POLICY ON WHISTLE BLOWING
PAN ASIA BANK
4Document Reference POL/2024/ 00 25 **/ Version 1.12**

Version	Issued Date	Documented by & Issued by	Description
1.0	01.09.2010	Documented by HR Department Issued by HR Department	1st version Effective from 01st September 2010
1.1	08.03.2013	Documented by HR Department Issued by HR Department	2nd version Effective from 08th March 2013
1.2	24.03.2014	Documented by HR Department Issued by HR Department	3rd version Effective from 24th March 2014
1.3	20.05.2015	Documented by HR Department Issued by HR Department	4th version Effective from 20th May 2015
1.4	17.07.2017	Documented by HR Department Issued by HR Department	5th version Effective from 17th July 2017
1.5	18.08.2017	Documented by HR Department Issued by HR Department	6th version Effective from 18th August 2017
1.6	08.05.2018	Documented by HR Department Issued by HR Department	7th version Effective from 8th May 2018
1.7	25.10.2019	Documented by HR Department Issued by HR Department	8th version Effective from 25th October 2019
1.8	01.12.2020	Documented by HR Department Issued by HR Department	9th version Effective from 01st December 2020
1.9	05.10.2021	Documented by HR Department Issued by HR Department	10th version Effective from 01st December 2021
1.10	25.08.2022	Documented by HR Department Issued by HR Department	11th version Effective from 01st November 2022
1.11	01.10.2023	Documented by HR Department Issued by HR Department	12th version Effective from 01st October 2023
1.12	01.08.2024	Documented by HR Department Issued by HR Department	13th version Effective from 01st August 2024
Key words	Whistle Blowing Policy		
Target Group	All staff		
Distribution	All staff		

This Policy is established and maintained as per section 9.2.1 (k) of the Listing rules of the Colombo Stock Exchange.

This policy will be reviewed, only if there is a necessity to carry out any amendments.

Introduction

What is Whistle Blowing?

It is important to the Bank to ensure that any fraud, misconduct or wrongdoing by staff or officers of the Bank is properly dealt with to ensure safety and financial soundness of the Bank. Towards that end the Bank encourages the employees of the bank, in confidence, to raise concerns about improprieties in day-to-day business of the bank. In financial reporting, internal control or other matters such as any fraud, misconduct or wrongdoing by staff or officers of the Bank. This policy sets out the way in which employees may in confidence raise any of the above concerns that they have and to make arrangements for fair and independent investigation and for the appropriate follow-up action.

Whistle blowing encourages and provides a faster and secure channel for the employees to raise serious concerns felt by the employees within the Bank, which they see as suspicious or dishonest or illegal activity or wrongdoing.

Very often it is the employees who are the first to realize that there is wrongdoing or improper conduct in the Bank. However, employees may not express their concerns as they feel that speaking up would be disloyal to their colleagues or to their supervisors. The Bank is committed to the highest possible standards of openness, integrity and accountability whilst securing the identity of the employee who provide information. In line with that commitment this policy on Whistle Blowing is introduced and we expect employees, who have serious concerns about any aspect of the Bank's work to come forward voluntarily and voice those concerns. If any employee was aware of a fraud, misconduct or wrongdoing it is the duty of the said staff member to come forward voluntarily and report same. Hence, the Bank encourages everyone to actively participate.

Applicability

The policy applies to all employees of the Bank and other individuals performing functions in relation to the Bank including contract, casual staff, outsourced staff or interns.

Objectives

To provide a reliable channel for employees and other stakeholders to raise concerns in confidence.

What types of concerns are covered?

- Conduct which is an offence or a breach of law
- Possible fraud and corruption
- The unauthorized use of Bank's properties
- Disclosures related to injustice
- Incorrect financial reporting
- Violation of values of the Bank
- Activities that are not in line with the Bank's policies and practices, including the Code of Conduct
- Sexual or physical abuse of employees
- Any other unethical conduct, wrongdoings or activities which would cause a negative impact to the Bank or its reputation

Note: The Grievance Handling Procedure is available to employees to resolve the employment related grievances/matters. This policy does not replace the Grievance Handling Procedure which is there for the employees to address their own grievances.

Safeguards and Victimization

- The Bank recognizes that the decision to report a perceived wrongdoing can be a difficult one to make. If what is to be reported is true, no one should have any fear of victimization

- The Bank will not tolerate any harassment or victimization (including informal pressures) and will take appropriate action to protect the employees when they raise a concern in good faith

- Anyone engaging in retaliatory conduct will be subject to disciplinary action by the Bank, which may include termination

Confidentiality

The Bank will treat all complaints in a confidential and sensitive manner. Every effort will be made not to reveal the identity if anyone so requested. However, at the appropriate time depending on the requirement, employee may need to come forward as a witness. The details of complaint will only be disclosed to those persons who have a need to know in order to properly carry out an investigation to the matter. This policy encourages employees, to put their names to the concern/complaint whenever possible as it will give the opportunity for the Bank to raise appropriate follow-up questions and investigation may not be possible unless the source of the information is identified.

Important things to note

- Employees must disclose the information in good faith
- Employees must believe it to be substantially true
- Employees must not act maliciously or make false allegations
- Employees must not seek any personal gain

Untrue Allegations

No action will be taken against any employee who made a disclosure in good faith, for the mere reason that it was not confirmed correct by subsequent investigations. In making a disclosure, the employee is expected to exercise due care to ensure the accuracy of the information that he/she provides. Please note that any malicious or false allegations will ensure disciplinary action against the maker.

How to Raise a Concern?

Step 1

Employee may raise concerns either verbally or in writing with the immediate supervisor/manager. Where the employee feels not to report the concern/complaint through his or her immediate supervisor/manager or if he/she that the immediate supervisor/manager is concerned in the matter to be complained of, then he/she should proceed straight to Step 2.

Complaints regarding a senior management member should be raised with the Chairman and/or Chairman of the Board Audit Committee or its Committee Members.

Step 2

If for any other reason the employee does not wish to approach his/her immediate supervisor/manager, he/she has the right to bypass the immediate supervisor/manager and take his/her concerns directly with the Chief Executive Officer or Head of Human Resources. Any approach in this manner will be treated with the strictest confidence and the employee's identity will not be disclosed without his/her prior consent.

Ways of receiving complaints

Complaints can be received by following ways:

1. Anonymous letters/phone calls
2. Emails to official emails of Head of HR or Senior members in HR Dept
3. Emails to dedicated Whistle Blowing E-mail (Given Below)
4. Letters received directly to Chairman/CEO/Board members, or any other Corporate Management member forwarded to HR

Concerns received by way of above methods will be recorded in a tracker and take the necessary action as stated below

Procedure to adopt after receiving a complaint

<u>Financial related complains</u>

1. When a complaint/concern received with regard to any form of fraudulent activity, it is referred to the Internal Audit Dept

2. Internal Audit will carry out an independent investigation/audit
3. Once the investigation/audit is completed and the report is received it is presented to CEO
4. A decision is taken in consultation with CEO and take necessary action

Complains other than Financial related (Harassment / Injustice related complains)

1. When a complain/concern received, HR will get involved
2. HR will speak to related staff individually
3. If necessary, will speak to other staff in the branch/dept depending on the grievance
4. Gather all related information and evaluate
5. Discuss with Head of HR and take an action
6. If the concern has to be escalated to CEO, discuss with him and take necessary action

Confidential Helpline – e-mail address and telephone number

A concern/complaint may also be expressed anonymously and this choice will be respected. To this extent the Bank shall make available a "Helpline". This facility will include a secured e-mail address as well as a telephone number and is assigned to the Head of Human Resources. Whilst the Bank expect all employees who wishes to raise concerns/complaints about any type of malpractices to disclose their names, if anyone has good reasons to be anonymous, he/she can use the Bank's Confidential Email or Helpline to raise such concerns.

Email : **Whistle.Blowing@pabcbank.com**
Helpline no: **011 466 7607**

Any financial related matters will be referred to the Internal Audit Department for their independent investigation and to inform the outcome to respective parties by keeping Chief Executive Officer informed.

Important contact details to raise concerns/complaints

1. **Chief Executive Officer**
   Mr. Naleen Edirisinghe
   Telephone (Direct) - 0114667800
   Telephone (Mobile) - 0772105179

2. **Assistant General Manager/ Head - Human Resources**
   Ms. Thushari Malalgoda
   Telephone (Direct) - 0114667607
   Telephone (Mobile) - 0777392044

3. **Chairman**
   Mr. Aravinda Perera
   Telephone (Direct) - 0114667901
   Telephone (Mobile) - 0777420719

4. **Chairman of Board Audit Committee**
   Mr. N. Kekulawala
   Telephone (Mobile) - 0777562002
   E mail - jdnihal@hotmail.com

5. Directors of Board Audit Committee

Ms. Kawshi Amarasinghe
Telephone (Mobile) - 0766421938
E mail - kawshia@vallibel.com

6. Professor K A M K Ranasinghe
Telephone (Mobile) - 0777 688876
E mail - malikr.uom@gmail.com

7. Mrs. Dharshanie Perera
Telephone (Mobile) - 077 3700537
E mail - dharshi623@gmail.com

Thushari Malalgoda
Assistant General Manager-Human Resources

Naleen Edirisinghe
Director/ Chief Executive Officer