

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND RELATIONS WITH STAKEHOLDERS

7.1. 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 interests 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 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.

7.2. Corporate Social Responsibility Statement – Beyond our primary mandate of delivering communications, goods and payment services in any Filipino Community, the Corporation recognizes its bigger responsibility towards the society as a whole.

For our society and the environment, we will endeavor to promote undertakings in community development, cultural involvement, environmental awareness and disaster response.

For our employees, we will encourage and carry out programs that primarily target their development as well-rounded individuals with varied interests and involvement in worthwhile causes.

7.3. Formal Recognition of Stakeholders – The Corporation protects the rights and interests of stakeholders as established by law through mutual agreements. It promotes stakeholder engagement in the corporate governance process. The Corporation recognizes the following as its stakeholders:

- **State through the National Government**
- **Customers/General Public**
- **Officers and Employees**
- **Supplier and Contractor**

7.4 Relationship with Stakeholders

- **State through the National Government**
The Corporation supports the government in spreading a good governance regime, which makes no room for corruption and bribery.
- **Customers/General Public**
Our Corporate policy towards customers is embedded on the principle of quality service. We look upon the general public as effective partners with common interest to uplift their lives by linking them through access to communications and information, and delivery of their respective products around the world. Client feedback mechanism will be implemented through periodic customer satisfaction surveys.
- **Officers and Employees**
The Corporation implements organization policies to meet its obligations toward its employees. It invests in talent development programs and performance-enhancing mechanisms to support its corporate mission of empowering employees to prosper in a climate of integrity and excellence. Corporate Training Needs Assessment (TNA) is being implemented.

Philpost supports and subscribes to the CSC Memorandum Circular No. 13, s. 1992 known as "Establishment of Educational Support Program in Government Agencies" to enhance employees' competencies to perform their functions more effectively and efficiently. This will likewise assist postal employees to qualify for appointment to permanent positions or higher positions, when their performance warrant.

In pursuit of Philpost's objective to institutionalize HR development, professionalize public service and fortify its businesses, the Philippine Postal Corporation shall establish EDUCATIONAL ASSISTANCE PROGRAM.

- **Supplier and Contractor**

The Corporation values its relationship with suppliers and contractors. It follows the rules concerning the fair and transparent process of selecting them.

Suppliers are selected and evaluated based on their track record, price, payment terms and performance on criteria such as product quality, response to problems and delivery, and should always be in accordance with R.A. No. 9184 (The Government Procurement reform Act) and its Implementing Rules and Regulations.

7.5 Hierarchy of Stakeholders Conflicting Interest. In resolving conflicting interest among stakeholders, the relationships between stakeholders and the balance of power among parties is an important issue. In order to determine the hierarchy of stakeholders interest, PPC should do the stakeholder analysis by identifying, assessing the importance and anticipate the influence (either positive or negative), that each stakeholder will have on the undertaking.

Any question on conflicting interest, they should be brought to the attention of the Governance Committee which will review the conflict in question and accordingly determine the course of action.

7.6 Responsibility towards Health, Safety and Environment Concerns

In course fulfillment, PPC shall ensure its commitment to addressing the overall welfare and conditions of its internal and external stakeholders, who are responsible in the dynamic interplay of transactions and achieved goals and objectives of the Corporation.

Health and Safety:

The Corporations shall always endeavor to protect its employees by providing office space and working conditions that are conducive to high productivity and results. This is to include observing policies on no-smoking, banning liquor and other forms of vices within the organization's premises. The Corporation shall also continue to promote wellness efforts participated-in by the employees to observe work-life balance.

As part of its health awareness campaign, employees shall be periodically immersed with briefings and information regarding quality life and healthy disposition, stress management and proper physical regimen. Likewise, employees are assured of undergoing physical examination and health coverage on annual basis.

Furthermore, the Corporation shall be consistent with safety regulations and policies in order to insulate and protect the employees and its visitors from harmful and destructive elements. Entry to premises is observed with proper biometrics access and security guidance.

Environment:

PPC is continuously implementing the 3R's (re-use, recycle, reduce) as a matter of internal policy – its Green Program, which seeks to observe sustainable campaign via the 3Rs.

The societal contribution of PPC to the environment is shown through proper waste segregation and disposal, conservation of power and the continued adoption of austerity measures to rationalize on use of resources such as paper.

7.7 Communication with Stakeholders. The PPC shall communicate with stakeholders and the public at large on their stakeholder policies and provide relevant information on their effective implementation. The PPC shall allow its stakeholder reports to be independently scrutinized in order to strengthen their credibility.

7.8 Systems of Accountability with Stakeholders. The Corporation acts in good faith in its dealing with all its stakeholders. The Board is primarily accountable to the stakeholders, and Management, in turn to the Board. The Board provides the Stakeholders with a balanced and understandable assessment of Corporation's performance, positions and prospects on a regular basis. Management, on the other hand, does the same for all the members of the Board. This responsibility extends to interim and other price-sensitive public reports to regulators as well as to information required to be presented by statutory requirement. The Board is also responsible for maintaining a sound system of internal control to safeguard stakeholders' investments and Corporation's assets.