

WHISTLE BLOWING AND POISON PEN LETTERS

A. WHISTLE BLOWING

1. Basic Whistle Blowing Guidelines

- 1.1 Each BU as a principle should set up an internal and an external Ethics/Whistle Blowing hotline which is independent and as far as practicable.
- 1.2 BPI/MS will ensure that staffs are able to report suspicions of dishonest and unlawful acts (DUA) as well as other inappropriate and unethical conducts in confidence without concern of disciplinary actions being taken against them or harassed for genuine mistakes.
- 1.3 Regional and National Compliance Controller should conduct regular (at least annually) awareness campaign or briefing on the whistleblowing contacts in RHC and their respective BUs. This can be part of annual Compliance training exercise.
- 1.4 Disclosures potentially involving dishonest and unlawful acts reported through whistle blowing hotlines shall be handled as 'suspected' DUA incident. These disclosures shall follow the same reporting procedures to MSIJ and RHC.

2. Suspected or actual DUA acts/activities that should be reported

- 2.1 Any dishonest or unlawful acts (DUA) or offence suspected of being committed by any staff such as:
 - Bribery
 - Conflict of Interest
 - Corruption
 - Theft
 - Violation of Laws & Regulations
 - DUA against the company, including falsifying expense claims, and any attempt to conceal DUA activities.
- 2.2 Other acts or activities that should be reported include:
 - Harassments
 - Behaviours that threaten the well-being of any employee or harmful to the reputation of the company
 - Breach of any of the terms of employment contract and employment regulations, including but not limited to code of conduct, ethical standards etc.
 - Misuse of company assets, including information assets

B. BLACK/POISON LETTER

1.0 DEFINITIONS OF BLACK/POISON LETTER

- 1.1 A letter or note containing unpleasant, abusive or malicious allegations, statements or accusations about the recipient or another employee/agent of BPI/MS.
- 1.2 The normal intention or usual intention is to cause distress, embarrassment and damage to the reputation of the recipient or another employee/agent of/or the Company.

2.0 GUIDELINES

- 2.1 Unnamed letters sent to the company marked "Confidential" or "Private" should only be opened by the President or his secretary.
- 2.2 All black letters received must be handed over to the President first. The President will decide whether further investigation is necessary in consultation with Human Resource, Internal Audit or Compliance.
- 2.3 Where investigation is considered necessary by the President, this should be conducted by Human Resource, Internal Audit or Compliance.
- 2.4 Maintain a register of all black letters (Black/Poison Letter Register F-Com-03) received by Compliance Unit. All black letters which the President considers unnecessary to conduct an investigation or investigation must be registered for future reference or follow-up when necessary.
- 2.5 Review the contents of the black letter received and assess whether there is potential dishonest act(s) or DUA action(s) that warrants investigation.
- 2.6 When a black letter is received, scan through the Black/Poison Letter Register to find whether there is a "trend" or "similarities" for past allegations received. If there is a trend and consistent similarities, investigation is recommended.
- 2.7 Any black letter deems necessary to be investigated by the President must be reported immediately in writing to MSIHO General Manager (GM) for International Compliance and RHC EVP Compliance and Business Risk. The report is on "free flow."
- 2.8 Results of the preliminary investigations must be reported to MSIHO GM and RHC EVP Compliance within seven (7) working days from the commencement of the date of the investigation.
- 2.9 A copy of the Black/Poison Letter Register must be submitted annually by 31st January to RHC Executive Compliance Controller and Regional Compliance Controller who shall review the contents of the register during the next scheduled quarterly on-site review.
- 2.10 The Chief Operating Officer of Operations Division is responsible in handling the media if the media gets involved. In his absence, the President may appoint the officer in charge of this task. This is to minimize the impact of negative publicity which can pose a reputational risk to the Company.