



**CODE OF CONDUCT FOR EXECUTIVE DIRECTORS
AND SENIOR MANAGEMENT**

OF

PNB HOUSING FINANCE LIMITED

Table of Contents

| S. No | Particulars | Page No |
|--------------|------------------------------|----------------|
| 1 | Preamble | 3 |
| 2 | Objective | 3 |
| 3 | Definitions | 3-4 |
| 4 | Applicability | 4 |
| 5 | Standards of Conduct | 4-8 |
| 6 | Violation | 8-9 |
| 7 | Amendment to the Code | 9 |
| 8 | Annual declaration | 9 |
| 9 | Dissemination of information | 9 |
| 10 | Interpretation | 9 |
| 11 | Annexure | 10 |

Summary of Version History

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| Policy drafted by | CS |
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CODE OF CONDUCT FOR EXECUTIVE DIRECTOR AND SENIOR MANAGEMENT

(Pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I.PREAMBLE

PNB Housing Finance Limited ("**the Company**") is a public listed company and registered as housing finance company with National Housing Bank ("**NHB**"). With over three decades of specialised experience in housing finance, Company has a robust network of branches spread across the country which help its customers avail financial services (loans and deposits) seamlessly. Integrity, transparency and trust form part of the core beliefs of all activities at the Company, which has been the continuing basis of its growth and all-round development.

Ethical business conduct is critical to the business carried on by the Company. Keeping this in mind, the Board of Directors of the Company have adopted this Code which helps in maintaining the standards of business conduct for the Company and ensure compliance with the legal requirements more particularly with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

II.OBJECTIVE

In terms of the Regulation 17(5) of the SEBI Listing Regulations, it is mandatory for the Company to formulate and adopt a Code of Conduct for its Directors and Members of Senior Management, duly approved by its Board.

This Code of Conduct or the Code defines what the Company expects from its business and personnel regardless of the location or their background. This Code has been formulated so as to promote the highest degree of personal and professional integrity, honesty and values into practice. As it is not possible to address every possible situation that may arise, the provisions of this Code are intended to provide guidance in making ethical decisions and should therefore be construed and applied to further the said objective.

The purpose of this Code is to enhance further an ethical and transparent process in managing the affairs of the Company and to deter wrong doing. The matters covered in the Code are of utmost importance to the Company, shareholders and business partners.

III.DEFINITIONS

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

- (i) "**Board**" or "**Board of Directors**" shall mean the Board of Directors of the Company.
- (ii) "**Company**" shall mean PNB Housing Finance Limited.
- (iii) "**Executive Director**" shall mean the Managing Director, Whole-time Director and any other Director who is in the whole time employment of the Company, appointed on the Board.
- (iv) "**Financial Year**" shall have the meaning ascribed to it in section 2(41) of the Companies Act, 2013.
- (v) "**SEBI Listing Regulations**" shall mean the Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

(vi) “**Senior Management**” shall mean the officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/ (including chief executive officer, in case they are not part of the Board) and shall specifically include the functional heads by whatever name called and company secretary and chief financial officer.

Unless the contrary is apparent from context, all other words and expressions used but not defined herein shall have the meaning as defined in the Companies Act, 2013 and SEBI Listing Regulations or any other cognate statute as amended from time to time.

IV. APPLICABILITY

This Code shall be applicable and binding on all the Executive Directors and members of Senior Management of the Company.

V. STANDARDS OF CONDUCT

This Code is intended as a source of guiding principles, since no code or policy can anticipate every situation that may arise. Every Executive Director and Senior Management is expected to comply with this Code in letter and spirit.

A. To Lead by Example

- i. To act according to the highest standards of personal and professional integrity, honesty and ethical conduct whilst dealing for, on behalf of and in the name of the Company.
- ii. To exercise powers conferred upon him for achieving business goals of the Company, with reasonable discretion and after weighing the consequences of such use.
- iii. To respect the confidentiality of any proprietary information accessed during the course of discharge of his duties and ensure that such information is not used for personal gain.
- iv. To co-operate with Government, Trade, and Regulatory Authorities in the development of economic legislations governing the business of the Company.

B. Principles of Compliance

- i. Ensure that all decisions taken are in adherence to legal/regulatory requirement(s) as applicable to the business of the Company.
- ii. To inform the Company of any information that may be perceived to be a violation by any employee or Director or the Company of any legal/regulatory requirement(s) as applicable to the business of the Company.
- iii. Adhere to the standards set by the Company from time to time to protect and promote the interest of shareholders and other stakeholders (including employees, customers, suppliers and creditors and the society at large).
- iv. Executive Directors to attend all Board/Committee/General Meetings and seek leave of absence whenever necessary.
- v. Monitoring the effectiveness of the Company’s governance practices and making changes as needed.

- vi. The Executive Director and Senior Management personnel should not engage in activities that are dishonest, or lacking integrity, such as: (a) issuing any untrue, false, misleading or fraudulent statements regarding the Company or its services; (b) stealing of any proprietary/confidential information; (c) adopting any illegal means for increasing profits; and (d) indulging in bribing or any corrupt practices, including unfair inducement of government official.

C. Conflict of interest

A conflict of interest situation would be deemed to have arisen, when an individual's interest is perceived to be inconsistent with or is in conflict with the business interest of the Company. One should avoid such conflict of interest with the Company. However, in case such a situation arises, he shall on becoming aware of the same, make complete and true disclosure of all facts and circumstances thereof to the Company. Some of the situations wherein a conflict of interest may be deemed to have arisen are elucidated hereinafter.

i. Pecuniary Benefit

Where one's conduct is likely to confer a pecuniary benefit to himself or in favour of any of his relative(s) or in favour of any company, body corporate or firm, where his relative or he himself is an employee, director or partner.

ii. Related Party Transactions

No Executive Director and Senior Management of the Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an Ordinary Resolution.

Provided further that all interested persons involved in the transaction covered under the agreement shall abstain from voting in the general meeting.

iii. Disclosure of Information

The Executive Directors and Senior Management shall make disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.

Explanation- conflict of interest includes dealing in the shares of Company or commercial dealings with bodies, which have the shareholding of management and their relatives, etc.

The above mentioned disclosure are in addition to other disclosure which the Executive Director and Senior Management may be required to be given under any other applicable laws.

D. Secrecy

- i. Shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.
- ii. Ensure that proprietary information and trade secrets belonging to the Company, (including, but not limited to any information concerning pricing, products and services that are being developed, internal system, designs and such other trade secrets) are held in strict confidence and due care is exercised to avoid inadvertent and inappropriate disclosure, except when such disclosure is authorised or legally mandated and is not for personal gain.

E. Restrictions on dealing in Securities

Not to indulge in any kind of insider trading or dealing in shares/securities of the Company in violation of the statutory provisions and to strictly abide with all disclosure norms prescribed under the applicable law.

F. Conduct at Workplace

- i. Conduct oneself in a professional manner and treat others with respect, fairness, and dignity.
- ii. Conduct oneself in both letter and spirit of the applicable laws, rules and regulations, comply with the procedures and policies laid down by the Company and encourage other officers and employees to do the same.
- iii. Not to discriminate employees based on color, race, religion, caste, creed or sex. The Company is committed to provide a work environment that is fair and non-discriminatory.
- iv. Provide and enhance equal opportunities for men and women, to prevent, stop, and redress sexual harassment at the workplace and to promote good employment practices.
- v. Demand, demonstrate and promote professional behavior and encourage employees to acquire skills, knowledge and training to expand/enhance their skills and specialized knowledge.
- vi. Not to have any material association with a firm, company or body corporate engaged in line of business similar to that of the Company or any of its subsidiaries without obtaining the prior consent of the Chairman or Board of Directors of the Company.
- vii. Overseeing the process of disclosure and communications.

G. Use of assets and information

- i. Ensure that the equipment/ facilities/ amenities provided by the Company for discharge of duties in terms of the employment are used with proper care and diligence and should be returned to the Company upon resignation, termination or retirement from the services of the Company.
- ii. Ensure that price sensitive information of the Company, which is not in public domain, is not used to derive any personal benefit or to assist other person(s) for deriving any benefit, by virtue of having access thereto.
- iii. Ensure that proprietary and confidential information and trade secrets belonging to the Company, including any information concerning pricing, products and services that are being developed, internal system designs and other such trade secrets are held in strict confidence and due care is exercised to avoid inadvertent and inappropriate disclosure. Such information shall be used in the manner as required or mandated and as a part of the duties assigned and not for personal gain.
- iv. Ensure that all other personal and financial information relating to the customers, associates and stakeholders of the Company is accessed, used and disclosed in accordance with the policies, systems and controls defined by the Company.
- v. Ensure to protect Company's assets and their efficient use. Use Company's assets only for legitimate business purposes of the Company.

H. Gift/ favors

Under no circumstances receive or offer, directly or indirectly, any gifts, donations or remuneration or illegal payments which are intended to obtain business favours. Nominal gifts during festival occasions and other occasions may be accepted / given as per HR Policy of the Company.

I. Transparency

- i. Ensure that the conduct at workplace is transparent, subject to sensitivity of the information or nature of job assigned to the Executive Director and Senior Management. Such transparency shall be brought about by adherence to corporate governance norms, policies, systems and processes defined by the Company, from time to time.
- ii. Having regard to the fact that the Company is engaged in the business of housing finance, accordingly, details of all dealings (acquisition or disposition) entered into (including by his spouse and / or dependent children and / or dependent parents) in real estate (including land) shall be disclosed to the personnel department of the Company.
- iii. Avoid Anticompetitive Conduct: Not to engage in any form of agreement or understanding with competitors to fix prices, rig bids, allocate customers and/or restrict supply.
- iv. Not to indulge in any form of money laundering and to adhere to the statute/regulations/circulars/guidelines/rules/policy applicable to the Company with regards to the Anti - Money Laundering / Counter Financing of Terrorism (AML / CFT).

J. Other responsibilities

The Executive Directors and members of Senior Management:

- i. Shall provide strategic guidance to the Company to ensure effective management of the Company and shall be accountable to the Company and the shareholders.
- ii. Shall set a robust corporate culture and values which other executives of the Company should strive to adhere.
- iii. Shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, employees and the shareholders.
- iv. Shall encourage continuing directors training to ensure that the members of Board of Directors are kept up to date.
- v. Shall maintain high ethical standards and shall take into account the interest of stakeholders.
- vi. Shall be able to commit themselves effectively to their responsibilities.
- vii. Shall have access to accurate, relevant and timely information.

This Code does not specifically enlist every potential form of unacceptable conduct and it is expected that the Executive Directors and the Senior Management of the Company shall always exercise sound and bonafide judgement in conformity with the principles set out in the Code.

VI. VIOLATION

- i. It shall be the duty of the Executive Directors and Senior Management personnel to help the enforcement of this Code.
- ii. Although, it is not intended that disciplinary action is appropriate for every violation of this Code, however in order to ascertain whether any disciplinary action is appropriate or not (including determination of any

penalty etc.), due consideration be given to various factors including nature and seriousness of violation, intent, repetitiveness of violations and the effect of such a violation on the Company (its reputation and goodwill), other directors, employees of the company and on the Corporate Governance system of the Company.

iii.A violation of this Code may result in disciplinary action such as termination from the association/employment with the Company/suspension, demotion and or penalty as deemed necessary. Decision regarding whether or not any disciplinary action is to be taken and the nature and extent thereof, shall rest with the Managing Director & CEO of the Company.

iv.An appeal against any such decision of Managing Director & CEO shall lie before the Chairman of the Company, whose decision in this regard shall be final and binding on the concerned Executive Director or member of the Senior Management. Decision of any disciplinary action against the Managing Director & CEO shall rest with Chairman of the Company.

VII. AMENDMENT TO THE CODE

This Code may be amended to meet the requirements of the relevant statute or the business interest of the Company, subject to the approval of the Board of Directors of the Company.

The Code shall be reviewed annually or at earlier intervals as may be deemed necessary. Consequent upon any changes in the applicable laws, such change shall be deemed to be part of the Code until the Code is reviewed and approved next time.

VIII. ANNUAL DECLARATION

Every Executive Director and member of the Senior Management shall affirm compliance with the Code of Conduct as applicable to them on an annual basis and submit a declaration to that effect in the format prescribed as per Annexure, every year. A declaration confirming the above duly signed by the Managing Director & CEO of the Company shall be disclosed in the Annual Report of the Company every year.

IX. DISSEMINATION OF INFORMATION

This Policy and any amendments thereto shall be posted on the website of the Company i.e., www.pnbhousing.com

X. INTERPRETATION

Any ambiguities, interpretative issues, difficulties will be resolved by the Board of Directors of the Company in line with the broad intent of this Policy read with the applicable provisions of the Act, rules made thereunder, and the SEBI Listing Regulations.

In the event of any conflict between the provisions of this Code and the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of the SEBI Listing Regulations or statutory enactments or rules made thereunder shall prevail over this Code and the part(s) so repugnant shall be deemed to severed from the Code and the rest of the Code shall remain in force.

DECLARATION

To
The Company Secretary,
PNB Housing Finance Limited
9th Floor, Antriksh Bhawan,
22, K G Marg, Connaught Place,
New Delhi – 110 001

Dear Sir/Madam,

I, Mr./Ms./Mrs. _____, _____ (designation) do hereby acknowledge and confirm that during the financial year _____ to the best of my knowledge and belief, I have not violated any of the provisions of this Code or any of the policies or legal/regulatory requirements of the Company..

Signature:

Name:

Designation:

Place:

Date:

1. Kindly sign and return this declaration, _____
2. This declaration shall be valid for the **Financial Year** ____