

Corporate Social Responsibility (CSR) and Relations with Stakeholders (Section 11 of Manual on Corporate Governance)

Duty to be Responsive to Stakeholders – Every Director and Officer accepts the position fully aware that he assumes certain responsibilities not only to the Corporation and its stockholders, but also with different constituencies or Stakeholders, who have the right to expect that the Corporation is being run in a prudent manner and with due regard to the interest of all Stakeholders. Consequently, members of the Board and Officers shall deal fairly with the Corporation’s employees, customers, suppliers and other Stakeholders. No member of the Board or Officer may take unfair advantage of the Corporation’s employees, customers, suppliers and other Stakeholders through manipulation, concealment, abuse of confidential or privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

CSR Principles – As an integral part of the National Government, the Corporation is socially responsible, to act and operate as good corporate citizens. The Governing Board shall recognize and perform the obligations of the Corporation has towards the National Government, its majority stockholder, as well as the minority stockholders, together with the employees, suppliers, customers and other Stakeholders, and the communities in which it operates.

Directors, Officers and all employees are required to abide by ethical policies as mandated by the GCG. The protection of the reputation and goodwill of the Corporation is of fundamental importance, and Directors, Officers and employees should be aware of the disciplinary implications of breaches of policy.

Everybody in the Corporation is encouraged to promptly report any potentially illegal, improper and/or unethical conduct that they become aware of at their workplace or in connection with their work. The Corporation should have an environment that enables its people to raise genuine and legitimate concerns internally. However, in the event that the people in the Corporation, and/or the stockholders believe their reporting to Management may result in harassment, or undue distress, they may contact the GCG support to report such matters.

Formal Recognition of the Stakeholders – The Governing Board shall, as an integral part of its Articles of Incorporation and By-Laws and embodied in its Manual of Corporate Governance, identify and formally recognize the Corporation’s major and other Stakeholders, identify the nature of their interests, provide a hierarchy system of their conflicting interest in the Corporation, and providing a clear policy on communicating or relating with Stakeholders accurately, effectively and sufficiently, together with a system of properly rendering an accounting on how the Corporation has served their legitimate interests.

Employees – Every employee of the Corporation is encouraged to:

- (a) Remember that the biggest stakeholder is the Government;
- (b) Share the vision of the Corporation;
- (c) Be accountable to the public;
- (d) Listen and learn from his/her co-employees;
- (e) Think and act as a team;
- (f) Focus on the customers and strive for customer satisfaction;
- (g) Respect others;
- (h) Communicate with stockholders and customers;
- (i) Deliver results and celebrate success; and
- (j) Protect the reputation of the Corporation.

The Corporation shall develop structured training programs for continuing personal and professional development for employees.

Customers – The Corporation shall operate in a highly effective and efficient organization, focused on meeting customer objectives with the aim of providing services which give fair value and consistent quality, reliability and safety in return for the price paid for the same. The Corporation shall operate policies of continuous improvement, of both processes and the skills of the staff, to take best advantage of advances in all aspect of society in order to ensure that it continues to add value to its customers' businesses.

The Corporation shall have clear and strong lines of communication which allows it to respond quickly and efficiently to customer and market requirements, as well as the public needs, and for the customers to receive consistent service in order to successfully and consistently deliver what the Corporation is mandated to do.

Suppliers – As with the other relationships with the Stakeholders, the Corporation aims to develop relationships and improve networking with business partners and suppliers based on mutual trust. The Corporation aims to offer, through partnership with its suppliers, strong customer relations and deep industry knowledge and experience, together with the capacity to implement and deliver value-added solutions on time and within budget.

Health and Safety – The Corporation aims to ensure a safe and healthy working environment for all its employees, outside contractors and visitors. The Corporation should comply with all relevant local legislation or regulations, and best practice guidelines recommended by national health and safety authorities. The staff should be informed regarding the policies and practices of the Corporation in order to maintain a healthy, safe and enjoyable environment.

Environment – The Corporation should consider that there are inevitable environmental impacts associated with daily operations. It shall be the goal of the

Corporation to minimize harmful effects and consider the development and implementation of environmental standards to achieve this, to be of great importance. As such, the Corporation strongly encourage 3R's: "Reduce", Re-use", "Recycle."

The Corporation shall identify opportunities to reduce consumption of energy, water and other natural resources. It shall also strive to re-use and recycle where possible and dispose of non-recyclable items responsibly, thereby minimizing our impact on the environment. In doing so, by adopting simple, environmentally friendly initiatives, the Corporation shall raise awareness among the members of the communities it affects.