



## **WHISTLE BLOWER POLICY**

### **PNB HOUSING FINANCE LIMITED**

<b>Summary of Version History</b>	Board of Directors
<b>Policy approved by</b>	
<b>Policy drafted by</b>	CPO
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## **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

### **I. Preface**

- I. PNB Housing believes to conduct its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any wrongful conduct concerning the policies, procedures, codes and applicable laws, rules and regulations of the Company or in relation to corruption, misuse of office, criminal offence, suspected/ actual fraud, fraudulent reporting, misappropriation or mismanagement of the Company's assets, (hereinafter collectively referred to as 'alleged wrongful conduct') made by him in good faith and to ensure that no adverse action is taken knowingly and in retaliation to the said disclosure and to provide for the procedure thereof. The employees shall be encouraged to communicate bona fide concerns about illegal, unethical or questionable practices.
- II. This Whistle Blower Policy ("the Policy") is formulated in terms of the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the relevant provisions under Section 177(9 & 10) of the Companies Act, 2013 and the rules made thereunder.
- III. Further, Regulation 4(2)(d)(iv) of the Listing Regulations, inter-alia, provides entities shall devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal and unethical practices.

### **II. Purpose of the Policy**

- I. The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- II. The Policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

### **III. Applicability**

This Policy and its guidelines will cover all the employees and directors of the Company and its subsidiaries, who may have made a complaint in good faith of any instance of alleged wrongful conduct and as a result of which he/she will not be subjected to any victimization by the Company.

### **IV. Scope of the Policy**

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, Leakage or suspected leakage of unpublished price sensitive information(UPSI) relating to the Company in violation of SEBI(Prohibition of Insider Trading) Regulations, 2015 and other matters or activity on account of which Company's interest is affected and formally reported by whistle blowers.

### **V. Definitions**

- I. "Alleged wrongful conduct" shall mean violation of law, infringement of Company's policies or procedures, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority or any other unethical practice or events which affects the interest of the Company adversely and has the potential to cause financial or reputational loss to the Company".

- II. "Protected Disclosure" means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- III. "Whistle Blower" means an employee, group of employees or directors who make a Protected Disclosure and also referred in this Policy as complainant.
- IV. "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- V. "Nodal Officer" will be the Chief People Officer for the purpose of receiving all complaints and ensuring appropriate action. The MD&CEO shall have the authority to change the Nodal Officer from time to time.
- VI. "Unpublished Price Sensitive Information" means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the Securities of the Company.
- VII. "Employee" means employees or directors of PNB Housing Finance Limited.

## **VI. Eligibility**

All PNB Housing Finance Limited employees are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

## **VII. Misuse**

- I. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, complainants are advised against abuse of this protection.
- II. Whistle Blowers are advised not to make any false or bogus allegations with a mala fide intention.
- III. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who makes frequent Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be subjected to strict action and will be advised against such indulgence.

## **VIII. Whistle Blower Committee**

The Whistle Blower Committee shall comprise of Chief Compliance Officer, Chief People Officer, Chief Financial Officer, Head – Internal Audit & Chief of Internal Vigilance and Company Secretary of the Company. Any three members will form the quorum. Head – Internal Audit & Chief of Internal Vigilance shall be the Chairman of the Committee, however, in his absence, any other member may be appointed as Chairman for a specific meeting. The Audit Committee may change the composition of the Committee from time to time.

## **IX. Protection**

- I. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
- II. The identity of the Whistle Blower shall be kept confidential except as required by law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this Policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

- III. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower. It shall be ensured that the Whistle blower is not victimized, harassed, threatened etc. for making the disclosure.
- IV. If, on the basis of the complaint, the Company is of the opinion that either the complainant or the witnesses in the case, need protection, the Company shall issue appropriate directions to the Chief People Officer, in this regard.
- V. A Whistle Blower may report any violation of the above clause to the MD&CEO, who shall investigate into the same and direct to take a suitable action.

#### **X. Secrecy / Confidentiality**

The complainant, Nodal Officer, Whistle Blower Committee, Members of Audit Committee, the Subject and everybody involved in the process shall:

- I. Maintain confidentiality of all matters.
- II. Discuss only to the extent or with those persons as required for completing the process of investigations.
- III. Not keep the papers unattended anywhere at any time.

#### **XI. Decision and Reporting**

- I. If an investigation leads the Whistle Blower Committee to conclude that an improper or unethical act has been committed, the Committee shall recommend to the Managing Director & CEO to take such disciplinary or corrective action as he may deem fit.
- II. A quarterly report on number of complaints received under the Policy and their outcome shall be placed before the Audit Committee by Nodal Officer.

#### **XII. Communications**

All employees shall be notified of the contents of this Policy which shall also be put on the Intranet for the access of employees. New employees shall be informed of this Policy on their joining the services of the Company. The Policy shall also be uploaded on the website of the Company.

#### **XIII. Administration and Review of the Policy**

- I. The Chief People Officer (CPO) shall be responsible for the administration, interpretation, application of this Policy.
- II. This Policy is to be reviewed by the Audit Committee at least once in 2 years or as and when required and shall be approved by the Board of Directors of the Company. Consequent upon changes in law/rules/regulation/regulatory guidelines etc., such changes shall be deemed to be a part of the Policy until the Policy is reviewed and approved next time.
- III. Notwithstanding anything contained in this Policy, in case of any contradiction of the provision of this Policy with any existing legislations, rules, regulations or laws the provisions of such law, legislation, rules, regulation or enactment shall prevail over this Policy.

#### **XIV. Whistle Blower Procedure**

- I. All protected disclosures against any employee irrespective of his/her grade shall be forwarded in writing and signed by the whistle blower and delivered in a sealed envelope to the Nodal Officer (Address – Chief People Officer, 9<sup>th</sup> Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi – 110019) within 7 days from the knowledge of the alleged wrongful conduct to enable the Company to respond promptly. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower Policy” to the email ID- [whistleblower@pnbhousing.com](mailto:whistleblower@pnbhousing.com). If any person receives a complaint from a complainant, then he can forward it to the nodal officer. Protected Disclosures concerning the Nodal Officer should be addressed to the Managing Director & CEO of the Company.

- II. All protected disclosures shall state the name, employee number, department/ branch, background and history of the alleged wrongful conduct giving the names, dates, events and places etc.
- III. Any unsigned or anonymous disclosures shall not be entertained.
- IV. The Nodal Officer shall acknowledge receipt of the protected disclosure and initiate appropriate action within 15 days from the date of its receipt.
- V. In order to protect the whistle blower and the Company from adverse publicity, initial enquiries may be conducted by the Nodal Officer or by a suitable person as decided by the Nodal Officer to decide whether an investigation is appropriate and if so, what form it should take.
- VI. In case, if it is felt that the investigation needs to be initiated, the Nodal Officer shall, inform the Whistle Blower Committee about the same. The Whistle Blower Committee may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation. After taking into account the facts and evidence/s of the protected disclosures, the Whistle Blower Committee may also resolve to an agreed action without need for any further investigation.
- VII. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- VIII. Additional information may be sought from the whistle blower by the Nodal Officer, or any person appointed by the Nodal Officer, depending on the nature of the complaint, its seriousness, difficulties involved in collating additional evidence.
- IX. The investigation shall be completed normally within 60 days of the receipt of the protected disclosure and is extendable by such period as the Whistle Blower Committee deems fit.
- X. On completion of the investigation, the Nodal Officer shall forward the findings / recommendations to the Whistle blower Committee, within 15 days of completion of the investigation.
- XI. The Whistle Blower Committee shall, after taking into account the allegations made, evidence/s provided in the protected disclosure and the recommendation offered by the nodal officer, decide on an appropriate action, which inter alia could include the following:
  - a. Whether to refer the matter for further internal investigation or subject the same to an independent external enquiry.
  - b. Appropriate disciplinary action including but not limited to withholding of increments, stock options or termination from the services of the Company as per the provisions of the PNB Housing Finance Ltd Employee's Conduct, Discipline and Appeal Rules 2012.
  - c. Appropriate administrative steps to recover any loss caused to the Company as a result of the alleged wrongful act by the accused.
  - d. Initiating any criminal proceedings against the accused.
  - e. Referring the matter to law enforcement agencies.
  - f. Recommending corrective action/ measures to prevent recurrence of such events in future.
  - g. Any other action as deemed fit keeping in view facts of the case.
- XII. An appeal against the decision of the Whistle Blower Committee shall lie before the Managing Director & CEO, whose decision in this regard shall be final and binding on all concerned.
- XIII. A complaint against the Managing Director & CEO can be made to the Chairman of the Audit Committee at [chairmanacb@pnbhousing.com](mailto:chairmanacb@pnbhousing.com) and it would be investigated as decided by the Audit Committee.
- XIV. In appropriate or exceptional cases, employees or Directors may also directly report concerns or complaints of violation or potential violation to the Chairman of the Audit Committee at [chairmanacb@pnbhousing.com](mailto:chairmanacb@pnbhousing.com).

## **XV. Record Retention**

All records under this policy will be maintained for a period of 10 years.