investigation committee shall raise its recommendations to the Company CE along with the HIA.

11.7. In the event that the raised recommendations resulted in a suspicion of a violation, the HIA with notification to the Company CE will raise the matter to the Human Resources Department to take the necessary actions.

11.8. The HIA should communicate the details of the concerns along with the investigation's recommendations to the Committee.

11.9. The HIA and the Company CE should ensure that the reported concern is investigated in line with the Company's investigation procedures\* and that the whistleblower is informed on the updates and the conclusion reached by the Company within 15 working days from the date of receiving the concern.

\*Appendix (4) specify procedures related to investigation.



11.10. If the whistleblower is not satisfied about the outcome of an investigation, he/she should make a further report to the HIA outlining his/her concerns with legitimate reasons and justifications to warrant further investigation.

11.11. If the whistleblower believes that the Company officials are not dealing with the case appropriately, he/she may escalate the matter to the Chairman of the Committee.

11.12. The Committee shall oversee the implementation and progress of these procedures and as to how each individual case is dealt with.

## **12. Corporate Record and Monitoring**

The HIA shall have the overall custody of details of the investigations conducted under this Policy and will maintain a corporate register containing all concerns that are brought to the Company's attention, their nature, their periodic updates and conclusions achieved. All officers allocated to look into a concern must ensure the HIA is provided with sufficient details for the corporate register.

## **13. Policy Review**

This Policy is subject to review by the Committee and approval of the Board of Directors.



## Appendix (1) – Examples of Misconduct and Wrongdoing

- Falsification or alteration of accounting records, money or financial transactions.
- Forgery or alteration of any document (i.e. cheques, drafts, wire transfer account or any other financial document).
- Impropriety in the handling of reporting of money or financial transactions.
- Suppression or omission of the effects of transactions from records or documents.
- Recording of transactions without substance.
- Intentional misapplication of accounting policies.
- Wilful misrepresentations of transactions or of the Company's state of affairs.
- Misrepresentation of information on documents.
- Authorizing or receiving payment for goods not received or services not performed.
- Disclosing confidential and proprietary information to outside parties.
- Any dishonest or fraudulent act or intentional accounting irregularity.
- Unauthorized use of Company funds, credit cards and other services.
- Any attempt to conceal the fraudulent activities coming to knowledge.
- Any misconduct that may lead to a financial loss.
- Representing Company for unauthorized purposes.
- Theft of cash or property.
- Misuse of the Company's properties.
- Staff abusing their position in connection with unauthorized activity for personal gain.
- Acts which may have adverse impact on the Company's reputation.
- Unauthorized disclosure of confidential information including insider trading.
- Negligent behaviour causing loss or injury.
- Accepting and extending gifts from/to others outside the approved norms.

## Appendix (2) – Disciplinary Procedures as per BNET Human Resources Policies and Procedures Manual

### Informal Disciplinary Procedures

- The immediate line manager shall endeavour to deal with cases of minor misconduct informally by counselling the employee. the Division Head/ Line Manager may attempt to counsel the employee informally and maintain an Improvement Plan of such counselling. The employee should be given instructions of expected levels of behaviour/performance. The Human Resources Function should be notified about the incident.
- Any instances of misconduct should be handled as per the Regulation with Respect to Disciplinary Penalties to be Applied to the Company's Employees in Pursuance of the Labour Law for the Private Sector Promulgated by Law No. 36 of 2012.

### Formal Disciplinary Procedures

Formal disciplinary action will be taken only in cases of gross misconduct or repeated instances of minor misconduct.

- In respect of minor misconduct, the following actions will be taken:
  1. Written warning acknowledged by the employee
  2. Fines permitted by Law
- In respect of gross misconduct, the following actions may be taken:
  1. Deprivation of increment / bonus / promotion
  2. Transfer of the delinquent employee to another location
  3. Downgrading of the delinquent employee
  4. Termination of employment with full end of service benefits
  5. Other punishment as deemed appropriate.
- An employee may be suspended with reduced pay if he/she is accused of:
  1. Committing a deliberate offence involving assault on a person (or)
  2. crimes relating to honesty.

The period of suspension from the workplace with reduced pay shall be for a period not exceeding ten (10) working days.

## Appendix (3) – Whistleblowing Application Form

Information to disclose when raising a concern under Whistleblowing Policy & Procedures:

- **Date of Incident**

- **Type of the Incident**

(Fraud, Corruption or bribery/blackmail, Criminal offences, Failure to comply with a legal regulatory obligation, Miscarriage of justice, Endangering the health & safety of individual, Concealment of any of the mentioned).

- **Description of the Incident/details of concern**

- **Where did it happen?**

- **Who has been involved?**

**Whistleblower Name**

**Contact Number**

**Date of Reporting**

#### **Appendix (4) – Procedures Related to Investigation as per BNET Human Resources Policies and Procedures Manual**

- If any violation is attributed to the employee, the employer may temporarily suspend him from work for a period not exceeding sixty days with the disbursement of his salary if this is required for the interest of the work or of the investigation.
- If an offence or a misdemeanour prejudicing honour, trust or public ethics or an offence within the labour department is attributed to the employee, the employer may temporarily suspend him from work until the issuance of a decision by the Public Prosecutor Office in his respect, and if said Office decides to close the investigation or orders that the instigation of the criminal action is not based on any legal ground, or if the competent court finds the employee to be innocent for reasons related to the denial of the attribution of the crime to him the employee must be returned to work.
- Disciplinary process may not be carried out against an employee unless and until an investigation has been conducted regarding the alleged misconduct. The employee shall be given the chance to appeal and defend himself/herself.