

BOARD RESOLUTION 2017-1024-06

A Resolution Approving the Whistleblowing Policy of the Power Sector Assets and Liabilities Management (PSALM) Corporation

WHEREAS, the Governance Commission for Government Owned or Controlled Corporations (GCG) created under Republic Act No. 10149 or the "GOCC Governance Act of 2011" issued Memorandum Circular (MC) No. 2016-02 entitled *Revised Whistleblowing Policy for the GOCC Sector* dated 22 April 2016 which enjoins all GOCCs to establish their own whistleblowing systems consistent with the template thereof;

WHEREAS, the Whistleblowing Policy is part of the Good Governance Condition requirements of the GCG;

WHEREAS, on 20 October 2017, the proposed Whistleblowing Policy was presented to the Board Review Committee (BRC) for consideration and endorsement.

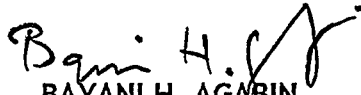
NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED that, as recommended by the Management and endorsed by the BRC, the Board of Directors approves and confirms the attached Whistleblowing Policy of PSALM Corporation (Annex "A") in compliance with the GCG Memorandum Circular No. 2016-02.

APPROVED and CONFIRMED on 24 October 2017.



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PSALM Whistleblowing Policy

1. Statement of Policy

It shall be the policy of the Power Sector Assets and Liabilities Management (PSALM) Corporation to carry out its mandate in a transparent, responsible and accountable manner and with the utmost degree of professionalism and effectiveness. PSALM shall endeavor to promote credibility, reliability and accountability, and shall carry out its functions in the best interest of the government and its stakeholders.

PSALM, through its Board of Directors and duly authorized officers and employees, shall conduct the affairs, operations and business of the Corporation in full compliance with applicable laws, rules and regulations. As public officers, they must exemplify the behavior and professional demeanor of the highest standard, consistent with such laws, rules, regulations, policies and procedures.

2. Background and Purpose

The Governance Commission for Government Owned or Controlled Corporations (GCG) issued Memorandum Circular Nos. 2014-04 (Whistleblowing Policy for the GOCC Sector) issued on 14 April 2014 and 2016-02 (Revised Whistleblowing Policy for the GOCC Sector) issued on 22 April 2016.

The purpose of this Whistleblowing Policy (this Policy) is to enable any concerned individual to report and provide information, anonymously if desired, and even testify on matters involving the actions or omissions of the directors, officers, and employees of PSALM that are illegal, unethical, against public policy and morals and grossly disadvantageous to PSALM and the government. This also includes actions that violate good governance principles, and promote unsound and unhealthy business practices.

All persons, stakeholders, and institutions concerned are encouraged and empowered, through this Policy, to report to PSALM, using the modes and procedures herein established, any and all issues and concerns involving the aforementioned actions or omissions.

3. Coverage

This Policy shall cover PSALM, its directors, officers and employees, including workers under contract of service and consultancy agreements.



6. Scope

6.1. Reportable Conditions - Whistleblowers may report to PSALM such acts or omissions that are illegal, unethical, violate good governance principles, are against public policy and morals, promote unsound and unhealthy business practices, are grossly disadvantageous to PSALM and/or the government, such as, but not limited to:

- a) Abuse of authority;
- b) Bribery;
- c) Conflict of interest;
- d) Destruction/Manipulation of records;
- e) Fixing;
- f) Inefficiency;
- g) Making false statements;
- h) Malversation;
- i) Misappropriation of assets;
- j) Misconduct;
- k) Money laundering;
- l) Negligence of duty;
- m) Nepotism;
- n) Plunder;
- o) Receiving a commission;
- p) Solicitation of gifts;
- q) Taking advantage of corporate opportunities;
- r) Undue delay in rendition of service;
- s) Undue Influence;
- t) Violation of procurement laws.

Whistleblowers may also report acts or omissions that otherwise involve violations of the following laws, rules, and regulations:

- a) R.A. No. 6713, "*Code of Conduct and Ethical Standards for Public Officials and Employees*";
- b) R.A. No. 3019, "*Anti-Graft and Corrupt Practices Act*";
- c) R.A. No. 7080, as amended, "*The Plunder Law*";
- d) Book II, Title VII, *Crimes Committed by Public officers, The Revised Penal Code*;
- e) Executive Order (E.O.) No. 292, s. 1987, "*Administrative Code of 1987*";
- f) R.A. No. 10149, "*GOCC Governance Act of 2011*"
- g) GCG M.C. No. 2012-05, "*Fit and Proper Rule*";
- h) GCG M.C. No. 2012-06, "*Ownership and Operations Manual Governing the GOCC Sector*";
- i) GCG M.C. No. 2012-07, "*Code of Corporate Governance for GOCCs*";
- j) Violations of the Charter of the GOCC;
- k) PSALM issuances/ policies/ manuals; and
- l) Other GCG Circulars and Orders, and applicable laws and regulations.



Whistleblowing Reports must contain the following:

- a) Specific condition/s, action/s, omission/s being complained about;
- b) Corresponding laws, rules, and regulations allegedly violated; and
- c) If available, any documentary and other evidence in support of the allegation for evaluation purposes.

6.2. GCG Whistleblowing Web Portal - GCG has established an online-based platform (www.whistleblowing.gcg.gov.ph) as the primary reporting channel for whistleblowers.

Whistleblowers may securely submit reports electronically, at the same time ensuring their anonymity and confidentiality of their reports. Whistleblowers are encouraged to utilize this online reporting channel.

6.3. PSALM Reporting Channels - The following are dedicated Reporting Channels in PSALM which Whistleblowers can use to submit Whistleblowing Reports:

- a. Email : imc@psalm.gov.ph
- b. Mail : PSALM Integrity Monitoring Committee
Power Sector Assets and Liabilities Management Corporation, 3rd Floor, National Transmission Corporation, Power Center, BIR Road corner Quezon Avenue, Diliman, Quezon City
- c. Telephone : 902-9000
- d. Fax : 739-5279
- e. Website : www.psalm.gov.ph
- f. Face-to-face meetings : with IMC Chair or any member of IMC

7. Confidentiality

PSALM shall ensure the confidentiality of all information arising from the report. It shall also treat the identity of the whistleblower and the respondent in a confidential and sensitive manner. The identity of the whistleblower will be kept confidential, unless compelled by law or the Courts to be revealed, or unless the whistleblower authorized the release of his/her identity.

8. Protection of a Whistleblower Against Retaliation

PSALM shall not tolerate any retaliation in whatever form and manner, against a whistleblower who submits a whistleblowing report in good faith. PSALM shall also extend all possible assistance to the whistleblower under the law and given the circumstances.

Such retaliatory acts may include:

- a) Discrimination or harassment in the workplace;
- b) Demotion/ denial of promotion;
- c) Reduction in salary benefits;
- d) Termination of contract;



- e) Evident bias in performance evaluation; or
- f) Any acts or threats that adversely affect the rights and interests of the whistleblower, such as, but not limited to: deliberately delaying/failing to act on requests/disapproving leaves/subjecting individual to humiliation and embarrassment/ deliberate disapproval of requests for training/DTRs.

9. Untrue Allegations

If a whistleblower makes allegations that are unfounded, fabricated or malicious falsehoods as determined by the IMC, PSALM may take legal action/s against the person.

10. Procedure on Handling Whistleblowing Reports

10.1. Filing of Whistleblowing Reports - all reports must be submitted to PSALM through the channels provided in *Section 6.3* of this document.

While a report may be filed anonymously, the whistleblower's connection to PSALM and general relationship to the respondent, if any, must be stated.

To aid the IMC, it is incumbent upon the whistleblower to include files, photographs, videos, recordings, news clippings and articles, among other relevant documents, to support the reported complaint.

In cases of vague complaints which have no corroborating evidence to support the allegations, the report shall either be dismissed or referred back to the whistleblower to substantiate.

10.2. Handling Initial Receipt of Whistleblowing Reports - the following PSALM personnel will handle initial receipt of reports from the different reporting channels:

Reporting Channel	Concerned PSALM unit
E-mail	IMC group
Mail	Human Resource
Telephone	Human Resource
Fax	Human Resource
Website	Corporate Communications
Face-to-face meeting	Chair or any member of the Integrity Monitoring Committee

10.3. Preliminary Evaluation - the information in the Whistleblowing Report, whether anonymously filed or not, may be considered sufficient in form if:

- a) The full name and position of the PSALM official or employee subject of the information is identified;
- b) Violations and/or charges are specified, including the relevant material facts (nature of the incident, time and places of the incident,

persons involved, evidence, if any, and other important matters necessary to establish a case);

- c) Corresponding laws, rules, and regulations allegedly violated; and
- d) Documents in support of the allegations submitted.

Thereafter, the IMC Chairperson will determine whether or not the information may be considered as a Reportable Condition under *Section 6.1* hereof, and if in the affirmative, shall refer the same to the IMC for appropriate action.


If the IMC Chairperson determines that such information does not qualify as a Reportable Condition under this Policy, the same may be treated as a complaint which will be acted on in accordance with applicable laws, rules and regulations.

The IMC Chairperson reserves the right to disregard Whistleblowing Reports that are vague, ambiguous, patently without merit, or are clearly harassment complaints against the Respondent/s. The Chairperson shall communicate the initial findings on such Whistleblowing Reports to the Whistleblower who will be given an opportunity to substantiate the report within fifteen (15) days upon receipt of the same. If matters raised in the initial findings were unsubstantiated within the given period, the report will be considered closed and terminated subject to the approval of the Management Committee upon prior recommendation of the IMC.

10.4. Full Investigation - if the IMC finds the report sufficient in form and substance after the fact finding, it shall recommend the conduct of full investigation in accordance with relevant laws, rules, and regulations. The IMC must conclude the investigation within 60 days.

10.5. Monitoring - the IMC shall submit a progress report on a quarterly basis on all whistleblowing cases to the GCG with the corresponding actions taken thereon.

11. Final Actions on the Whistleblowing Reports - In cases of whistleblowing reports against PSALM, its Directors, officers, and employees, the GCG may pursue any of the following actions:

- a) Dismiss the whistleblowing report for want of palpable merit;
 - b) Forward the whistleblowing report to PSALM Management for corresponding official action;
 - c) Submit a formal recommendation to the PSALM Management for the discipline/suspension of the respondent employee;
 - d) Submit a formal recommendation to the PSALM Board for the discipline/suspension of respondent Officer/s and Director/s;
 - e) Submit a formal recommendation to the Office of the President of the Philippines for the removal of the respondent Director/s;
 - f) Indorse to the proper Government Agency, such as the Office of the Ombudsman, the pursuit of the criminal and/or administrative processes against the respondent/s;
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- g) Enjoin the Board and Management to comply with applicable laws or jurisprudence and/or to undertake corrective measures to address the matters raised in the complaint; and
- h) Consider the whistleblowing report closed and terminated if the response of the respondent is found inadequate.

12. Repealing Clause - all other PSALM orders, circulars, issuances, and decisions which are inconsistent with this Policy are hereby repealed or modified accordingly.

13. Effectivity Clause - this Policy shall take effect immediately.

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