

**EMPLOYEE INVESTIGATION POLICY**

Document Information

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**1. COVERAGE**

This policy covers all employees of AyalaLand Logistics Holdings Corp. ("ALLHC" or the "Company") and its subsidiaries (collectively referred to as "ALLHC Group").

**2. STATEMENT OF POLICY**

It is the responsibility of ALLHC to review and, if necessary, investigate suspected or known violations of the Company policies. The Company is committed to ensuring that all company-initiated investigations are conducted in a fair and thorough manner.

**3. ROLES AND RESPONSIBILITIES**

**ALLHC ETHICS COMMITTEE** - spearheads the implementation of the ALLHC Business Integrity Program, which includes providing oversight on the implementation of the Business Integrity Channels and conduct of all investigations, including but not limited to employee investigations and vendor audits. It reports directly to the ALLHC Audit Committee.

**BUSINESS INTEGRITY CHANNELS** - refers to the whistleblowing channels defined in Section 5.2 of the Whistleblowing Policy. It can be any of the following: (1) Website; (2) E-mail; (3) Mobile Phone; (4) Management Reporting.

**RESPONDENT** - the person who is the subject of the complaint in the Whistleblowing Report.

**SUBSIDIARY or SUBSIDIARIES** - a corporation or a partnership or an unincorporated joint venture owned or controlled, directly or indirectly, through one or more intermediaries, by ALLHC whether by ownership of more than fifty percent (50%) of the voting stock or equity interest or by contract.

**EMPLOYEE INVESTIGATION COMMITTEE** - shall be responsible for initiating, conducting, and monitoring Preliminary Investigations on cases involving employees of ALLHC and its Subsidiaries. It is expected to exercise confidentiality and impartiality and consider previous cases and decisions.

**VENDOR AUDIT** - refers to audits conducted by ALI Group Internal Audit or its designate in compliance with the ALI Vendor Code of Ethics and ALI corporate values.

**WHISTLEBLOWER** - an Employee, Third-Party Business Partner, or other stakeholders who report alleged Reportable Conditions using the Business Integrity Channels.

**WHISTLEBLOWING REPORT-** refers to a complaint filed by a Whistleblower about a Reportable Condition.

#### 4. BASES FOR CONDUCTING EMPLOYEE INVESTIGATION

The following bases shall be considered by the responsible unit in assessing whether an investigation is warranted:

<u>Bases for Employee Investigation</u>	<u>Responsible Unit</u>
Management-initiated reports concerning employee-related matters (i.e., offenses committed by subordinates as reported by the supervisor or unit head)	ALLHC Human Resources (HR) or Subsidiary HR
Whistleblowing reports received via the Business Integrity Channels and processed under the Whistleblowing Policy	ALI Internal Audit Division (IAD)
Vendor Audit reports citing potential employee violations concerning ALI's Vendor Audit Program	ALLHC HR or Subsidiary HR

For whistleblowing reports that warrant investigation, ALI IAD shall endorse the matter to ALLHC HR within two (2) working days provided that the two bullets described in Sec 9.3 of the Whistleblowing Policy have been satisfied.

Regardless of the basis used in assessing if an investigation is warranted, the procedures in Section 5 shall be observed.

#### 5. ADMINISTRATION

##### 5.1 Procedures

5.1.1 If an investigation is warranted, ALLHC HR or its Subsidiary HR, as Chairman, shall form an Employee Investigation Committee (the "Investigation Committee") within two (2) working days from the receipt of the report or whistleblowing complaint. The Investigation Committee shall convene to determine the scope and lead a preliminary investigation to gather information and evidence to substantiate the report.

##### Preliminary Investigation

5.1.1.1 Within 18 working days from the Investigation Committee's receipt of sufficient documents/evidence, it shall complete its Preliminary Investigation Report containing its assessment on whether or not to proceed with the Full Employee Investigation.

5.1.1.2 Investigation Committee shall conduct an impartial and thorough Preliminary Investigation discreetly, following existing laws, rules, regulations, applicable policies, and procedures. During the preliminary investigation, the Investigation Committee shall search for evidence or probable cause to support or refute the case against the Respondent.

5.1.1.3 Depending on the nature of the report, the Investigation Committee may assign any of its members, tap any other Investigation Committees existing in ALLHC or within the Ayala Land, Inc. ("ALI") Group and/or external service provider/s with the task of further investigating the reports.

- 5.1.1.4 If a report involves an Employee who is a member of the Investigation Committee or if the Respondent is a subordinate /Immediate Manager/ Group Head of the member, the said member shall not be allowed to directly handle the investigation to avoid the appearance of bias and conflict of interest. In addition, if the Committee member used to be a subordinate or superior of the Respondent, the Committee member will only be allowed to participate in the investigation if a period of at least one year from the time of their last superior- subordinate relationship has already lapsed.

#### Full Employee Investigation

- 5.1.1.5 Within three (3) working days from the completion of its Preliminary Investigation Report and upon determining that the merits of the case and the alleged offense of the employee constitutes a violation of Company rules, the Investigation Committee shall advise the Group Head/HR Head to issue a Notice to Explain (NTE) indicating the nature of charge/s and require the Respondent to explain his side or defend himself in writing. Likewise, if the Investigation Committee finds no basis to proceed with the full employee investigation, it shall recommend the case be closed following Section 9.6 of the Whistleblowing Policy.
- 5.1.1.6 The Respondent should reply to the Group Head/HR Head within five (5) working days from receipt of such NTE. The employee's failure or refusal to comply within this period shall serve as a waiver of his right to be heard or present evidence. The Investigation Committee should approve an extension of the submission of the NTE beyond the required period should the employee request for such extension in writing.
- 5.1.1.7 Within three (3) working days from receipt of the employee's explanation, the Investigation Committee shall assess the need for and conduct, if necessary, a Clarificatory Hearing. If the evidence presented requires other corroborating evidence, an Administrative Hearing shall be scheduled within five (5) working days from the end of the Clarificatory Hearing. Failure or refusal of the employee to attend the Clarificatory or Administrative hearings shall operate as a waiver of their right to be heard or present evidence.
- 5.1.1.8 The employee involved shall be given ample opportunity to answer the allegations against him/her, confront any or all the witnesses, preserve the Whistleblower's anonymity, and present any evidence that may strengthen his/her explanations. During the administrative investigation proceeding, the employee may avail of any representative of his/her choice to defend himself/herself if they so desire. Likewise, a respondent may be called in to attend a hearing with the Investigation Committee should there be a need to validate the evidence further.
- 5.1.1.9 The Investigation Committee shall document the proceedings and seek permission from the attendees that the discussion is recorded, which shall form part of the case record. The purpose, parties that shall have access to these recordings, and the retention and disposal of the recordings shall be communicated in compliance with the Data Privacy Act and other applicable legislation.

- 5.1.1.10 After having ascertained all the relevant facts of the case and evaluated the evidence presented, the Investigation Committee shall submit its Final Investigation Report and decision to the ALLHC Management or concerned Subsidiary's Management within three (3) working days from the end of the Clarificatory or Administrative Hearing as the case may be. The final decision of the Investigation Committee should be unanimous and all its reports guided by the provisions discussed in Section 5.2.
- 5.1.1.11 ALLHC HR or concerned Subsidiary HR shall prepare and release the Notice of Decision to the Respondent based on the final decision of the Investigation Committee within one (1) working day after such final decision is arrived at. If disciplinary action is executed, it should clearly be stated in the Notice of Decision. Signatories of disciplinary action memos are specified below:
- Written Warnings - Immediate Supervisor
  - Suspension for a fixed period - ALLHC/Subsidiary HR Head
  - Preventive Suspension/Termination - ALLHC/Subsidiary HR Head

## 5.2 Application of Penalty

- 5.2.1 All penalties provided in the ALLHC Code of Ethics and Chart of Offenses shall be imposed after the employee has been accorded due process.
- 5.2.2 Offenses that are not enumerated in the ALLHC Code of Ethics and Chart of Offenses, but constitute violations against established work rules and practices, shall be decided by Management through the Investigation Committee following applicable laws, e.g., Revised Penal Code, Labor Code, among others. Depending on the circumstances of the offense, the Management, at its discretion, may impose a penalty not included in the Code whenever it may deem fit and necessary.
- 5.2.3 In recommending the appropriate disciplinary actions, the following factors shall be considered by the Investigation Committee:
- Focus is the act, not the amount (principle-based process)
  - The gravity of the offense
  - The extent of guilt/negligence
  - Employee's truthfulness in the admission of wrongdoing
  - The personal situation at the time
  - Demeanor and conduct during an investigation
  - Length of service
  - Historical quality of performance of an employee
  - Previous disciplinary record of employee (201 file)
  - Other factors which would tend to aggravate or mitigate the offense according to the nature and effects and other conditions attending its commission.

- 5.2.4 All cases involving pilferage of Company property or other criminal offense shall be under the jurisdiction of the ALLHC HR Head in close coordination with Security and erring employee's Unit Head. The employee concerned shall be placed under preventive suspension immediately, if warranted by circumstances, and if their continued presence poses a serious and imminent risk to the life and property of the Company or their co-workers as provided by law.
- 5.2.5 Upon service of the preventive suspension or suspension notices, the employee shall turn over all their present and pending assignments, records in his custody, tools, and office equipment to their immediate supervisor. An inventory of items turned over shall be prepared by the employee and duly confirmed by their supervisor and representative from ALLHC IAD.
- 5.2.6 Suspended employees shall be prohibited from entering the Company premises during the period of suspension. In case of important/emergency matters which the employee has to attend inside the Company premises, prior clearance must be secured from the Group Head. Management reserves its right to provide a security escort, if necessary.
- 5.2.7 All documents/records pertaining to the case shall be included in the 201 file of the employee.

### 5.3 Submission of Reports to the ALLHC Ethics Committee

The Investigation Committee shall provide the ALLHC Ethics Committee, a report of the findings and resolution of the case within three (3) working days upon conclusion of the full employee investigation.

## 6. RESOLUTION PERIOD

All cases must be resolved within a reasonable time as determined by this policy. All offenses reported officially shall prescribe, and punishment is waived if no action is taken by the Company in connection therewith within one (1) year from the date of its discovery by the Company or date reported to the Company, whichever comes first.

## 7. CONFIDENTIALITY

The Investigation Committee, ALLHC Ethics Committee, and all employees involved shall ensure confidentiality of information. It shall treat all reports, including the Respondent's identity, confidentially and sensitively.

Approved:

  
ANNA MA. MARGARITA B. DY  
Chairman

  
FRANCIS M. MONTOJO  
Compliance Officer