



Global Whistle Blow/Speak-Up Policy



This document is only for internal use of employees of National Bank of Pakistan (NBP) and its subsidiaries. Any act of divulgence to third parties shall be viewed seriously and warrant disciplinary action.

Compliance Group

Version Control

Document owner	Compliance Group		
Version Number	04	1 st Version Release Date	14 May, 2009
		2 nd Version Release Date	13 July, 2015
		3 rd Version Release Date	11 Oct, 2021
		4 th Version Release Date	17 Feb, 2025
Next Revision Date	17 Feb, 2028	Availability	NBP Intranet

The primary responsibility for maintenance and updating of 'Global Whistle Blow/Speak-Up Policy' resides with the Group Chief Compliance Group. This policy shall be reviewed after every three (03) years by the Compliance Group and if no change is warranted, it would be put up to the BoD for re-adoption with no changes.

This Policy shall remain in the permanent custody of all members of the Board of Directors. In addition, this Policy is to be distributed to the following persons, Groups/ Divisions **;

Distribution List

S. No.	Group / Division
1	<i>President</i>
2	<i>All Group Heads</i>
3	<i>Shariah Advisor/Shariah Board</i>
4	<i>All Group Chiefs/ Divisional Heads</i>
5	<i>All Country Heads/General Managers-Overseas Locations</i>
6	<i>All Regional Heads & Regional Management Team (RMT)</i>
7	<i>All Branch Managers</i>
8	<i>All Country Compliance Officer (CCO) & Country Money Laundering Prevention Officers (CMLPO)</i>
9	<i>All Principals Staff Colleges</i>
10	<i>ALL NBP Overseas Branches</i>
11.	<i>All subsidiaries of the NBP.</i>

****This is a Bank-wide policy that is to be adopted and followed across the Bank including the overseas branches and subsidiaries. Therefore, ensuring dissemination to and adherence by all personnel of the Bank/Subsidiaries will be the responsibility of the respective Group Chiefs, Divisional Heads, General Managers/ Regional Heads/Regional Management Team / Country Heads/GMs and Regional Heads.**

NOTE: This policy will supersede all the previous policies/programs, circulars issued in this regard from time to time. This policy is also applicable to all the NBP subsidiaries.

Table of Contents

Version Control	3
1. Introduction:.....	5
2. What is Whistle-Blowing/Speak-Up?.....	5
3. Why Should We Blow the Whistle?	5
4. Critical Factors of Whistle Blowing/Speak-Up:.....	6
5. Objective and Scope:	6
6. Implementation & Monitoring of Global Whistle Blow/Speak-Up Policy:	7
7. Who Can Speak-Up/Blow the Whistle?	7
8. What Constitutes Malpractice or Misconduct?	7
9. Confidentiality:.....	8
10. Responsibility of Whistleblower	8
11. Protection to a Whistle Blower:.....	8
12. Reporting Procedure:.....	9
13. Unapproved Allegations and Disciplinary Action:.....	9
14. Reporting to CCM and BRCC:.....	10
15. Reports Not Falling Under the Policy:.....	10
16. Record Keeping:	10
17. Role of Training Division, HRM & A Group:	10
18. Role of Logistics Support Communication & Marketing Group (LCMG):	10
19. Maintenance and Update:.....	10
20. Incentives for Whistle Blower/Speak-Up Person:	11

1. Introduction:

National Bank of Pakistan (NBP) has adopted a 'Code of Ethics' that establishes specific expectation regarding the behavior of its personnel and is committed to maintaining an effective internal control environment to detect and to prevent or deter improper activities. Effective internal controls can also ensure the accuracy of the Bank's financial reporting and related disclosures. However even the best systems of internal controls cannot provide absolute safeguards against irregularities. Intentional and unintentional violations of laws, regulations, policies and procedures, may occur and the Bank has a responsibility to investigate and address of suspected improper, wrongful or fraudulent activities.

Under code of conduct of the Bank, all employees are required to behave with integrity and honesty in their dealing and any suspected violation of law, regulation or ethical standard must be reported to the appropriate level of authority in the Bank.

This policy also encompasses the process of submitting concerns and complaints, directed towards the Bank, by independent third parties, for the sake of ensuring transparency in Bank's affairs and wherever they found any impropriety in conducting the business of the Bank.

2. What is Whistle-Blowing/Speak-Up?

Whistle-Blowing (WB) covers reporting of incidents of misconduct, involving or affecting an organization to enable the organization to take appropriate action. It is a window to obtain feedback on issues bordering on both corporate governance, as well as reputational risk related issues, escalated to the highest levels of the Bank.

An effective whistle-blowing policy is regarded as a key element of good corporate governance and good fraud risk management. A key feature of an effective whistle-blowing policy is the ability of a whistle-blower to report incidents with genuine proofs and/or with confidentially, if they so desire.

3. Why Should We Blow the Whistle?

Following universal rules are the most compelling reasons for NBP employees to blow the whistle because:

- ☐ Silence is not always golden
- ☐ Silence may imply that we condone the misconduct
- ☐ Silence may imply that we are parties to the misconduct
- ☐ Failure to report may cast doubt on our integrity
- ☐ Failure to report may cast doubt on our loyalty to the organization
- ☐ We have a right and a duty to report

"Swallowing the whistle" leads to unchecked fraud and misconduct. Above all, unreported fraud or gross misconduct can result in loss of jobs and other benefits, which adversely affects everyone including us.

4. Critical Factors of Whistle Blowing/Speak-Up:

The Bank takes Whistle Blowing Policy as a Control tool to further strengthen the Bank's reputation and its overall performance by addressing the concerns of Whistle Blower (Bank's staff or Stakeholders), therefore all whistle blowing reports will be professionally attended and all Whistle Blowers should avoid false and malicious allegations that cannot be substantiated. The Banking industry is known as one of the busiest service industry worldwide and as such all Whistle Blowers should avoid frivolous calls/reports.

This policy is an important mechanism for maintaining the Bank's accountability and transparency by enabling employees and other stakeholders of the Bank to voice their concerns in an effective and responsible manner.

5. Objective and Scope:

This policy aims to set out the Bank's written, formal updated whistle blowing policy, covering local operations, global operations as well as all subsidiaries of NBP. The objective of the policy is to encourage Bank employees and all other stake holders to raise concerns in good faith, having identified or discovered any financial malpractices hitting bank profitability or wrong doing which may affect Banks reputation. This policy provides guidelines for disclosure or reporting of misconduct and impropriety seen by any employee, vendor or any stake holder with in the country or in our overseas operations. This policy will ensure implementation of famous saying that **no one is above the law.**

In case of reporting any incident, it will enable the Bank to take appropriate remedial action, if the concerns or complaints are deemed legitimate. NBP defines whistle blowing as alerting the Bank authorities that an individual or group of individuals have committed or are going to commit offences that are considered to be unethical, improper and have broken the standard norms and prevailing practices of the Bank. By escalating these potential issues, the Bank will be made aware of these concerns and is alerted that its interests and the interests of stakeholders are being compromised, or at the risk of being harmed.

This Policy is not designed to question legitimate financial or business decisions taken by the Bank/Subsidiary, nor should it be used to reconsider any matters which have already been addressed under grievance, complaints and dispute policies. This policy will be interpreted in conjunction with the Bank's Code of Conduct and it is important that all employees (local, overseas as well as subsidiaries) and all stakeholders to become familiar with both the "Global Whistle Blow/Speak-Up Policy" and the Bank's "Code of Conduct" before proceeding with raising a compliant or a concern.

The contents of this policy are aimed at:

- Encouraging timely reporting of alleged malpractices/misconduct.
- Providing a means for discreet and confidential channel for escalation of concerns without fear of reprisal.
- Ensuring consistent and timely institutional response to reported improprieties
- Ensuring appropriate oversight by the Board of Directors

- Serving as a means of preventing and deterring misconduct that may be contemplated but has not yet taken place.
- Protecting the rights of the Bank and that of its shareholders.

Compliance Group will review and update relevant procedures for handling Whistle Blow cases and get it reviewed by stakeholders and approved by GH/GC Compliance Group, as per approval matrix defined in AFPAD (Approval Framework for Policies and Associated Document).

6. Implementation & Monitoring of Global Whistle Blow/Speak-Up Policy:

NBP's Board Risk & Compliance Committee (BRCC) will review the overall design of Whistle Blow Mechanism/Policy and recommend to the board for approval whereas implementation and monitoring of the policy lies with NBP's Compliance Committee of Management (CCM). The day to day responsibility for overseeing and implementing the policy has been delegated to the Group Chief Compliance Group (CG) / Chief Compliance Officer (CCO). A sub-committee of CCM, comprising representation from Compliance Group, Operations Group (OG), Human Resources Management Group (HRMG), Legal Division (LD) and Internal Audit & Inspection Group (IA&IG), will be constituted in order to assist CCM and CCO in day to day activities for overseeing and implementation of the Policy and will be responsible to improve governance and monitoring of WB Mechanism/Policy. The CG shall bring all updates regarding whistle blows at this sub-committee of CCM and CCM, whereas terms of reference (ToRs) of this sub-committee will be approved by CCM.

Further, to make the Policy successful, it will be the responsibility of all at the helm of affairs in the HO, Regions, Branches and overseas operations to ensure that all the direct reports are aware of this policy. After approval, this policy will be disseminated to all NBP staff and will be made available at the Bank's website.

7. Who Can Speak-Up/Blow the Whistle?

Any individual, institution and an employee of the Bank and its subsidiaries (irrespective of employment type) from Bank's local as well as global operations, who has observed reportable misconduct (as defined below), shall report his / her concerns to the designated officials within the Bank. The Board of Directors and the Board Risk & Compliance Committee (BRCC) give assurance that employees, stakeholders, or any member of the public can raise legitimate concerns, without fear of reprisals, provided they are made in good faith. All staff should ensure that they take steps to disclose any wrongdoings or malpractices of which they become aware as non-action/concealment will be deemed as complicity. Any queries about the content or application of this policy should be made to the Group Chief Compliance/ CCO.

8. What Constitutes Malpractice or Misconduct?

A genuine concern should be reported if there are reasonable grounds for believing that anything including but not limited to the following have been committed:

- 1- Illegal or Unlawful Conduct
- 2- Financial Misconduct
- 3- Unethical & Non-Financial Misconduct
- 4- Wasteful Misconduct

5- Harassment

9. Confidentiality:

A 'Whistle Blower' is encouraged to *reveal his or her identity* when a report or disclosure is made because this adds credibility to the complaint/concern. Should this be the case, NBP will respect and protect the confidentiality of the whistleblower, and provides the assurance that it will not reveal the identity of the whistle blower to any third party. However, NBP is obligated to reveal confidential information relating to a whistle blowing report if ordered to do so by a court of law and or by the empowered regulatory body.

Anonymous Whistle-Blowing/Speak-Up:

Anonymous whistle blows will be judged based upon the provided information / facts in support of the whistle blow. However, the closure of such whistle blow will be decided jointly by Group Chief Compliance & Group Chief Audit or their delegate.

10. Responsibility of Whistleblower:

Raising a concern for known offences and violations are compulsory to report as soon as any such offence or violation comes in knowledge of the staff. Employees might be held accountable for willfully failing to do so in case a wrongdoing has been in their knowledge and they willfully defaulted to report the wrong doing.

11. Protection to a Whistle Blower:

By setting up the necessary procedures safeguarding confidentiality and offering anonymity, the interests of the whistle blower are protected from possible harassment or victimization by those accused of misconduct. Any person who makes a disclosure or raises a concern under this Policy will be protected if the person:

- Discloses the information in good faith,
- Believes it to be substantially true, and
- Does not act maliciously or make false allegations.

Victimization, Discrimination and Harassment:

The Bank will not allow any attempts on the part of anyone to victimize the whistleblower in any way. If such a situation prevails, the whistleblower may approach directly to the GC CG / CCO / GC IA&IG or BRCC, as the case may be, to report details of the person who is victimizing him. The GC CG/CCO/GC IA&IG or BRCC, will arrange to take appropriate steps as per Staff Service Rules/employment contract, as the case may be, against the person victimizing the whistleblower.

False, Malicious and Bad Faith Reports:

The employees are expected to behave as per code of Ethics and Practices so that their integrity and creditability remains unquestionable. The Bank is committed to view very seriously any report that proves to be unsubstantiated or which proves to have been made knowing it be false or with malicious intents or in bad faith. The Bank will take appropriate action against such whistle blower as per Staff Service Rules.

12. Reporting Procedure:

The Whistle Blower while ensuring that incident comes within the scope of Whistle-blowing/Speak-Up and he/she has evidences that some misdoing / misconduct is being done by the staff in any office of the Bank locally or in any overseas locations will report the same in writing through protected disclosure, clearly explaining the cause of concern and any of the key issues involved therein to GC, CG / CCO, Head Office, Karachi in a sealed envelope clearly marked "To be Opened by Addressees only" or at the designated email ID, i.e. nbpwhistleblower@nbp.com.pk.

All cases will be reviewed by the designated team of Compliance Group for initial fact finding, with the feedback from relevant group(s). If further investigation is not required, then case will be closed with the concurrence of GC Compliance & Audit or their delegate. Else, case is forwarded to Fraud Investigation Team of Audit and/or HRMG will submit their report for further action in line with approved procedure.

In case of allegations against appended groups/ officials, the whistle-blows will be reported as follows:

- If allegation is against the **Compliance functionaries**, the whistleblower will report the matter to Group Chief Audit & Inspection Group.
- If allegation is against any **Group Chief**, the whistleblower will report the matter to the President.
- If allegation is against the **Group Chief Audit, the whistleblower** will report the matter to the Chairman BAC.

If allegation is against **CEO and/or President, the whistleblower** will report the matter to The Chairman Board Risk & Compliance Committee (BRCC).

For the concern lodged against the President/CEO of the Bank, an independent investigator may be hired to conduct investigation under the direction of the Board Risk & Compliance Committee (BRCC) and/or Board of Directors (BoD). They will designate someone other than person, who reports directly to the President /CEO, to coordinate information for the investigation and/or investigators.

13. Unproved Allegations and Disciplinary Action:

All allegations made in good faith irrespective of whether they are subsequently proved to be false; the Bank will not take any action against the individual who raised the concern as part of the Whistle Blower policy and procedure. NBP will not tolerate the harassment or victimization of anyone who raises a genuine concern. Where subsequent harassment or victimization is proved, NBP will deal with any such occurrences under its Human Resources policy on disciplinary action.

However, if an employee is found to maliciously raise an allegation which they know to be false, in this case the individual will be subject to appropriate disciplinary action as per staff service rules/employment contract of the Bank.

14. Reporting to CCM and BRCC:

The Compliance Group will provide an update to CCM and BRCC on quarterly basis with details of total number of reports received/investigated and action taken by the Bank accordingly.

15. Reports Not Falling Under the Policy:

All those reports that are generated by the Audit & Compliance Groups as a result of their Audit & Compliance Review functions will not fall under the subject policy parameters and the reports containing findings and exceptions will continue to be reported as per prevailing procedure.

16. Record Keeping:

The Compliance Group will maintain record of all whistle-blows received at their end under the Policy in confidential file, separately and independently. The access to the file will be only given to the authorized personnel. The record retention period, will be as per the Bank's approved policy parameters and the requirements of the State Bank of Pakistan.

17. Role of Training Division, HRM Group:

The HR Management Group in collaboration with CG will make arrangements, for trainings on "Global Whistle Blow/Speak-Up Policy" for NBP employees, keeping it regular features on their training calendar schedule, through respective staff colleges of NBP.

18. Role of Logistics Support Communication & Marketing Group (LCMG):

The LCMG in collaboration with CG will make arrangement for provision of boards/hoardings, where "Whistle Blow/Speak-Up" information will be displayed. All branches of NBP (Domestic & Overseas), Regional Offices, Head Office building, Corporate Offices; Staff Colleges and all subsidiaries of the Bank where these boards will be prominently placed for information and facility of the Whistle/Speak-Up information.

19. Maintenance and Update:

The primary responsibility for maintenance and updating of 'Global Whistle Blow/Speak-Up Policy' resides with the Group Chief Compliance Group / CCO. The review and updating of this Policy document shall be an on-going process to ensure continuous alignment of the Policy with Bank's strategy, internal and external dynamics in which Bank operates. Such factors shall include the developments, changes and trends whether required by law or by generally accepted business practices within the financial sector. This policy shall be reviewed after every three (03) years (or whenever the circumstances warrant) by the Compliance Group and if no change is warranted, it would be put up to the BoD for re-adoption with no changes. Any proposed amendments to the policy shall be deliberated upon and approved by the Board of Directors (BoD) of the Bank.

20. Incentives for Whistle Blower/Speak-Up Person:

In order to motivate and encourage the whistle blower, the Management may offer incentives of various types for acting in an honest, devoted and dutiful manner showing loyalty with the Bank by saving the Bank from risks of financial or reputational losses caused by the fraudulent, immoral, unethical or malicious activities or misconduct of some dishonest and corrupt persons.

The incentives or awards or prizes will be suitably decided by the Management according to the significance of the information he / she had provided and impact of losses averted as a result. Such incentives could include cash awards, increase in salary and or promotion. It will be discretion of the Management to award any one of the incentives or more than one incentive based on the impact and significance of the whistle blow. The incentives will be given to the whistle blower confidentially so that actual reason could not be grasped.