



## **DIGITEL MOBILE PHILS., INC.**

### **POLICY ON HANDLING OF EMPLOYEE DISCLOSURES AND COMPLAINTS REGARDING VIOLATIONS OF THE CORPORATE GOVERNANCE RULES, QUESTIONABLE ACCOUNTING OR AUDITING MATTERS AND OFFENSES COVERED BY THE COMPANY'S CODE OF DISCIPLINE**

In accordance with Digitel Mobile Phils., Inc.'s ("DMPI" or the "Company") adherence to the principles of good governance and in support of its parent company's (Philippine Long Distance Telephone Company) compliance with the requirements of the Sarbanes-Oxley Act of 2002 (SOX), this Policy and procedures are being issued to provide a system and venue for the proper submission, handling or resolution of employees' complaints or disclosures regarding violations of corporate governance rules, questionable accounting or auditing matters, and offenses covered by the Company's Code of Discipline.

Also, consistent with DMPI's avowed principles and values of accountability, integrity, fairness and transparency, every employee is committed to ensure compliance with all applicable laws, rules, regulations and company policies, systems practice, orders and similar official corporate issuances. Employees are therefore encouraged and should impose upon themselves the duty of disclosing to their immediate superior existing or potential violations and offenses that they are or may become aware of. The immediate superior is expected to objectively and timely resolve matters raised to his attention. He is primarily responsible for enforcing the Company's policies, rules and regulations, and for imposing appropriate disciplinary actions.

This Policy and procedures are not intended to replace but shall serve as a supplement to existing principles, policies and procedures, and shall apply in those instances when an employee deems it more prudent to raise to another authorized unit within the Company his complaint for its proper handling, investigation and resolution. This Policy and procedures may apply when any of the matters covered which is brought to the attention of the immediate superior is not acted upon in accordance with the Company's standard reporting procedures, or is concealed, or the immediate superior is himself involved in the infraction, or the reporting person fears reprisal, which prevents him from availing of the Company's standard reporting procedures.

This Policy and procedures shall otherwise be known as the "Whistleblowing Policy" (WBP).

## 1.0 SCOPE

The coverage of this WBP shall be all complaints and/or disclosures about the following:

- a. Violations of the Corporate Governance Rules (CG Rules) (see examples in Exhibit A);
- b. Questionable Accounting or Auditing Matters (see examples in Exhibit B); and
- c. Violations and offenses covered by the Company's Code of Discipline, which do not fall under items (a) and (b) hereof (see examples in Exhibit C).

This will **not** apply to concerns or issues regarding an individual's terms and conditions of employment or other aspects of established working conditions, unless related to Retaliation. These excepted matters shall be filed with the Human Resources Division (HRD)

## 2.0 APPLICABILITY

It is the intention of the DMPI Board of Directors that a similar Policy shall be adopted and implemented by each DMPI operating Subsidiary and their respective operating subsidiaries, and the Presidents of these companies shall recommend the adoption of this Policy (or a similar policy) to their respective Board of Directors.

## 3.0 DEFINITIONS

- 3.1 **CG Rules** refers to the Manual on Corporate Governance, Code of Business Conduct and Ethics, Conflict of Interest Policy, Gifts, Entertainment and Sponsored Travel Policy, Supplier/Contractor Relations Policy, other Company policies, and applicable laws, rules and regulations relating to corporate governance, as may be issued from time to time by the Company or any governmental or regulatory body having jurisdiction.
- 3.2 **Questionable Accounting Matters** refers to any serious violation of generally accepted accounting principles and standards applicable to the Company which shall include, but are not limited to:
  - fraudulent or deliberate error in the preparation of the financial statements of the Company;
  - fraudulent or deliberate error in the maintenance of the financial records of the Company;
  - misrepresentation or deliberate false statement by any officer or employee regarding a significant matter contained in the financial records, financial reports or external or internal audit reports of the Company,
- 3.3 **Questionable Auditing Matters** refers to any serious violation or override of the Company's internal controls.
- 3.4 **Whistleblowing** refers to the disclosure or filing of a complaint by an employee or a group of employees of the Company who, in good faith, believes that the Company or any of his/their colleagues is or has

engaged in an improper course of illegal or unethical conduct or conduct that violates the CG Rules, or constitutes a Questionable Accounting or Auditing Matter or an offense covered by the Company's Code of Discipline. Such employee or group of employees must be able to disclose such conduct free from fear of intimidation or reprisal.

- 3.5 Whistleblower** refers to an employee or group of employees of the Company making, in good faith, a disclosure or filing a complaint regarding illegal or unethical conduct or conduct that violates the CG Rules, or constitutes a Questionable Accounting or Auditing Matter or an offense covered by the Company's Code of Discipline, or subsequently, about Retaliation.
- 3.6 (Whistleblower) Complaint** refers to a disclosure or a complaint regarding illegal or unethical conduct or conduct that violates the CG Rules, or constitutes a Questionable Accounting or Auditing Matter or an offense covered by the Company's Code of Discipline.
- 3.7 Witness** refers to an employee of the Company or any company within the PLDT Group or any third party other than a whistleblower who participates or cooperates in the investigations or proceedings pertaining to a Complaint.
- 3.8 Retaliation** pertains to an act of reprisal, discrimination, harassment, intimidation or adverse personnel action by Company directors, officers, executives, supervisors, or employees against a Whistleblower or a Witness.

The attached Annex 1 presents a list, which is not intended to be exhaustive, of possible instances of Retaliation.

#### **4.0 GENERAL POLICIES**

##### **4.1 Confidentiality**

All (Whistleblower) Complaints including the identity of the Whistleblower, Witnesses and employees named in the Complaint will be treated in a confidential manner, unless the Company is otherwise required or compelled by law to release information.

##### **4.2 Anonymous Reporting**

Any (Whistleblower) Complaint must be made or filed through any of the various reporting channels under Section 5.1 below. To aid further investigation of the (Whistleblower), a Whistleblower who makes or files a (Whistleblower) Complaint anonymously may opt to provide means by which he can be contacted without compromising the anonymity, e.g. send and/or receive mails, an e-mail address, or communicate through text messages using a pre-paid cell phone number, etc.

##### **4.3 Protection from Retaliation**

Subject to the provisions of Section 4.4, Retaliation against any Whistleblower or Witness is prohibited and will be dealt with in accordance with this Policy, other relevant Company policies and rules,

and applicable laws. A Whistleblower or Witness who will identify himself shall be protected from Retaliation.

#### **4.4 Malicious Allegations**

In case the Appropriate Investigating Unit (AIU) to which a (Whistleblower) Complaint has been referred should determine, after investigation, that the Whistleblower and/or Witness has made baseless, untruthful, fabricated, malicious, or vexatious allegations, and particularly if he/they persist(s) in making them, disciplinary action may be taken against the Whistleblower and witness in accordance with pertinent Company policies and rules and applicable laws in order to protect the good name of persons that may have been unjustly accused or implicated.

For purposes of this policy, the AIU may either be the Internal Audit, Human Resources, Legal, Fraud Risk Management, Accounts Control Services, Security, etc., or a committee composed of representatives from those relevant units, where necessary.

### **5.0 SPECIFIC POLICIES AND PROCEDURES**

#### **(Whistleblower) Complaints**

The following procedures shall apply with respect to all (Whistleblower) Complaints.

#### **5.1 Submission/Receipt of Complaints (except Retaliation complaints which shall be handled in accordance with Section 5.6)**

5.1.1 Any (Whistleblower) Complaint must be made to or filed with the Corporate Governance Office (CGO) through the appropriate reporting channels referred to in Sections 5.1.2 and 5.1.3. It may also be filed through any responsible officer of the Company who, in turn, shall refer it to the CGO for appropriate handling.

The Whistleblower may elect to identify himself or remain anonymous, in accordance with Section 4.2 hereof.

5.1.2 A (Whistleblower) Complaint shall preferably be in writing and may be submitted either through e-mail address, fax number or mail which shall be set up by the CGO exclusively for this purpose.

5.1.2.1 A Whistleblower shall file his (Whistleblower) Complaint using the Complaint/Disclosure Form (CDF) (see **Annex "2"**), a template of which shall be made available in the DMPI and CGO website to be set up for this purpose.

5.1.2.2 Any written (Whistleblower) Complaint shall be initially handled by the CGO which shall assign a case number and ensure that official records are established and maintained.

5.1.3 A (Whistleblower) Complaint may also be made verbally to the Corporate Governance Compliance Officer ("CGCO") either in

person or by calling the special phone number that shall be established for this purpose.

5.1.3.1 For verbal (Whistleblower) Complaints, the CGCO shall:

- solicit and document as much information and details from the Whistleblower
- ask for documents or other evidence in support of the (Whistleblower) Complaint (e.g., e-mails sent, etc.); and
- ask the Whistleblower, who chooses to identify himself, if he is willing to sign the transcript of the relevant discussions between the Whistleblower and the CGCO, as prepared by the latter and/or to be identified in the course of the investigation.

5.1.3.2 The CGCO shall prepare the corresponding CDF based on the transcript referred to above.

## **5.2 Preliminary Evaluation**

### **5.2.1 Evaluation of the (Whistleblower) Complaint**

The CGCO shall conduct a review of the (Whistleblower) Complaint to determine (1) its sufficiency; (2) whether it pertains to a matter within the scope of this Policy; and (3) the AIU to which it will be referred for more detailed handling.

In the event that the CGCO finds that the (Whistleblower) Complaint pertains to a matter outside the scope of this Policy, it should endorse the matter to the appropriate unit and advise the Whistleblower accordingly.

### **5.2.2 Sufficiency of the (Whistleblower) Complaint**

- a. The (Whistleblower) Complaint must contain at least the following information:
  - i. the full name and position of the person complained of ("respondent");
  - ii. a specification of the charge or charges;
  - iii. a brief statement of the relevant and material facts, including the approximate time and place of the commission of the act or omission complained of, the persons involved and such other matters that will assist the CGCO to identify the nature of the violation or offense; and
  - iv. any evidence that the Whistleblower may have, including affidavits of Witnesses and/or third parties, including, but not limited to DMPI's suppliers and contractors or PLDT Group's suppliers and contractors.

Notwithstanding the provisions of Section 4.2 of this policy, no anonymous (Whistleblower) Complaint shall be entertained unless there are sufficient facts and evidence cited in the CDF that would lead a reasonable man to conclude that the charge is not frivolous and intended to harass the respondent.

- b. Should the CGCO find the (Whistleblower) Complaint insufficient because of the Whistleblower's failure to provide sufficient information under items (i) to (iv) above, the CGCO shall advise the Whistleblower, if he is identified or can be contacted in accordance with Section 4.2, that such insufficiency may constrain the CGCO to close the case and not to take further action on the (Whistleblower) Complaint as the lack of information prevents the proper conduct of investigation.

### 5.2.3 Referral to the AIU

- a. Should the CGO find the (Whistleblower) Complaint sufficient in form and substance, it shall refer the (Whistleblower) Complaint to any of the AIU for handling and further investigation:
  - i. Internal Audit – for violations of Questionable Accounting or Auditing Matters; or
  - ii. HR – for offenses covered under the Company's Code of Discipline, which do not constitute a Questionable Accounting or Auditing Matter or a violation of the CG Rules.

The CGO shall be the AIU if such (Whistleblower) Complaint pertains to any violation of the CG Rules.

An ad hoc AIU or committee may also be constituted if the subject or respondent is a member of the AIU herein identified [e.g., the (Whistleblower) Complaint pertains to a Questionable Accounting or Auditing Matter and the subject or respondent is a member of the Internal Audit, or the (Whistleblower) Complaint involves an offense covered by the Company's Code of Discipline and the subject or respondent is a member of HR]. If the (Whistleblower) Complaint involves a violation of the CG Rules and the subject or respondent is a member of the CGO, the (Whistleblower) Complaint must be processed in accordance with Section 5.10.1 of this Policy.

The AIU or ad hoc AIU/committee may likewise consult, as it deems necessary, with Legal or other business and support service units in the course of its investigation.

- b. If the Whistleblower is identified or can be contacted in accordance with Section 4.2, the AIU will acknowledge receipt of the (Whistleblower) Complaint and advise the Whistleblower in writing about the referral of the (Whistleblower) Complaint to the AIU.
- c. A withdrawal of the (Whistleblower) Complaint shall not preclude the AIU from proceeding with the investigation of the case if there are sufficient evidence to warrant further investigation.

- d. In the event that the CGO receives a (Whistleblower) Complaint involving a Subsidiary's employee, the CGO shall refer the (Whistleblower) Complaint to the counterpart AIU of that Subsidiary or, in the absence of such, to the relevant Officer authorized or designated to handle (Whistleblower) Complaints (e.g., President/CEO, Internal Audit, HR, etc.). In this case, compliance with the requirements of due process (affording the respondent an opportunity to be informed of the particular act constituting the offense or infraction imputed to him, to answer the charges against him, and to be heard and to defend himself) and implementation of the disciplinary action shall still be the primary responsibility of the Subsidiary.

### **5.3 Fact-finding Investigation, Conclusion and Reporting**

The following policy and procedures shall likewise apply to the AIU or to ad hoc AIU/committee that may be constituted pursuant to Section 5.2.3(a).

- 5.3.1 Where applicable, the AIU or the ad hoc AIU/committee may adopt the procedure in implementing disciplinary action in the Code of Discipline. Otherwise, it shall adopt comprehensive policies and procedures for the proper handling, investigation, resolution and reporting of all (Whistleblower) Complaints referred to it. The AIU shall ensure that the investigation is conducted in accordance with existing laws, regulations, applicable Company policies and procedures, and due process.
- 5.3.2 The following factors shall be considered by the AIU in the handling of a (Whistleblower) Complaint covering matters within the scope of this Policy.
  - a. the gravity and relevance of the allegation(s) and issue(s) raised;
  - b. the probability that the allegation(s) or issue(s) raised are true;
  - c. the significance of details and evidence submitted; and
  - d. the possible sources of additional evidence, including testimonies or affidavits of third parties, including, but not limited to, DMPI's suppliers and contractors or PLDT Group's suppliers and contractors.
- 5.3.3 The AIU shall determine whether the (Whistleblower) Complaint:
  - a. Will not be pursued – If despite efforts to obtain additional information, the AIU should still find the (Whistleblower) Complaint insufficient for further action, the AIU shall so recommend to the CGCO who, in turn, shall advise the Whistleblower, if he is identified or can be contacted in accordance with Section 4.2, in writing or such finding and the basis thereof.
  - b. Needs further investigation – The Whistleblower, if he is identified or can be contacted in accordance with Section 4.2, shall be notified that an investigation will be conducted and the report of the findings will be provided to the CGO.

- 5.3.4 Upon completion of the investigation, the AIU shall submit to the CGO a written report on the findings, including a summary of the evidence gathered and a conclusion as to whether or not the (Whistleblower) Complaint is substantiated.
- 5.3.5 If the (Whistleblower) Complaint is determined to be substantiated, the CGO shall issue a report to the immediate superior of the respondent, for the immediate superior's appropriate action. The name of the respondent shall not be disclosed or reported to anyone who does not have the need to know it while the investigation is pending. The immediate superior of the respondent shall follow the procedures laid down in the Code of Discipline specifically in terms of informing the respondent in writing of the particular act constituting the offense or infraction imputed to him, requiring the respondent to answer the charges against him, and affording the respondent the opportunity to be heard and to defend himself.
- 5.3.6 Investigation and determination of the appropriate disciplinary action shall be made by the immediate superior in accordance with the Company's Code of Discipline.
- 5.3.7 In case the (Whistleblower) Complaint is determined to be baseless, untruthful, fabricated, malicious, or insignificant:
- a. the Whistleblower, if identified or can be contacted in accordance with Section 4.2, shall be informed by the CGO that the case is deemed close including the reason for such, without prejudice to the provisions of Section 4.4;
  - b. the respondent shall be informed in writing by the immediate superior of the final disposition of the (Whistleblower) Complaint
- 5.3.8 The immediate superior shall provide CGO a report of the final action/disposition made in accordance with the two (2) preceding Sections. It shall likewise advise CGO to close the case records.
- 5.3.9 In the event that an employee who is under investigation resigns from the Company pending the completion of the investigation or final resolution of the case against him, his resignation shall be without prejudice to the outcome of the investigation or final resolution of the case. Any benefit due the resigning employee shall be withheld pending the outcome of the investigation or final resolution of the case.

#### **5.4 Case Monitoring**

- 5.4.1 All (Whistleblower) Complaints received by the CGO shall have a CDF and assigned a corresponding case number for monitoring purposes.



- 5.4.2 The CGO shall maintain a log of all (Whistleblower) Complaints received and shall submit a monthly report to the Board and Audit Committee on:
- all (Whistleblower) Complaints received;
  - the AIU to whom the case was referred;
  - the status of outstanding (Whistleblower) Complaints;
  - the final disposition or resolution of (Whistleblower) Complaints.
- 5.4.3 The CGO shall maintain and control a complete case file for all (Whistleblower) Complaints. Every case file shall include:
- 5.4.3.1 the covering CDF;
  - 5.4.3.2 all investigation reports;
  - 5.4.3.3 all related correspondence or memoranda;
  - 5.4.3.4 all documentary evidence gathered;
  - 5.4.3.5 list of other physical evidence gathered and their location;
  - 5.4.3.6 other relevant documents and records relating to the case.
- 5.4.4 Case files and records shall be kept by the CGO and shall be retained for a period of five (5) years from the date of resolution or closing of each case.

## 5.5 Responsibilities

### 5.5.1 CGO

- ✓ Receive (Whistleblower) Complaints, conduct a review of the (Whistleblower) Complaints in accordance with Sections 5.2.1 and 5.2.2, and unless pertaining to violations of CG Rules, endorse the (Whistleblower) Complaints to and coordinate with the AIU for further handling and investigation.
- ✓ Facilitate and complete within the prescribed period the investigation of (Whistleblower) Complaints involving violations of CG rules.
- ✓ When deputized by the Board pursuant to Section 5.10.2.1 of this Policy, investigate within the prescribed period (Whistleblower) Complaints involving a director or advisor of DMPI Board of Directors, and submit its findings to the Board.
- ✓ Monitor and maintain records of the receipt, disposition and resolution of all (Whistleblower) Complaints and ensure the appropriate monthly reporting thereof to the Board and Audit Committee.

### 5.5.2 AIU

- ✓ Facilitate and complete within the prescribed period the investigation of (Whistleblower) Complaints, as endorsed by the CGO.

- ✓ Regularly Inform the CGO of the actions taken on his (Whistleblower) Complaint and the basis thereof.
- ✓ Report to the CGO the final action/disposition/recommendation made on the (Whistleblower) Complaints.

#### **5.5.3 Employees / Witnesses**

- ✓ Provide truthful information and cooperate fully with the AIU whenever the investigation involves employees or units within their area of responsibility.
- ✓ Report in good faith any suspected violation of the CG Rules, or conduct which constitutes a Questionable Accounting and Auditing Matter or an offense under the Company's Code of Discipline.
- ✓ Cooperate in the investigation, including making available for examination all necessary records and information.

#### **5.5.4 Immediate Superior of Respondent**

- ✓ Inform the respondent in writing of the particular act constituting the offense or infraction imputed to him, require him to answer such charges, and afford him the opportunity to be heard and to defend himself, in accordance with Company's Code of Discipline.
- ✓ Inform the respondent in writing of the results of the investigation and/or disposition of the (Whistleblower) Complaint filed against him.
- ✓ Implement the appropriate disciplinary action.
- ✓ Report to the CGO and HRD his decision and/or the imposition of the disciplinary action on respondent in accordance with the Company's Code of Discipline.
- ✓ Ensure that in case the respondent resigns pending the completion of the investigation or final resolution of the case against him, he shall inform the respondent that the resignation shall be without prejudice to the results of the investigation or the final resolution of the case, and that any benefits due him, if any, shall be withheld pending final resolution of the case.

### **Complaints on Retaliation**

#### **5.6 Submission of Complaint on Retaliation**

- 5.6.1 If a Whistleblower or a Witness believes that he has been retaliated upon for filing a (Whistleblower) Complaint or for participating or cooperating in an investigation under this Policy, he may file a written complaint with the CGO.

5.6.2 The complaint on Retaliation may be filed within three (3) months from the occurrence of the last alleged act or incident of Retaliation.

5.6.3 Complaints on Retaliation should be made in writing and submitted in a sealed envelope marked "Confidential" to:

Corporate Governance Office  
16<sup>th</sup> Floor Galleria Corporate Center  
EDSA corner Ortigas Avenue, Quezon City

5.6.4 Written complaints on Retaliation should indicate the following:

- name, designation, work address and phone number of the complainant;
- name and title of the director, officer, executive, supervisor or employee alleged to have retaliated or to be involved in the Retaliation against the complainant;
- brief description and date of the (Whistleblower) Complaint to which the alleged Retaliation relates;
- brief description and details of the alleged Retaliation (date/time, place and manner);
- relevant evidence to prove the Retaliation.

## **5.7 Preliminary Evaluation, Investigation and Reporting**

5.7.1 CGO shall receive and conduct the preliminary evaluation of the complaint on Retaliation to determine whether the information set forth under Section 5.6.4 are indicated and the following criteria are present:

5.7.1.1 meets the definition of Retaliation;

5.7.1.2 indicates serious implications of the alleged Retaliation to the complainant; and

5.7.1.3 there is probable cause to warrant further investigation.

5.7.2 After the preliminary evaluation and after it is determined that the complaint on Retaliation necessitates further investigation, it shall be endorsed to the AIU for the conduct of an investigation, which shall include but not be limited to:

- conducting interviews and seeking sworn statements from the complainant;
- conducting interviews and seeking sworn statements from witnesses as appropriate;
- maintaining files and records of complaints on Retaliation and the pertinent investigation reports, and the outcome of recommendations consistent with confidentiality requirements.

5.7.3 In case the complaint on Retaliation is determined to be false or without basis, the AIU shall advise the CGO who, in turn, shall

inform the complainant that the case is deemed closed and the reasons for such.

- 5.7.4 In case there is a prima facie evidence of Retaliation, the AIU shall issue a report to the CGO. The CGO shall then issue a report to the immediate superior of the respondent, for the immediate superior's appropriate action. The name of the respondent shall not be disclosed or reported to anyone who does not have the need to know it while the investigation is pending. The immediate superior of the respondent shall observe the procedures provided in the Company's Code of Discipline specifically in terms of informing the respondent in writing the particular retaliatory acts imputed to him, requiring him to answer such charges, and affording him the opportunity to be heard.
- 5.7.5 Investigation and determination of appropriate disciplinary action against employees found to have participated in retaliatory acts shall be made by the immediate superior, in accordance with Company's Code of Discipline.
- 5.7.6 In the event that the employee under investigation resigns from service pending the completion of the investigation, or the final resolution of the case against him, his resignation shall be without prejudice to the results of the investigation or the final resolution of the case against him. Any benefits due him, if any, shall be withheld pending final resolution of the case.

## **5.8 Case Monitoring**

- 5.8.1 All complaints on Retaliation received by CGO shall have a Retaliation Complaint Form (RCF) (see Annex 3) and assigned a corresponding case number for monitoring purposes.
- 5.8.2 CGO shall maintain a log of all complaints on Retaliation received and shall submit a monthly report to the Board on:
  - all complaints on Retaliation received;
  - all complaints on Retaliation referred to HR;
  - the status of outstanding complaints on Retaliation
  - the final disposition or resolution of complaints on Retaliation.
- 5.8.3 The HR Group shall maintain and conduct a complete case file for all complaints on Retaliation. Every case file shall include:
  - the covering RCF;
  - all investigation reports;
  - all related correspondence or memoranda;
  - all documentary evidence gathered;
  - list of other physical evidence gathered and their location;
  - other relevant documents and records relating to the case.

Status of complaints on Retaliation must be reported monthly to the CGO.

- 5.8.4 Case files and records shall be kept by HR and shall be retained for a period of five (5) years from the date of resolution or closing of each case.

## **5.9 Responsibilities**

### **5.9.1 CGO**

- ✓ Receive, conduct a review of the complaints on Retaliation, in accordance with Section 5.7.1, and endorse the complaints on Retaliation to and coordinate with the AIU for further handling and investigation.
- ✓ Monitor and maintain a log of the receipt, disposition and resolution of all complaints on Retaliation and ensure the appropriate monthly reporting thereof to the Board.

### **5.9.2 AIU**

- ✓ Facilitate and complete within the prescribed period the investigation of Retaliation incidental to the (Whistleblower) Complaints made or filed pursuant to Section 5.
- ✓ Ensure the appropriate monthly reporting thereof to the CGO.

### **5.9.3 Employees / Witnesses**

- ✓ Cooperate in the investigation of complaints on Retaliation.

### **5.9.4 Immediate Superior of Respondent**

- ✓ Inform the respondent in writing of the particular retaliatory acts imputed to him, require him to answer such charges, and afford him the opportunity to be heard and to defend himself, in accordance with Company policies and procedures.
- ✓ Inform the respondent in writing of the results of the investigation and/or disposition of the (Retaliation) Complaint filed against him.
- ✓ Implement the appropriate disciplinary action.
- ✓ Report to CGO the resolution of the Complaint and/or imposition of the disciplinary action on the respondent, if the case is sustained, in accordance with the applicable Company policies and procedures.
- ✓ Ensure that in case the respondent resigns pending the completion of the investigation or final resolution of the case against him, he shall inform the respondent that the resignation shall be without prejudice to the results of the investigation or the final resolution of the case. Any benefits due him, if any, shall be withheld pending final resolution of the case.

## **5.10 Complaints cognizable by the Board**

#### 5.10.1 Complaints involving the Compliance Officer

- 5.10.1.1 In the event that the Compliance Officer is the subject or one of the subjects of the (Whistleblower) Complaint or complaint on Retaliation, the Whistleblower shall file his complaint directly with the Chairman of the Board.
- 5.10.1.2 The Chairman of the Board may deputize any of the AIUs mentioned in this Policy (other than the CGO), appropriate sub-committees, business units in the Company or independent third parties ("ad hoc AIU") to assist in the investigation of the (Whistleblower) Complaint or complaint on Retaliation, subject to the Board's control and supervision.
- 5.10.1.3 A (Whistleblower) Complaint or complaint on Retaliation involving the Compliance Officer shall be investigated by the deputized ad hoc AIU, subject to the Board's control and supervision.
- 5.10.1.4 If the (Whistleblower) Complaint or complaint on Retaliation is determined to be substantiated, the findings of the deputized ad hoc AIU shall be forwarded to the Board for further evaluation and imposition of the appropriate disciplinary action.

#### 5.10.2 Complaints involving a director or advisor of the DMPI Board of Directors

- 5.10.2.1 A (Whistleblower) Complaint or complaint on Retaliation involving a director or advisor of the DMPI Board of Directors will be referred to the Chairman of the Board for appropriate action. The Board may deputize any ad hoc AIU, including the CGO (as Secretariat of the Board) and HR Group (for complaints on Retaliation), to assist in the investigation of these complaints, subject to the Chairman's control and supervision.
- 5.10.2.2 The findings of the ad hoc AIU deputized by the Board shall be forwarded to the Chairman for further evaluation and recommendation to the DMPI Board of Directors.

- 5.10.3 The procedures and responsibilities outlined in Section 5 shall, where relevant, likewise apply to any ad hoc AIU deputized by the Chairman of the Board. The ad hoc AIU deputized shall assign a case number, maintain a log of all complaints, maintain and control a complete case file of all complaints received by it, and submit a monthly report to the CGO [for both (Whistleblower) Complaints and complaint on Retaliation] and to the Audit Committee [for (Whistleblower) Complaints], in accordance with Sections 5.4 and 5.8.

## 6.0 APPEAL/REQUEST FOR RECONSIDERATION

An employee complained of desiring to appeal from a decision of his immediate superior may file a motion for reconsideration within ten (10) days from receipt of the copy of the decision. Should the motion be denied, an appeal may be filed with the Office of the President within ten (10) days from receipt of the order denying the motion.

A director or advisor of the DMPI Board of Directors may file an appeal with the DMPI Board of Directors.

The appeal must be resolved within thirty (30) days from receipt of the appeal, unless extended on justifiable grounds.

#### **7.0 PROCESS FLOWS ON (WHISTLEBLOWER) COMPLAINTS AND COMPLAINTS ON RETALIATION**

The prescribed procedures (see Attachments A and B) shall cover the end-to-end (1) handling of (Whistleblower) Complaints and (2) handling of complaints on Retaliation. Both processes shall require the management and execution of tasks and activities among identified responsible units within the Company that would ensure swift resolution of such complaints. Please refer to the attached process flow-charts.

#### **8.0 PERIOD WITHIN WHICH TO RESOLVE COMPLAINTS**

Unless a longer or shorter period is provided in existing Company personnel policies, systems and practice, all cases which are within the scope of this Policy must be resolved within thirty (30) days from the time all the relevant documents necessary for the resolution of the case have been submitted to the AIU. However, should the complexity and/or circumstances of the case warrant a longer time for investigation or resolution thereof, the AIU shall notify in writing the CGO of such fact, citing therein the justification for the extension. Such written notification shall be made not later than fifteen (15) days before the expiration of the period within which to resolve the complaint. The 30-day period herein prescribed shall not include the period of filing and resolving an appeal, which is provided in Section 6 of this Policy.

#### **9.0 WEIGHT AND SUFFICIENCY OF EVIDENCE**

Similar to cases filed before administrative or quasi-judicial bodies, a fact under this Policy may be deemed established if it is supported by a substantial evidence, or that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.

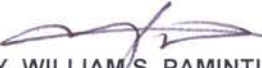
#### **10.0 EFFECTIVITY**

This Policy shall take effect upon approval by the Board of Directors.

<p>Endorsed by:</p>  <p><i>(Original Signed)</i> <b>Joel D. Peneyra</b> CG Compliance Officer Date: _____</p>	<p>Approved by:</p>  <p><i>(Original Signed)</i> <b>Orlando B. Vea</b> President &amp; CEO Date: _____</p>
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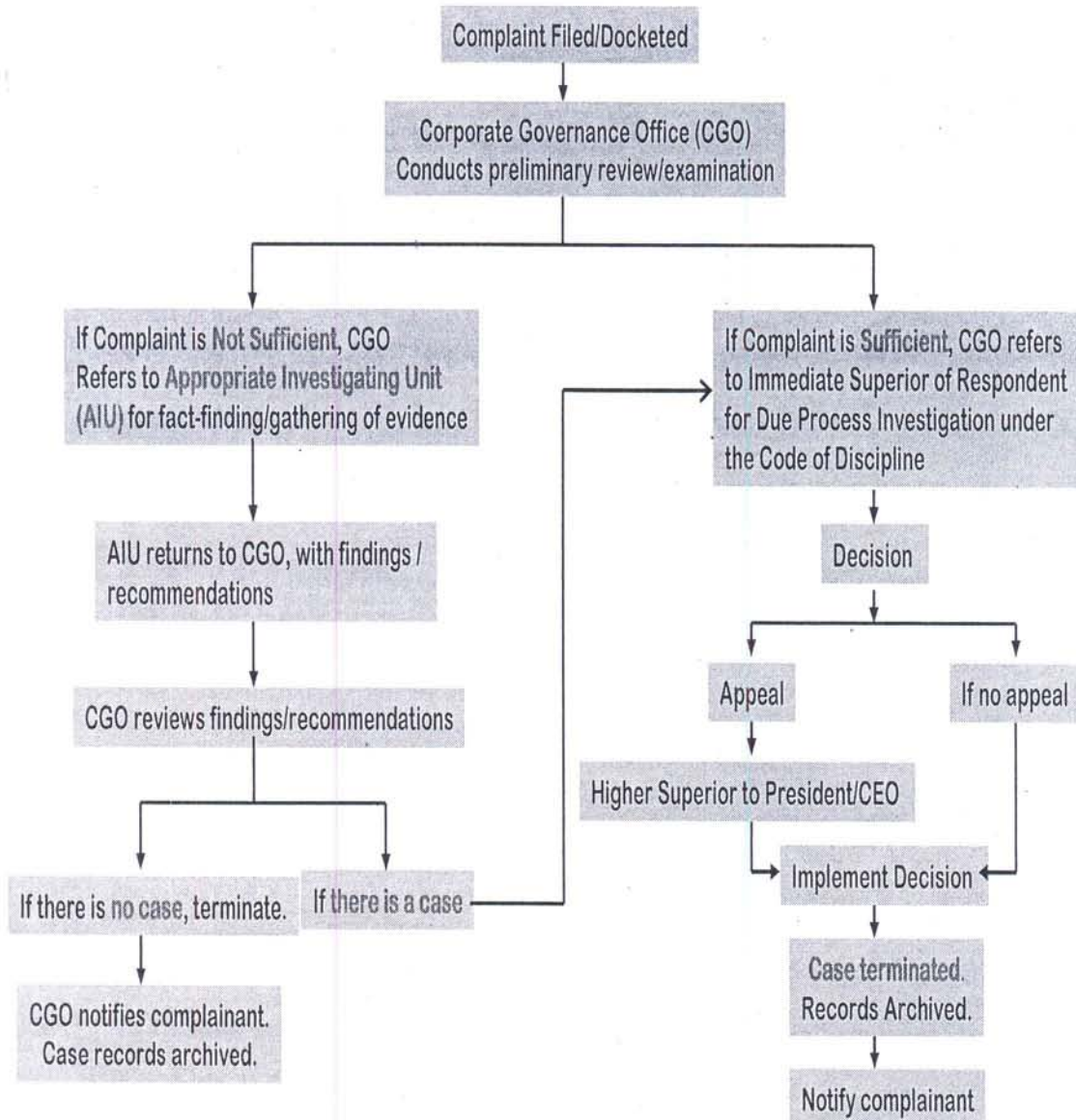
**APPROVED BY THE BOARD OF DIRECTORS  
ON AUGUST 06, 2012**



**ATTY. WILLIAM S. PAMINTUAN**  
Corporate Secretary

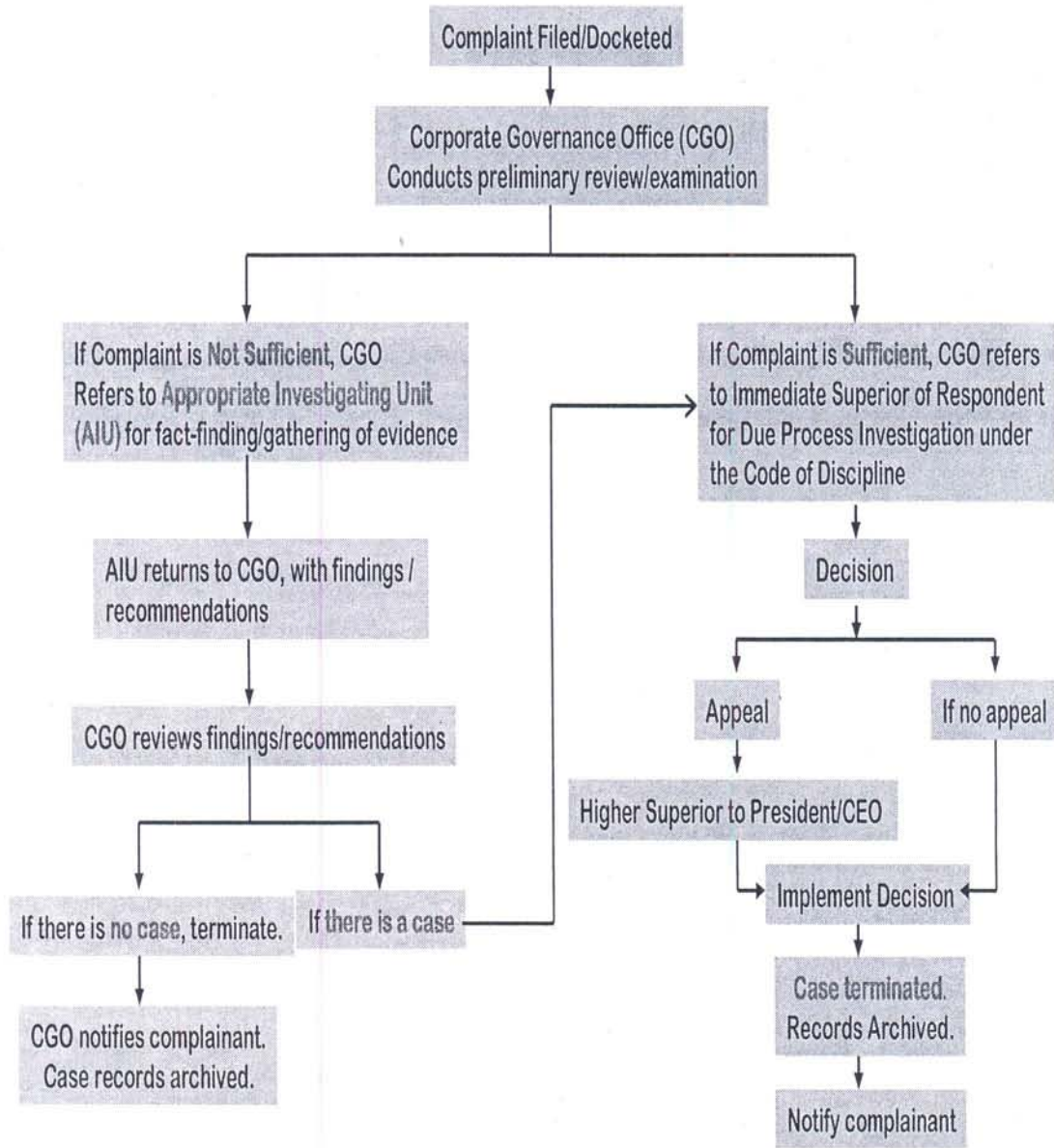


## PROCESS FLOW\* IN THE INVESTIGATION OF WHISTLEBLOWING COMPLAINTS UNDER SECTION 5



\*Please refer to Policy for specific handling details.

## PROCESS FLOW\* IN THE INVESTIGATION OF RETALIATION COMPLAINTS UNDER SECTION 5.6



\*Please refer to Policy for specific handling details.

## EXHIBIT "A"

### VIOLATION OF CG RULES – EXAMPLES

- Granting a supplier undue favors.
- Collusion with a supplier to ensure award of a contract.
- Unauthorized disclosure of confidential information.
- Knowingly destroying company files which are the subject of government investigation.
- Failure to disclose related party transactions.
- Solicitation of money or gifts from contractors of the Company.
- Violation of the Conflict of Interest Policy

## EXHIBIT "B"

### QUESTIONABLE ACCOUNTING MATTERS – EXAMPLES

- Significant overstatement or understatement of account balances.
- Non-recording of transactions in a complete or timely manner.
- Gross violation of generally accepted accounting principle(s).
- Misclassification of accounts
- Inaccurate or non-disclosure of significant information relevant to proper interpretation of the financial statements.
- Lack of underlying transactions to support accounting entries.
- Lack of proper documents to support accounting entries.

### QUESTIONABLE AUDITING MATTERS – EXAMPLES

- Misappropriation of funds.
- Misuse or abuse of Company assets and facilities.
- Circumvention of or disregard of policies.
- Circumvention or violation of approving and signing authorities.
- Acts of transactions grossly disadvantageous to the Company.

**EXHIBIT "C"**

**OFFENSES COVERED BY THE COMPANY'S CODE OF DISCIPLINE – EXAMPLES**

- Gambling or engaging in lottery within Company premises or on Company time.
- Theft of Company property.
- Use or possession of prohibited drugs.
- Gross negligence in the performance of assigned duties.
- Attempting any violence against co-employees.

**EXHIBIT "D"**

**LIST OF PLDT'S OPERATING SUBSIDIARIES**  
*(As of 31 December 2011)*

- Smart Communications, Inc. ["Smart"];
- PLDT Communications and Energy Ventures, Inc. ["PCEV"];
- ePLDT, Inc. ["ePLDT"] (including ePLDT's subsidiaries);
- PLDT Global Corporation ["PLDT Global"] (including PLDT Global subsidiaries);
- SPi Global;
- Digital Telecommunications Phils., Inc. ["DTPI"] (including DTPI's subsidiary Digital Mobile Phils., Inc. ["DMPI"])

## ANNEX "1"

### EXAMPLES OF RETALIATION

- Giving the Whistleblower or Witness a baseless low or lower rating in his performance evaluation in grave abuse of discretion and with complete disregard of the performance appraisal systems or procedures of the Company;
- Sudden involuntary reassignment to a position with demonstrably less responsibility or status as the one held prior to the reassignment during the period of filing the (Whistleblower) Complaint and the investigation thereof or a proximate period thereafter, except if it is pursuant to and implemented in accordance with the Company's policy on reassignments or on approved reorganization or redeployment plan;
- Unjustified or bad faith exclusion of the Whistleblower or Witness from promotion, training, or benefits that are generally available to all employees of the same level and category and performance level;
- Unjust vexation or hostile treatment by co-workers or superior, other than for causes attributable to or personal to the Whistleblower or Witness [except the filing of (Whistleblower) Complaint or participation as Witness];
- Any discriminatory or unjustified material adverse change in the terms and conditions of employment of the Whistleblower or Witness.

Strictly Confidential

## DIGITEL MOBILE PHILS., INC. (WHISTLEBLOWER) COMPLAINT / DISCLOSURE FORM

ON VIOLATIONS OF CORPORATE GOVERNANCE RULES,  
QUESTIONABLE ACCOUNTING OR AUDITING MATTERS, AND VIOLATIONS OR OFFENSES COVERED BY THE  
COMPANY'S TABLE OF PENALTIES

**NOTE: PLEASE PROVIDE DETAILED INFORMATION AS MUCH AS POSSIBLE  
(Items with an \* are required fields)**

### COMPLAINANT'S PERSONAL CIRCUMSTANCES

NAME		OFFICE ADDRESS	
SIGNATURE / DATE	EMPLOYEE NO.	E-MAIL ADDRESS	
COMPANY/DIVISION / EXCHANGE	DESIGNATION	PHONE NO(S).	FAX NO(S).

### INFORMATION CONCERNING THE (WHISTLEBLOWER) COMPLAINT

*What is the major issue involved?\** (Check as many as applicable.)

#### VIOLATION OF CORPORATE GOVERNANCE RULES (CG Rules)

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Manual on Corporate Governance    | <input type="checkbox"/> Gifts, Entertainment & Sponsored Travel | <input type="checkbox"/> Other CG Rules : _____      |
| <input type="checkbox"/> Code of Business Conduct & Ethics | <input type="checkbox"/> Supplier/Contractor Relations Policy    | <input type="checkbox"/> Other Unethical Acts: _____ |
| <input type="checkbox"/> Conflict of Interest Policy       |  |  |

#### FRAUD CLASSIFICATION

- |   |   |                                 |
|---|---|---------------------------------|
| <input type="checkbox"/> Financial / Accounting | <input type="checkbox"/> Business Operations                  | <input type="checkbox"/> Others |
| <input type="checkbox"/> Information Systems    | <input type="checkbox"/> Procurement, Properties and Projects |                                 |
| <input type="checkbox"/> Revenue-related        | <input type="checkbox"/> Subsidiaries and Affiliates          |                                 |

#### QUESTIONABLE ACCOUNTING MATTER

- Significant overstatement or understatement of account balances
- Non-recording of transactions in a complete or timely manner
- Gross violation of generally accepted accounting principle(s)
- Misclassification of accounts
- Lack of underlying transactions to support accounting entries
- Lack of proper documents to support accounting entries
- Inaccurate or non-disclosure of significant information relevant to proper interpretation of the financial statements
- Others (Please specify)

#### QUESTIONABLE AUDITING MATTER

- Misappropriation of funds
- Misuse or abuse of Company assets and facilities
- Circumvention of or disregard of policies
- Circumvention or violation of approving and signing authorities
- Acts or transaction grossly disadvantageous to the Company
- Others (Please specify)



**VIOLATION OR OFFENSE COVERED BY THE CODE OF DISCIPLINE**

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Misconduct                              | <input type="checkbox"/> Breach of trust          | <input type="checkbox"/> Analogous Cases |
| <input type="checkbox"/> Willful disobedience/Violation of Rules | <input type="checkbox"/> Commission of an offense |  |
| <input type="checkbox"/> Neglect of duty                         | <input type="checkbox"/> Sexual Harassment        |  |

What happened?\* (Please attach additional sheet if necessary)

What other evidence, including physical evidence or documentation, exist to corroborate your disclosure?\*(Please attach additional sheet if necessary)

How did you know about the subject of the complaint(s)?

- Personal or direct knowledge
- Others have told me about it
- White paper
- Others (Please specify)

SUPPORTING DOCUMENTS:

- No documents attached
- With documents attached

DOCUMENTS ATTACHED

NO. OF PAGES

Who is/are the person(s) involved? (Respondent/s)\* (Please attach additional sheets if necessary)

NAME*	DESIGNATION*	COMPANY*	DIVISION/GROUP/DEPT.	NATURE OF INVOLVEMENT*

Who is/are the possible Witness(es)?\* (Please attach additional sheets if necessary)

NAME*	DESIGNATION*	COMPANY*	DIVISION/GROUP/DEPT.	NATURE OF INVOLVEMENT*

When did the incident take place\*?

Since when has this been occurring?

Date / Time / Frequency\*

Where did the incident occur\*?

Location of evidence:

How much is involved? Please provide an approximate figure.

Why are you making this disclosure? (Please attach additional sheet if necessary)

DISCLOSURE HISTORY	PLEASE ADVISE ON HOW WE MAY CONTACT YOU	
Was the disclosure previously reported to a management level? If yes, to whom was it reported?	COMPLAINANT WILL:	CGO IS BEING REQUESTED TO PROVIDE FEEDBACK:
What do you think was the reason for lack of immediate action?	<input type="checkbox"/> E-MAIL / FAX / CALL AGAIN	<input type="checkbox"/> BY PHONE
	<input type="checkbox"/> VISIT CGO	<input type="checkbox"/> THRU E-MAIL
	<input type="checkbox"/> OTHERS (SPECIFY)	<input type="checkbox"/> OTHERS (SPECIFY)

**FOR CGO USE ONLY**

MODE OF (WHISTLEBLOWER) COMPLAINT SUBMISSION	CASE NO.
WRITTEN COMPLAINT <input type="checkbox"/> E-MAIL <input type="checkbox"/> FAX <input type="checkbox"/> P. O. BOX VERBAL COMPLAINT <input type="checkbox"/> BY PHONE <input type="checkbox"/> IN PERSON	(RECEIPT NO. - EEEE-LL-MM-YY-TT)  (CGO Assignment No. - INV-REFDATE)
RECORDING: <input type="checkbox"/> TAPE-RECORDED <input type="checkbox"/> NOT TAPE-RECORDED	
TIME: START _____ END _____	

SIGNATURE OVER PRINTED NAME		
COMPLAINT RECEIVED BY:  NAME DESIGNATION DATE	CONFORME:  NAME OF INTERVIEWEE (IF MADE IN PERSON) DESIGNATION DATE	REVIEWED BY:  NAME DESIGNATION DATE

PRELIMINARY EVALUATION
WAS THE COMPLAINANT ADVISED OF HIS RIGHTS AND OBLIGATIONS UNDER THIS ADMINISTRATIVE ORDER? <input type="checkbox"/> YES <input type="checkbox"/> NO
ABOUT (1) VIOLATIONS OF CG RULES; (2) QUESTIONABLE ACCOUNTING OR AUDITING MATTERS; (3) VIOLATIONS AND OFFENSES COVERED BY THE TABLE OF PENALTIES? <input type="checkbox"/> YES <input type="checkbox"/> NO

ACTION TAKEN	DATE	REMARKS
<input type="checkbox"/> FOR INQUIRY / INVESTIGATION		
<input type="checkbox"/> FOR REFERRAL TO OTHER UNITS:		
<input type="checkbox"/> AAG <input type="checkbox"/> GNC <input type="checkbox"/> HRG <input type="checkbox"/> Subsidiary _____ <input type="checkbox"/> SECURITY <input type="checkbox"/> OTHERS _____		
<input type="checkbox"/> NO FURTHER ACTION TO BE TAKEN; CASE CLOSED.		

DISPOSITION OF THE CASE	
CASE CLOSED?	
<input type="checkbox"/> YES	DATE
<input type="checkbox"/> NO	REFERRED TO
	DATE

SIGNATURE OVER PRINTED NAME				
PRELIMINARY EVALUATION	INQUIRY	INVESTIGATION	DISPOSITION OF THE CASE	
CONDUCTED BY:	REVIEWED BY:	FOR INQUIRY BY:	FOR INVESTIGATION BY:	APPROVED BY:
NAME	NAME	NAME	NAME	NAME
DESIGNATION	DESIGNATION	DESIGNATION	DESIGNATION	DESIGNATION
DATE:	DATE:	DATE:	DATE:	DATE:

Strictly Confidential

## DIGITEL MOBILE PHILS., INC. RETALIATION COMPLAINT FORM

NOTE: PLEASE PROVIDE DETAILED INFORMATION AS MUCH AS POSSIBLE

### COMPLAINANT'S PERSONAL CIRCUMSTANCES

NAME		OFFICE ADDRESS	
COMPANY		EMPLOYEE NO.	E-MAIL ADDRESS
DIVISION/EXCHANGE	DESIGNATION	PHONE NO(S).	FAX NO(S).

### DETAILS ABOUT THE PERSON(S) AGAINST WHOM THE RETALIATION COMPLAINT IS BEING MADE [RESPONDENT(S)]

Who is/are the person(s) involved? (Respondent/s) (Please attach additional sheets if necessary)

NAME	DESIGNATION	COMPANY	DIVISION/GROUP/DEPT.	NATURE OF INVOLVEMENT

### DESCRIPTION OF THE (WHISTLEBLOWER) COMPLAINT RELATING TO THE ALLEGED RETALIATION

DESCRIBE OR ATTACH SUPPORTING STATEMENT [Please indicate (Whistleblower) Complaint case number if known]:

PLEASE ATTACH ADDITIONAL SHEETS IF NECESSARY

### STATEMENT OF ALLEGED RETALIATION (Engaged in by Respondent(s))

When did the incident take place?	If the alleged retaliation involves a series of acts, when did the last act/incident of retaliation take place?
Date / Time / Frequency	
What happened? (Please attach additional sheet if necessary)	What other evidence, including physical evidence or documentation, exist to corroborate your disclosure? (Please attach additional sheet if necessary)

### SUPPORTING DOCUMENTS / EVIDENCE

 NO DOCUMENTS ATTACHED       WITH DOCUMENTS ATTACHED

DOCUMENTS ATTACHED	NO. OF PAGES
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### DETAILS ABOUT THE WITNESS(ES)

Who is/are the possible Witness(es)? (Please attach additional sheets if necessary)

NAME	DESIGNATION	COMPANY	DIVISION/CENTER/SECTOR	NATURE OF INVOLVEMENT

### DECLARATION

The facts set forth in this Complaint, and in any supporting information submitted with this Complaint, are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature Over Printed Name\_\_\_\_\_  
Date

**FOR CGO USE ONLY**

MODE OF COMPLAINT SUBMISSION	CASE NO.
WRITTEN COMPLAINT <input type="checkbox"/> E-MAIL <input type="checkbox"/> FAX <input type="checkbox"/> P. O. BOX	(RECEIPT NO. - EEEE-LL-MM-YY-TT)  (CGO Assignment No. - INV-REFDATE)
RECORDING: _____ TIME: _____ <input type="checkbox"/> TAPE-RECORDED    _____ <input type="checkbox"/> NOT TAPE-RECORDED    START _____ END _____	

**DETAILS OF INITIAL INQUIRY WITH THE COMPLAINANT**

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**PRELIMINARY EVALUATION**

WAS THE COMPLAINANT ADVISED OF HIS RIGHTS AND OBLIGATIONS UNDER THIS POLICY?  
 YES     NO

Meets the definition of Retaliation?     YES     NO

ACTION TAKEN	REMARKS
<input type="checkbox"/> For investigation	
<input type="checkbox"/> For referral to HR Group/other units/Subsidiary	
<input type="checkbox"/> No further action to be taken; case closed.	

**DISPOSITION OF THE CASE**

Case Closed?

<input type="checkbox"/> YES	DATE
<input type="checkbox"/> NO	REFERRED TO
	DATE

SIGNATURE OVER PRINTED NAME			
INITIAL INQUIRY	PRELIMINARY EVALUATION / INVESTIGATION		DISPOSITION OF THE CASE
CONDUCTED BY:	INVESTIGATED BY:	REVIEWED BY:	APPROVED BY:
NAME	NAME	NAME	NAME
DESIGNATION	DESIGNATION	DESIGNATION	DESIGNATION
DATE:	DATE:	DATE:	DATE: