



| WHISTLEBLOWING POLICY   |  |
|---|--|
| Document Control No.: CMS-PGP-WBP-1   | Effectivity Date: May 10, 2016                                   |
| Prepared by:<br><br>JOYCE ANNE N. ALIMON<br>OIC-VP, Finance and CMS Manager | Approved by:<br><br>JOSE A. CAPISTRANO, JR.<br>President and CEO |

## I. INTRODUCTION

**PITC PHARMA, INC. (PPI)** is committed to the highest standards of openness, probity and accountability.

An important aspect of accountability and transparency is a mechanism to enable the employees and other members of PPI to voice concerns in a responsible and effective manner. It is a fundamental term of every contract of employment that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's affairs. Nevertheless, where an individual discovers information which they believe shows serious malpractice or wrongdoing within the organization then this information should be disclosed internally without fear of reprisal, and there should be arrangements to enable this to be done independently of line management (although in relatively minor instances the line manager would be the appropriate person to be told).

It should be emphasized that this policy is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by the Management nor should it be used to reconsider any matters which have already been addressed under harassment, complaint, disciplinary or other procedures. Once the "whistleblowing" procedures are in place, it is reasonable to expect staff to use them rather than air their complaints outside the Company.

## II. SCOPE:

This policy is designed to enable employees of PPI to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice or impropriety. This policy is intended to cover concerns which are in the public interest and may at least initially be investigated separately but might then lead to the invocation of other procedures e.g. disciplinary. These concerns could include:

- A. Financial malpractice or impropriety or fraud;
- B. Failure to comply with a legal obligation or Statutes;
- C. Dangers to Health & Safety or the environment;
- D. Criminal activity;
- E. Improper conduct or unethical behavior; and



F. Attempts to conceal any of these.

### **III. SAFEGUARDS**

#### **A. Protection**

This policy is designed to offer protection to those employees of PPI who disclose such concerns provided the disclosure is made:

1. in good faith;
2. in the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety and if they make the disclosure to an appropriate person (Section IV). It is important to note that no protection from internal disciplinary procedures is offered to those who choose not to use the procedure. In an extreme case malicious or wild allegations could give rise to legal action on the part of the persons complained about.

#### **B. Confidentiality**

The PPI Management will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

#### **C. Anonymous Allegations**

This policy encourages individuals to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the Management.

In exercising this discretion, the factors to be taken into account will include:

1. The seriousness of the issues raised;
2. The credibility of the concern; and
3. The likelihood of confirming the allegation from attributable sources

#### **D. Untrue Allegations**

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If, however, an individual



makes malicious or vexatious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against that individual.

#### **IV. DISCLOSURE TO AN APPROPRIATE PERSON**

- A. Complaints shall be submitted to the Office of the President who shall immediately form an Investigating Committee. The Members of the Investigating Committee shall not be in any way related to the subject of the complaint.
- B. Complaints against the President and CEO should be passed to the Chairman who will nominate an appropriate investigating committee.
- C. The complainant has the right to bypass the line management structure and take their complaint direct to the Chairman. The Chairman has the right to refer the complaint back to management if he/she feels that the management without any conflict of interest can more appropriately investigate the complaint.
- D. Should none of the above routes be suitable or acceptable to the complainant, then the complainant may direct its complaint to the Governance Commission for GOCCs (GCG) under its Whistleblowing Policy.
- E. If there is evidence of criminal activity then the investigating committee should inform the police. The PPI Management will ensure that any internal investigation does not hinder a formal police investigation.

#### **V. TIMESCALES**

Due to the varied nature of these sorts of complaints, which may involve internal investigators and / or the police, it is not possible to lay down precise timescales for such investigations. The investigating committee should ensure that the investigations are undertaken as quickly as possible without affecting the quality and depth of those investigations.

The investigating committee, should as soon as practically possible, send a written acknowledgement of the concern to the complainant and thereafter report back to them in writing the outcome of the investigation and on the action that is proposed. If the investigation is a prolonged one, the investigating committee should keep the complainant informed, in writing, as to the progress of the investigation and as to when it is likely to be concluded.

All responses to the complainant should be in writing and sent to their home address.



## VI. INVESTIGATING PROCEDURE

| Responsible Person                 | Action   |
|------------------------------------|--|
| <b>Investigating Committee</b>     | <ol style="list-style-type: none"> <li>1. Obtain full details and clarifications of the complaint.</li> <li>2. Inform the member of staff against whom the complaint is made as soon as is practically possible. The member of staff will be informed of their right to be accompanied by a trade union or other representative at any future interview or hearing held under the provision of these procedures.</li> <li>3. Fully investigate the allegations with the assistance where appropriate, of other individuals / bodies.</li> <li>4. Pass a judgement concerning the complaint and its validity. This judgement will be detailed in a written report containing the findings of the investigations and reasons for the judgement.</li> <li>5. Submit the report to the President and CEO or Chairman of the Board as appropriate.</li> </ol> |
| <b>President and CEO/ Chairman</b> | <ol style="list-style-type: none"> <li>6. Decide what action to take. If the complaint is shown to be justified, then they will invoke the disciplinary or other appropriate PPI procedures.</li> <li>7. Inform the complainant of the progress of the investigations and, if appropriate, of the final outcome.</li> <li>8. If appropriate, furnish a copy of the outcomes to the Internal Auditor to enable a review of the procedures.</li> </ol>   |

## VII. INVESTIGATION RESULT

If the complainant is not satisfied that their concern is being properly dealt with by the investigating officer, they have the right to raise it in confidence with the Chief Executive / Chairman, or one of the designated persons described above.

If the investigation finds the allegations unsubstantiated and all internal procedures have been exhausted, but the complainant is not satisfied with the outcome of the investigation, the Management recognizes the lawful rights of employees and ex-employees to make disclosures to prescribed persons i.e. the Governance Commission for GOCCs (GCG), the Commission on Audit (COA), or, any appropriate agency.