

**ELSEWEDY**  

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**ELECTRIC**



**Whistleblowing**  
**Policy**

### Document Approval

NAME	TITLE	SIGNATURE
Ahmed El-Sewedy	CEO	
Ahmed Shokry	Group Chief Internal Auditor and Compliance Officer	
Omar El-Rebihey	Compliance & Controls Manager	

### Document Distribution List

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## **1. Introduction**

### **1.1. Introduction to the Policy**

1.1.1. The purpose of Elsewedy Electric's whistleblowing policy (hereafter: the "Policy") is to outline all appropriate whistleblowing policies and guidelines for Elsewedy Electric, clarify the roles and responsibilities associated with personnel responsible for ensuring compliance, serve as a point of reference for all Elsewedy Electric staff to ensure consistency in application, and assist management in addressing whistleblowing related issues.

1.1.2. The main objectives of this policy include, but are not limited to, the following:

- To encourage the reporting of suspected wrongdoing as soon as possible, in the knowledge that concerns will be taken seriously and investigated as appropriate,
- To provide guidance on how to raise concerns, and
- To provide reassurance that if genuine concerns are raised, whistleblowers will not be at risk of losing their

jobs or suffering from any form of retaliation as a result, even if they turn out to be mistaken.

1.1.3. Definitions in this policy are used only in instances where they provide the necessary background, within the context of the Policy; this means that the Policy does not necessarily contain all definitions.

### **1.2. Responsibility of the Compliance Department**

1.2.1. Elsewedy Electric's Compliance Department is responsible for taking the appropriate measures to facilitate the reporting of any misconduct so that situations or behaviors that violate company policies or applicable regulations can be identified and remedied.

1.2.2. The Compliance Department encourages all stakeholders to report suspected misconduct or violations of the law and provide guidance on how to raise concerns.

1.2.3. The Compliance Department is responsible for managing reporting channels and will ensure that all reporting channels are made available to all internal and external stakeholders (including employees, interns, volunteers, customers, business partners, and all other third parties)

throughout the organization. This will be done through sharing the required information and links through company wide emails, announcements, and posting on the company website.

- 1.2.4. The Compliance Department is the custodian of this policy and is expected to ensure that this policy document is a true and accurate representation of the applicable policies and that it is kept up to date at all times.
- 1.2.5. This policy will be reviewed on an annual basis by the Compliance Department to ensure that it is consistent with the objectives of the Elsewedy Electric Group.
- 1.2.6. The Compliance Department will communicate this policy and develop the necessary training for all employees in coordination with the Human Resources Departments.
- 1.2.7. The Compliance Department will keep a record of all received claims, all investigations, and all evidence to support claims. Records will only be accessible by employees in the Compliance Department to allow for the maintenance of confidentiality.

### **1.3. Scope**

- 1.3.1. This policy will be implemented across all Elsewedy Electric entities and subsidiaries and is applicable to all Elsewedy Electric employees (including permanent and temporary employees, interns, volunteers..etc.), as well as all external stakeholders (including: third party service providers, sponsors, agents, and suppliers) who come in contact with the company.
- 1.3.2. The policy covers the following sections:
  - Types of claims to be reported,
  - Reporting mechanisms,
  - Confidentiality and anonymity,
  - Investigation process and reporting,
  - Protection and support for whistleblowers, and
  - Awareness and training.

### **1.4. Purpose**

- 1.4.1. In accordance with Elsewedy Electric's values and ethical principles, the organization seeks to conduct its business honestly and with integrity at all times.

1.4.2. Elsewedy Electric believes that there is a duty to take appropriate measures to identify risky situations and therefore expects its stakeholders to report any wrongdoing that does not meet the organization's standards.

## **1.5. Distribution**

1.5.1. This policy will be made available to all Elsewedy Electric stakeholders in a non-editable version on the Elsewedy

Electric website. All stakeholders who are involved in business activities are required to have a thorough understanding of this policy.

## 2. Definition

<b>TERM</b>	<b>DEFINITION</b>
<b>Whistleblowing</b>	The act of reporting any suspicions or knowledge of wrongdoing, misconduct, or illegal activities.
<b>Whistleblower</b>	Anyone who has and reports insider knowledge of illegal activities occurring in an organization.
<b>Bribery</b>	Any payment, facilitation of payment, acceptance of anything of value for the purpose of being given an unfair advantage or facilitation.
<b>Conflict of Interest</b>	Any situation that puts an employee in a position whereby their personal or business circumstances/interest would affect their judgement to pursue the best interest of the organization.
<b>Fraud</b>	<p>The action of illegally obtaining money, property, and benefit or to avoid loss. It is characterized by deceit, concealment, or violation of trust. Examples of fraud include the following:</p> <ul style="list-style-type: none"><li>● Fraud by false representation,</li><li>● Lying about something with the intention to cause a gain or a loss,</li><li>● Fraud by failure to disclose information,</li><li>● Not declaring something when you have a legal duty to do so with the intention to cause a gain or a loss, or</li><li>● Fraud by abuse of position where someone abuses a position of trust, where there is an expectation to safeguard the financial interest of another, and places another at financial risk or causes a loss.</li></ul>

<p><b>Insider Information</b></p>	<p>Information that an employee gains about the company that is not available on public channels. Examples of insider information include the following:</p> <ul style="list-style-type: none"> <li>● Change in the executive management not yet revealed to the public,</li> <li>● Possible/ongoing mergers or acquisitions,</li> <li>● Sales or earning results privately shared, and</li> <li>● Buying or selling shares based on insider information.</li> </ul>
<p><b>Improper Use of Company's Funds and Assets</b></p>	<p>The use of the funds/assets for any unlawful, improper, or unauthorized purpose. Company funds and assets include cash, property, software, securities, production equipment, inventory stock, patents, trademark rights, and company know-how.</p>
<p><b>Antitrust and Competition</b></p>	<p>Any breach of fair trading laws including unfair competition for example collusion between firms and any act which gives an unfair advantage through limiting of competitive opportunities.</p>
<p><b>Discrimination</b></p>	<p>The act of treating someone less or more favorable on the basis of a protected characteristic such as age, disability, sex, gender, marriage and civil partnership, pregnancy and maternity, race, religion, belief or political views.</p>
<p><b>Health, Safety, and Environment</b></p>	<p>Any non-observance of occupational health and safety regulations whereby employees are put in danger as a result as well as any business activity that may have a negative impact on the environment. An example of this is pollution of all types caused by industrial waste.</p>



<p><b>Harassment</b></p>	<p>Any unwanted behavior which is intimidating, offensive, or humiliating. Harassment can range from extreme forms such as violence, threats, or physical touching to less obvious actions such as ridiculing, teasing, or jokes based on someone’s protected status. Harassment can take many forms including the following:</p> <ul style="list-style-type: none"> <li>● Derogatory or insensitive jokes, pranks, or comments,</li> <li>● Slurs or epithets,</li> <li>● Nonverbal behavior such as staring, leering, or gestures,</li> <li>● Ridiculing or demeaning comments,</li> <li>● Innuendos or veiled threats,</li> <li>● Displaying or sharing offensive images such as posters, videos, photos, cartoons, screensavers, emails, or drawings that are derogatory,</li> <li>● Offensive comments about appearance, or other personal or physical characteristics such as comments on someone’s physical disability or religious attire, or</li> <li>● Unnecessary or unwanted bodily contact such as blocking normal movement or physically interfering with the work on another individual.</li> </ul>
<p><b>Work Environment Conditions</b></p>	<p>This refers to any inhumane working conditions which are not in accordance with applicable labor laws. These conditions include circumstances such as working hours, stress, and the degree of safety conditions that affect the workplace.</p>
<p><b>Intellectual Property</b></p>	<p>The possessions of the business, including copyrights, patents, trademarks, industrial designs, and trade secrets.</p>

<b>Sanctions and Embargoes</b>	Engaging in a business relationship with organizations/countries that are on the sanctions/trade restrictions list under USA, EU, UN, or sanctions imposed by the local country.
<b>Retaliation</b>	Any legal, disciplinary action, or harassment that occurs linked to or as a result of a claim by a whistleblower which was reported in good faith.

### **3. About Whistleblowing**

3.1.1. All stakeholders must be aware of the importance of preventing and eliminating any action, behavior, or situation that does not comply with Elsewedy Electric values, policies, as well as the local laws and regulations.

3.1.2. Elsewedy Electric recognizes that all stakeholders play an important role in maintaining the highest standards of ethics, honesty, and openness. All stakeholders are required to disclose any information when they become aware of it.

3.1.3. Elsewedy Electric values any concerns that are reported with a genuine intention.

### **4. Types of Claims to be Reported**

4.1.1. Whistleblowing policy applies to, but is not limited to, concerns and disclosures about any of the following:

- Bribery,
- Conflict of Interest,
- Fraud,
- Sharing Insider Information,
- Improper Use of Company Funds and Assets,
- Antitrust and Competition,

- Discrimination,
- Health, Safety, and Environment Risks,
- Harassment,
- Work Environment Conditions,
- Intellectual Property Infringement,
- Sanctions and Embargoes, and
- Retaliations.

4.1.2. Whistleblowers are required to submit claims and disclosures when they believe that the information to be reported is true.

4.1.3. While reporting, the whistleblower must practice reasonable unbiased judgement.

4.1.4. The whistleblowing incidents reported will be classified as High, Medium and Low, based on the severity and impact of the non-compliance incident. This will be rated by the Compliance team to ensure proper and timely investigation has occurred.

### **5. Reporting Mechanisms**

5.1.1. Whistleblowers are required to raise all claims and disclosures through the approved reporting channels to

ensure anonymity is maintained and the claim is investigated properly.

5.1.2. Whistleblowing incidents may be reported via one of the following channels:

- Online Portal - Speak up (<https://compliance.elsewedy.com/>)
- Email (compliance-int@elsewedy.com)
- Mail (Plot 27 1st District, 5th Settlement, New Cairo - Egypt)

5.1.3. The Compliance Department will ensure that the Online Portal is made available to all internal and external stakeholders of Elsewedy Electric to facilitate reporting of concerns related to whistleblowing.

- The online portal will be made available in both Arabic and English.
- The online portal will maintain whistleblower anonymity. Users will not be required to input any personal information that can identify them to the Compliance Department (email address, name, phone number, etc.) when submitting claims/disclosures.

5.1.4. For employees that are unable to access computers, alternative methods will be used to report any violations of Elsewedy Electric's compliance policies and local laws.

- Employees may also submit anonymous sealed letters to reception at the head office to report violations. The Front Desk will forward the letter, without reading its contents, to the Compliance Department for investigation.

5.1.5. In the case that any approved reporting channels have been removed, added, or modified, the Compliance Department will ensure the Whistleblowing policy is updated and that all employees are notified.

## **6. Confidentiality and Anonymity**

6.1.1. The Compliance Department recognizes that disclosures made under this policy may involve confidential information and be related to sensitive matters.

6.1.2. All claims and disclosures made through the approved reporting channels will remain confidential until investigations have been completed. In the case where further action is required, information related to the

claim/disclosure will be required to be shared with the relevant authority, department, or executive.

6.1.3. The whistleblower must keep the fact that they have raised a concern and the identity of those involved confidential in order not to jeopardize the investigation into the reported claim.

6.1.4. The whistleblower does not need to identify themselves during or after the investigation process.

6.1.5. At no time will Elsewedy Electric force the whistleblower to reveal their identity.

6.1.6. There may also be times when the Compliance team is unable to resolve a concern without having the Whistleblower's identity revealed, for example, where the case evidence includes personal details that might lead to revealing the person's identity. In such cases, the Compliance team will aim to discuss first with the whistleblower whether and how the matter can proceed as to ensure that he/she has protection against any detriment to his/her continued employment and reputation.

6.1.7. The whistleblower has the right to refuse to answer questions that might reveal their identity.

6.1.8. Elsewedy Electric values the importance of remaining anonymous as a whistleblower. Therefore, the SpeakUp portal has been developed to protect whistleblower identity.

## **7. Investigation Process and Reporting**

### **7.1. New Claims**

7.1.1. The Compliance Department aims to investigate all claims fully, fairly, and as soon as possible from the date of submission.

7.1.2. Employees are strictly prohibited from conducting any investigation of facts and matters on their own accord, and are not allowed to discuss any such confidential matters within or outside the company.

7.1.3. All claims submitted through the approved reporting channels will be received by the Compliance Department.

7.1.4. All claims will be assigned to the Compliance Department within a timeframe of one working day from the date of submission.

7.1.5. Once a claim has been assigned, this information will be reflected by the Compliance Department to the whistleblower by changing the status of the claim to “Assigned to the Compliance Department ” on the Online Portal.

## **7.2. Claims Validity**

7.2.1. The Compliance Department employee assigned to the claim will assess if the claim is valid or not.

7.2.2. If the Compliance Department identifies a claim to be of a personal grievance nature that has been submitted through the whistleblowing Online Portal, they will send a message to the whistleblower through the Online Portal to refer them to the relevant department for further action.

7.2.3. If the Compliance Department identifies the claim to be valid, they will proceed with addressing the claim.

## **7.3. Addressing Claims**

7.3.1. The duration of investigations depends on the subject matter of the claim. Once claims have been assigned, the Compliance Department categorizes them based on severity in order to proceed with investigations.

7.3.2. Once the investigation process has begun, the status of the claim will be changed to “Ongoing Investigation” by the Compliance Department on the Online Portal to allow the whistleblower to remain up to date on the status of their claim.

7.3.3. The Compliance Department is responsible for investigating all claims and disclosures.

7.3.4. If additional information is needed for the investigation, for claims submitted through the Online Portal, the Compliance Department will reach out to the whistleblower through the Online Portal requesting the required additional information. The Compliance Department will be unable to reach out to the whistleblower for further information regarding claims submitted through the mail.

## **7.4. Escalation of Claims**

7.4.1. The results of the investigation will be captured in an Investigation Report and a Recommendation will be issued for further course of action. The Investigation Report and Recommendation will be delivered to the designated

committee/management (depending on the rating of the case).

7.4.2. Valid Claims that have been classified as high risk will be subject to resolution by the Audit Committee and Chief Executive Officer for further action. The Audit Committee meets on a quarterly basis.

7.4.3. Valid claims that have been classified as medium risk will be subject to resolution by the Compliance Committee. The Compliance Committee meets on a monthly basis.

7.4.4. The Compliance Committee is made up of the following members:

- Vice President & Chief Financial Officer,
- Chief Human Resource Officer,
- Legal Director, and
- Chief Internal Auditor and Compliance Officer.
- For subsidiary entities, the Compliance Committee will also include the General Manager/Chief Executive Officer of the subsidiary unless they are under investigation.

7.4.5. If a medium risk claim requires further escalation, it will be presented to the Audit Committee for further action.

7.4.6. Valid claims that have been categorized as low risk are handed over to the required department, by the Compliance Department, to resolve the matter.

7.4.7. If a low risk claim requires further escalation, it will be presented to the Compliance Committee for further action.

7.4.8. The Compliance Department recognizes that some claims are not to be dealt with internally and instead require involvement of external authorities, in which case the relevant authorities will be notified and may become involved during the resolution process.

## **7.5. Resolution of Claims**

7.5.1. The assigned team will resolve investigations in accordance with the required disciplinary actions and mitigation measures in coordination with the identified relevant authority, department, or executive.

7.5.2. Once a claim has been addressed, the status of the claim on the Online Portal will be changed to “Closed” by the

Compliance Department, along with the general actions that have been taken (if appropriate). Any disciplinary action taken or details about the investigation is not to be shared with the whistleblower to maintain confidentiality of other parties involved.

## **8. Protection and Support for Whistleblowers**

- 8.1.1. The Compliance Department will ensure that all whistleblowers who raise genuine concerns in good faith will remain safe from dismissal, termination of contract, or any retaliation action taken against them.
- 8.1.2. Elsewedy Electric provides a safe environment for all of its employees to allow them to confidently address their concerns with no fears.
- 8.1.3. If a whistleblower believes that they are being subjected to retaliation or victimization, they must inform the Compliance Department immediately. Any employee who victimizes or retaliates against whistleblowers will be subject to disciplinary actions up to and including termination of employment to prevent recurrence of detrimental behavior.

## **9. Awareness and Training**

- 9.1.1. On an annual basis, the Compliance Department must carry out employee training to educate employees on the whistleblowing policy. The training is targeted to employees of all levels.
- 9.1.2. The training will cover all aspects of this policy and highlight the importance of protecting whistleblower's anonymity.
- 9.1.3. Training will be conducted through e-learnings and in person sessions, if required. All employees will be required to complete an assessment at the end of the training modules.
- 9.1.4. The Compliance Department will initiate awareness campaigns to increase awareness for all employees with regards to whistleblowing and this policy.
- 9.1.5. The awareness campaigns must equip employees with the knowledge of how to identify whistleblowing and the approved reporting channels.