

Policy Title :

Date Effective : **September 15, 2017**

WHISTLEBLOWER POLICY

Revision No.:

Addendum to Code of

Supersedes

Discipline Policy


Policy No. :

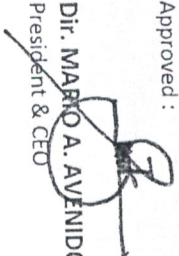
Discipline Policy

Document No.: CP-HRD-001.1

Recommended for approval :

Approved :


MILÁN ROCHELLE N. BERNARD
Manager, Human Resource Department


Dir. MARIANO A. AVENIDO
President & CEO

This policy was conceptualized in view of the requirement of the Insurance Commission, particularly in compliance with the ASEAN Corporate Governance Scorecard which serves as a measure of the practice of good governance among the Commission's covered companies.

Internally, this policy is expected to aid in strengthening the good governance practices of the company thereby ensuring its members of sustainable services.

I. Policy Statement

It is the policy of Public Safety Mutual Benefit Fund, Inc. to require all its directors, officers and employees to commit and observe the highest standards of professional and personal ethics in the conduct of the company's business and their respective duties and responsibilities. Further, in order to fortify the provisions set forth, the policy was drafted in alignment with the proposed Whistleblower Protection Act of 2011.

II. Objective

This policy is an addendum to the PSMBFI Discipline Policy and is intended to form part of initiatives to ensure that the company's activities and transactions are at par with best practices in corporate good governance.

It is likewise aimed at protecting the rights of employees and officers while encouraging and enabling them to freely communicate serious concerns on policy violations and fraudulent acts without fear of retribution or repercussion.

III. Scope and Delimitation

This policy applies to all employees and members of the Board of Trustees of PSMBFI. A whistleblower who utilizes other media (i.e. Press Conferences, Rallies, Facebook, Blogs, and other social media sites, etc.) other than the procedure prescribed herein shall not be covered by the protection provisions in this policy.



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IV. Definition of Terms

- A. Whistleblowing – refers to the act by an employee (whistleblower) of divulging to authorized entities within the organization any information regarding an infraction of company policies, illegal, dishonest, or fraudulent activities committed by another employee/officer in the company which the employee has become aware of or which they reasonably believe to have transpired, or is transpiring or will transpire.
- B. Whistleblower - is any officer or employee who has knowledge of an infraction of company policies, illegal, dishonest, or fraudulent activities or any “act constituting improper conduct” committed by another and reports such to authorized entities within the organization.
- C. Retaliatory action – is any discriminatory conduct or policies which affect promotion or job assignment including undue negative performance appraisals, unwarranted discriminatory actions, reprimands, criticisms or workplace ostracism, unnecessary close monitoring by supervisors, blacklisting from other job opportunities or prejudicial/punitive transfers, by reason of a disclosure made under this policy.
- D. Act constituting improper conduct – means any act or omission of an employee of PSMBFI solely, or in cooperation, conspiracy with, or with the assistance of an external entity which constitutes a violation of the company’s Code of Discipline.

V. Responsibility

It is the responsibility of all directors, officers and employees of PSMBFI to practice utmost honesty and ensure integrity in the fulfillment of their responsibilities. It is likewise expected of them to be compliant with the provisions of the PSMBFI Code of Discipline and dutifully report, in good faith, without malice and/or intent to damage another or the organization, violations or suspected infractions, most especially those concerning illegal, dishonest, or fraudulent activities committed by anybody in the organization.

On the other hand, it is the duty of anybody in authority who receives such reports to take action promptly and appropriately as prescribed in the Discipline Policy or, if authorized, to investigate and/or resolve issues or concerns in relation to the reports.



VI. Implementing Guidelines

A. Confidentiality and Protection of Identity

1. A whistleblower who intends to make a disclosure must do so in writing confidentially. The identity of the whistleblower shall remain known only to authorities directly involved in the implementation of this policy, and shall be treated with utmost confidentiality, unless otherwise directed by law as in the case of investigations wherein involved personalities are subject to subpoenas.
 2. Any person/officer to whom a disclosure has been referred or reported to shall only reveal the identity of a whistleblower, or divulge the nature of such disclosure, to the Manager, HR Department except when the whistleblower consents otherwise in writing prior to such disclosure or the information is essential in relation to the necessary proceedings to transpire after said disclosure.
 3. It shall only be with the whistleblower's written consent that he/she will be considered as a witness in the actual administrative hearing process conducted by the Discipline Committee. PSMBF's commitment to maintain confidentiality of identity shall take precedence.
- ### B. False and Misleading Disclosures
1. A whistleblower filing a report concerning a suspected violation must do so in good faith and should have reasonable grounds for believing that the information disclosed is indeed a violation of a company policy or Code of Discipline. Any allegation made maliciously or with knowledge that such is false or with intent to malign another shall be considered as basis for a serious disciplinary offense on the part of the whistleblower.
 2. The whistleblower shall not be made responsible for investigating the alleged violation or fraudulent act nor be expected to determine fault in order to justify the disclosure. Fact-finding to ascertain involvement of parties shall remain the responsibility of the HR Department and the Discipline Committee.



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C. Protection Against Disciplinary Action or Reprisals

1. A whistleblower who has actually made, or is believed or suspected to have reported an act constituting improper conduct of another employee shall not be liable or subjected to disciplinary action in relation to making such disclosure, provided that such person must not have direct participation in such improper conduct, or in cases where such person participated in any improper conduct, such person is not the most guilty and shall therefore qualify as a witness against the person/s subject of such disclosure.
2. The company shall ensure that a whistleblower is protected from harassment, any retaliatory action or adverse employment consequence such as termination, compensation decreases, poor work assignments, threats of physical harm or discrimination, among others.
3. Any employee who does retaliatory action or reprisal against a whistleblower, or anyone believed or suspected to be one, who reported a violation in good faith shall be liable for an offense defined under this policy and subject to discipline up to, and including, termination.
4. Any employee who refuses to follow orders of another employee that would cause them to violate any provision of this policy shall likewise be protected from reprisals and retaliatory action in the workplace.

D. Communicating Employee Protection

1. All employees, prior to assumption of their work in the company, shall be made aware of the Whistleblower Policy provisions, particularly emphasizing their obligation under this policy as well as their protection.

VII. Implementing Procedure

1. Anyone who has knowledge of an infraction of company policies, illegal, dishonest, or fraudulent activities committed by another shall formally report such in writing to the Manager, Human Resource Department, who, in turn, ensures utmost confidentiality of identity and content of disclosure.

Any other employee who receives such written report shall be required to endorse the same to the prescribed recipient as stated in the preceding paragraph, in the same manner ensuring that the whistleblower consents in writing.



2. The Manager, HRD shall act appropriately handling such reports and shall conduct the necessary corresponding investigations while observing discretion. All information gathered shall be processed and endorsed to the Discipline Committee.
3. All discipline proceedings done shall be in the manner prescribed by the company's Code of Discipline.

Rescission

All other previously issued policies, procedures and guidelines contrary to or inconsistent with the above are hereby rescinded and superseded as prescribed in this policy.

*** The Senate Bill No. 2860, "an Act Providing for Protection, Security and Benefits of Whistleblowers", was also utilized as a guide in the preparation of this policy ***