



BENGUET CORPORATION

POLICY ON WHISTLE BLOWING

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Issued by:

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Approved by:

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Officer-in-Charge

I. PURPOSE

Benguet Corporation (BC) is committed to conduct its business in accordance with the law and high ethical standards. As such, the Company aims to;

- provide an avenue for all employees and other individual working for Benguet Corporation to raise serious and sensitive concerns;
- ensure that such concerns are treated seriously and appropriately, and
- ensure that any person who raised a serious concern in good faith will be protected from retaliation.

II. SCOPE

This policy applies to all employees (regardless of employment status), consultants, retainers, and project-based employees working for Benguet Corporation

III. GUIDELINES

- 1 The term "whistleblowing" refers to a situation where any individual covered by this policy decides to report serious concerns about any suspected misconduct, malpractice or irregularity.
- 2 An employee or other individual working for Benguet Corporation is encouraged to raise serious concerns internally, in a responsible and effective manner, rather than overlooking a problem or disclosing the issue outside the Company.
- 3 This policy is meant for serious and sensitive concerns that could have an adverse impact on the operations and performance of the business of BC, and which due to the nature of the concern cannot be reported through the normal reporting line, such as but not limited to:
 - 3.1 Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters.
 - 3.2 Improper conduct or unethical behavior likely to prejudice the image of the Company.
 - 3.3 Breach of legal or regulatory requirements.
 - 3.4 Criminal offence, breach of civil law and miscarriage of justice
 - 3.5 Bribery or corruption (conflict of interest, sponsorships and donations, gifts or facilitation of payments).
 - 3.6 Deliberate concealment of any of the above.

4 The Company has an Investigation Committee whose initial members are the Corporate VP-HRA, VP-Legal, the President, his OIC (or in their absence their designate). The President may appoint other members of the committee as necessary.

5. Reporting Channel

5.1 Any person covered by this policy who has a legitimate serious concerns can raise the matter directly to the Corporate VP-HRA, the President or the Chairman of the Board of Benguet Corporation.

5.2 The Investigation Committee shall review the concern and decide how the investigation will proceed.

5.3 They may also hire an external auditors, investigators and/or legal counsel if it deem necessary.

6. Reporting Process

6.1 Disclosure can be made by sending email or prepare a letter addressed directly to either the Corporate VP-HRA, the President, his OIC or Chairman of the Board. While the Company does not expect the person to have absolute proof or evidence of the reported misconduct, malpractice or irregularity, the person should show basis of the concerns, full disclosure of relevant details, and supporting documents.

6.2 The person who raised the concern is encouraged to explain his allegations with sufficient information and/or incidents that support his claims. This is to facilitate proper investigation. If it is necessary to have follow-up questions he is required to write his name to any disclosure he made. Anonymous concerns are usually not considered.

6.3 The investigation proper maybe done outside of the Company premises to protect the person who raised the concern.

6.4 The investigation committee shall record all reported concerns, consider the seriousness of the concern and proceed accordingly by making appropriate recommendations based on facts and data gathered during investigation. The committee will also decide if the certain concern was done in bad faith and without factual substance.

6.5 The investigation committee shall prepare the result of the investigation and submit to the President, or the Chairman of the Board depending on the gravity and magnitude of violation.

6.6 In case the result of the investigation shows any violation of the policy, appropriate disciplinary action shall be served.

6.7 Anyone who is involved in the alleged serious concern may be put under preventive suspension if this is recommended by the investigation committee. The investigation committee must have a fair observance of due process and fair play in the conduct of its proceedings.

7. Confidentiality and Retaliation

- 7.1 BC will treat all concerns and issues raised under this policy with utmost confidentiality. When it is necessary to conduct complete and fair investigation, the identity of the employee who raised the concern shall be kept and remain confidential.
- 7.2 Officers and members of investigation committee shall ensure that there will be no **discriminatory or retaliatory actions** that must be taken against any employee or any person working for BC who reports the concern in good faith based on his personal knowledge. If an employee or any person working for BC believes that he has been retaliated in reporting a concern or participating in an investigation, he should immediately report such perceived retaliation to the members of the investigation committee.
- 7.3 The Company reserves the right to take appropriate actions against anyone who initiates or threatens to initiate retaliation against the person who raised the concern.
- 7.4 Any individual covered by this policy who reports a serious concern is assured of fair treatment. In addition, he is also assured of protection against unfair dismissal and/or unwarranted disciplinary action, even if the concerns raised turned out to be unsubstantiated

8. EXCEPTIONS

Exceptions to the policy must be approved by the President, or in his absence the OIC

9. ADMINISTRATION

HRD, the President, or in his absence the OIC, or the Board of Directors may administer this policy

10. EFFECTIVITY

This policy will take effect upon approval date

REVIEW AND POLICY UPDATE

This policy is effective upon approval of President or his OIC and will be reviewed/updated by CHQ-HR as maybe necessary. *The Company reserves the right to revise and/or revoke this policy as it deems fit or warranted.*

7/11/14

Date Signed