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(Part I - Policy)

Policy for Whistle Blower
For FY 2026-27

1. **All Branches/Offices**
2. **Branch at GIFT City**
3. **PNB Card and Services Ltd.**

Division	**:**	**INSPECTION & AUDIT DIVISION**
Version	**:**	2026_IAD_1.0

Policy Custodian:

Division	**Inspection & Audit Division**
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Policy Version Control:

S. No.	Version Number	Version Date	Summary of Changes
1	2019-_IAD_1.0	16.09.2019	Detailed guidelines added
2	2021_IAD_1.0	01.04.2021	NIL
3	2022_IAD_1.0	01.04.2022	NIL
4	2023_IAD_1.0	01.04.2023	NIL
5	2024_IAD_1.0	26.03.2024	Modification / Additions made in clauses w.r.t. Whistle Blower's Protection and Disqualifications from Protection.
6	2025_IAD_1.0	20.02.2025	Functionality for lodging complaint under the Whistle Blower Mechanism through HRMS, Bank's Website & PNB One App
7	2026_IAD_1.0	19.06.2026	Exhaustive list of activities that constitute such misconduct/ malpractice/ violations revised. Constitution of Designated Committee detailed.

Policy Governance:

Frequency Of Review	Biennial or as and when required
Last reviewed on	Board 28.01.2025
Approval Path	Audit Committee of Executives→ Audit Committee of Board→ Board
Supersedes	IAD HO Circular No. 02/2025 dated 20.02.2025

Contents:

Policy (Part -I):

1. Executive Summary:

This policy establishes a robust, confidential, and independent mechanism for reporting and investigating misconduct. It aligns with Government of India vigilance principles (including RBI/DFS/CVC guidance) while maintaining a bank-owned internal process with clear accountability, timelines, and governance oversight.

2. Background:

2.1 Punjab National Bank (herein after referred to as Bank) is committed to the highest standards of ethics & integrity. The Bank encourages an open culture in all its dealings between staff, managers, **customers and all people** with whom it comes into contact with.

2.2 The bank shall establish a vigil mechanism for directors, employees and any stake holder to report concerns about unethical behaviour, actual or suspected fraud or violation of the bank's code of conduct or ethics policy.

2.3 This policy is framed in the light of provisions of:

- **2.3.1** Clause 9 & 10 of section 177 of Companies Act,
- **2.3.2** Master Directions on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions (RBI /DOS/2024-25/118 DOS.CO.FMG.SEC.No.5 / 23.04.001/2024-25 dated July 15 2024 paragraph no. 2.1.5)
- **2.3.3** Clause IV of para 2(d) Chapter II(4) page 7/35 of SEBI Regulations 2015 (Listing Obligations and Disclosure Requirements)
- **2.3.4** Related CVC guidelines as applicable and relevant to the Bank.

2.4 This mechanism aims at providing adequate safeguards against victimization of all concerned that avail of the mechanism. Bank shall put in place a transparent mechanism to ensure that Whistle Blower complaints on possible fraud cases / suspicious activities in account(s) are examined and concluded appropriately under its Whistle Blower Policy.

3. Objective:

This Policy aims to establish a mechanism to receive protected disclosure relating to any allegation of corruption or wilful misuse of power or wilful misuse of discretion against any employee of the Bank and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimization of the person making such protected disclosure and for matters connected therewith and incidental thereto.

4. Scope and Applicability:

4.1 All stakeholders are encouraged as a preventive vigilance measure to report incidences of financial misconduct, wherever noticed.

4.2 The policy intends to help all stakeholders who may have concerns over any wrongdoing within the Bank to report unlawful conduct, misconduct, malpractices, violation of any legal or regulatory provisions, financial mismanagement, accounting irregularities, etc.

5. Whistle Blower's Role:

The Whistle Blower's role is that of a reporting party with reliable information. He/she is not required or expected to act as investigator or fact finder, nor would he/she determine that appropriate corrective or remedial action that may be warranted in a given case.

6. Eligibility:

Various stakeholders of the bank are eligible to make Protected Disclosures under this policy. These stakeholders may fall into any of the following broad categories:

6.1 Directors of the Bank
6.2 Employee of the bank
6.3 Employees on contractual Basis.

Customers/Public can make complaints or disclosures of corruption or misuse of power under Public Interest Disclosure and protection to informers (PIDPI) Resolution 2004 directly to CVC, New Delhi. (Procedure placed at Annexure – A)

7. Matters that may be Reported:

7.1 Though an exhaustive list of activities that constitute such misconduct/ malpractice/violations cannot be enumerated; it is expected that the following acts may be reported under this Policy:

7.1.1 Criminal offence (e.g. frauds, corruption or theft) committed/ likely to be committed.

7.1.2 Failure to comply with legal / regulatory provisions

7.1.3 KYC/AML violations to provide some undue advantage to anyone.
7.1.4 Breach of client promises by the Bank.
7.1.5 Bank funds used in an unauthorised manner.
7.1.6 Sexual or physical abuse of a member of staff, service recipient or service provider.
7.1.7 Any other form of improper action or conduct.
7.1.8 Information relating to any of the above deliberately concealed or attempts being made to conceal the same.
7.1.9 Fraudulent activity in an account.
7.1.10 Instances of Leak of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Bank's Policy for Prevention of Insider Trading.
7.1.11 Misuse of premises for unauthorized/ illegal activities.
7.1.12 Manipulation of data and documents.
7.1.13 Any other matter raising doubt on the individual's integrity or honesty leading to corruption, misuse of Office or gross violation of systems and procedures leading to reputational/ financial loss to the Bank.
7.1.14 Embezzlement of Bank's/ Customer's fund.
7.1.15 Breach of trust.
7.1.16 Malpractices while conducting and undertaking day-to-day business and operations of the Bank.

Whistle Blower can make a disclosure against any employee/ officer of the Bank up to the level of General Manager / Chief General Manager.**@**

@ As regard disclosure against any Director, Executive Director, Managing Director & Chief Executive Officer and Chairman, etc., it can be lodged under Govt. of India PIDPI regulations to designated authority like CVC or Secretary, DFS.

8. Matters Excluded:

8.1 If any matter specified or an issue raised in a disclosure has been determined by a Court or Tribunal authorized to determine the issue, after consideration of the matter specified or issue raised in the disclosure, the Competent Authority shall not take notice of the disclosure to the extent that the disclosure seeks to reopen such issue.

8.2 If any public inquiry has already been ordered under the Public Servants Act or referred for inquiry under the Commission of Inquiry Act.

8.3 If the protected disclosure is made after the expiry of seven years from the date on which the action complained against is alleged to have taken place.

8.4 Employment related concerns of routine nature, i.e., salary, perquisites, promotion, Postings, Transfers, performance appraisal, incentives, LFC, etc., should be reported through normal channel meant for the purpose and not under Whistle Blower Policy. Whistle Blower mechanism shall cover only matters where unethical & improper practices, in dealing such matters, are observed.

8.5 The Competent Authority shall not question any bonafide action or discretion used by the official as per business rules.

9. Guiding Principles/Conditions:

9.1 As a socially responsible organization, the Bank believes in conducting its affairs in a fair & transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Bank is committed to develop a culture, where it is safe for all, to alarm concerns about any unacceptable/unethical practice or misconduct at any level.

9.2 As such, in case the complainant has reasonable grounds of having observed unethical and improper practices or any other wrongful conduct in any of the departments/offices/Branches of the Bank, he/she may make a disclosure under this policy.

9.3 Every disclosure made as per the provisions of this Policy shall be treated as protected disclosure before the Competent Authority.

9.4 Every disclosure shall be made in good faith and the person making protected disclosure shall make a personal declaration stating that he/she reasonably believes that the information disclosed by him/her and allegation contained therein is substantially true.

9.5 Whistle Blower shall also declare that he/she has not made any complaint on the same subject matter to any outside Authority / Agency or higher executives of the Bank, prior to this disclosure. If the complaint is marked to multiple authorities/agencies, the complaint will be treated under regular complaint and Bank will not be responsible for its confidentiality, as it will not be possible for the Bank to protect the identity of the complainant, and the complaint will not fall under the purview of Whistle Blower mechanism.

9.6 Every protected disclosure shall be made in writing or by electronic mail or other modes in accordance with the operational guidelines of Policy.

9.7 The Competent Authority may, if it deems fit, call for further information or particulars from the person making the disclosure.

10. Anonymous Disclosures:

No action shall be taken on protected disclosure by the Competent Authority, if the disclosure does not indicate the identity of the complainant or the identity of the complainant is found incorrect.

11. Competent authority:

11.1 A designated Committee comprising of:

- Chairman of the Audit Committee of the Board (ACB)
- Domain Executive Director: Human Resources (HR)
- Domain Executive Director: Inspection Audit Division (IAD),

Note:

a) In case of non-availability of any of the two domain EDs (HR/IAD), the alternate ED (as per office order) shall participate in the said committee.

b) In case, both the Divisions IAD and HRD are under the same ED, Senior Most ED other than ED in charge of HR and IAD to be made a part of the Designated Committee.

11.2 This designated Committee will be the Competent Authority to deal with the protected disclosure received under the provisions of this Policy.

11.3 Executive Director (HR) will act as the Authorized Official.

11.4 Human Resources Development Division, Head Office, will be the Nodal Division for the Whistle Blower Mechanism. For whistle blower complaints pertaining to HR, the complaints shall be routed through ED-HR.

11.5 Handling Mechanism in relation to disclosure by whistle blower:

11.5.1 Classification of Complaint:

Upon receipt of the protected disclosure, while concealing the identity of the complainant, discreet inquiry shall be made within maximum period of 7 days, to ascertain whether there is any basis for proceeding further to investigate the disclosure.

11.5.2 In case the designated committee is of the view that the disclosure is not to be considered under Whistle Blower, Human Resources Development Division, the Nodal Division which, for staff related matters, shall in turn deal the matter itself or take up with the IAD-HO-; **and** take up with Customer Care Centre, HO (for other matters) as per instructions of designated committee for necessary action and to ensure that the said matter is taken up to a logical end.

11.5.3 In case of Non-Whistle Blower Complaints, IAD-HO (for referred staff related case) and Customer Care Centre for other matters will ensure that the complaints are dealt at their end, under intimation to Human Resources Development Division (Nodal Division) to enable the Nodal Division to place status to the ACE/ACB.

11.5.4 The Competent Authority may close the matter, if it is of the opinion that:

11.5.4.1 The facts and allegation contained in the disclosure are frivolous or vexatious; or

11.5.4.2 There are no sufficient grounds for proceeding further.

11.5.5 The Protected Disclosures received under the provisions of this Policy shall be investigated by the Investigating Officer (IO) within a maximum period of 30 days, after proceeding further to investigate the disclosure if considered under Whistle Blower by competent Authority.

In case of delay in investigation by the Investigating Officer, the Domain ED IAD is empowered to allow additional reasonable time to complete such investigation.

11.5.6 After conducting the investigation, if Competent Authority is of the opinion that report reveals either wilful misuse of discretion or substantiates allegation of corruption, it shall take following steps:

11.5.6.1 Take a view on closure of the complaint or recommend to appropriate authority for initiation of disciplinary proceedings or administrative action against the erring official(s) as per Bank guidelines.

11.5.6.2 In case there is difference in views of Executive Directors in the committee, decision making shall lie with Chairman, Audit Committee of Board.

11.5.6.3 At the time of closure of the complaint, the nature of complaint be analyzed and the issues/lapses observed, if any, be shared with the concerned owner Divisions for taking of corrective measure, while ensuring protected disclosure, so that necessary steps can be taken to avoid recurrence of such incidences in future.

11.5.7 The Competent Authority, on the merits of the case may or may not decide to go for personal hearing before closure of the matter.

11.5.8 Any disclosure relating to Fraud and subject matters having vigilance implications will be brought to the notice of the CVO for further action.

11.5.9 In case the Whistle Blower is the aggrieved party, the final outcome of the investigation may be informed to the complainant.

12. Whistle Blower Protection:

12.1 If any employee or Director raises a concern under this policy, he/ she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes decimation, reprisal, harassment or vengeance in any manner. The Bank will not tolerate the harassment or victimization of anyone raising a genuine concern.

12.1.1 The protection is available provided that:

12.1.1.1 The communication / disclosure is made in good faith.

12.1.1.2 He/ she reasonably believe that information, and any allegation contained in it, is substantially true.

12.1.1.3 He/ she is not acting for personal gain.

12.2 Bank will not disclose the identity of the Whistle Blower, without his / her consent. If the situation arises where Bank is not able to resolve the concern without revealing the identity (for instance because his/her evidence is needed in court), Bank will discuss with him/her the matter in which Bank proposes to proceed, and within the confines of statutory requirements endeavour to meet his/her preference on revealing the identity.

12.3 If an employee is aggrieved by any action against him/her on the ground of making any disclosure, he/she may file an application before the Designated Committee, seeking redressal in the matter. The Designated Committee will ensure that no punitive action is taken by any authority concerned against any person on perceived reasons/suspicion of being "Whistle Blower".

12.4 Disqualifications from protection:

12.4.1 An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action and will not be protected under the policy.

12.4.2 No protection is available under this Policy from departmental action arising out of false or bogus disclosure made with malafide intention or complaints made to settle personal grievance.

12.4.3 No protection under this policy is available to employees against any adverse action occurring independent of his disclosure under this policy or for alleged wrongful conduct, poor job performance, any other disciplinary action, etc., not relating to the disclosure made pursuant to this policy.

13. Anti Misuse Clause - False / Malicious / Frivolous Complaints:

In case the disclosures are subsequently found to be malafide or frivolous or malicious and it is established that Complaint has been made with intention of malice, appropriate disciplinary action will be taken against the concerned employee as per guidelines.

14. Governance and Responsibilities:

14.1 Disclosure of the Policy: The policy (Part-I) will be placed on the official website of the Bank and at Bank knowledge Centre.

14.2 Ownership of the Policy: Inspection & Audit Division (IAD), Head Office will be the owner of this policy.

14.3 Validity and Review of the Policy: The Policy conforms to the Statutory/ Regulatory Guidelines applicable to the subject matter under reference and reflects the statutory/ regulatory changes that occurred till **19.06.2026.**

14.3.1 The policy guidelines will be applicable w.e.f. the date of approval by the Board and shall remain valid for twenty-four months from the date of approval by the Board. The policy shall be subject to biennial review.

14.3.2 Further, Functional Committee (ACE) shall be authorized to:

14.3.2.1 Incorporate any changes necessitated in the policy for the interim period up to the next review, due to regulatory pronouncements made during the validity period of the policy **and** same shall be available at Bank knowledge centre.

14.3.2.2 Extend validity of the policy for period up to three (3) months and the Board will be informed of such extension subsequently at the time of biennial review.

14.4 Reporting: There is no regulatory requirement for reporting of this policy to any outside agency/ authority.

14.5 Authority for Approving Operational Guidelines: Audit Committee of Executives (**ACE)** will be the authority for approving operational guidelines.

14.6 Relaxations/Deviations/ Exclusions: NIL

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Annexure – A

Procedure for Lodgement of Complaints by Public under PIDPI Mechanism

(On the basis of Govt. of India Resolution on Public Interest Disclosure & Protection of Informer (PIDPI)

The Government of India has authorized Central Vigilance Commission (CVC) as Designated Agency and the Chief Vigilance Officers of the Ministries/Departments of the Government of India as the Designated Authority to receive written complaint or disclosure on any allegation of corruption or misuse of office by any employee of that Ministry or Department or any corporation established by or under any Central Act. Government Companies, societies or local authorities owned or controlled by the Central Government and falling under the jurisdiction of that Ministry or the Department.

It is informed to the general public that any complaint which is to be made under this resolution should comply with following aspects:

1. The complaint should be in a Closed / Sealed envelope, addressed to the Secretary, Central Vigilance Commission.

2. The envelope should be super scribed with "Complaint under the Public Interest Disclosure". In case the envelope is not so super-scribed and closed/sealed, it will not be possible for the Designated Agency (Central Vigilance Commission) / Designated Authority (Chief Vigilance Officers of the Ministries / Departments of Govt. of India) to protect the complainant under the above resolution and the complaint will be dealt with as per the normal complaint policy of the Commission.

3. The complainant should give his/her name and address in the beginning or at the end of the complaint or in an attached letter.

4. The Designated Agency or the Designated Authority will ascertain from the complainant whether he /she was the person who made the complaint or not by writing a letter to him/her.

5. The disclosure or complaint shall contain as full particulars as possible and shall be accompanied by supporting documents or other materials.

6. The text of the complaint should be carefully drafted so as not to give any details or clue as to his/her identity. However, the details of the complaint should be specific and verifiable.

7. In order to protect identity of the person, acknowledgement will not be issued, and the whistle blowers are advised not to enter into any further correspondence in their own interest.

8. The Designated Agency or the Designated Authority may, if it deems fit call for further information or particulars from the person making the disclosure/complaint.

9. In case of anonymous / pseudonymous complaints, Commission or the Designated Agency or the Designated Authority shall not take any action in the matter.

10. The identity of the complainant will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his/her identity to any other office or authority.

11. If any person is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a complaint or disclosure, he may file an application before the Designated Agency or the Designated Authority seeking redress in the matter, who shall take such action, as deemed fit.

12. Either on the application of the complainant, or on the basis of the information gathered, if the Designated Agency/Designated Authority is of the opinion that either the complainant or the witnesses need protection, the Designated Agency/Designated Authority shall initiate suitable action.

13. In case the Designated Agency/Designated Authority finds the complaint to be motivated or vexatious under the resolution, action against complainant may be taken.

A copy of the public notice issued by CVC in relation to above is available on the website of the http://www.cvc.nic.in .

<u>Complaints under the PIDPI Resolution must be sent directly to CVC, New Delhi, as Bank is not empowered to handle them.</u>

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