



DISTRIBUTORS LIMITED

WHISTLE BLOWER POLICY

OBJECTIVE:

The Whistleblower policy is intended to encourage employees and contractors to report perceived unethical or illegal conduct of employees, management, directors and other parties within the company to a designated third party (Investigator) unconnected to the Company and its affiliates. The third party will treat the report in a confidential manner to ensure that the complainant is not impacted by any fear of harassment, intimidation, victimization or reprisal by anyone for raising concern(s). The specific objectives of the policy are:

- a. To ensure all employees feel supported in speaking up in confidence and reporting matters they suspect may involve improper, unethical or inappropriate conduct within the company.
- b. To encourage all improper, unethical or inappropriate behavior to be identified and challenged at all levels of the organization.
- c. To provide clear procedures for reporting and handling such concern(s).
- d. To proactively prevent and deter misconduct which could impact the performance and damage the company's reputation.
- e. To provide assurance that all disclosures will be handled seriously, treated as confidential and managed without fear of reprisal of any form.
- f. To help promote and develop a culture of openness, accountability and integrity.
- g. To guide employees on the proper forms of disclosure and not to make frivolous and false reports.

Additional Authority:

Regulatory bodies governing the business

The Protected Disclosures (Whistle Blower) Act, 2011

LASCO DISTRIBUTORS LIMITED (LML) PROTECTIVE MECHANISM FOR EMPLOYEES WHO DISCLOSE MISCONDUCT

The legislation provides for the protection necessary for persons who wish to 'disclose improper conduct' by providing immunity where (disclosure) to disclose would be a wrong actionable both in the civil courts and in the criminal courts. As such LML stands guided by section 15 and section 20 of the Act. Section 15 which states: -

- (1) This section applies notwithstanding any duty of secrecy or confidentiality or other prohibition of or restriction on the disclosure of information under any enactment, rule of law, contract or practice.
- (2) A person who makes a protected disclosure, or receives, investigates or otherwise deals with a protected disclosure, shall not be liable in any civil or criminal proceedings or to any disciplinary proceedings by reason of having made, received, investigated or otherwise dealt with that disclosure in accordance with this Act.

And; Section 20 which states:

Any provision of an agreement shall be void and of no effect if the provision precludes an employee from making a protected disclosure or purports to require an employee to

- (a) Agree to not make a disclosure under this Act during or after his period of employment; 13 *The Protected Disclosures Act, 2011 [No.]*
- (b) Refrain from instituting any proceedings pursuant to this Act; or
- (c) Withdraw or abandon any disclosure made under this Act, or proceedings instituted pursuant to this Act.

Therefore, where an employee of LASCO Distributors Limited has reason to make a disclosure, or be a part of an investigation surrounding the disclosure made, or otherwise deals with the disclosure made by virtue of the provisions of the legislation such employee(s) will have protective immunity save and except in the instant where a report is found to be purely malicious or unfounded. Additionally, a confidentiality clause should not prevent an employee from making a disclosure under the provisions of the Act and where an individual who was an employee is no longer in an employer's employ he/she can still make disclosure once the matter being disclosed took place while that person was within the employer's employment..

Scope:

This policy is designed to enable employees and contractors to report any perceived act of impropriety which should not be based on mere speculation, rumors and gossip but on knowledge of facts. Reportable misconducts covered under this policy include:

- ♣All forms of financial malpractice or impropriety such as fraud, corruption, bribery, theft and concealment
 - ♣Failure to comply with legal obligations, statutes, and regulatory directives
 - ♣Actions detrimental to Health and Safety or the work environment
 - ♣Any form of criminal activity
 - ♣Improper conduct or unethical behavior that undermines universal and core ethical values such as integrity, respect, honesty, accountability and fairness;
 - ♣Other forms of corporate governance breaches;
 - ♣Connected transactions not disclosed or reported in line with regulations;
 - ♣Insider abuse;
 - ♣Non-disclosure of interests;
 - ♣Sexual or physical abuse of employees, contractors, prospective staff, service providers and other relevant parties
- granting of undue favour to a supplier
- collusion with a supplier to ensure award of a contract
- unauthorized disclosure of confidential information
- destruction of company documents
- solicitation of money or gifts from contractors to the company
- ♣Attempt to conceal any of the above listed acts.

The above listed reportable misconducts or concerns are not exhaustive. However, before making a report, judgment and discretion are required to determine misconduct that should be reported under this policy. The general guide in identifying reportable misconduct is to report concerns which are repugnant to the interest of the company so that appropriate sanctions may be applied. This policy covers the activities of LASCO Distributors Limited and all the employees and contractors in its employ. It does not cover, override or nullify individual staff grievances and other employee related matters already covered in the Human Resource Policy Manual.

Policy Statement

LASCO Distributors Limited is committed to the highest standards of openness, probity, accountability and high ethical behaviour by helping to foster and maintain an environment where employees and contractors can act appropriately, without fear of reprisal. To maintain these standards, the company encourages employees and contractors who have material concerns about suspected misconduct or any breach or suspected breach of law or regulation that may adversely impact the company, to come forward and report them to the designated third party (Investigator) referred to earlier on a confidential basis without fear of retribution or unfair treatment. The company conducts its business on the principles of fairness, honesty, openness, decency, integrity and respect. It is the intention of this policy to encourage employees and contractors to report and disclose improper or illegal practices or activities.

The company is committed to investigate promptly any reported misconduct and to protect those who come forward to report such activities. The company further assures its employees and contractors that all reports shall be treated in strict confidence. Although the company's standard operating procedures are intended to detect, prevent or deter improper activities, in some cases the best systems of controls may not provide absolute safeguards against irregularities. This policy is intended to investigate and take appropriate action against any reported misconduct or concern.

Definition of Terms

Complaint - An allegation or concern that is subject to investigation by the Independent Third Party (Investigator) or Human Resources Manager.

Detriment - Victimization or reprisal of a whistle blower which can take any or a combination of the following forms; dismissal, termination, redundancy, undue influence, duress, withholding of benefit and/or entitlements and any other act that has a negative impact on the whistleblower.

Good Faith - This is evident when a report or concern is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.

Investigation - A process designed to gather and analyze information in order to determine whether misconduct has occurred and if so, the party or parties responsible.

Misconduct - A failure by an employee or contractor or other relevant party to observe the rules of conduct or standards of behavior prescribed by the company.

Suspect - A person who is alleged to have committed a misconduct and is the subject of investigation.

The Company – LASCO Distributors Limited

Whistleblower - Any person(s) including an employee, a contractor, management, directors, of the company who reports any form of unethical behavior or dishonesty to the Independent Third party(Investigator).

Whistleblowing - The act of reporting an observed/perceived unethical misconduct of employees, contractors, management, and directors of the company by an employee or other person to the

Independent Third Party (Investigator) It is an early warning system that enables the company to find out when something is going wrong in time to take necessary corrective action.

Introduction

LASCO Distributors Limited in ensuring a high ethical standard in all its business activities has established a code of ethics and conduct which sets out the standard expected in the management of its businesses and the behavior of its employees and contractors. All are expected to comply with these standards in the discharge of their duties.

In furtherance of this, **LASCO Distributors Limited's** Whistleblowing Policy and Procedure provides a channel for the employee, contractors and other parties to raise concerns about workplace malpractices, in a confidential manner; for the Independent Third Party (Investigator) to investigate alleged malpractices and take steps to deal with such in a manner consistent with the company's policies and procedures and relevant regulations.

Whistleblowing for the purpose of this policy is the act of reporting perceived unethical conduct of employees, contractors, management, and directors by an employee or other persons to the Independent Third Party (Investigator).

This policy outlines the company's approach on whistleblowing and the procedure for investigating and dealing with all reported cases of illegal and unethical conduct and any other misconduct within the company. This policy is in compliance with the local laws and will not infringe on the rights of any party.

Management Commitment to the Policy

Management is aware that a robust internal system for employees and contractors to disclose workplace malpractices without fear of reprisal shows that employees take their responsibilities seriously, and also helps to avoid the negative public image and associations made when reports go to external parties.

Hence Management is committed to promoting a culture of openness, accountability and integrity, and will not tolerate any harassment, victimization or discrimination of the whistleblower provided such disclosure is made in good faith with reasonable belief that what is being reported is fact.

Roles & Responsibilities

The following are the roles and responsibilities of the key parties in the whistle blowing process:
See internal and external process flow document in appendix.

Steps	Person responsible	Responsibilities
1	Whistleblower	Whistleblowers are expected to act in good faith and should refrain from making false accusations when reporting his/her concern(s), and also provide further evidence at his/her disposal to aid the investigation of the issues reported.

2	Suspect	The suspect has a duty to cooperate with investigators during the period of investigation including provision of relevant information, documents or other materials as may be required by the investigator.
3	Investigator/	<p>The investigator is expected to handle all matters with high professionalism, confidentially and promptly. He/she shall be unbiased in carrying out the investigation. The Investigator has the responsibility of acknowledging all concern(s) reported and reporting on the progress of the investigation to the whistleblower and will refrain from discussing or disclosing matters under investigation. The Investigator is obligated to report on the status of all investigations periodically to the Managing Director as part of the company's risk management strategy.</p> <p>Where sanctions are applicable, it will be done in line with the HR Policy Manual.</p>
4	Human Resource Manager	Review, update the whistleblowing policy and procedure and obtain the Managing Directors approval prior to obtaining approval from Board of Directors .

Whistleblowing Procedure

The whistleblowing procedure involves steps that should be taken by the whistleblower in reporting misconduct, and steps required for the investigation of the reported misconduct.

The following procedures shall guide the whistleblowing process:

Internal Whistleblowing Procedure

Internal whistleblowing involves employees and contractors within the company raising concerns about unethical conduct. The following procedure shall be adopted for the purpose of internal whistleblowing:

	Steps	Action
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1	<p>Step One Raising concern(s) by Whistleblower – medium and format.</p>	<p>An internal whistleblower may raise concern through any of the following media (this can be done either by declaration or in confidence/anonymously):</p> <ul style="list-style-type: none">♣ Formal letter to the Investigator♣ Through email to the Investigator♣ In person report <p>Where the concern is received by another employee or Manager it is to be passed to the investigator regardless of the status of the person committing the act</p> <p>The concern(s) shall be presented in the following format;</p> <ul style="list-style-type: none">♣ Background of the concerns (with relevant dates)♣ Reason(s) why the whistleblower is particularly concerned about the situation. <p>Disciplinary measures in line with the HR Policy Manual shall be taken against any employee/Manager that receives concerns and fails to escalate. Also disciplinary measure shall be taken against an internal whistleblower who acted out of malice.</p>
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<p>2</p>	<p>Step Two Investigation of Concerns and update on progress of investigation.</p>	<p>The investigator shall on receipt of the concern(s) acknowledge receipt of the concern from the whistleblower within 5 working days, and immediately commence investigation.</p> <p>The purposes of investigation are to:</p> <ul style="list-style-type: none"> a. Establish if a wrongdoing has occurred based on the concern(s) raised, and if so to what extent b. To minimize the risk of further wrongdoing, prevent any further loss of assets, damage to the company's reputation and, if possible, protect all sources of evidence. <p>If the preliminary investigation shows that the concern falls within the whistleblowing reportable concerns, then further investigation shall be carried out. If otherwise or the concern is outside the reportable misconduct, the Investigator shall refer the matter to the HR Manager for redress.</p> <p>Where necessary the Investigator shall give an update of the progress of the investigation to the whistleblower if the concerns fall within the reportable concerns. Finally, if the concern raised by the whistleblower is frivolous or unwarranted, the Investigator shall inform the Human Resource Manager who must in turn, so inform the complainant and shall inform him that the necessary disciplinary measures in line with Human Resources policy shall apply to employees and contractors that raise concern out of malice.</p>
<p>3</p>	<p>Step Three Report of Investigation and action on report.</p>	<p>Upon conclusion of the investigation, the Investigator shall submit his/her report to the Managing Director or person designated by him for further action(s). All disciplinary action relating to the report shall be pursued in keeping with the HR Policy Manual.</p>
<p>4</p>	<p>Step Four Non Satisfaction with result of investigation/action</p>	<p>In the event that the whistleblower is not satisfied with the extent of the investigation and or the action taken based on the outcome of the investigation, the whistleblower is at liberty to report to the Corporate Governance Committee via the Company Secretary and share his/her concerns about the investigation.</p>

Any internal whistleblower that feels victimized can report his/her grievance(s) to the Managing Director. This is without prejudice to the fundamental right of the internal whistleblower to seek redress in the court of law.

External Whistleblowing Procedure

External whistleblowers are non-employees and non-contractors of the company. External whistleblowers can fall into any of these categories: service providers, shareholders, consultants, job applicants, and the general public. External whistleblowing shall follow the following procedure:

	Steps	Action
1	<p>Step One Raising concern(s) by whistleblower: -medium and format.</p>	<p>An external whistleblower may raise concern through any of the following media (this can be done either by declaration or in confidence/anonymously):</p> <ul style="list-style-type: none"> ♣ Formal letter to Human Resource Manager ♣ Through email to Human Resource Manager ♣ In person report ♣ Directly to the Managing Director Directly to the Executive Chairman <p>.</p> <p>If the concerns affect the Human Resource Manager and/or the Managing Director such concern shall be directed to the Board Secretary who will pass same to the Corporate Governance Committee Chair.</p> <p>The concern(s) shall be presented in the following format;</p> <ul style="list-style-type: none"> ♣ Background of the issue (with relevant dates) ♣ Reason(s) why the whistleblower is particularly concerned about the situation. <p>Disciplinary measures in line with the HR Policy Manual shall be taken against any employee/Manager that receives concerns and fails to escalate.</p>

2	<p>Step Two Investigation of Concerns and update on progress of investigation.</p>	<p>The Human Resource Manager shall on receipt of the concern(s) acknowledge receipt from the whistleblower within 5 working days, and immediately commence investigation. The purpose of investigation is to:</p> <ul style="list-style-type: none"> a. Establish if a wrongdoing has occurred based on the concern(s) raised, and if so to what extent b. minimize the risk of further wrongdoing, prevent any further loss of assets, damage to the company’s reputation and if possible protect all sources of evidence. If preliminary investigation shows that the concern falls within the whistleblowing reportable concerns, then further investigation shall be carried out. <p>If otherwise, the Human Resource Manager shall refer the matter to the appropriate department or manager for further action.</p> <p>However, if the concern raised by the whistleblower is frivolous or unwarranted, the Human Resource Manager shall ignore such concern.</p> <p>On the other hand where it is established that a criminal activity has taken place, the matter may be referred to Corporate Secretary who will determine whether the matter is for the Jamaica Constabulary Force (JCF), or appropriate legal action Where necessary the Human Resource Manager shall give update of the progress of the investigation to the whistleblower.</p>
3	<p>Step Three Report of Investigation and action on report.</p>	<p>Upon conclusion of the investigation, the Human Resource Manager shall submit his/her report to the Managing Director. If the concern(s) relates to an Executive Director, the matter shall be referred to the Corporate Secretary for further action. If the concern(s) relates to an external party (service provider), the group shall immediately review the Service Level Agreement with such service provider, and if necessary terminate the agreement.</p>
4	<p>Step Four Non Satisfaction with result of investigation/action.</p>	<p>In the event that the whistleblower is not satisfied with the extent of investigation and or the action taken based on the outcome of the investigation, the whistleblower is at liberty to report to the Chairman or the Board of Directors for further action</p>

An external whistleblower shall be at liberty to report to the appropriate regulatory body or seek further redress in the court of laws if he/she is not satisfied with the action taken to address the concern(s).

Time Limit for Investigation

It shall be the policy of the company to handle investigations promptly and as fairly as possible. While it might not be possible to set a specified time frame for the conclusion of an investigation, since the diverse nature of potential concerns may make this impracticable, the Investigator (in the case of an internal report) or in the case of an external report

The Human Resource Manager shall endeavor to resolve all concerns within four (4) weeks. Where for any reason, proper resolution is unable to be achieved within this time frame; the Investigator or the Human Resource Manager shall advise the Managing Director accordingly.

Protection and Compensation for Whistleblower

It shall be the policy of the company to protect whistleblowers who disclose concerns, provided the disclosure is made;

- ♣ In the reasonable belief that that it is intended to show malpractice or impropriety
- ♣ To the appropriate person or authority
- ♣ In good faith without malice or mischief

While all disclosures resulting from whistleblowing shall be treated with the highest level of confidentiality, employees, contractors and external parties are encouraged to disclose their name to make the report more credible. The company shall take the following into consideration in considering disclosure:

- ♣ Seriousness of the issues being reported
- ♣ The significance and credibility of the concern
- ♣ The possibility of confirming the allegation.

The company shall not subject a whistleblower to any action detrimental to him/her. Where a whistleblower feels unfairly treated owing to his/her actions, the whistleblower shall be at liberty to report to the matter to any regulatory body with oversight of the company's businesses. This is without prejudice to his/her right to take appropriate legal action.

Where necessary, compensation of whistleblowers whether internal or external that have suffered detriment shall be at the discretion of the Board of Directors taking into consideration regulatory guidance on compensation of whistleblowers to be issued from time to time.

Any retaliation, including, but not limited to, any act of discrimination, reprisal, harassment, suspension, dismissal, demotion, vengeance or any other occupational detriment, direct or indirect, recommended, threatened or taken against a whistleblower because he/she has made a disclosure in accordance with this policy will be treated as gross misconduct and dealt with accordingly.

Whistleblowers must ensure that while the matter is under consideration by the Investigator or HR Manager they do not make disclosures outside of the channels prescribed in the Whistleblowing Act.

Embedding a Strong Whistle-Blowing Regime within the company

While regulation and best practice in corporate governance requires companies irrespective of their size and location to have a whistleblowing policy, LASCO Distributors Limited believes that simply having a whistleblowing policy is not enough to create a culture in which employees are genuinely encouraged to disclose unethical behaviours. In creating an enabling environment which ensures that whistleblowing regime is effective across the company, all employees and contractors are required to adopt the following measures:

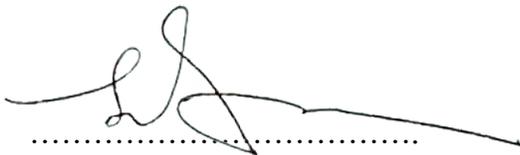
	Measures	Remark
1	Board and Management commitment	The Board and Management of the company are expected to clearly support whistleblowing in their areas of charge. This will include respecting the policy and ensuring that same is robust and will be enforced.
2	Communication & Training	All employees and contractors should be aware of the existence of the whistleblowing policy. This can be achieved through regular compulsory training by the Human Resource Department, newsletters, emails and presentations. An Annual declaration by all employees and contractors of their having read and understood the policy shall also be a precondition for a continued relationship with the company.
3	Proper Investigation and Action	All whistleblowing disclosures or concerns must be investigated promptly and properly, and appropriate action taken upon conclusion of investigation. Furthermore, all whistleblowing investigations shall be kept confidential.
4	Feedback on effectiveness of policy	Regular survey on the effectiveness of the policy should be conducted at various intervals by the Human Resource Department. Such questions to gauge employee satisfaction or survey shall include: <ul style="list-style-type: none"> ♣Have you read the whistleblowing policy? ♣If yes, when last did you read the policy? ♣Do you know who to contact to make disclosure? ♣Do you feel you work in an open environment in which you are encouraged to speak up and you can safely voice any concerns without fear of reprisal? ♣What would you change about how the policy operates? ♣Are you comfortable with the name (“whistleblowing”) of the policy? ♣If No, what other name would you suggest?

5	Reward	Reward systems to encourage a strong and effective whistleblowing culture will be institutionalized to make open and honest disclosures culturally ingrained. Departments can be collectively rewarded on the average number of man hours training and knowledge that their team has accumulated on whistleblowing training.
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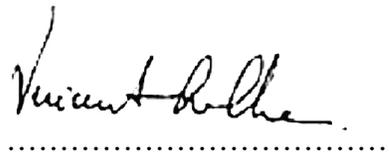
Ownership and Frequency of Review

This policy document is the property of LASCO DISTRIBUTORS LIMITED and shall be subject to review every two (2) years or as may be deemed necessary by the Management.

All suggestions for review and or amendments shall be shared with the Human Resource Manager and the Managing Director.



Lascelles Chin
EXECUTIVE CHAIRMAN



Vincent Chen
Company Secretary

DOCUMENT CONTROL

<i>Version</i>	<i>Date reviewed</i>	<i>Date Approved by Board</i>	<i>Area Changes made</i>
1 st	March 2021	May 26, 2021	

WHISTLE BLOWER REPORT FORM

Please provide the following details for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company. Please note that you may be called upon to assist in the investigation if required.

NOTE: Please follow the guidelines as laid out in the Whistleblowing Policy

REPORTER'S CONTACT INFORMATION	
(This section may be left blank if the reporter wishes to remain anonymous)	
NAME	
JOB TITLE	
DEPARTMENT	
CONTACT NUMBER	
EMAIL ADDRESS	
SUSPECT'S INFORMATION	
NAME	
JOB TITLE	
DEPARTMENT	
CONTACT NUMBER	
EMAIL ADDRESS	
WITNESS' INFORMATION (IF ANY)	
NAME	
JOB TITLE	
DEPARTMENT	
CONTACT NUMBER	
EMAIL ADDRESS	

COMPLAINT: *Briefly describe the misconduct / improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.*

1. What misconduct / improper activity occurred?

2. Was the wrongdoing a one-time incident that occurred recently?

YES

NO

UNKNOWN

3. Is the wrongdoing an ongoing issue?

YES

NO

UNKNOWN

4. Who committed the misconduct / improper activity?

5. When did it happen and when did you notice it?

6. Where did it happen?

7. Is there any evidence that you could provide to the Management?

8. Are there any other parties involved other than the suspect stated above?

9. Do you have any other details or information which would assist us in the investigation?

10. Any other comments?

PERSONAL INVOLVEMENT / PERSONAL INTEREST

Please declare any personal interest you may have in this matter (i.e. Does the outcome of this matter have the potential to affect you personally in any way?)

EXPRESSED PREFERENCES

Do you wish your concern to be treated in confidence?	YES		NO	
	YES		NO	

Date:	Signature (Optional)

For Whistle Blower Committee Use	Report No.
Received By:	Date Received:

SUBMITTING WHISTLE BLOWER REPORT to be sent under private and confidential cover as follows

INTERNAL REPORT TO BE SENT TO Name of Independent Third Party Address Telephone number	EXTERNAL REPORT TO BE SENT TO Human Resources Manager LASCO Distributors Limited P.O. Box 809 White Marl, St. Catherine Jamaica W.I.
Email:	LML-Whistleblower@lascoja.com

FOR USE BY INVESTIGATOR OR HUMAN RESOURCES MANAGER as appropriate

1. Investigation Required **(YES / NO)**. If NO, please state the reason(s):

2. Investigation conducted by:

3. Investigation Results:

4. Action taken / Conclusion:

5. Report made to the Corporate Governance Committee Chairman or Managing Director on:

6. Name of Investigator or HR Manager:

Date