

Regulation No. 5 - Ethics Hotline/Whistle Blowing

1. Objective and Scope

- 1.1 BPI MS is committed to conducting its business in an honest and transparent manner at all times. All employees have the responsibility to raise suspicions of malpractice in their place of work and the right to do so in complete confidence.
- 1.2 BPI MS shall ensure whistle-blowers are always properly protected and that employees are able to report cases or suspicions of dishonesty in confidence without concern of retribution for genuine mistakes.
- 1.3 BPI MS shall also ensure the confidentiality and shall only disclose the report in accordance with this PRG and to the extent necessary for the purpose of investigation.
- 1.4 This regulation shall be read and interpreted in conjunction with the BPI Management Operating Manual and other rules and regulations.

2. The Regulations

- 2.1 MSIJ Compliance Manual for International Operations prescribed:
 - 2.1.1 All overseas entities shall designate a responsible department and establish “internal contact points”, and “external contact points” when possible.
 - 2.1.2 The Whistle Blowing rules shall stipulate such necessary details regarding the responsible department and Whistle Blowing contact points, as the names (the names of the departments and the title of the persons in charge etc.), phone numbers or addresses.
 - 2.1.3 All overseas entities are obliged to make their best efforts for establishing “external contacts (contacts outside the MS&AD group), of which details such as the names (the names of the departments and the title of the persons in charge etc.), phone numbers and/or addresses as well as measures for protecting whistle-blowers.
- 2.2 “External contacts” shall be either of the following:
 - 1.1.1 Lawyers, accountants, or whistle blowing service providers outside of the overseas entities and the MS&AD group (contacts provided for public services and deemed to be “external contacts”.)
 - 1.1.2 Executive Compliance Officer of overseas entity will promote officers and employees to use Whistle Blowing frameworks.
- 2.3 MSIHO and BPI MS shall ensure:
 - 2.3.1 Awareness of “internal contact points” and “external contact points” are promoted through training and/or other means.

- 2.3.2 Measures are in place to protect whistle-blowers are fully known and these are understood by all officers and employees.
- 2.4 Employees and others (agents, business partners, suppliers, etc.) are encouraged to report (or “blow the whistle”) on any instance of dishonesty affecting the Company.
- 2.5 The employee shall act in good faith and shall not make false accusations when reporting the wrongdoing done by another employee. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith shall be subject to discipline, which may include termination.
- 2.6 Where a member of staff has been found to make a genuine mistake, BPI MS will not subject that person to any detrimental action. For the purpose of clarification, if a staff receives unfair treatment as a result of making disclosure, the staff can report such a treatment to contact points below for investigation. Where necessary and appropriate, BPI MS shall follow-up and check whether the whistle-blower has been treated disadvantageously or harassed in the workplace.
- 2.7 An individual who makes a protected disclosure shall not suffer harassment, retaliation or adverse employment consequences. Any person who retaliates against any individual who makes a protected disclosure shall be subject to discipline up to and including termination.
- 2.8 The right of a whistle blower for protection against retaliation does not include Immunity for his wrongdoing or participation in the reported irregularity where such participation was eventually verified and proven during the course of the investigation
- 2.9 Anybody who knowingly aids, abets, or conceals or otherwise deliberately permits the commission of any irregular or fraudulent act directed against the company shall be considered equally guilty as the principal perpetrators of the fraud or irregularity.
- 2.10 Where possible, suspicions shall be reported to line managers in the first instance. If this is not viable, suspicions may be reported to the Compliance Officer.
- 2.11 If staff feels uncomfortable reporting their suspicions within the organization, the report may be sent directly to BPI through Head of HR, Chief Risk Officer and/or Chief of Internal Audit, BPI MS Head of HR, BPI MS Compliance Officer, or directly to MSIHO. All calls/ reports shall be treated with total confidentiality and anonymity is guaranteed, if requested.
- 2.12 All employees have a duty to cooperate with investigation initiated under this policy.
- 2.13 This Policy, Regulations and Guidelines (PRG) should not be viewed as replacing the grievance procedure, or HR’s harassment procedures.
- 2.14 Proper investigations shall be conducted for all disclosures and, where appropriate, necessary actions including disciplinary actions shall be taken based on the result of the investigation.
- 2.15 The relevant department of Whistle-Blowing framework in each entity shall
- 2.15.1 collect the number and outlines on Whistle Blowing cases as far as it can reasonably know, keep records thereof, and report to the Board of Directors or Audit Committee or branch ExCom; provided that, if a person who is subject to a disclosure attends such meetings, the case may not be included in the report.
- 2.15.2 report such number and summary outlines of the cases, etc. to MSI’s International Supervisory Department quarterly.

2.15.3 report the disclosure of malfeasance by a member of the Board of Directors (or branch management meeting in the event of MSI branches and offices) MSI International Supervisory Department upon receipt of such disclosure.