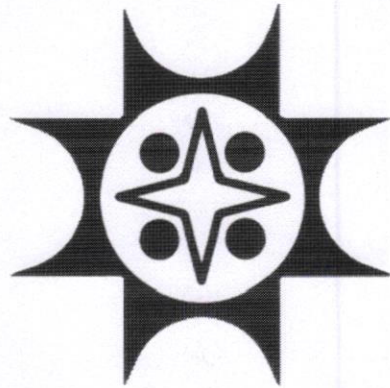


Whistleblower Policy-2024

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SONALI BANK PLC
INDIA OPERATION

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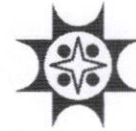


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GLOSSARY

Sl. No.	Abbreviation	Definition
1	CEO	Chief Executive officer
2	CIV	Chief of Internal Vigilance
3	CVC	Central Vigilance Commission
4	PDS	Protected Disclosure Scheme
5	SEBI	Stock Exchange Board of India





Preamble

Disclosure of information in public interest by the employees of the organization is gaining acceptance by public bodies for ensuring better governance standards and probity/transparency in the conduct of the affairs of the Bank. Large scale corporate frauds have necessitated internationally, various legislative measures for safeguarding public interest through enactments such as Whistleblower Protection Act in USA and Public Interest Disclosure Act in UK.

In the Indian context, the Government of India had passed a resolution on April 21, 2004 authorizing the Central Vigilance Commission (CVC) as the 'Designated Agency' to receive written complaints or disclosure on any allegation of corruption or of misuse of office and recommend appropriate action. The jurisdiction of the CVC in this regard is restricted to employees of the Central Government or of any corporation established by it or under any Central Act, Government companies, societies or local authorities owned or controlled by the Central Government.

As a proactive measure for strengthening financial stability and with a view to enhancing public confidence in the robustness of the financial sector, RBI has formulated a scheme called "Protected Disclosures Scheme for Private Sector and Foreign Banks". The Bank formulated whistleblower policy in compliance to this guideline.

Further, as per SEBI circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, on Corporate Governance in listed entities (Amendments to Clause 49 of the Equity Listing Agreement) all listed companies should devise an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Along with Section 177 (9) of the Companies Act, 2013 mandated the establishment of vigil mechanism for all companies, as part of the whistleblower policy, for the Directors and Employees of such companies to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The Bank believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. This document is aiming at putting in place a vigil mechanism under RBI's "Protected Disclosure scheme" based on the salient features of the RBI Scheme with a view to enhancing public confidence in the Bank and also in compliance of Government of India/Central Vigilance Commission/RBI/ SEBI directions in this regard. This 'whistleblower policy' of the Bank will also be named "Protected Disclosure Scheme (PDS) "as suggested by RBI.

Jurisdiction:

The Policy shall be applicable to exposures undertaken by all branches of Sonali Bank PLC, India Operation, India (**herein-after referred to as 'Bank' or 'The Bank'**).





2. Objective

The policy aims at quickly spotting aberrations and dealing with it at the earliest. It will be disseminated among the employees assuring confidentiality and protection to the whistle blower against any personnel vindictive actions such as humiliation, harassment or any other form of unfair treatment.

3. Scope, coverage and definitions

3.1 The complaints/ disclosures under the Scheme would cover the areas such as corruption, misuse of office, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations such as Reserve Bank of India Act, 1934, Banking Regulation Act 1949, etc. and other relevant acts in vogue resulting in financial loss / operational risk, loss of reputation, etc. detrimental to the interest of the Bank, the depositors and the public.

These malpractices and events which have taken place/ suspected to have taken place involving include:

- ✓ Abuse of authority
- ✓ Breach of contract
- ✓ Breach of employee Code of Conduct or Rules
- ✓ Criminal offence having repercussions on the Bank or its reputation.
- ✓ Deliberate violation of law/regulation
- ✓ Financial or compliance irregularities, including fraud, or suspected fraud
- ✓ Graft
- ✓ Manipulation of Bank data/records
- ✓ Misappropriation or misuse of Bank funds/assets
- ✓ Pilfering of confidential/proprietary information
- ✓ Any other unethical, imprudent deed/behavior etc.,

However this policy should not be used as a route for raising malicious or unfounded allegations against colleagues or staff raising an issue as a whistleblower.

Definition:

Some of the key terms used in this policy are given below. The other terms not defined herein shall have the meaning assigned to them under our other policies or acts in force.

3.2 Appropriate Departmental actions: Departmental action as per the applicable service rules for the employee/officials

3.3 "Bank" means – The Soanli Bank PLC, India Operation





3.4 “Complainant” means – any person who is lodging any complaint under the scheme as per the procedure prescribed therein.

3.5 “Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

3.6 “Ethics Counsellor” means the Chief of Internal Vigilance (CIV) of the bank or any other person appointed by the Board.

3.7 “Employees” means every employee of the Bank (whether working in India or abroad), including the Directors in the employment of the Bank.

3.8 “Investigators” mean those persons authorized, appointed, consulted or approached by the Ethics Counsellor/CIV/Chairman of the Audit Committee and include the Inspectors of the Bank and the Police.

3.9 “Local Management Committee (LMC)” means the main committee or delegated body of the branch officials entrusted with carrying out banking business authorized by the board.

3.10 ‘Nodal Officer’ – will be an Executive of the Bank appointed under this policy who is responsible for proper administration of the ‘Protected Disclosure Scheme’.

3.11 “Protected Disclosure” means – any communication made in good faith that discloses or demonstrates information that will fall within the scope of the ‘scheme’.

3.12 “Stake holder” means Directors and Employees of the Bank, employee representative bodies, shareholders, customers, or any person internal or external, who is affected by the organization’s activities, products and/ or services.

3.13 “Subject” means a person against or in relation to whom a Disclosure has been made on evidence gathered during the course of an investigation.

3.14 “The Scheme” means – the Protected Disclosure Scheme (PDS), which is more fully described as per the document “Protected Disclosure Scheme” which is part and parcel of this policy.

3.15 “Whistleblower” means a Stakeholder or an Employee making a Disclosure under this Policy.

4. The Scheme

4.1 Employees of the Bank, customers, all stakeholders, non-governmental organizations (NGO) and members of the public can lodge complaints/disclosures under this scheme.





4.2 Anonymous / pseudonymous complaints/disclosures will not be entertained.

4.3 The complainant/ Whistleblower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial actions that may be warranted in a given case.

4.4 Complainant/Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the CIV/Ethic Counsellor or the General Manager/CEO or the Investigators. Every disclosure received will be appropriately deal with by the Ethics Counsellor or CEO, as the case may be.

4.5 The Bank will keep the identity of the complainant / customer / other person (whistle blower) secret, except in the following cases:

- i. The complaint turns out to be vexatious or frivolous and action has to be initiated against the complainant.
- ii. The complainant himself / herself has made the details of the complaint public.
- iii. Under compulsions of law
- iv. Official request through valid communication channel by law enforcing agencies/regulators/revenue agencies

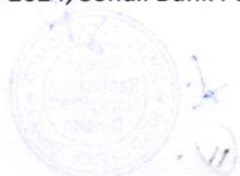
However, secrecy of identity shall be observed, only if the complaint is received under the scheme.

4.6 The Bank shall be at liberty to take action against the complainants in cases where motivated /vexatious complaints are made under the scheme, by using its own mechanism / the law enforcing agencies or established legal procedures as the Bank deems fit.

4.7 The Bank will conduct an enquiry / investigation and the complainant will be informed of the action taken within a period of two months. The complainant will be informed even in cases where it is revealed through enquiry/ investigation that the complaint is without substance.

4.8 Under no circumstances a genuine complainant will be victimized by the Bank, if he/she is a member of the staff. They will be safeguarded from any adverse personnel vindictive action.

4.9 The Bank will issue letters of appreciation signed by CEO & Deputy General Manager consider other forms of recognizing the effort in case of genuine complaint/s proved subsequently on investigation, depending on the magnitude of the loss/damage detected/avoided.





5. Protection available to a Complainant/ Whistleblower

5.1 No unfair treatment will be meted out to a complainant/ Whistleblower by virtue of his/her having reported a Disclosure under this Policy.

5.1.1. The Bank, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against complainant/Whistleblowers.

5.1.2 If the complainant/whistleblower is a staff member he / she should give his / her name and address with pin code, phone number and /or e-mail ID, if any, prominently at the beginning or at the end of the complaint or in the covering letter. Details such as name, designation, branch /department at which he /she is working should also be clearly mentioned.

5.1.3. Complete protection will, therefore, be given to a complainant/Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the complainant/Whistleblower's right to continue to perform his duties/functions including making further Disclosure under the policy.

5.1.4. The Bank will take steps to minimize difficulties, which the complainant/Whistleblower may experience as a result of making the Disclosure. Thus if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Bank will arrange for the Whistleblower to receive advice about the procedure, etc.,

5.2 A complainant/Whistleblower may report any violation of the above clause or victimization due to filing of the complaint can contact to the Deputy General Manager/CEO, who shall investigate into the same and recommend suitable action to the Management.

5.3 A Whistleblower, if he/she happens to be a senior official of the Bank, may report any violation of the Policy to the CEO of India Operation who shall investigate into the same and recommend suitable action to the Management.

5.4 The identity of the complainant/Whistleblower shall be kept confidential to the extent possible and permitted under law.

5.5 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

5.6 The system evolved herein shall be in addition to any of the existing grievances redressal mechanism in place.





5.7 In case the Bank finds that the complaint is motivated or vexatious, it shall be at liberty to take appropriate steps.

5.8 In the event of the identity of the informant being disclosed in spite of Bank's directions to the contrary, the CEO & Deputy General Manager will be initiating appropriate action as per extant regulations against the person or agency making such disclosure. The CEO & Deputy General Manager may also direct such person or agency to suitably compensate the complainant.

5.9 While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, an abuse of this protection will warrant disciplinary action.

5.10 Protection under this policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a 'malafide' intention.

6. Disqualifications:

Whistleblowers, who make any Disclosures under the policy, which have been subsequently found to be 'malafide' or malicious or Whistleblowers who make 3 or more Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this policy.

7. Procedure for lodging complaints under the scheme

7.1 The Chief of Internal Vigilance (CIV) Department in the Bank will be the nodal office to receive complaints under the scheme.

7.2 The complaint should be sent in a closed / secured envelope.

7.3 The envelope should be addressed to the Vigilance Department, Sonali Bank PLC, India Operation, Wachel Molla Mansion (1st Floor), 8 Lenin Sarani, Kolkata -700013, West Bengal, India. The envelope should be super scribed "Complaint under Protected Disclosures Scheme for Banks" OR the applicant can contact through online complaint link available on Bank's website.

7.4 The complainant should give his / her name, and address, mobile number, date, email ID and contact details in the beginning or at the end of the complaint or in an attached letter. In case of an employee making such complaint, details such as name, designation, department, institution, and place of posting, mobile, email ID and contact details etc. should be furnished.

7.5 Complaints can be made through e-mail also giving full details as specified above.





7.6 The complainant should ensure that, the issue raised by him involves malpractices (enlisted in para 3.1 of this policy) or dishonest action / practice detrimental to the interest of the Bank/ the customers / the shareholders/ the employees / the public at large. He should study all the relevant facts and understand the significance of the matter and thereafter having satisfied of the misdeed or wrongful act make the complaint.

7.7 The text of the complaint should be carefully drafted so as not to give any details or clue to complainant's identity. The details of the complaint should be specific and verifiable.

8. Procedure for receiving complaints:

Complaints under the Protected Disclosure Scheme (PDS) of the Bank will be received by the designated officer of the Vigilance department from any person, customer or otherwise and / or any member of staff.

9. Procedure for maintenance of records:

9.1 The Vigilance Department will maintain a register of such complaints noting the serial number of the complaint and date of receipt. The complaint shall be brought to the attention of the Chief Executive Officer immediately on receipt.

9.2 In order to keep confidentiality of the identity no acknowledgment will be issued to the Complainant on date of receipt

9.3 Complaints, if any, received under the scheme, other than by the Vigilance Department shall be forwarded to the Vigilance Department with a covering letter in duplicate to serve as acknowledgement for the recipient Department, marked 'confidential – complaint under protected disclosure scheme.

10. Procedure for inquiry

10.1 Complaints under the scheme received by the Vigilance Department shall be discreetly inquired into immediately. Either as a result of the discreet inquiry or on the basis of the complaint itself, if the Bank is of the opinion that the matter requires to be investigated further, the CEO & Deputy General Manager will get it investigated by the Vigilance or other related Department/s.

10.2 The complainants need not enter into any further correspondence with the Bank in their own interest to protect the confidentiality of the identity of the complainant. The Bank assures that, subject to the facts of the case being verifiable, it would take necessary action, as





provided under the scheme. If any further clarification is required, the Bank will get in touch with the complainant at the address / phone number / e-mail ID given in the complaint.

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

10.4 Either as a result of the discreet inquiry, or on the basis of complaint itself without any inquiry, if the Bank is of the opinion that the matter requires to be investigated further, it will call for the comments / response from the concerned official of the Bank.

10.5 After obtaining the response of the concerned official and / or on the basis of an independent scrutiny conducted / ordered by the Bank, if it is of the opinion that the allegations are substantiated, the Bank shall take appropriate action against the concerned officer / employee. These shall, inter alia, include the following:

- i. Appropriate action to be initiated against the concerned official.
- ii. Appropriate administrative steps for recovery of the loss caused to the Bank as a result of the corrupt act or misuse of office, or any other offence covered by the Scheme.

10.6 Recommend to the appropriate authority / agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the cases.

10.7 Recommend taking corrective measures to prevent recurrence of such events in future.

10.8 Consider initiating any other action that it deems fit keeping in view the facts of the case.

10.9 If the complaint is in electronic form the Bank will take the following steps

- i. It would ascertain from the complainant whether he / she was the person who made the complaint.
- ii. The identity of the complainant will not be revealed unless the complainant himself/herself has made the details of the complaint either public or disclosed his identity to any other authority.

11. Nodal Officer's Duties and Responsibilities:

11.1 Nodal officer shall be Chief of Internal Vigilance (CIV) of the Bank to be appointed immediately who will administer the Protected Disclosure Scheme. He shall be appointed by the CEO & Deputy General Manager a delegate of Board of Directors of the Bank.

11.2 The Nodal officer shall act upon to such references received from RBI. He/ She will be responsible to submit the half yearly review to the Board.

11.3 As per the references received from RBI, the Nodal Officer may decide the manner in which the inquiry/investigation is to be conducted on a case to case basis and he will record his findings in such cases.





11.4 After the inquiry/investigation and on the basis of findings recorded by him, the reference made by RBI will be replied and if found necessary, further directions may be sought for.

11.5 On the basis of the findings, if it deems fit, the nodal officer can also recommend to initiate process for corrective measures for preventing recurrence of such events in future.

11.6 The Nodal Officer shall ensure the utmost of secrecy in all the proceedings in this connection and unless for the explicit act by the complainant himself/herself no disclosure shall be made of the reference made by RBI.

12. Responsibility of Board of Directors

The Board of Directors of the Bank have the responsibility for proper implementation of this "Whistleblower Policy" in the Bank. The Audit Local Management Committee, a delegatee of the Board is authorized by the Board to monitor and review the functioning of the Policy in the Bank on a quarterly basis through Customer Service committee meetings. The Whistleblower Policy of the bank will be disclosed on its website and in the Board's Annual Report.

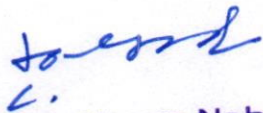
13. Awareness to Employees


All the employees of the bank will be provided with a copy of the policy against proper acknowledgement. In case of newly recruited employees, they will be provided with a copy of the policy at the time of entering into the service of the bank. Amendments to the policy will be hosted on the website.

14. Amendment

The Bank deserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever.

(Regulatory reference: RBI circular RBI/2006-2007/328 bearing number DO DBS.Fr MC No. BC 5 /23.02.011 /2006-07 dated 18.04.07)


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