N O T I C E

TO	**:**	**ALL CONCERNED**
SUBJECT	**:**	**REQUEST FOR COMMENTS ON THE EXPOSURE DRAFT OF THE MERMORANDUM CIRCULAR ON THE 2025 GUIDELINES ON WHISTLEBLOWER PROTECTION**

The Commission hereby requests comments and/or inputs on the attached Memorandum Circular on the **2025 GUIDELINES ON WHISTLEBLOWER PROTECTION**.

The written comments on the exposure draft must be submitted to the **Anti-Money Laundering Division** of the Enforcement and Investor Protection Department via electronic mail **at eipd-amld@sec.gov.ph on or before 11 December 2025**

Please use the attached template when submitting your comments and proposed revisions.

Issued on 12 November 2025 in Makati City, Philippines.

E40/E30/FISO/A

COMMENTS ON THE DRAFT MEMORANDUM CIRCULAR ON THE 2025 GUIDELINES ON WHISTLEBLOWER PROTECTION

Name: ____________________

Company/Organization: ____________________

Provision on the Draft Circular:	Comments:	Proposed Revision:

MEMORANDUM CIRCULAR NO. _____, Series of 2025

TO : All Concerned

RE : 2025 Guidelines on Whistleblower Protection

WHEREAS, Section 5.1 of Republic Act (R.A.) No. 8799, or the Securities Regulation Code (SRC) provides that the Commission shall have: (1) the power to impose sanctions for the violation of laws and rules, regulations and orders, and issued pursuant thereto; and (2) to prepare, approve, amend or repeal rules, regulations and orders, and to issue opinions and provide guidance on and supervise compliance with such rules, regulation and orders, among others;

WHEREAS, Section 154 of R.A. No. 11232 or the Revised Corporation Code of the Philippines (RCCP), the Commission may investigate an alleged violation of the RCCP, or of rule, regulation, or order of the Commission;

WHEREAS, Section 169 of the RCCP imposes criminal penalties for retaliation against whistleblowers for violating the Revised Corporation Code;

WHEREAS, Section 6 of Republic Act No. 11765, or the Financial Products and Services Consumer Protection Act (FCPA), provides that the Commission, as a financial regulator, has the power to provide efficient and effective consumer redress or complaints handling mechanisms;

WHEREAS, Section 39 of R.A. No. 2629, or the Investment Company Act (ICA), grants the Commission the powers to make investigations as it deems necessary to determine whether any person has violation or is about to violate any provision of the ICA or of any rule, regulation, or order thereunder;

WHEREAS, Section 9 of R.A. No. 9474, or the Lending Company Regulation Act (LCRA), and Section 4 of R.A. No. 8556, or the Financing Company Act, grants the Commission regulatory and supervisory authority over lending and financing companies;

WHEREAS, Section 7 of R.A. No. 9160, otherwise known as the Anti-Money Laundering Act (AMLA), grants the Commission the power to implement such measures as may be necessary and justified under the Act to counteract money laundering;

WHEREAS, Article 33 of the United Nations Convention Against Corruption (UNCAC) requires State-Parties to consider providing protection to reporting persons;

WHEREFORE, in view of the foregoing, the following Guidelines for the protection of whistleblowers are hereby adopted:

ARTICLE I. GENERAL PROVISIONS

Section 1. *Definitions.*

a. ***Commission*** – shall refer to the "Securities and Exchange Commission";

b. ***Department*** – refers to the operating department such as
   i. "SEC Extension Offices" or EOs;
   ii. "Enforcement and Investor Protection Department" or EIPD;
   iii. "Company Registration and Monitoring Department" or CRMD;
   iv. "Financial Analysis and Audit Department" of FAAD;
   v. "Corporate Governance and Finance Department" or CGFD;
   vi. "Markets and Securities Regulation Department" or MSRD; and
   vii. "Financing and Lending Companies Department" or FINLEND.

c. ***Reportable Acts or Omissions*** – refer to a matter, acts, or omissions concerning the commission or possible commission of any offense or violation under the Revised Corporation Code of the Philippines (RCCP), and other laws, rules, and regulations being implemented by the Securities and Exchange Commission, such as, but not limited to:

   c.1. RCCP, particularly:
      a. Unauthorized use of corporate name under Section 159;
      b. Violation of disqualification provision under Section 160;
      c. Violation of duty to maintain records under Section 161;
      d. Willful certifications of incomplete, inaccurate, false, or misleading statements or reports under Section 162;
      e. Independent Auditor Collusion under Section 163;
      f. Obtaining Corporate Registration Through Fraud under Section 164;
      g. Fraudulent Conduct of Business under Section 165;
      h. Acting as Intermediaries for Graft and Corrupt Practices under Section 166;
      i. Engaging Intermediaries for Graft and Corrupt Practices under Section 167;
      j. Tolerating Graft and Corrupt Practices under Section 168;
      k. Other Violations of the RCCP under Section 170;

   c.2. Securities Regulation Code;
   c.3. Financial Products and Consumers Protection Act;
   c.4. Investment Company Act;
   c.5. Lending Company Regulation Act;
   c.6. Financing Company Act;
   c.7. Anti-Money Laundering Act;
   c.8. Real Estate Investment Trust Act;
   c.9.Personal Equity and Retirement Account Act;

c.10.SEC Memorandum Circular No. 14, Series of 2019 Rules and Regulations
c.11.Governing Crowdfunding; and
c.12.All other laws, rules and regulations, being implemented by the Commission.

d. ***Reporting Person*** – refer to a person who makes a whistleblowing report pending verification by the Department of the following: (1) the representation's truthfulness; and (2) whether or not the report falls under Reportable Acts or Omissions as defined under this Section;

e. ***Retaliatory Action***— refer to an action that may adversely affect the rights and interests of a whistleblower is usually taken by his or her employer, superior, supervisor, or head of agency. This includes, but is not limited to, dismissal from the service, suspension, transfer, or demotion, withholding of bonuses, salaries, or benefits, or any other action adversely affecting the rights, among others;

f. ***Truthful Information*** – refer to an information is considered truthful for purposes of whistleblower protection, upon verification by the Department that the representations made by the reporting person are **verifiable** through other means like corporate records;

g. ***Whistleblowers*** **–** refers to any person who provides truthful information relating to a Reportable Act or Omission to the Commission through these Guidelines;

h. ***Whistleblowing Office*** **–** refers to the designated person/division/team within the EIPD and the Extension Offices assigned to handle whistleblower protection tasks as provided herein.

g. ***Whistleblowing Report***— *refer to a document or statement that presents truthful information* provided by the whistleblower to the Commission through any of the modes provided hereunder;

Section 2. ***Anonymous Reporting***. An anonymous report or complaint shall be given due attention only if the information provided pertains to **verifiable leads** through other means like checking of corporate records, in which case, the person complained of may be required to comment on the report or complaint.

The whistleblower who files a Whistleblowing Report anonymously may choose to provide a manner by which he or she can be contacted, provided that such information shall be kept strictly confidential and shall be processed in accordance with Article IV of these Guidelines, the Data Privacy Act, its Implementing Rules and Regulations, and the internal Commission's Guidelines on Data Processing.

The anonymous report should clearly identify the respondents by requiring the anonymous reporting person to disclose the corporation's corporate name and address. Furthermore, the alleged violations, actions and/or omissions must also be clearly identified, together with the law, rule, and regulations allegedly violated.

Section 3. ***Independence of the Commission's Investigations.*** To preserve the independence and to protect the integrity of the Commission's Investigation and its Whistleblower Protection Program, no investigation based on anonymous report of violation by a candidate, his relative within the fourth degree of consanguinity or affinity or his confidential employees shall be acted upon within three-hundred sixty five days prior to a National and Local elections. Should investigations be imperative, it shall be conducted outside the anonymous framework of the Commission.

ARTICLE II. WHISTLEBLOWING FUNCTION
ESTABLISHING THE WHISTLEBLOWING FUNCTION

Section 1. ***General Functions.***

a. ***Whistleblowing Management.*** The Commission shall develop, implement, and maintain an effective whistleblowing mechanism. This includes creating user-friendly systems for reporting concerns, ensuring confidentiality, and providing multiple reporting channels.

   The whistleblowing mechanism shall include hotlines, secure online portals, and physical drop boxes. These systems must be accessible to all individuals wishing to report concerns.

b. ***Report Intake.*** The Whistleblowing Office shall accept whistleblowing reports through designated channels, including online portals, telephone hotlines, email, and physical drop boxes.

   Each report received shall be logged into a secure database with a unique identifier. If contact information is provided, an acknowledgment of receipt shall be sent to the whistleblower.

c. ***Initial Assessment of Reports.*** The Whistleblowing Office shall initially assess all whistleblowing reports to ensure they are appropriately handled and addressed. The initial assessment process involves a thorough review and evaluation to ensure that reports are directed to the appropriate departments for further action and investigation.

   c.1**. Initial Screening:** All reports shall be reviewed to determine if they fall within the scope of the Commission's whistleblowing policy.

c. 2. **Categorization:** Reports shall be categorized based on their nature, such as financial misconduct, regulatory violations, or other relevant categories.

d. ***Referral of Reports.*** Based on the initial assessment, reports shall be referred to the appropriate Department/Office with the relevant expertise. The referral shall include all pertinent information and initial findings to ensure a thorough review and action by the designated department.

e. ***Reporting and Documentation.*** All stages of the whistleblowing process, including report intake, assessment, referral, investigation, and resolution, shall be documented. Records shall be securely stored and organized for easy access. Digital records shall be encrypted, and physical records shall be kept in a secure location.

   Records related to whistleblowing reports shall be retained for a minimum period as required by applicable laws and regulations. This period shall be defined in the Commission's record retention policy.

   Upon the expiration of the retention period, records shall be securely disposed of to ensure the protection of any sensitive or confidential information, such as shredding of physical documents and secure deletion of digital files.

f. ***Policy Development and Review.*** The Commission shall develop, update, and recommend whistleblowing policies, standards, and guidelines to the Commission En Banc for approval. In line with this, the whistleblower policy shall be reviewed annually and updated as necessary to reflect changes in laws and international best practices.

g. ***Data Privacy Management.*** The Commission shall adhere to data privacy regulations, including the Data Privacy Act and its Implementing Rules and Regulations. All confidential information disclosed during the reporting process shall be strictly confidential. Access to sensitive information shall be restricted to authorized personnel only.

h. ***Training and Awareness.*** At least once annually, the Commission shall conduct employee training sessions on whistleblowing policies and procedures and promote awareness of these policies and procedures through internal communications, workshops, and public campaigns.

i. ***Protection against Retaliation.*** The Commission shall implement measures to protect whistleblowers from retaliation or adverse actions. This includes ensuring job security and providing support mechanisms. Anti-retaliation measures may include prohibitions against dismissal or demotion and the provision of counseling or legal assistance.

j. ***Liaison with External Parties.*** The Commission shall collaborate with other regulatory bodies and law enforcement agencies as necessary to address and investigate whistleblowing reports. Information shall be shared with external parties in a manner that is consistent with legal and regulatory requirements.

k. ***Coordination and Capacity Building for the Commission's Extension Offices.*** The Commission shall coordinate with its Extension Offices to ensure the effective implementation of the whistleblowing policy. Training and resources shall be provided to the Extension Office staff to enhance their capability to handle whistleblowing reports.

ARTICLE III. COMMUNICATION CHANNELS AND PROCESSING OF REPORTS

Section 1. ***Communication Channels.*** The Commission shall provide multiple communication channels for whistleblowers to report concerns. These channels are designed to ensure accessibility, confidentiality, and effective processing of reports.

a. **Website Homepage.** The Commission's website shall feature a dedicated Whistleblowing Corner/Portal. This portal will serve as a secure online platform where whistleblowers can submit reports directly to the Commission. The portal will include a user-friendly interface to guide users through the reporting process and ensure that all relevant information is collected.

b. **Chatbot/CAROL.** The Commission's chatbot, CAROL, or any system related implemented in relation thereto, will be equipped with a whistleblowing questionnaire. This interactive tool will direct users to the Whistleblowing Corner/Portal after collecting preliminary information about the nature of the wrongdoing and the reporting person's relationship to the alleged wrongdoer.

c. **Email addresses.** Various operating and support departments will have designated email addresses for receiving whistleblowing reports. Initial email communications will include screening questions to gather pertinent details such as the reporting person's relationship. Emails determined to contain whistleblowing information will be referred to the Whistleblowing Unit or linked to the Whistleblowing Portal.

d. **Telephone calls.** Whistleblowers may report concerns via telephone to various concerned departments. Operators will ask screening questions to collect initial information about the wrongdoing and the reporting person's relationship to the alleged wrongdoer.

   Calls that contain whistleblowing information will be referred to the Whistleblowing Unit or directed to the Whistleblowing Portal.

e. **Walk-ins.** Individuals who visit the Commission in person can report issues directly. Screening questions will be asked to gather initial information about the wrongdoing and the reporting person's involvement. Reports gathered from walk-ins will be referred to the Whistleblowing Unit or directed to the Whistleblowing Portal.

f. **Snail mail**. Whistleblowing reports received through postal mail will be opened, reviewed, and if initially determined to contain whistleblowing information, referred to the Whistleblowing Unit or linked to the Whistleblowing Portal.

g. **Smart App/SEC Check App**. The Smart App/SEC Check App will feature a link to the Whistleblowing Corner/Portal. This integration allows users to submit reports directly via the app.

h. **Whistle-Blowing Division or EO counterpart.** The Whistleblowing Division or an appropriate unit/person in the Extension Offices shall handle the information processing and creation of reports. This unit will ensure that all whistleblowing information is managed effectively and complies with the Commission's policies.

Section 2. ***Processing of Information and Creation of Report***

a. Gathering of Information

a.1. Via Whistleblowing corner/portal

- The Whistleblowing Portal will have a system for collecting detailed information to generate a comprehensive whistleblowing report. Required information would include the following, among others,
    - A description of the suspected wrongdoing;
    - Timing of the wrongdoing (past, present, or potential future occurrence).
    - Impact or potential impact on the public interest.
    - Specific location where the wrongdoing has occurred.
    - Names of individuals involved.
    - Knowledge of others regarding the wrongdoing.
    - Prior reporting attempts and their outcomes.
    - Any attempts to cover up the wrongdoing.

a.2. Via the Whistleblowing Office

The Whistleblowing Office will gather and input information obtained through other channels, ensuring that all relevant data is compiled into a coherent report.

b. Generation of Whistleblowing report. The Whistleblowing Office will generate a formal whistleblowing report and an acknowledgment letter for the whistleblower. The acknowledgment letter will inform the whistleblower of the receipt of their report, the status of report management, and any advice on future communications.

c. Capacity Building. The Commission will provide capacity-building initiatives for the personnel of the Whistleblowing Office in the Main Office and its Extension Offices to ensure effective handling of whistleblowing cases. The training will cover:

c.1.Communication with Whistleblowers: This Training will emphasize the importance of managing whistleblowers' expectations and effective communication strategies. The personnel will be trained to:

- Ask pertinent questions to gather necessary information.
- Address and support whistleblowers who may be stressed or upset.
- Maintain professionalism and empathy throughout interactions.

c.2. Case Triage: Here, the personnel will learn to assess the seriousness and urgency of cases. This involves the evaluation of the potential impact and severity of the reported issue and prioritization of cases based on their urgency and the risk to public interest.

c.3. Risk Assessment: This training will include techniques for conducting risk assessments to determine if immediate protective actions are needed for whistleblowers. This includes identification of any threats to the safety or well-being of the whistleblower and implementation of measures to mitigate identified risks.

c.4. Whistleblower Protection: Here, the personnel will be educated on the Commission's whistleblower protection powers and the relevant legal frameworks, including the whistleblower protection provisions as outlined in the Commission's policies and Section 169 of the RCCP, which addresses retaliation against whistleblowers.

d. Conclusion/Endorsement. The Whistleblowing Office will compile the results of any investigations or enforcement actions into a final report. This report will document the findings, actions taken, and any recommendations for further action. If the matter is found to be outside the Commission's jurisdiction or scope, an endorsement will be prepared. This endorsement will refer the issue to the appropriate department, agency, or institution for further handling

Section 3. ***Guidelines for the Whistleblowing Office***

a. Criteria for Whistleblowing Reports. In generating a whistleblowing report, the following criteria must be considered:

a.1. Source Qualification: The Whistleblowing Office must assess the credibility of the reporting source and the quality of the evidence provided.

a.2. Public Interest: The Whistleblowing Office must evaluate whether the reported issue involves significant public interest or potential harm.

a.3. Protection Eligibility: The Whistleblowing Office should determine if the whistleblower qualifies for protection under the Commission's policies.

a.4. Action Recommendations: The Whistleblowing Office must recommend further investigation or appropriate referrals to the relevant operating departments or the Office of the Chairperson.

ARTICLE IV. CONFIDENTIALITY
A. CONFIDENTIALITY

STATEMENT ON CONFIDENTIALITY

The Commission affirms its unwavering commitment to safeguarding the confidentiality of whistleblowers, the persons involved in the case, and any information that could potentially reveal their identity.

The Commission's staff are duty-bound to uphold strict confidentiality standards, ensuring that the identity of whistleblowers remains protected throughout the investigation process and beyond. This commitment not only respects the rights of whistleblowers but also strengthens the integrity of the Commission's whistleblower program, encouraging individuals to come forward with information about possible violations of securities laws without fear of retaliation or exposure. Maintaining confidentiality is paramount to fostering an environment where whistleblowers feel safe and empowered to play a crucial role in safeguarding the integrity of our financial markets.

COMMISSION'S MANDATE CONCERNING CONFIDENTIALITY

In the Philippines, confidentiality provisions relevant to whistleblowers are primarily outlined in Republic Act No. 6713, also known as the "Code of Conduct and Ethical Standards for Public Officials and Employees." Section 7 of RA 6713 mandates that public officials and employees shall not use or disclose confidential or classified information obtained in the course of their official duties, except as required by law or when authorized by the appropriate authorities.

This legal framework emphasizes the importance of maintaining confidentiality to protect the identities of whistleblowers and the sensitive information they provide. Similarly, in the context of the Commission, maintaining the confidentiality of whistleblowers and related information is crucial in ensuring their protection from potential retaliation and encouraging them to report corporate and securities law violations.

By adhering to these confidentiality provisions, <u>the Commission personnel shall uphold in trust and confidence all the information related to the whistleblowers, thereby promoting a conducive environment for whistleblowers to come forward without fear of reprisal</u>. This approach not only aligns with legal requirements in the Philippines but also supports the Commission's mission to effectively regulate and enforce securities laws while safeguarding the integrity of its whistleblower program.

In addition, the Data Privacy Act and its Implementing Rules and Regulations (IRR) require organizations, including government agencies, to implement measures to protect the confidentiality of personal data, which includes information that could potentially identify whistleblowers. Also, individuals have the right to be informed on how their personal data is being processed, the purpose for which it is being collected, and the measures taken to ensure its security. Whistleblowers have the right to expect that their identities and any identifying information will be handled in accordance with these principles. As such, <u>the Commission shall ensure that the data is processed and stored securely, and the accessibility of the information shall be restricted to authorized personnel only</u>.

The identity of the whistleblower shall be kept confidential, unless compelled by law, court orders or issuances, and/or other government agencies exercising their investigatory/regulatory power, to disclose such information, or the whistleblower consented to the disclosure of his/her identity.

SHARING OF DATA OR INFORMATION

Section 1. Data Sharing

Any data, information, or document obtained from/given by the whistleblower, without the prior written consent of the whistleblower or any Commission's personnel:

a. shall not be used or permitted to be used by any person or entity of any information or document, whether in whole or in part;

b. shall not be released or permitted to be released, whether in whole or in part to any other person or entity; and

c. shall not be used or permitted to use such information or documents, whether in whole or part, as evidence in any legal or judicial proceedings unless otherwise required by law or a competent court.

Section 2. Confidentiality of Acquired Data

To ensure that all data, information, or documents provided by and/or acquired from the whistleblower, the identity of the whistleblower, and all persons involved in the case are kept confidential. The following procedures must be followed:

a. Limit the access to whistleblower information strictly to authorized personnel of the Commission who are involved in the investigation of the case;
b. Protect the data from misuse or theft by storing them in locked areas;
c. Ensure that devices containing confidential information or sensitive documents are not exposed in public locations;
d. Share the whistleblower information strictly on a need-to-know basis to minimize disseminating details that could potentially identify the whistleblower or compromise the investigation.

PENALTIES FOR BREACHING CONFIDENTIALITY

Section 1. Violation of Confidentiality.

Any employee or officer of the Commission who violates the protection of confidentiality of the identity of the whistleblower and all the persons involved in the case as well as the confidentiality of the data or information given by the whistleblower shall be subject to disciplinary actions as may be provided under relevant SEC issuances, Civil Service Commission issuances, the Administrative Code of 1987, and other relevant laws, rules and/or regulations.

Section 2. Liability of the Employees and Officers of the Commission and other Individuals.

If the Commission, after due notice and hearing, finds that its employee or officer disclosed the data or information obtained from the whistleblower without any lawful cause, he/she shall be liable under the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS) or any applicable laws in relation thereto.

This is without prejudice to the other penalties provided under the Revised Corporation Code (RCC), Securities Regulations Code (SRC), and other applicable laws, rules, and regulations.

Any individual who obtained data or information from the whistleblower but is not an employee or officer of the Commission shall be held liable under the Data Privacy Act of 2012 (Republic Act No. 10173) and its Implementing Rules and Regulations and other applicable laws, rules, and regulations.

B. DATA PROTECTION

STATEMENT ON DATA PROTECTION

The Commission is committed to ensuring the highest standards of data protection in accordance with applicable legislation and the Commission's policies. As the regulatory body overseeing the securities industry, the SEC recognizes the importance of safeguarding sensitive information, including personal data and confidential business information.

The Commission's data protection framework is anchored in compliance with the Data Privacy Act of 2012 (Republic Act No. 10173), its Implementing Rules and Regulations, and other relevant laws governing data collection, storage, processing, and disclosure. This includes implementing robust security measures to prevent unauthorized access, breaches, or misuse of information under our custody.

Furthermore, the Commission adheres to internal policies that promote transparency, accountability, and responsible data management practices. The Commission prioritizes the confidentiality of information shared with it, whether through regulatory filings, whistleblower reports, or other channels, ensuring that such data is handled with utmost care and only used for lawful purposes.

Through continuous evaluation, training, and improvement of the data protection protocols, the Commission aims to uphold trust and confidence in its regulatory oversight role. Stakeholders can rely on the Commission's commitment to protecting their privacy rights while fulfilling the mandate to maintain the integrity and transparency of the securities markets.

HANDLING OF DATA OR INFORMATION

Section 1. Handling Officers

Any data, information, or document received from the whistleblowers shall be handled by the concerned Department of the Commission or any of its duly authorized personnel.

Section 2. Use of Data

Any data, information, or document obtained from/given by the whistleblower, without the prior written consent of the whistleblower or any SEC personnel:

a. shall not be used or permitted to be used by any person or entity of any information or document, whether in whole or in part;

b. shall not be released or permitted to be released, whether in whole or in part, to any other person or entity; and

c. shall not be used or permitted to use such information or documents, whether in whole or in part, as evidence in any legal or judicial proceedings unless otherwise required by law.

Section 3. Confidentiality of Data

Data, Information, or documents provided by and/or acquired from the whistleblower, as well as the identity of the whistleblower and all persons involved in the case, shall be kept in utmost confidentiality.

C. DATA STORAGE PROCEDURE

The Commission places paramount importance on data protection, ensuring the secure storage and responsible handling of sensitive information entrusted to us. Committed to upholding stringent standards, the Commission operates in strict compliance with the Data Privacy Act of 2012 (Republic Act No. 10173) and other relevant legislation governing data privacy and security.

Transmittal of all information pursuant to this policy, including the pertinent documents given by the whistleblower shall be in such form and manner that will ensure the confidentiality of the subject information and documents.

Section 1. Data Storage

Immediately upon receipt of the data, information, or document from the whistleblower, the handling officers of the concerned Department of the Commission shall:

a. Evaluate the data to determine if the same qualifies as protected confidential information under this policy.
b. Ensure that the Whistleblowers' report and other related documents are always placed in a folder labeled "CONFIDENTIAL" and properly kept in a locked drawer or cabinet for their safety.
c. Ensure that all the data provided by the whistleblower and related documents that will be stored in a computer system are protected by encryption protocols.
d. Ensure that strict access controls and authentication mechanisms are in place to restrict access to confidential information only to authorized officers who require it for official purposes.

By adhering to these rigorous data protection practices, the Commission strives to maintain the integrity of its regulatory processes, foster stakeholders' trust, and uphold confidentiality in all interactions involving sensitive data.

Section 2. Retention of Data. The personal data received or gathered shall only be retained as long as necessary to fulfill the declared, specified, and legitimate purposes from its inception or upon the termination of the proceeding relevant to the case.

PENALTIES FOR THE UNAUTHORIZED DISCLOSURE OF THE PROTECTED DATA

Section 1. Unauthorized Disclosure of Protected Data

Any employee or officer of the Commission who discloses confidential data or documents obtained from the whistleblower shall be subject to disciplinary actions as may be provided under relevant SEC issuances, Civil Service Commission issuances, the Administrative Code of 1987, and other relevant laws, rules, and/or regulations.

Section 2. Liability of the Employees and Officers of the SEC and other Individuals.

If the Commission, after due notice and hearing, finds that its employee or officer disclosed the data or information obtained from the whistleblower without any lawful cause, he/she shall be liable under the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS).

This is without prejudice to the other penalties provided under the (RCCP), (SRC), and other applicable laws, rules, and regulations.

Any individual who obtained data or information from the whistleblower but is not an employee or officer of the Commission shall be held liable under the Data Privacy Act of 2012 (Republic Act No. 10173) and its Implementing Rules and Regulations and other applicable laws, rules, and regulations.

ARTICLE VI. PROTECTION MEASURES

Section 1: ***Protection Measures.*** The following protection measures shall be afforded to whistleblowers:

a. The Commission shall endeavor to maintain the confidentiality of the identity of the whistleblower and such other persons involved in the Whistleblower Report; and any information that the whistleblower disclosed that tends to reveal his/her identity or the persons involved in the Whistleblower Report to prevent the said persons from being the subject of any Retaliatory Action as defined in Section 1 (h) of this Memorandum Circular;
b. In the event that reinstatement in work is no longer possible, the whistleblower shall be entitled to compensation, if appropriate, for lost wages, benefits, or other lost remuneration caused by the Retaliatory Action;
c. If necessary, the Commission shall implement measures to protect the whistleblowers' physical safety, such as relocation assistance or changes to work assignments; however, relocation assistance shall not be used for the construction or acquisition of buildings or housing structures, in accordance with the SEC Guidelines on Confidential Funds.
d. To support ongoing investigations or assist a critical whistleblower, the Commission may provide temporary financial assistance to the whistleblower if they face retaliation. As such, any form of monetary aid to implement this Section shall strictly adhere to Section 4(d)(7) of the SEC Guidelines on Confidential Fund, which states that:

- Prior approval by the Commission En Banc is required.
- The request must be supported with documents evidencing the success of the information-gathering and/or surveillance activities based on the information provided by the whistleblower;
- The monetary assistance must be directly related to the conduct of specific confidential activities of the Commission; and
- The reward/aid shall not exceed <u>Php50,000.00</u> unless a higher amount is <u>approved by the Commission En Banc</u>.

To fully implement the protection in this Section, the Commission may coordinate with appropriate government agencies when the relief or measure sought cannot be provided within the Commission's jurisdiction or authority as defined by relevant laws, rules, and regulations.

Section 2: Referral to the Witness Protection Program—The Commission shall refer the whistleblower to the government's Witness Protection Program (WPP) in the event that the latter decides to testify in a case pursued by the Commission.

Section 3: Inclusion of A Policy For the Protection of Whistleblowers of SEC-Supervised Entities - Entities under the jurisdiction of the Commission shall not discharge, threaten, or otherwise discriminate against a person who is found to be a whistleblower regarding the person's compensation, terms, conditions, location, or privileges of employment. A violation of this provision gives the whistleblower a cause of action to file a case in court for violation of Section 169 of the RCCP.

Section 4: Criminal Liability - Notwithstanding the administrative penalties that the Commission may impose, the Commission may cause the filing of criminal case against any person who, knowingly and with intent to retaliate, commits acts detrimental to a whistleblower such as interfering with the lawful employment or livelihood of the whistleblower pursuant to Section 169 of the Revised Corporation Code.

***Section 5. Funding and Disbursement* -** The disbursement of funds for expenses incurred in implementing the protection measures and related activities of this Memorandum Circular shall be in accordance with the following:

A. COA-DBM-DILG-GCG for GOCCs-DND Joint Circular No. 2015-01, s. of 2015 or the Guidelines on the Entitlement, Release, Use, Reporting and Audit of Confidential and/ or Intelligence Funds;
B. SEC Office Order No. 164, Series of 2023 or the Guidelines on the Utilization, Use, Release, Reporting and Audit of Confidential Fund; and
C. SEC-FMD-DP-11 or the Financial Management Department Manual for the Utilization of Confidential Funds.

Any deviation from the prescribed procedures, misuse of funds, or failure to comply with the foregoing shall subject the official or employee to administrative, civil, or criminal penalties as provided by law, rules, and regulations.

ARTICLE VI. MISCELLANEOUS PROVISIONS

Section 1. *Severability*. If any provision of these Guidelines is held invalid, the remaining provisions shall not be affected thereby.

Section 2. *Repeal*. All other circulars, rules, orders and issuances, or parts thereof inconsistent with this Memorandum Circular are hereby repealed or modified accordingly.

Section 3. *Effectivity*. These Guidelines shall take effect immediately after publication in a newspaper of general circulation.

For the Commission:

FRANCIS ED. LIM
Chairperson