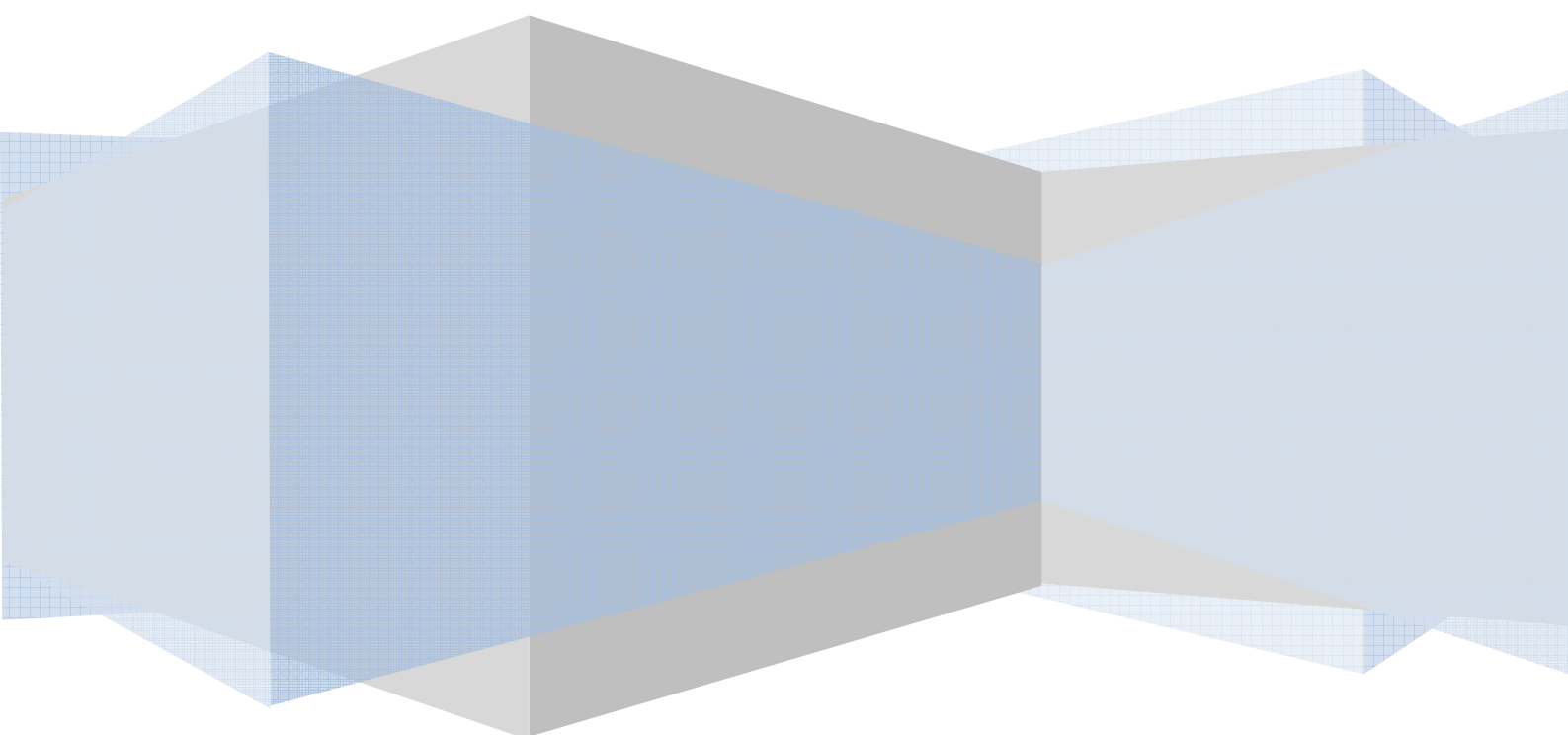


# **Gulf Warehousing Company**

## **Corporate Anti-Fraud Policy**

**Anti Fraud Measures and Whistle blowing Mechanism**



# Corporate Fraud Policy

## **BACKGROUND**

The corporate fraud policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against Gulf Warehousing. It is the intent of Gulf Warehousing Co. to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

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## **SCOPE OF POLICY**

This policy applies to any irregularity, or suspected irregularity, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with Gulf Warehousing Co. (Company). Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Company.

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## **POLICY**

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury.

Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the Corporate Internal Auditor who coordinates all investigations with the Legal advisory (where needed) and other affected areas, both internal and external.

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## **ACTIONS CONSTITUTING FRAUD**

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties

- Disclosing to other persons security activities engaged in or contemplated by the company
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Company. Exception: Gifts less than Qr. 100 in value.
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related irregularity. Please refer to ***Fraud Tree*** on last page

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**OTHER  
IRREGULARITIES**

*Irregularities* concerning an employee's moral, ethical, or behavioral conduct should be resolved by departmental management and the Human Resources rather than the Internal Audit Department.

If there is any question as to whether an action constitutes fraud, contact the Corporate Internal auditor for guidance.

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**INVESTIGATION  
RESPONSIBILITIES**

The Corporate Internal Auditor has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the Corporate Internal Auditor will issue reports to appropriate designated personnel, management and, if appropriate, to the Board of Directors through the Chairman. Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and Management, as will final decisions on disposition of the case.

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**CONFIDENTIALITY**

The Internal Audit Department treats all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Corporate Internal Auditor immediately, and *should not attempt to personally conduct investigations or interviews/interrogations* related to any suspected fraudulent act (see **REPORTING PROCEDURE** section below). Investigation results *will not be disclosed or discussed* with anyone other than those who have a legitimate need to know. This is important in order to avoid

damaging the reputations of persons suspected but Subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

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**AUTHORISATION  
FOR  
INVESTIGATING  
SUSPECTED FRAUD**

Members of the Investigation Unit will have:

- Free and unrestricted access to all Company records and premises, whether owned or rented; and
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

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**REPORTING  
PROCEDURES**

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will *contact the Corporate Internal Auditor immediately*. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Corporate Internal Auditor. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." *Under no circumstances* should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with *any-one* unless specifically asked to do so by the Legal Department or Internal audit Department

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**TERMINATION**

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the Human Resources and the Legal Department and, if necessary, by outside counsel, before any such action is taken. The Internal Audit Department does not have the authority to terminate an employee. The decision to terminate an employee is made by the management. Should the Internal Audit Department believe the management decision is inappropriate for the facts presented; the facts may be presented to Chairman for a decision.

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**ADMINISTRATION**

The Corporate Internal Auditor (who is also a certified Fraud Examiner) is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

**APPROVAL**

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**Chairman**

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**Date**



