



Whistle blowing Policy

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Annexure A - Blow the Whistle

Annexure B - List of WB Committee members



1. Definitions and Terminologies

Whistle Blowing - Whistle Blowing is a communication to a competent authority by an individual or an institution to expose and / or inform upon, alleged fraudulent, money laundering, immoral, unethical or malicious activities, or discrimination, or some other type of adverse occurrence that violates a law, or a regulation, or a policy, or morals, or ethics and especially those matters that may jeopardize the reputation of the Bank.

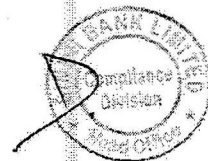
Whistle-blower - Whistle-blower is a person or an institution, who blows the whistle and sends communication to the pre-defined authority, following the process as prescribed, includes current or former employees of the Bank, shareholders, vendors, contractors, service providers, customers, or the public. The role of a Whistle-blower would remain to the extent of reporting only, whom neither will be considered as an investigator nor determines the appropriate corrective or remedial action that may be required under the given situation.

Stakeholders - include employees, shareholders, customers and regulators.

Fraud - any act or omission, including a misrepresentation, that knowingly misleads, or attempts to mislead or deliberate deception.

Corruption - the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.

Misconduct - failure by Bank personnel to observe the Bank's rules of conduct or standards of behaviour.



2. Purpose

The purpose of this policy is to create an environment by promoting a culture of honesty, dedication and loyalty among the staff where they feel confident to reveal and report any fraudulent, money laundering, immoral, unethical or malicious activity without any fear of retaliation, which in their opinion may cause financial loss and or reputational damage to the Bank.

3. Scope

The scope of this policy includes all types of unlawful acts / orders, frauds, corruption, misconduct, collusive practices or any other activities, which undermines the Bank's operations, financial position, reputation and objectives.

The policy is applicable to all employees of the bank (permanent, part time and contractual).

Whistle-blowing complaints/information lodged by the bank employees, customers or any external party shall be treated in confidence and will be dealt accordingly.

4. Objectives of the Policy

- a) To develop a culture of openness, accountability and integrity;
- b) To provide an environment/awareness where employees of the Bank blow whistle where they have a suspicion about any immoral, unethical, fraudulent act of any type by present or former employee, vendors, contractors, service providers and customers which may cause financial loss or reputational damage to the Bank;
- c) To enable Management to take appropriate/remedial action to safeguard bank from financial loss and reputational damage.
- d) The Bank will put in place a mechanism to evaluate effectiveness of Whistle Blowing Policy.

5. Ownership, Approval and Accessibility

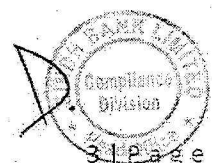
Compliance Division is the owner of this Policy. The Policy shall be reviewed and updated after every three years or as and when required.

The Board of Directors (BOD) shall approve this policy or any of its subsequent amendments and updates.

This policy document shall remain the property of Sindh Bank Ltd for exclusive use of its management and relevant personnel and its contents are strictly confidential and should not be copied or distributed to any third parties without prior concurrence of the Compliance Division.

6. Compliance with laws, regulations and Professional Standards

The Bank and its employees are to comply fully with all applicable laws, regulations, professional standards and directives /guidelines /instructions issued by SBP, no employee shall undertake any activities considered inappropriate to the business and reputation of the bank.



Whistleblowing Policy

Should any provision of this document, or any other policy, procedure or guidelines becomes contradictory with the statutes or any other applicable national law, regulation or professional standard, the division /person identifying the conflict shall promptly notify the appropriate senior official or committee responsible for establishment or implementation of subject policy, procedure or guidelines, in writing, of the details of the conflict. In the event of any such conflict, the division shall comply with applicable national law, regulation or professional standard until the time this document is appropriately amended and required.

7. Governance, Oversight and Monitoring

Following are the roles and responsibilities of various stakeholders and functions related to whistleblowing:

7.1. Board of Directors

The ultimate responsibility of ensuring whistleblowing policy standards are followed in letter and in spirit lies with BoD. Therefore, BoD shall ensure that senior management provides adequate, reliable, periodic information for effective oversight, monitoring and accountability.

7.2. Senior Management

Senior Management is responsible for overall implementation of whistleblowing policy in the Organization.

7.3. Compliance, Vigilance & Fraud Risk Management Division

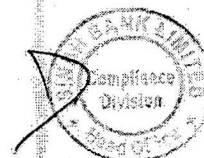
- a) Compliance is responsible to circulate Whistle Blowing Policy for the information of all the employees of the Bank.
- b) Is responsible to create awareness and training programs for the employees of the Bank.
- c) Is responsible to handle whistle blow cases of the employees, its investigation and maintenance of database.

7.4. Human Resource (HR)

If the suspected employee is found guilty of malpractice, wrongdoing, fraud, corruption, money laundering, misconduct or deliberately breaching law, regulation or internal policy etc. HR will initiate disciplinary action as per Bank Policy.

7.5. Employees

All employees are responsible to report/whistle blow actual or suspected malpractice cases, wrongdoing, fraud, corruption, money laundering and or any other misconduct. However, they can also choose to raise their genuine concerns / suspicions directly to Whistleblowing Committee(WBC) members or provided reporting channels in this policy.



8. Communication Channels

In order to achieve the objectives of this policy the bank has established following channels for whistle-blowing reporting:

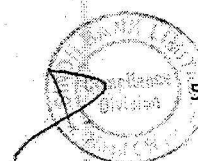
- a) A dedicated/secured e-mail for Whistle-blowing reporting (whistleblowdesk@sindhbankltd.com) accessible to Head of Compliance, Vigilance and Fraud Risk Management Division and a Senior person in the department.
- b) Following contact numbers can also be used for whistle-blowing reporting:
Cell No: 0331-2024111 / 0301-8220646
Off: (021) 35829302 / (021) 35929480.
- c) Whistle-blowing reporting mechanism is available on Sindh bank's website. <http://www.sindhbankltd.com/WhistleBlowing> and on employee's portal.
- d) Whistle-blowing reporting via post on the following address:
Compliance, Vigilance & Fraud Risk Management Division
Sindh Bank Ltd, B-2, Federation House,
Abdullah Shah Ghazi Road, Karachi

9. Whistle Blowing Complaint Handling Procedure

- a) All reported cases will be discussed with Whistleblowing Committee (WBC)/CEO and decision will be taken for its investigation preferably through Compliance Division.
- b) The results of investigation will be escalated to the WBC / CEO and subsequently shared with the Board Audit Committee.
- c) Apart from WBC/President & CEO/Board Audit Committee the name of 'whistle blower' will be kept confidential
- d) Compliance function is responsible for maintaining record of each reported case and its subsequent resolution/action taken as per bank's disciplinary action policy.
- e) In case, whistle blow is against the President/CEO or any Board member, the case will be placed before the Board Audit Committee to determine further investigation.
- f) In case, whistle blow leads to legal proceedings, the confidentiality of the whistle-blower will not be maintained.

10. Confidentiality & Protection of whistle blowers

- a) The information given and the identity of the Whistle-blower shall be treated in a confidential manner.
- b) The Bank stands committed to protect Whistle-blowers for Whistle Blowing, harassment or victimization of the Whistle-blower shall not be tolerated.
- c) If the Whistle-blower feels that, at his / her place of posting, he / she might be subject to victimization or harassment by the alleged officials after blowing the whistle, the management may consider transferring him/her to another suitable place on his/her request. However, this assurance is not extended in cases where it is proved that the Whistle-blower raised the matters to settle his / her personal grudges or grievances or enmity or where the Whistle-blower has been habitually involved in complaining petty issues.



- d) Protection that Bank can extend to Whistle-blower is limited to the Bank's capability, but any retaliatory action against any Whistle-blower because of whistle blown by such person under this Policy shall be treated as Misconduct and subject to disciplinary action.

11. Incentives for Whistle Blower

To motivate the Bank's staff to behave honestly, with loyalty without any fear to save the bank from financial or reputational losses, the management may consider suitable incentive.

12. Misuse of Whistle Blowing

It is expected from all employees to refrain from rumour mongering, irresponsible behaviour and false allegations and if staff makes malicious or frivolous allegations /complaint(s) or misuse whistle blowing policy for undue favour, action may be taken against them after proper investigation. However, if the staff makes an allegation in good faith but it is not confirmed during the investigation, no action will be taken against them.

13. Reporting

Strict confidentiality will be observed in submission of the investigation reports carried out by the investigation team formed shall be reported to the Chairman - BAC periodically.

14. Disciplinary Action against Deliberate False Complaints

- a) If involvement of the Bank's officials in fraudulent, immoral, unethical or malicious activities and other malpractices is proved during investigation of the case then disciplinary action shall be initiated as per applicable rules and procedures of the Bank.
- b) For external parties, the Bank may on the basis of investigation report and recommendations, consider taking appropriate legal action against the concerned party.
- c) If the matter is of grave nature, the Bank may decide to take legal action against the culprit(s).

