

Compliance and Ethics at Jana Small Finance Bank

At Jana Small Finance Bank (JSFB or the Bank), we are committed to building a work culture that promotes fair and ethical employment practices. JSFB has an inclusive working environment and we embrace diversity of thought and cultural differences.

The Human Capital team at JSFB crafts policies to ensure that JanaNayaks work in a safe, healthy and enriching space with easy access to redressal forums to address their concerns. For their part, JanaNayaks must adhere to the guidelines outlined in the policies so that they are aligned to the company's vision and mission.

The Jana Ethics and Code of Conduct Policy is an integral part of the formal governance system at JSFB. It defines the core principles and ethical standards that every JanaNayak should practice in his/her daily work at JSFB. It discourages JanaNayaks from getting into situations when a personal or outside interest conflicts with the best interest of the company. This includes accepting expensive gifts from vendors or sanctioning company contracts to family members, close associates and friends.

The Jana Conduct and Disciplinary Action Policy provides rules and guidelines for administering disciplinary action to JanaNayaks whose behaviour violates rules and procedures or who, by their record or actions, indicate a disregard for the established Jana Ethics and Code of Conduct.

JSFB is committed to the highest standards of ethics and integrity and we believe in complete transparency in all interactions with JanaNayaks, customers and partners. The Jana Whistleblower Policy encourages JanaNayaks to highlight instances of erosion of our values in the workplace and provides safe channels to report such instances without retribution to the JanaNayak making the complaint.

The Jana Anti-sexual Harassment Policy aims to prohibit occurrences of sexual harassment and discrimination and also outlines procedures to follow when a JanaNayak believes that a violation of the policy has occurred.

The recently formed Compliance and Ethics Committee (CEC) will hold umbrella accountability for all instances covered by the policies above. All fraud and Code of Conduct related issues will henceforth be decided (or ratified) by the CEC, which presently comprises the following members:

1. CFO
2. Head of Audit
3. Head of Compliance
4. CHCO

The CEC will cover all cases including:

1. Code of Conduct related violations
2. Misconduct (e.g. behaviour, physical assault)
3. Internal fraud
4. Whistleblower investigations

5. Conflict of interest cases

In addition to the above, Anti-sexual Harassment cases will also come to the CEC, after the Internal Complaints Committee (ICC) for Anti-sexual Harassment cases has completed investigations and proposed action.

JanaNayaks can write to the following email addresses if they want to report instances covered by the policies described above:

1. jana.hotline@janabank.com: for whistleblower, fraud and conflict of interest cases
2. incident.reporting@janabank.com: for disciplinary issues and all other matters
3. ashc@janabank.com: for instances of sexual harassment/improper conduct

You can also reach out to your Functional Heads or MANCO if you have any concerns.

Please read the policies carefully to understand your rights and responsibilities in the workplace for a fulfilling career with JSFB.

Jana Ethics and Code of Conduct Policy

The Jana Ethics and Code of Conduct Policy is an integral part of the formal governance system at JSFB. It defines the core principles and ethical standards that every JanaNayak should adhere to and practise in his/her daily work at JSFB.

This policy prescribes compliance with our values, I-RISE (Integrity-Respect, Innovation, Service and Excellence) to drive the right behaviour and leadership attitudes to create the desired corporate culture. Among other things, the policy:

1. Guides us on professional ethics and what constitutes acceptable behaviour and actions
2. Cautions us on the pitfalls of potential conflicts of interest that may arise in our dealings with partners
3. Encourages us to be environmentally conscious and responsible citizens
4. Motivates us to create a healthy, happy and inclusive work environment

The Jana Ethics and Code of Conduct Policy applies to all JanaNayaks, the Board of Directors and those acting on behalf of the organisation. Every JanaNayak should understand how the policy influences his/her daily work.

Although the scope of the policy covers relevant ethical areas of conduct, there will be situations where it does not provide explicit guidance. In such situations, the guiding principles shall be to act in the best interests of JSFB or to consult with managers/leaders when in doubt.

Any questions on how this policy shall be interpreted or applied should be addressed by the JanaNayak's Line Manager/ leader. Any unresolved questions should be addressed to JSFB's Head of Compliance.

Jana Conduct and Disciplinary Action Policy

This policy lays out rules and guidelines to administer disciplinary action for JanaNayak misconduct and offences. Instances of offences are investigated by Human Capital or Fraud Risk depending on the nature of the offence and findings and recommended disciplinary action is submitted to the CEC for ratification and action.

Offences are categorised into three types:

1. Level 1 offence – minor transgression
2. Level 2 offence – misconduct
3. Level 3: 3A and 3B – serious misconduct and serious misconduct (internal fraud), respectively

The following types of disciplinary actions are taken if the severity of the offence or situation is such that CEC believes that such action is justified:

1. Verbal warning (Level1)
2. Corrective Actions/Counselling (Level2)
3. Written warning – valid for twelve months (Level2/Level3)
4. Suspension without pay (Level3)
5. Increment withheld and/or downgrading performance appraisal rating (Level3)
6. Dismissal (Level3)

The disciplinary process is outlined below:

1. Level 1 - Considered low severity and does not need disciplinary inquiry. Human Capital will recommend verbal warning to be issued to the accused JanaNayak.
2. Level 2 - Human Capital will investigate the case and take action based on the findings. An inquiry meeting is held with the accused JanaNayak, Line Manager and HC (with the JanaNayak's representative, if applicable) to explain the misconduct and the disciplinary action. A letter is issued stating the action and is signed by the JanaNayak.
3. Level3 (A&B)-Level3A cases are investigated by Human Capital and 3B by the Fraud Risk team. A hearing is conducted in the presence of a Chairperson, the accused JanaNayak, Line Manager, representatives and witnesses (if applicable). The charge is explained, evidence presented and statements recorded. Findings from the hearing are submitted to the CEC along with recommendations for action.
4. If two written warnings for separate offences of a different nature are issued within a period of 12 months, the third offence must be treated within the context of Level 3 inquiries.
5. In accordance with the JSFB Promotion Policy, JanaNayaks who have received a warning letter

cannot be promoted for one year from the date of receiving the warning letter. They will not be eligible for a promotion for six months; they may be considered for a promotion in the remaining six months with exceptional MANCO approval.

6. Human Capital or a senior functional head may suspend the JanaNayak from duty with 50% subsistence allowance pending the hearing in case of a serious alleged offence if his/her presence could jeopardise any investigation of the alleged offence or endanger the JanaNayak or any other person's well-being or safety.

Whistleblower Policy

JSFB is committed to the highest standards of ethics and integrity and we believe in complete transparency in all interactions with JanaNayaks, customers and partners. JSFB's Board of Directors and senior management is committed to promoting and encouraging a corporate culture that is aligned to JSFB's values, I-RISE: Integrity - Respect, Innovation, Service, and Excellence.

↳ RISE represents the values that we stand by and it reflects the culture of the organisation. An important part of living the values is to highlight instances where a JanaNayak notices erosion of the value system in his/her workplace and immediately reports such instances to the concerned authority through the appropriate channels.

The salient features of the Whistleblower policy are as follows:

1. Every Jana Nayak, regardless of tenure and level in the organisation, is duty bound to report incidents of sexual harassment, fraud and wrongdoing committed by his/her colleague to the Head of Compliance
2. JanaNayaks should directly reach out to the Head of Compliance without fear of retribution if they suspect wrongdoing by colleagues or are aware of fraud or unlawful activities
3. Customers or vendors of JSFB can also lodge a complaint under the Whistleblower Policy
4. JanaNayak should write to the Head of Compliance with details of the complaint; if the disclosure is against a person who is the Head of Compliance or holds a position similar or higher, then the disclosure may be reported to the Chairman of the Audit Committee of the Board
5. The Compliance and Ethics committee will then investigate the complaint according to the process outlined in the Whistleblower policy

Anti Sexual Harassment Policy

The policy aims to prohibit occurrences of sexual harassment and discrimination and also outlines procedures to follow when a JanaNayak believes that a violation of the policy has occurred within the ambit of all applicable regulations regarding sexual harassment.

The policy is applicable to all JanaNayaks in the organisation.

An Internal Complaints Committee (ICC) is constituted in the Head Office and will comprise a minimum of four members:

1. A presiding officer who is a senior level woman JanaNayak
2. Two senior JanaNayaks
3. One external lady member from a NGO/psychologist/lawyer

In addition to the above, zonal/local committee will comprise at least two representatives (CL2/CL3/CL4) from the zone. Out of the two representatives from the zone, one representative should be a woman.

The process to be followed to register a complaint under the policy is as follows:

1. A complaint shall be submitted in writing or email to ashc@janabank.com or to any member of the ICC
2. The ICC shall arrive at a decision after carefully and fairly reviewing the circumstances, evidence and relevant statements and conducting a fair hearing with all stakeholders
3. The ICC will submit the findings and the recommended disciplinary action to the Compliance and Ethics committee for implementation

Before initiating an inquiry, the ICC, at the request of complainant, can take steps to settle the matter between the complainant and the respondent through conciliation provided that no monetary settlement shall be made as a basis of conciliation.

Jana Ethics and Code of Conduct Policy

Introduction

JSFB is an equal opportunity employer and is committed to creating a professional working atmosphere that fosters ethical and fair employment practices. We are an inclusive organisation and we value diversity and cultural differences.

We do not employ or contract child labour or any form of forced or compulsory labour, as defined by law. We do not discriminate based on race, colour, gender, sexual orientation, age, disability, language, religion, representation, political or other opinions, national or social origin, property, birth or other status. JSFB has zero tolerance to derogatory remarks/ treatment toward any JanaNayak, including mental or sexual harassment, discriminatory gestures, language or physical contact that is sexual, coercive, threatening, abusive or exploitative.

We respect all legal provisions and in no way cause or contribute to the violation of law or evasion of the company's policies and Ethics and Code of Conduct. Managers/ leaders must be notified in case of any breach of JSFB's Ethics and Code of Conduct.

Purpose and Scope

This purpose of this policy is to describe the ambit of JSFB's business practices and its legal and social responsibilities towards its partners, the community, the government and other entities. It also outlines JanaNayaks' ethical obligations to the organisation along with a clear mandate of acceptable behaviours and actions.

Community

JSFB is committed to creating a safe and secure working environment for all JanaNayaks. It is our responsibility to adhere to the prescribed safety rules and to raise any concerns that may represent a potential threat to health and safety. We support environmentally friendly technologies and practices by minimising the use of finite resources.

Our Partners

1. Customers

JSFB's vision is to empower societies; we offer financial inclusion, enabling everyone to improve their lives, build societies with a better future for all.

JSFB creates growth by being preferred and trusted by customers and by delivering services in the most trustworthy and cost-effective manner. We follow a fair practice code and are transparent in our dealings. Our success is measured by our customers' growth.

2. Suppliers

Our suppliers enable us to operate and provide products and services to our customers. Their association with us should be mutually beneficial. As we associate ourselves with various suppliers, their conduct may have an impact on JSFB's reputation.

We should treat our suppliers fairly and equally. When selecting suppliers we should follow the established guidelines and procedures and help our suppliers understand JSFB's conduct standards. Suppliers in competition for contracts with JSFB should trust our selection process.

3. Competition

JSFB supports a fair and level-playing competition. Our competitors should always be treated in an honest and professional manner.

Our competitiveness in the market should be based on good products and services at the right price. We should not cause or be part of any breach of general principles of business or follow illegal practices that could affect the company and its standing.

4. Regulators and Associations

JSFB respects regulatory bodies of the government and any professional industry bodies it is associated with. We should work with all professional bodies in tandem with company norms.

Professional Ethics

1. Corruption and Bribery

- i. JSFB firmly opposes all forms of corruption. Anti-corruption is not only a legal obligation but also an ethical stand.
- ii. A bribe occurs when a person attempts to influence a decision by offering some form of undue or improper advantage, favour or incentive. We should not offer, give, ask for, accept or receive any form of bribe.
- iii. Agreements with middlemen or channel payments to anyone should not be used to facilitate corruption.

2. Gifts and Business Courtesies

- i. The distinction between corruption and gifts and business courtesies can be difficult to draw and due care must therefore be exercised. We do not offer or accept expensive or extravagant gifts or business courtesies. Nor do we offer or accept any cash or cash equivalents as gifts.
- ii. Gifts over Rs. 5,000 should not be accepted. Instances where a JanaNayak accepts a gift over the stated limit should be reported to the CEC.
- iii. We should exercise caution in relation to offering or accepting gifts and business courtesies, especially if there is reason to believe that its purpose is to improperly influence business decision. Please consult your manager/leader when in doubt.

3. Money Laundering

- i. Money laundering in this context means to convert proceeds from criminal activities into assets which appear to be derived from legitimate sources. We should only conduct business with partners involved in legitimate business activities with funds derived from legitimate sources.
- ii. Reasonable steps should be taken to prevent and detect any illegal form of payments, and prevent our financial transactions from being used by others to launder money.

4. Information, Communication and Media

- i. JanaNayaks, customers and investors are entitled to receive relevant information about the organisation and its performance. These rights can only be fulfilled if we communicate with our internal and external stakeholders in a timely, reliable and accurate manner. Communication with the media, the public, RBI, the government and financial markets should take place in accordance with established legal procedures and in compliance with the applicable regulations and practices.
- ii. JSFB respects and encourages its JanaNayaks to being active citizens in the public domain, including on social media. However, JanaNayaks must use the JSFB Social Media Policy as a guide considering the interests of the company and its stakeholders. Public information about JSFB should only be communicated by the person responsible for public communications or authorised by management.

5. Political Activity

- i. JSFB will not take political positions or be associated with specific political movements, either in the form of direct or indirect financial support. However, any JanaNayak may participate in public debates which are of importance to JSFB's strategies and business performance, without reference to JSFB or to employment with the company, with prior approval from management.
- ii. JanaNayaks associated with any political party in their private capacity must notify their managers/leaders.

6. Investigations

- i. JanaNayaks and their associates may have to appear/depose before the respective authority when called for if required under certain forums, internal regulations and the law.
- ii. JSFB has a fair approach and may call for any person to depose before any of its authorities or government agencies in the regular course of duty. JSFB or its leaders will not victimise any JanaNayak or individual in the course of such procedural requirements.

7. Internal Control and Authority

- i. JSFB shall have internal controls that ensure that the company's goals, strategies and business processes are effectively executed. If applicable procedures and guidelines do not exist, the JanaNayak should act in the best interest of the company. Internal controls are the responsibility of management, but the individual JanaNayak shall contribute to ensuring that effective and reliable business processes are in place. Managers/leaders should be consulted when in doubt.
- ii. A JanaNayak may only enter into a commitment if he/she holds the authority to do so and the limits of authority must not be exceeded.

8. Conflict of Interest

- i. Conflict of interest is when we have a personal or outside interest that conflicts with the best interest of the company. A personal interest could be a financial interest in another company or in a transaction, a personal relationship, including but not limited to immediate family, or any interest or relationship that could improperly affect our judgement and decision making.
- ii. Common examples of conflict of interest situations include personal work place relationships (e.g., hiring or supervising a closely related person), promoting personal financial interests (e.g., owning a substantial share of a JSFB supplier/partner while in a position to steer JSFB business towards it), and receiving fees, commissions, discounts, gifts, entertainment, or services (e.g., receiving cash from a JSFB partner).
- iii. Even if we believe that our judgement will not in any way be affected by an outside interest, if others might reasonably think the interest is substantial, then it should be believed that a conflict does exist. Service to JSFB shall never be subordinated to personal gain or advantage. Any decision on behalf of the company shall be based on objective and fair assessment of our interests without being impacted by any other considerations.
- iv. Existence of actual or perceived conflict of interest shall be disclosed to the leader or other supervisory bodies as appropriate and acknowledgment is to be obtained from the CEC. Disclosed conflicts shall be processed in accordance with the governing documents.

9. Private Interests and Activities

- i. Engagements in external positions and appointments may impact the working relationship with JSFB or be in conflict with our business interests.
- ii. Managers and any JanaNayak shall not hold external duties or positions with a scope and work

load which may affect their work ability and capacity unless such duties or positions are approved by their leader in advance.

10. Confidentiality

- i. Information which holds value for JSFB or information about our customers and associates have to be kept confidential. Unauthorised access to such information may impair the value and have a negative impact on JSFB's reputation.
- ii. Information from external parties shall be treated with the same level of confidentiality as our own information. The duty of confidentiality also applies after the conclusion of employment or contractual relationship with JSFB for as long as the information is confidential.
- iii. It is our duty to ensure that information created or received is correctly classified and only disclosed in accordance with the company's rules and guidelines. Caution shall be exercised when discussing internal affairs to avoid being overheard or passed on in any manner to unauthorised persons.
- iv. If confidential information is to be shared with external parties, it is our duty to ensure that a written confidentiality agreement is in place. Managers/leaders should be kept informed about such arrangements in advance.

11. Personal Data and Privacy

- i. Customers, JanaNayaks and other related parties need to feel confident that personal data is processed in such a way that data is only used for legitimate business purposes.
- ii. JSFB's processing of personal data should be subject to the care and awareness which is required according to laws and regulations. Personal data should only be collected, processed, and stored for legitimate business purposes and kept no longer than necessary for the purpose for which it was collected.

12. Intellectual Property

- i. Intellectual property such as trademarks, copyrighted work, inventions, trade secrets and know-how, are often valuable and important. JSFB's intellectual property shall be safeguarded from unauthorised access, sharing and illegitimate use.
- ii. Unprotected intellectual property should not be made available to external parties without prior authorisation from a manager/leader and a signed confidentiality agreement received from such parties.
- iii. All confidentiality obligations regarding trade secrets disclosed by third parties should be complied with and intellectual property of others should not be infringed.

13. Properties and Assets

- i. JSFB assets represent significant value. JSFB's property and assets, e.g. buildings and equipment, should be managed and safeguarded in a manner which protects their value. JSFB's property and assets should be used only for business purposes unless agreed in employment terms or in compliance with the company's procedures and guidelines.
- ii. JanaNayaks should observe the company's requirements, direction and guidance on safeguarding from external threats, including terrorism, cybercrime and fraud.

14. Accounting and Financial Reporting

- i. JSFB is subject to strict requirements concerning financial reporting with respect to compliance with RBI and other laws. JSFB's accounting processes should ensure that all transactions are correctly registered in accordance with local law and established accounting practices.
- ii. The annual financial statements and interim financial statements shall be in accordance with the law, RBI rules and good accounting practices.
- iii. JanaNayaks should follow the company's accounting procedures concerning the registration of transactions and proper documentation to ensure that business transactions are recorded and documented in accordance with applicable accounting procedures.

Note: The term "JanaNayak" is used in this document as a gender-neutral term for all employees of JSFB irrespective of the terminology used for employment. The Code is also applicable to part-time employees and contractual staff.

Jana Conduct and Disciplinary Action Policy

Introduction

This policy intends to provide rules and guidelines for administering disciplinary action to JanaNayaks whose behaviour violates rules and procedures or who, by their record or actions, indicate a disregard for the established Jana Ethics and Code of Conduct.

Purpose and Scope

The purpose of this policy is to promote an environment in which all JanaNayaks know and understand their rights and duties with respect to organisation policies and processes. This policy applies to all JanaNayaks, including part-time, temporary, contract and directors of JSFB.

Types of Offences

Offences are categorised into three types:

Level 1 Offence – Minor Transgression

Includes minor transgressions that typically do not require a disciplinary inquiry. For instance, a one-time violation of dress code or impolite behaviour.

Level 2 Offence – Misconduct

1. Use of foul language, making disparaging remarks and improper or indecent gestures at a supervisor, a colleague, customer or any other person
2. Displaying foolish behaviour with consequences
3. Displaying and/or distributing and/or posting any unauthorised notices badges or slogans on JSFB property and soliciting of any kind, without the company's written permission
4. Disregarding safety regulations where contravention is minor
5. Neglect of duty or carelessness, unless such neglect or carelessness constitutes a major offence owing to the nature thereof
6. Being late to office regularly; irregular work timings impacting work
7. Smoking in an unauthorised area
8. Gambling on office premises

Level 3A offence – Serious Misconduct

1. Absent from work without permission for more than three days
2. Fighting or assaulting any person
3. Clocking irregularities
4. Deceitful conduct
5. Deliberate damage to company property
6. Disclosure of strictly confidential information
7. Disturbance of organisation harmony
8. Falsification of company records, as well as any other documentation, for example medical certificates and qualification records
9. Gross insubordination
10. Inciting and/or instructing other JanaNayaks to strike illegally or to participate in such action
11. Intimidating or inciting JanaNayaks to violence of any form
12. Intoxication alcohol/drugs while on duty
13. Misuse of position for personal gain - especially positions of trust
14. Possession of company property without permit or permission
15. Use of alcohol, drugs, explosives or fire-arms in office
16. Serious, gross negligence of the safety procedures, including the following:
17. Tampering with and/or making devices inoperable
18. Wilful misconduct that could lead to an incident
19. Allowing equipment/items to leave the plant without being tested for radiation, cleared and permission granted by an authorised official
20. Striking illegally or participating in unlawful unrest
21. Theft
22. Threatening violence – to do physical injury to any other person

Level 3B Offence – Serious Misconduct (Internal fraud)

1. Internal fraud – misappropriation, manipulation of books of account, fraud statements etc.
2. Bribery

Note: the offences mentioned are only indicative and not exhaustive

Disciplinary Action

JSFB has the right in all instances to take any of the following kinds of disciplinary action if the severity of the offence or situation is such that the CEC believes that such action is justified:

1. Verbal warning (Level1)
2. Corrective Actions/Counselling (Level1)
3. Written warning – valid for twelve months (Level 2/Level3)
4. Suspension without pay (Level3)
5. Increment withheld and/or downgrading performance appraisal rating (Level3)
6. Dismissal (Level3)
7. Legal action (Level3)

Level 1 - Disciplinary Procedure

Where a reported offence is considered low severity and does not need disciplinary inquiry, Human Capital will recommend verbal warning to be issued to the accused JanaNayak.

Level 2 - Disciplinary Procedure

Where the Line Manager (or any JanaNayak) believes that a JanaNayak's conduct or offence warrants the institution of a disciplinary inquiry, he/she is to report such conduct to his/her manager by writing to incident.reporting@janabank.com. The incident will be routed to Human Capital who will review the details and advise on the proceedings.

Human Capital will investigate the case and based on the findings issue a warning letter to the accused JanaNayak or any appropriate action.

Human Capital must give the accused JanaNayak a written notice of the date, time and venue of the Level 2 disciplinary inquiry. The inquiry shall consist of the Line Manager, the accused JanaNayak, representative of the accused JanaNayak, a witness for the Line Manager and an interpreter, if necessary. The Line Manager/Human Capital must give the JanaNayak the formal written warning/letter with recommended corrected action at the inquiry or any other action decided by Human Capital. The Line Manager/Human Capital must explain to the JanaNayak that the offence now requires corrective action.

An explanation of the content of the warning letter/letter with corrective action must also be given (by an interpreter, if translation is required). In addition to the disciplinary action, the expected conduct as well as the agreed problem-solving action steps or recommended action must be recorded on the misconduct report. The Line Manager must then request the JanaNayak to sign the letter. A copy of the letter along with the details of the recommended action must be passed on to Human Capital within five working days to be added to the JanaNayak's personal file.

Should the JanaNayak refuse to sign the written warning, the presence of those at the disciplinary

inquiry will be sufficient evidence that the JanaNayak has been warned. Under such circumstances, the Line Manager will indicate to the accused JanaNayak that he/she has been warned in the presence of these witnesses, all of them being required to sign the written warning. At least one of the witnesses should represent management, from Human Capital or a senior of the function.

Level 3 (A&B) Disciplinary Procedure

Where the Line Manager is of the opinion that a JanaNayak's conduct or offence warrants the institution of an inquiry of Level 3 disciplinary actions, he/she is to report such a conduct to his/her functional head and incident.reporting@janabank.com.

Instances of misconduct related to internal fraud by JanaNayaks, a category 3B offence, will be investigated by the Fraud Risk team and the findings will be presented to Human Capital. All other cases will be investigated by HumanCapital.

Upon conclusion of the investigation, Human Capital will schedule the hearing and share the details of the venue, date and time of the scheduled hearing, as well as the charge to be heard to stakeholders.

1. Conditions for Holding Level 3 Hearing

The inquiry must be held in a separate room where evidence can be led without interference or distraction. The following are usually present during a disciplinary inquiry:

- i. The Chairperson – usually the Head of Compliance or a senior HC member in CL 3 and above or any other suitably qualified person as designated by management. He/she must be fully acquainted with Jana Ethics and Code of Conduct and the disciplinary procedure.
- ii. The accused JanaNayak
- iii. The initiator – must be the Line Manager of the accused or any other person that management may designate
- iv. The witnesses (witnesses must wait outside until they are called)
- v. HC representative
- vi. Interpreter if necessary (the chairperson must verify that the interpreter is impartial and he or she is in full command of both languages)
- vii. Any witness that may be called upon
- viii. Observer (An observer may attend the inquiry with the approval of the accused and the Chairperson)
- ix. If all members cannot be physically present at the hearing, it can be conducted on telephone/Web conference

2. Procedure during the Hearing

The following steps must be observed by the Chairperson to ensure a fair and impartial inquiry:

i. Proper Minutes

For purposes of keeping minutes, the Chairperson uses disciplinary inquiry document, which is to be supported by written minutes.

ii. Explanation of the Charge

The Chairperson explains the charge to the accused JanaNayak and ensures that he/she understands the charge. In the event that the charge is not in the language that the accused understands, the obligation to have the charge translated for the accused remains with the Chairperson. It is imperative that the question “Do you understand the charge brought against you?” be asked pertinently to the accused JanaNayak, and that the accused answers the question explicitly.

iii. Evidence Supporting the Charge Clearly Identified

Should the accused JanaNayak plead guilty he/she has to admit to every element of the charge, which also has to be minuted by the Chairperson. If the Chairperson is satisfied that these requirements have been met, no further evidence is needed.

iv. Evidence Supporting the Charge against the Accused JanaNayak

The initiator’s evidence must be heard first in the presence of the accused JanaNayak, to be followed by corroborating evidence. The accused JanaNayak should be allowed to question any evidence presented. The Chairperson may also ask questions which seek to get clarity from the initiator.

It is important that the question be phrased explicitly: “Do you want to ask any questions?” and the results be minuted. Hereafter, further evidence (if any) supporting the formulation of the charge is heard, and again the transgressor and/or his representative is asked whether they want to question the witness; whereupon the results are minuted. Evidence not challenged can be taken as proved.

v. Testimony of the Accused JanaNayak

The accused JanaNayak is now awarded the opportunity to explain his/her side of the incident to the Chairperson; whereupon the initiator is allowed to question the accused JanaNayak. It is important that the question be phrased explicitly “Do you want to ask any questions” and the result be minuted. Hereafter, the accused JanaNayak is allowed to call witnesses supporting his account. Again, the initiator is allowed to cross-question the witnesses after each testimony. The Chairperson may call upon any witness who may assist him/her to clarify any aspect and may be cross-examined by the accused JanaNayak and/or his representative and the initiator.

Note: The accused JanaNayak has the right to refuse to testify and may not be forced to comply.

vi. Ruling

The Chairperson considers all evidence and gives a ruling (guilty or not guilty) on the basis of doing justice to both the JanaNayak and the organisation.

vii. Submission of Findings to CEC

The Chairperson also completes the disciplinary inquiry document and the accused JanaNayak is informed that he/she has the right to appeal within fifteen working days from the day the letter/email with final CEC ruling/action is issued. The disciplinary inquiry is submitted to the CEC with recommended action.

viii. Appeals

The accused JanaNayak against whom charges have been proven has the right to appeal. Appeals can be sent to appeals.committee@janabank.com. Any one member of the Appeals Committee will conduct a new hearing as the Appeals Chairperson either in person or on the telephone.

The Appeals Chairperson must allow the accused JanaNayak and his/her representative the opportunity further to explain the appeal verbally, since not all JanaNayaks are proficient with the clear and concise written communication of appeals. The Appeals Chairperson must render his/her final decision to the CEC.

ix. Decision of the Compliance and Ethics Committee

All case findings (Level 2 and 3) will be shared with the CEC with appropriate details and formats.

The CEC will review all cases and decide on the disciplinary action based on the findings and recommendations from the inquiries. The ruling by the CEC will be considered final. Appeals cases that have reached a different conclusion and recommendation by the Appeals Chairperson will be notified to the CE. If the conclusion of the Appeals Chairperson is the same as that of the findings and the conclusion of the disciplinary inquiry Chairperson, the original ruling and action from CEC will be carried out.

Cumulative Effect of Warnings for Different Offences

If two written warnings for separate offences of a different nature are issued within a period of 12 months, the third offence must be treated within the context of Level 3 inquiries, which may result in a dismissal.

Suspension

1. If a JanaNayak has allegedly committed a very serious offence, Human Capital or a senior function head may suspend the JanaNayak from duty with 50% pay, known as subsistence allowance, pending the hearing, if his/her presence could jeopardise any investigation of the alleged offence or endanger the JanaNayak's or any other person's well-being or safety
2. He/she needs to certify every month that he is not working anywhere and should not come to office

but mark attendance in the SecurTime app. If the final order in enquiry is in favour of the suspended JanaNayak, he/she is entitled to “full wages” from the date of suspension.

Human Capital Advice

Human Capital will advise against initiating disciplinary proceeding against a JanaNayak if the reason doesn't meet the requirements according to the policy and general professional practices.

Timelines

| Sr. No. | Action Point | Authority/Concerned Person | Time Limit |
|---------|--|---|---|
| 1 | Complaint | Complaint to be lodged by complainant to <u>incident.reporting@janabank.com</u> | Within one week from the date of the incident/offence, or |
| | | | As and when the misconduct/ offence is identified |
| 2 | Initiation of investigation proceedings | By Human Capital (1,2,3A) or Fraud Risk (3B) | Within seven working days of receipt of the complaint |
| 3 | Submission of inquiry report and findings along with recommendations | To the CEC (2, 3A offences) To Human Capital (3B offences) | Within 10 days of completion of investigation proceedings |
| 4 | Hearing proceedings (3A&B offences) | Human Capital/Chairperson | Within 10 days of the receipt of the recommendations made by Human Capital/Fraud Risk |
| 5 | Final recommendations to CEC | Human Capital | Within a period of three days of the hearing |

JSFB reserves the right to amend the policy from time to time.

Jana Whistleblower Policy

Introduction

Jana Small Finance Bank (JSFB) is committed to the high standards of ethics and integrity and to promoting and maintaining a corporate culture that adheres to these values. As a proactive measure to strengthen business, financial stability and also 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.”

Purpose and Scope

This document aims to define a detailed Whistleblower policy based on the salient features of the RBI Scheme. This policy applies to all JanaNayaks, including part time, temporary, contract, directors of the Company and stakeholders namely customers, suppliers etc. The intent of the policy is to encourage JanaNayaks to report wrongdoings to the Company, including unlawful conduct, misconduct, malpractice, violation of any legal or regulatory provisions, financial mismanagement, accounting irregularities, without any fear of reprisal, retaliation, discrimination or harassment of any kind.

A JanaNayak, Director, or a stakeholder making a disclosure about an improper practice or an untoward event under this policy is commonly referred to as a Whistleblower. The whistleblower’s role is that of a reporting party. A whistleblower is not an investigator or fact finder, nor do they determine the appropriate corrective or remedial action.

This policy is not designed to consider individual grievances. Such issues should be raised with their Capital teams or Line Managers.

Whistleblower’s Protection

JSFB will keep the identity of the whistleblower confidential provided:

- i. The communication/disclosure is made in good faith
- ii. The whistleblower reasonably believes that information, and any allegations contained in it, are substantially true; and
- iii. The whistleblower is not acting for personal gain

Under no circumstances will a whistleblower be investigated as part of his/her own disclosure, unless there is substantial evidence by the investigation that the disclosure was lodged for ulterior motives.

Anyone who abuses the policy (for example, by maliciously raising a concern knowing it to be untrue) or who victimises a colleague by raising a concern, known to be untrue, through this policy shall be subject to disciplinary action. If considered appropriate or necessary, suitable legal actions shall be initiated against such individuals.

All concerns must be raised in good faith. Action will not be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

Confidentiality

JSFB recognises that a whistleblower may want to raise a concern in confidence under this policy. JSFB shall not disclose the identity, without her/his consent. If the situation arises where the Company is not able to resolve the concern without revealing the identity (for instance because his/her evidence is needed in court), JSFB shall discuss with him/her about the proposed manner to proceed, and within the confines of statutory requirements endeavour to meet his/her preferences on revealing the identity.

Harassment or Victimisation

JSFB will not tolerate the harassment or victimisation of anyone raising a genuine concern. A whistleblower can report any violation of this rule to the Chairman of the Audit Committee, in case the disclosure is against any Director and, in any other case, to the CEO. Such person to whom the disclosure is made shall have the responsibility to investigate such a disclosure and instruct further action to the management.

Procedure for Disclosure

The Head of Compliance will be the Designated Authority to receive disclosures. The disclosures should be addressed to Head of Compliance/CHCO or jana.hotline@janabank.com

If the disclosure is against a person who is the Head of Compliance or holds a position similar or a holds a position higher, then the disclosure may be reported to the Chairman of the Audit Committee of the Board.

At a minimum, all disclosures raised under this policy shall provide the following information:

1. Date of complaint/disclosure
2. Name and designation of person against whom disclosure is being raised
3. Details of the disclosure/concerns
4. Any incidents which have led to the disclosure being raised
5. Name and contact details of the whistleblower
6. Evidence (if any)

Anonymous Disclosures

The policy encourages whistleblowers to identify themselves as appropriate follow-up questions and investigation may not be possible unless the source of the information can be contacted. Disclosures expressed anonymously may be investigated, but consideration will be given to:

1. The seriousness of the issue raised;
2. The credibility of the concern; and
3. The likelihood of confirming the allegation from attributable sources

Procedure for Handling Reported Issues

Given below are the roles and responsibilities of the designated authority.

1. For confidentiality reasons the designated authority who receives the disclosure shall separate the covering letter from the actual disclosure. The covering letter shall be stored in a safe locker/file marked 'confidential' and the actual disclosure shall be used for initiating the investigation process.
2. Disclosures received other than by the designated authority shall be forwarded to the Head of Compliance or the Chairman of the Audit Committee with a covering letter in duplicate to serve as acknowledgement for the recipient department, marked 'confidential – disclosure under 'whistleblower policy.'
3. The designated authority shall directly or through discreet delegated authority obtain clarifications or specific information from the whistleblower. No other person shall be eligible to obtain information from the whistle-blower.
4. The identity of the whistleblower shall be kept confidential to the extent possible, given the legitimate needs of law and investigation.
5. The designated authority shall use appropriate discretion to entrust the investigation to anyone who they may find deemed fit to conduct the investigations.
6. Designated authority shall maintain a record of all the disclosures received in the financial year. The disclosure shall be recorded immediately on receipt of information and shall cover information such as data of receipt of disclosure, nature of misconduct/offense, name of the accused, mode of receipt of disclosure. The name of the whistleblower shall be excluded from this record to protect his/her identity
7. Whistleblower will be informed of the action taken within a period of two months. The whistleblower will be informed even in cases where it is revealed through enquiry/ investigation that the disclosure is without substance.
8. All documents generated during an investigation are to be retained by the designated authority or such other authority as may be specified in clearly marked 'confidential' files.

Investigation Process

Given below are the steps followed in the investigation:

1. The designated authority shall initiate an investigation only after a preliminary review and only if it is established that the allegation is supported by specific information or that the matter is worthy of management attention/review.
2. The primary responsibility for the investigation may be given to a chosen individual or an investigation committee based on the nature and seriousness of the issue. The investigation official or committee may have other chosen representatives to support them in the investigation process.

3. The investigating official or committee shall file a report with the findings of the investigation and maintain records of all supporting evidence. The file, along with the evidence, shall be handed over to the designated authority and no copies shall be maintained with the investigation team.
4. During the investigation, the whistleblower shall be informed of the timeframe within which the designated authority will complete the investigation and arrive at a decision
5. All JanaNayaks/directors/stakeholders shall cooperate with the investigating committee in the event that they are called upon to provide any information/evidence/interviews. Such JanaNayaks/ directors/stakeholders shall refrain from discussing matters of the investigation with the subject of the investigation or with any other party not involved with the investigation. Confidentiality of the participants in the investigation process is assured under this policy and they will be protected against any form of victimisation.
6. Should the designated authority decide to suspend a JanaNayak against whom there is an allegation of a serious offence, he/she will have to follow the process and guidelines under the Jana Conduct and Disciplinary Action policy.
7. The person against whom the disclosure is made (subject of the investigation) will be notified of the disclosure and given an opportunity to present his/her inputs to the investigating team. He/she shall cooperate fully with the investigation and has the right to consult with any person of his/her choice during the investigation.
8. Subject shall not withhold evidence nor interfere with the investigation in any way. Subject has the right to be informed of the outcome of the investigation and respond to the findings, if required.
9. When the investigation is completed, the designated authority shall arrive at a decision, supported by the facts brought out by the investigation and communicate the decision and recommended action to the Compliance and Ethics committee
10. The Compliance and Ethics committee will further review the findings and take action on the recommendations, as appropriate

Responsibility of the Board of Directors

The Compliance and Ethics committee and The Board of Directors of JSFB shall have overall responsibility for effective implementation of the whistleblower policy and mechanism across JSFB.

Reporting to the Board

A quarterly report is to be submitted by the Head of Compliance to the Chairman of the Audit Committee, detailing the disclosure, if any, received from whistleblowers. Action taken, decision/ recommendation and status of each case shall also be highlighted in the report. This report or an abridged version with all salient information is to be placed before the Board in its annual meeting.

Jana Anti-sexual Harassment Policy

Introduction

This policy seeks to create and maintain a safe work environment, free from sexual harassment and discrimination for all JanaNayaks according to the guidelines of “The Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013.”

Purpose and Scope

The policy is applicable to all JanaNayaks, including permanent, part-time, temporary, contract, consultant, trainee, on probation, irrespective of whether they have been engaged directly or through an agency or a contractor, and whether such JNs are working for remuneration or on a voluntary basis.

The policy shall also be applicable to all third parties, such as visitors, clients, customers, contractors, service providers, and any other person authorised to be present within the premises/workplace of JSFB. The organisation will not tolerate sexual harassment by partners, suppliers or any other associates of the organisation.

The policy shall cover sexual harassment of and by any gender. Harassment is unlawful irrespective of who is involved in the behaviour.

Definitions

“Complainant” means, in relation to a workplace, a man or a woman, of any age whether employed or not, who alleges to have been subjected to any act of sexual harassment by the respondent.

“Respondent” means a JanaNayak against whom the complainant has made a complaint of sexual harassment

“Sexual harassment” refers to sexual advances, request or demand for sexual favours, sexual connotation, showing pornography and other verbal or physical conduct of a sexual nature. Sexually harassing conduct may be verbal, visual, or physical in nature. Offensive or intimidating behaviour may also include use of sexually oriented comments, posters, e-mails, and jokes, especially when they contribute to a hostile or offensive working environment.

The following circumstances, among other circumstances, if it occurs, or is present in relation to or connected with any act or behaviour of sexual harassment may amount to sexual harassment:

1. Implied or explicit promise of preferential treatment in the complainant’s employment; or
2. Implied or explicit threat of detrimental treatment in the complainant’s employment; or

3. Implied or explicit threat about the complainant's present or future employment status; or
4. Interference with the complainant's work or creating an intimidating or offensive or hostile work environment for the complainant; or
5. Humiliating treatment likely to affect the complainant's health or safety
6. "Workplace" refers to and includes JSFB offices as well as the premises of other third parties, vendors and contractors of JSFB where JanaNayaks work. It includes premises visited by JanaNayaks arising out of or during the course of employment and includes transportation provided by JSFB for business reasons.

Committee Members

The ICC is constituted in the Head Office and will comprise a minimum of four members:

1. A presiding officer who is a senior level woman JanaNayak
2. Two senior JanaNayaks
3. One external woman member from a NGO/psychologist/lawyer

In addition to the above, zonal/local committee will comprise at least two representatives (CL2/CL3/CL4) from the zone. Of the two zonal representatives, one should be a woman.

Note: The list of the current nominated members of the ICC will be posted on Channel J.

Procedure for Dealing with Complaints

1. Procedure to Register Complaints

- i. A complaint shall be submitted in writing or by email to ashc@janabank.com or to any member of the ICC (as mentioned in Annexure I) within a period of three months from the date of incident and in case of a series of incidents, within a period of three months from the date of last incident
- ii. If JanaNayak is unable to make a complaint on account of physical or mental incapacity or death, the JanaNayak's legal heir can submit a complaint on the JanaNayak's behalf
- iii. All complaints shall be accompanied by the requisite supporting documents and a list of witnesses to the extent possible
- iv. The ICC is empowered to extend the time limit beyond three months from the date of incident, but not exceeding three months thereafter, for reasons to be recorded in writing if the ICC is satisfied that the circumstances were such which prevented the person from filing the complaint within the said period
- v. If the complaint does not rise to the level of sexual harassment, the ICC can dismiss the complaint without further investigation
- vi. A withdrawal of the complaint made or filed at any stage of the proceedings shall not preclude the Presiding Officer or any member of ICC from proceeding with the investigation of the complaint

2. Inquiry Process

- i. The ICC shall commence an official internal enquiry by asking the complainant to prepare a detailed statement of the incident/allegations
- ii. The respondent shall be asked to prepare a response to the statement of allegations and submit it to the ICC within the given timeline
- iii. The ICC will arrange in-person or telephonic hearing with the complainant and respondent
- iv. The ICC will take evidence of other relevant persons and review the evidence wherever necessary. The committee shall ensure sufficient care taken to avoid any retaliation against the witnesses
- v. During the inquiry, the complainant and respondent would be expected to refrain from any form of threat, intimidation or influencing of witnesses
- vi. The ICC shall arrive at a decision after carefully and fairly reviewing the circumstances, evidence and relevant statements
- vii. The statements and the evidence obtained during the inquiry process will be considered confidential
- viii. Both parties shall be given reasonable opportunities to be heard along with witnesses and to produce any other relevant documents
- ix. Upon completion of the investigation, both parties will be informed of the results of the investigation
- x. The ICC shall be empowered to do all the things necessary to ensure a fair hearing of the complaint including ensuring that the parties and witnesses are not mistreated or discriminated against while dealing with a complaint. In this regard, the committee will also have the discretion to make appropriate temporary recommendations in relation to the respondent (outcome of a complaint) including suspension, transfer, leave and change of work location.
- xi. The ICC will investigate and prepare an enquiry findings report with recommendations

Note: For more details on inquiry timelines refer Annexure

3. Redressal of Sexual Harassment

Once the investigation is completed, a determination will be made regarding the validity of the harassment allegation.

- i. If a decision is made establishing the complainant has been sexually harassed, the ICC shall recommend disciplinary action against the respondent considering the nature and extent of harassment caused to the complainant, prior complaints or repetition of offence etc.
- ii. The position of the respondent and the criticality of the position occupied by the respondent shall not be any hindrance to the disciplinary action taken against the respondent

- iii. The disciplinary action that shall be commensurate with the nature of the gravity of the offence, shall include, but is not limited to, a warning, written apology from respondent, transfer, debarring from supervisory duties, denial of JanaNayak benefits, such as increments/promotion/salary correction, cancellation of specific work assignment, suspension, dismissal or any other decisions as may be deemed fit according to the policy of the company
- iv. The ICC will submit the findings and the recommended disciplinary action to the Compliance and Ethics committee for implementation
- v. The annual report has to be filed with the respective state level labour offices and in Bengaluru, as JSFB has its registered office in Karnataka

Amendments

JSFB reserves the right to amend the policy from time to time in order to comply with any laws/rules/regulations related to sexual harassment that may come into effect.

Conciliation

Before initiating an inquiry, the ICC, at the request of complainant, can take steps to settle the matter between the complainant and the respondent through conciliation provided that no monetary settlement shall be made as a basis of conciliation.

An amicable resolution of the complaint is possible only with the written consent of the complainant. The ICC shall provide the copies of the settlement to the complainant and the respondent. Where a settlement is arrived under conciliation, no further inquiry shall be conducted by the ICC.

Annexure I - Inquiry Timelines

| Sr. No. | Action Point | Authority/Concerned Person | Time Limit |
|---------|--|--|--|
| 1 | Complaint | Complaint to be lodged by complainant before the ICC | Within the period of 3 months from the date of the incident, or |
| | | | In case of a series of incidents, within the period of 3 months from the date of last incident |
| 2 | Initiation of inquiry proceedings | By the ICC, by sending the copy of complaint to the respondent | Within the period of 7 working days of receipt of the complaint |
| 3 | Reply by the respondent along with his list of documents, names and addresses of witnesses | To the ICC | Within 10 working days from the day of receipt of the copy of complaint forwarded by the ICC |
| 4 | Completion of inquiry proceedings | By ICC | Within 3 months from the date of receipt of complaint |
| 5 | Submission of inquiry report and findings along with recommendations by ICC | To CHCO/CEO | Within 10 days of completion of inquiry proceedings by ICC |
| 6 | Implementation of recommendations made in the ICC enquiry report | By the CHCO/CEO | Within 60 days of the receipt of the recommendations made in the enquiry report by ICC |
| 7 | Appeal under the policy | By the respondent | Within a period of 90 days of recommendations made by ICC |

Annexure II – Responsibilities of JanaNayaks

Do's

1. Know your rights. Sexual harassment is illegal.
2. Treat others with respect and dignity
3. Refrain from actions that may offend, embarrass or humiliate others (whether deliberate or unintentional)
4. Speak up. If you can, tell the person to stop. State clearly and firmly that you want a particular behaviour to cease.
5. Get information and support. If you feel you cannot speak up, ask your colleague to help you.
6. Bring it to the notice of the ICC. The colleague may also bring it to the notice of the ICC. Keep records/evidence that might be useful for pursuing the case.

Don'ts

1. Do not blame yourself. Sexual harassment is not something one brings on oneself. It is not a consequence of certain ways of dressing or acting. It is a violation of an individual's right to work and live with dignity.
2. Do not ignore it. Ignoring sexual harassment does not make it go away. The harasser may misinterpret a lack of response as approval of the behaviour.
3. Do not delay. Delay in action increases the probability that unwanted behaviour will continue or escalate.
4. Do not hesitate to ask for help. Speaking up may prevent others from being harmed as well.

Policy Effective Date

This policy comes into effect on the date of approval by the Board.