



SODIC S.A.E WHISTLEBLOWING PROCEDURES




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Annexes

Annex A - “Complaint General understanding Report”

1. Introduction

The Audit committee of the board of directors (the “**Audit Committee**”) of SODIC S.A.E. (the “**Company**”), an Egyptian joint stock Company, has adopted these procedures (the “**Procedures**”) to ensure that complaints and concerns expressed by employees of the Company, its subsidiaries and affiliated businesses (the “**Group**”) and related outsiders regarding the business and operations of the Group will be heard and addressed appropriately.

2. Purpose

The Group’s employees/outsideers who have appropriate alerts about malpractices/wrongdoings should timely report such incidents to support preventing adverse financial & operational consequences; *such as violations of policies/rules, adversely impacted Company’s image/customers’ perceptions; significant losses; etc.*

The purpose of these procedures is to establish a standardized approach for the following:

I. The receipt, retention and treatment of complaints received from the Group’s employees; contractors or third parties regarding any internal or external incidents that may adversely affects the Company or any of its employees such as:

- Accounting; internal accounting controls and auditing matters.
- Fraud; *e.g. acts or omissions that may mislead, or attempts to mislead, a party to obtain benefits or avoid obligations.*
- Coercive practices; *e.g. threatening/harming/impairing any party or property for any personal benefits or unauthorized influence.*
- Collusive practices; *e.g. arrangements between two or more parties designed to achieve personal/improper purposes; improperly influence the actions of another parties; etc.*
- Corruption; *e.g. offering, giving, receiving, or soliciting, directly or indirectly, anything of value to improperly influence the actions of other parties.*
- Misconduct; *e.g. any noted deviations against the Company’s preset code of conduct and general behavioral standards.*
- Illegal or unethical behavior; *where employees can report things that are not right, illegal or if anyone at work is neglecting his/her duties, such as:*
 - Endangered employees’ health & safety.
 - Damages affecting environment.
 - Non-compliance incidents with laws and regulations.
 - Covered-up wrongdoing.

II. The confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and illegal or unethical behavior.

Employees’ commitment regarding (i) honest and ethical conduct, (ii) full, fair, accurate, timely and understandable disclosure in the reports and documents that the Company files or submits to the Egyptian Exchange, and in any other public communications by the Company, (iii) compliance with applicable laws, rules and regulations, (iv) prompt internal reporting of any violations of the foregoing requirements and (v) accountability for adherence to the foregoing requirements set forth in the code of conduct and related policies & procedures.

All existing employees, and new employees at the time they join the Group, will be notified of the existence of the hotline (as defined below), its contact/reporting details (as set forth in section 4.1) and its purpose.

3. Review and Approval of Procedures

These Procedures will be reviewed by the Audit Committee from time to time as warranted to assure continuing compliance with applicable laws/regulations & listing standards and to assess the effectiveness of the Procedures.

These Procedures together with any related amendments must be approved by the Audit Committee.

4. Complaint Procedures

The following sets forth the mechanisms to be put in place for: (i) Employees/outside to directly make complaints or raise concerns to Audit Committee, and (ii) the Employees to address any complaints that may be received by them.

4.1 Policy Compliance Individual (PCI)

The PCI designated by the Audit Committee for purposes of handling the administrative aspects of various whistle blowing procedures is Mr. Yasser El Refaee.

4.2 Hotline System

The Company will establish and maintain a “Hotline” system (the “Hotline”) for receiving complaints. It is expected that the hotline will be the principal means through which complaints will be received, though board members and senior management should remain receptive to complaints and concerns raised directly to them by Employees. Any board member or officer who directly receives a complaint should notify the PCI to ensure strict compliance with these Procedures so that the complaint may be documented and addressed as provided in these procedures.

The Hotline will be under the overall supervision of the PCI; *where*:

- The Hotline will include a dedicated link on Company’s website/[intranet](#) & [email address](#).
- The Hotline will be included in Company’s code of conduct document and contact details (*e.g. email address & website/intranet link*) will be posted on the website/intranet of the Company. Emails will be received at the designated email address through direct email sent by an employee/outside from any email account. Any changes to contact details will be promptly posted on the website/intranet.
- Access to any component of the Hotline will be strictly limited to PCI & his delegates.

- Authorized Personnel will check the Hotline on daily basis to determine whether any complaints have been received.

4.3 Complaint log

The Company will create a log of all complaints received through the Hotline or otherwise. The PCI will supervise the maintenance of this log; where the following will be included for each complaint:

- An assigned file number.
- The date of receipt, classification (as described below), brief summary, actions taken (including investigative and/or disciplinary actions); final results and status (pending or closed).
- Names/titles of team members who were involved in related investigations.

4.4 Complaint Reports

After being entered into the log, each complaint will be separately documented by a report substantially in the form attached as Annex A. This report will contain a complete description of the allegations.

4.5 Complaint Classification

Each complaint will be classified as described below for purposes of initial handling and follow up:

Priority I

Complaints alleging financial or accounting fraud, expropriation of corporate funds, significant violation of law, theft or other financial impropriety espionage or sabotage, coercive & collusion, violation of confidentiality, significant deficiencies or material weaknesses in the systems of internal controls of the Company or any other significant issues related to auditing or accounting matters that might have a material effect on the financial statements of the Company or any employees of the Group.

Priority 1 complaints will be notified promptly to the PCI and Internal Audit & Operational Support Executive Director. After preliminary analysis & assessment of received complaints and further consultation with Internal Audit & Operational Support Executive Director, PCI may alert additional personnel such as the Managing Director (MD) & Audit Committee Chairman.

PCI will endeavor to make an initial follow-up call/meeting with the complainant, if known, within ten (10) business days after receipt of the complaint.

Priority II

Complaints alleging violations of the Company's code of conduct that are not within the scope of Priority I complaints.

Priority II complaints will be notified promptly to the PCI and Internal Audit & Operational Support Executive Director.

The PCI will endeavor to make an initial follow-up call/meeting to the complainant, if known, within thirty (30) business days after receipt of the complaint.

Priority III

Any other complaints.

Priority III complaints will be notified promptly to the PCI and Internal Audit & Operational Support Executive Director.

The PCI will endeavor to make an initial follow-up call to the complainant, if known, within thirty (30) business day after receipt of the complaint.

4.6 Investigations

- The PCI and the Internal Audit & Operational Support Executive Director will make initial determinations as to whether an investigation of the complaint is appropriate, based on preliminary inquiries with whistleblowers (including communication with complainant through emails, follow-up calls, if known), concerned management parties and further sharing & discussion with MD.
- Factors to be considered in determining whether an investigation is appropriate include (i) nature and available documents/evidences of the claim, (ii) level and title of employees who may be involved or have knowledge of relevant facts, (iii) nature and degree of exposure, including risk of reputational harm and (iv) whether the facts involve a pattern of impropriety or suggest that recurrence of the problem is likely in absence of special corrective actions.
- The PCI and the Internal Audit & Operations Support Executive Director are authorized to consult with or involve relevant departmental personnel within the Group in determining whether to conduct an investigation, or in the investigation itself, if they believe such personnel would have jurisdiction, knowledge or expertise as to the subject matter of the complaint, or otherwise as they deem appropriate. In all such cases, the PCI and the Internal Audit & Operational Support Executive Director shall observe the confidentiality requirements set forth in section 6, where all related departmental personnel should be formally authorized and encouraged to fully cooperate by concerned managements without any fear of imposed threats or levied punishments.

- The MD has the authority to retain external advisors or other resources to assist in any investigation. If an investigation potentially implicates the MD or could potentially be compromised by MD's participation, the Compliance Individual and the Internal Audit & Operational Support Executive Director may consult directly with the Chairman of the Audit Committee. In conducting an investigation, the Company will comply with all applicable laws and internal policies, including necessary documents/related information retention.

4.7 Periodic reports

Periodic reports will be submitted to MD and Audit Committee regarding the status of received complaints, pending, and completed investigations together with related results/corrective actions. If an investigation potentially implicates the MD or could potentially be compromised by his participation, reports shall be directly submitted to the Audit Committee Chairman.

4.8 Corrective action

The PCI will coordinate the implementation of any corrective or disciplinary actions resulting from a complaint with MD and relevant departmental personnel. Actions may include changes to Company's controls or policies, self-reporting to regulatory authorities or an employee's disciplinary action. If any corrective or disciplinary action involves the MD, the PCI will coordinate such actions directly with Audit Committee Chairman.

5. Audit Committee Oversight

The Audit Committee will have full access to the complaints log, complaints reports and related materials at all times.

On a quarterly basis, the Internal Audit & Operational Support Executive Director will report to the Audit Committee with respect to overall complaints status (*e.g. newly received, still pending & finally closed complaints*). The status report will also be provided to MD.

6. Confidentiality and anonymity

Each complaint will be treated as confidential, and the identity of the complainant will be maintained as anonymous, to the most reasonable extent in light of Company's needs to investigate the complaint.

Annex A

Complaint General Understanding Report

Section 1	
Complaint Serial no.	
Random Auto Generated Code	
Complaint Channel	<input type="checkbox"/> Whistleblowing website <input type="checkbox"/> Management <input type="checkbox"/> Walk-in forms <input type="checkbox"/> Whistleblowing mysodic <input type="checkbox"/> Email
Whistleblower name	
Department	
Contact no.	
Email	
Complaint Subject	
Date of receiving the case	0-00-18
Whistleblower's complaint statement	
Attached Documents / or files	Yes <input type="checkbox"/> No <input type="checkbox"/>
Doc. Descriptions "if any"	
OS Supervisor's Signature	
Section 2	
Investigator assigned name	
Is the case need immediate action	Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, who will interfere?	
OS Director comments	
OS Director' signature	
Section 3	
The investigator's general case understanding and conclusion	
Investigator's signature	
OS Director's signature	
Section 4	
Investigation is necessary	<input type="checkbox"/> Yes No <input type="checkbox"/>
Priority level	PI <input type="checkbox"/> PII <input type="checkbox"/> PIII <input type="checkbox"/>
Other department' s support	<input type="checkbox"/> Yes No <input type="checkbox"/>
Supported department' s name	
Investigation planning deadline	
OS Director's signature	