



Question	Source	Reference
C.1 The rights of stakeholders that are established by law or by mutual agreement are to be respected.		
Does the company disclose a policy that:		
C.1.1 Stipulates the existence and scope of the company's efforts to address customers' welfare?	Company Website/ About Us/Corporate Mission, Vision, Values and Principles 2013 ACGR (H.1, page 125) 2013 Annual Report/ Customer Service	<p>YES. Our policy and commitment to the welfare of customers is clearly stated in our Corporate Objectives and disclosed in our website, http://www.meralco.com.ph/company/page-about-corporateinfo-misvis.html</p> <p>The Customers are its reason for being, and therefore, they should always be treated with dignity. The Company must be fully responsive to their needs. The Company has the responsibility to:</p> <ul style="list-style-type: none"> • Provide the customers with the highest quality products and services, consistent with their requirements and with international standards; • Treat the customers fairly, courteously and with integrity in all of its business transactions; • Act promptly on their immediate concerns and be receptive to their long-term needs and interests; and • Make every effort to ensure that the health, safety and general well-being of its customers are enhanced by its products and services. <p>The above information is likewise reported in the 2013 ACGR, H.3., page 125. http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>The 2013 Annual Report has a section “Customer Service: Shored-up Growth”, pages 25 to 27, discussing the 2013 programs which aim to further improve customer welfare. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
C.1.2 Explains supplier/contractor selection practice?	2013 ACGR (H.1, page 128) 2013 Annual Report (page 47)	<p>YES. The Company prescribes clear and detailed procurement policies and procedures to ensure mutually beneficial relationship with its suppliers, as discussed in page 128 of the 2013 ACGR.</p> <p>The Company’s suppliers are required to undergo an accreditation process. Part of the requirements for accreditation is the supplier’s written commitment the Company’s Suppliers Business Conduct (SBC) policy. Only accredited suppliers will be considered for inquiry and award. The selection of suppliers is done through competitive and transparent bidding process.</p> <p>The above information is likewise reported in the 2013 ACGR. (H.1. pages 128 to</p>



Question	Source	Reference
		<p>131) http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>The process of selection is also discussed in the Corporate Governance Section of the 2013 Annual Report, page 47.</p> <p>http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
<p>C.1.3 Describes the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?</p>	<p>2013 ACGR (H.1, page 131)</p> <p>Company Website/ 2013 Annual Safety & Environment Performance Report</p> <p>2013 Annual Report (page 28)</p>	<p>YES. The Company is committed to protect the environment and mitigate the adverse impact of climate change, as explained on page 131 of the 2013 ACGR.</p> <p>The Company has adopted an Environment Safety and Health (ESH) Policy that ensures environmentally-friendly value chain and compliance with all pertinent environmental laws.</p> <p>An Environment, Safety and Health (ESH) Office was created to design and oversee the implementation of the above ESH policy.</p> <p>Detailed ESH programs accomplished in 2013 are reported in the 2013 ANNUAL SAFETY & ENVIRONMENT PERFORMANCE REPORT, which is also accessible in the Company website.</p> <p>http://www.meralco.com.ph/pdf/CGscorecard/2013_PSEScorecard/2013_SEM_Annual_Report.pdf</p> <p>The above information is likewise reported in the 2013 ACGR Updates, H.1. ROLE OF STAKEHOLDERS – Environmentally friendly value-chain, pages 131 to 133</p> <p>http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>Safety and Environment Milestones and Continuing Initiatives for 2013 are likewise reported in the 2013 Annual Report, page 28.</p> <p>http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
<p>C.1.4 Elaborates the company's efforts to interact with the communities in which they operate?</p>	<p>2013 ACGR (H.1, page 133)</p> <p>2013 One Meralco Foundation Annual Report</p> <p>One Meralco</p>	<p>YES. The Company, through One Meralco Foundation (OMF), actively interacts with the communities located within and outside its franchise area. The community interaction is principally focused on the following pillars, which are enumerated in detail on page 133 of the 2013 ACGR:</p> <ol style="list-style-type: none"> 1) <i>Community Electrification</i> 2) <i>Grassroots Partnerships</i> 3) <i>Youth and Sports Advocacy</i>



Question	Source	Reference
	Foundation Website	<p>4) <i>Emergency Preparedness and Disaster Response</i></p> <p>Details of the OMF programs are published in a separate annual report, 2013 One Meralco Foundation Annual Report, which can be accessed in the Company website. (http://www.meralco.com.ph/pdf/aboutmeralco/One_Meralco_Foundation_2013.pdf)</p> <p>The above information is likewise reported in the 2013 ACGR Updates, H.1. ROLE OF STAKEHOLDERS – Community interaction, pages 133 to 137 (http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf)</p> <p>The OMF community interaction pillars and their respective programs are likewise disclosed in the One Meralco Foundation Website, http://www.onemeralcofoundation.org</p>
C.1.5 Describe the company's anti-corruption programmes and procedures?	<p>2013 ACGR (H.1, page 137)</p> <p>2013 Annual Report (page 47)</p>	<p>BE RIGHT (Open Communication) Policy & Anti-Corruption Program</p> <p>YES. The Company has adopted the <i>BE RIGHT</i> Communication Policy, which promotes responsible and free interaction between Management and its stakeholders, including its employees.</p> <p>E-Report Mo is the Company's whistle-blowing program that provides a comprehensive channel for reporting any violation or misconduct of the Company's directors, officers, employees and suppliers, through hotlines, emails, fax and the Company website. Through this program, the Company also provides appropriate protection for the whistle-blowers against retaliation.</p> <p>Any stakeholder can use the E-Report Mo reporting channel, prominently displayed in the Company website. The Corporate Governance Office immediately acts on the reports received through E-report channel. The full details of this program are also available in the Company website</p> <p>The above information are reported in the 2013 ACGR, H.1, page 137.</p> <p>The E-Report Mo program, as part of the anti-corruption campaign of the Company was also highlighted in the Corporate Governance Section, page 46 of the 2013 Annual Report. (http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf.)</p>



Question	Source	Reference
C.1.6 Describes how creditors' rights are safeguarded?	2013 ACGR (H.1, page 138) Company Website/Corporate Objectives	<p>YES. The Company respects the rights of creditors and strictly abides by its obligations to them. Our Corporate Objectives emphasized this valuable commitment such as:</p> <ol style="list-style-type: none"> Being our business partners, our relationship with them must be based on mutual respect and benefit. The Company has the responsibility to: <ul style="list-style-type: none"> Foster long-term stability, direct relation and continuous development with suppliers to attain quality, competitiveness, process efficiency and performance reliability; Seek fairness, truthfulness, integrity and transparency in all of its business dealings with them; and Seek, encourage and prefer suppliers whose business practices respect human dignity and the environment. <p>Above commitment to our Stakeholders is reported in the 2013 ACGR, H.1. page 138.</p> <p>The Corporate Objectives to our Creditors is also published in the Company Website, Corporate Objectives, Item 4. (http://www.meralco.com.ph/company/page-about-corporateinfo-misvis.html)</p>
C.1.7 Customer health and safety	2013 ACGR (H.1, page 125)	<p>YES. The Company is fully responsive to the health and safety of its customers. Every effort is made to ensure that the health, safety and general well-being of its customers are enhanced by its products and services.</p> <p>Programs that promotes the health and safety and well-being of its Customers are imbedded in the One Meralco Foundation advocacy programs such as:</p> <ol style="list-style-type: none"> Household Electrification Program which provides affordable and safe electric service in organized depressed communities. Electric & Safety Inspection of Public Schools which is done during the annual Brigada Eskwela, involves electrical and safety audit or assessment, inspection of service wires and tree trimming for selected public schools. Emergency Preparedness and Disaster Response – we lend our experience and resources in emergency and disaster preparedness to support other utilities and communities. This sharing of expertise and resources aims to further harness response to major emergency situations, natural calamities and disasters. <p>More details of the Company programs related to customer health and safety are</p>



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		found in the 2013 ACGR Updates, H.1, page 125, which is also published in the Company website. http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf
C.1.8 Supplier/Contractor selection and criteria	2013 ACGR (H.1, page 128) Company website/Supplier Section	<p>YES. The Company prescribes clear and detailed procurement policies and procedures to ensure mutually beneficial relationship with its suppliers, as discussed in page 128 of the 2013 ACGR.</p> <p>The Company's suppliers are required to undergo an accreditation process. Part of the requirements for accreditation is the supplier's written commitment the Company's Suppliers Business Conduct (SBC) policy. Only accredited suppliers will be considered for inquiry and award. The selection of suppliers is done through competitive and transparent bidding process.</p> <p>The above information is likewise reported in the 2013 ACGR. (H.1. pages 128 to 131) http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>The process of selection is also discussed in the Corporate Governance Section of the 2013 Annual Report, page 47. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
C.1.9 Environmentally- friendly value chain	2013 ACGR (H.1, page 131) Company website/2013 SEM Annual Report	<p>YES. The Company is committed to protect the environment and mitigate the adverse impact of climate change, as explained on page 131 of the 2013 ACGR.</p> <p>The Company has adopted an Environment Safety and Health (ESH) Policy that ensures environmentally-friendly value chain and compliance with all pertinent environmental laws.</p> <p>An Environment, Safety and Health (ESH) Office was created to design and oversee the implementation of the above ESH policy.</p> <p>Detailed ESH programs accomplished in 2013 are reported in the 2013 ANNUAL SAFETY & ENVIRONMENT PERFORMANCE REPORT, which is also accessible in the Company website. http://www.meralco.com.ph/pdf/CGscorecard/2013_PSEScorecard/2013_SEM_Annual_Report.pdf</p> <p>The above information is likewise reported in the 2013 ACGR Updates, H.1. ROLE OF</p>



Question	Source	Reference
		<p>STAKEHOLDERS – Environmentally friendly value-chain, pages 131 to 133) http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>Safety and Environment Milestones and Continuing Initiatives for 2013 are likewise reported in the 2013 Annual Report, page 28. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
C.1.10 Interaction with the communities	<p>2013 ACGR (H.1, page 133)</p> <p>Company Website/One Meralco Foundation Annual Report</p> <p>One Meralco Foundation Website</p>	<p>YES. The Company, through One Meralco Foundation (OMF), actively interacts with the communities located within and outside its franchise area. The community interaction is principally focused on the following pillars, which are enumerated in detail on page 133 of the 2013 ACGR:</p> <ol style="list-style-type: none"> 1. <i>Community Electrification</i> 2. <i>Grassroots Partnerships</i> 3. <i>Youth and Sports Advocacy</i> 4. <i>Emergency Preparedness and Disaster Response</i> <p>Details of the programs and beneficiaries of the above OMF community projects are published in the following:</p> <ul style="list-style-type: none"> • One Meralco Foundation Section of the Company Website with the 2013 One Meralco Foundation Annual Report http://www.meralco.com.ph/pdf/aboutmeralco/One_Meralco_Foundation_2013.pdf • One Meralco Foundation Website: http://onemeralcofoundation.org/ • 2013 ACGR, H.1, pages 133 to 137 http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf
C.1.11 Anti-corruption programmes and procedures	<p>2013 ACGR (H.1, page 137)</p> <p>2013 Annual Report (page 46)</p>	<p>YES. E-Report Mo, the Company's whistle-blowing program, provides a comprehensive channel for reporting illegal and unethical behavior of the Company's directors, officers, employees and suppliers. Any stakeholder can use the E-Report Mo reporting channels: hotline, e-mail, fax and the Company website. The Corporate Governance Office immediately acts on the reports received through these E-report channels. Confidentiality and anonymity of the identity of the reporting person is maintained. In case of an unauthorized disclosure of the identity of the reporting person or witness, appropriate disciplinary action shall be enforced on the responsible employee.</p> <p>All reports must be referred to CGO for preliminary validation. CGO will refer reports to the Assisting Investigation Unit whenever necessary.</p>



Question	Source	Reference
		<p>Detailed procedures for the E-Rport Mo anti-corruption program is explained in the 2013 ACGR Updates, H.1, page 137.</p> <p>A comprehensive discussion of the E-Report mo program is likewise included in the Corporate Governance Section of the 2013 Annual Report, page 46. – http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
C.1.12 Creditors' rights	2013 ACGR (H.1, page 138)	<p>YES. The Company strictly complies with its credit agreements through timely loan and interest payments, and adherence to loan covenants. It competently operates the business to assure creditors of the Company's financial standing and credit rating.</p> <p>The Company provides prompt and accurate reports of its financial standing to creditors.</p> <p>Above commitment to our Stakeholders is reported in the 2013 ACGR Updates, H.1. ROLE OF STAKEHOLDERS – Safeguarding creditors' rights, pages 138 to 139 http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p> <p>The Corporate Objectives to our Creditors is also published in the Company Website, Corporate Objectives, Item 4. - http://www.meralco.com.ph/company/page-about-corporateinfo-misvis.html</p>
C.1.13 Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	2013 ACGR (H.2, page 139) Company Website/One Meralco Foundation	<p>YES. The Company has separate Annual Report. For 2013, “Determined to Serve” is published and can be downloaded from the Company website, www.meralco.com.ph/pdf/aboutmeralco/One Meralco Foundation 2013.pdf</p> <p>The CSR website is also reported in the 2013 ACGR Updates, H.2, page 139.</p> <p>The Company's Corporate Social Responsibility (CSR) program has also a separate website, (http://www.onemeralcofoundation.org)</p>
C.2 Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.		
C.2.1 Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.)	Company Website/Contact Us Section	<p>YES. The Company website (http://www.meralco.com.ph/company-index.html), has a section, “Contact Us” that can be used by all stakeholders in sending feedback, complaints or inquiries:</p> <ul style="list-style-type: none"> Feedback – (http://www.meralco.com.ph/company/page-contact-feedback.html)



Question	Source	Reference
can use to voice their concerns and/or complaints for possible violation of their rights?	2013 Annual Report, page 153	<ul style="list-style-type: none"> Contact details of Business Centers - http://www.meralco.com.ph/company/page-contact-businesscenter.html Contact details of Corporate and Sales Offices - http://www.meralco.com.ph/company/page-contact-salesoffice.html Contact details of Investors Relations Office: - http://www.meralco.com.ph/company/page-about-investor-offices.html Contact details for Suppliers/Contractors - http://www.meralco.com.ph/company/page-csr-supplier-procurementoffice.html <p>Company Contact details are likewise reflected in the back page (page 153) section of the 2013 Annual Report. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p>
C.3 Performance-enhancing mechanisms for employee participation should be permitted to develop.		
C.3.1 Does the company explicitly disclose the health, safety, and welfare policy for its employees?	2013 ACGR (H.3, page 139)	<p>YES. The Company implements its Environment, Safety and Health policy by committing to the promotion of the safety and health of its employees and stakeholders along with the protection of the environment.</p> <p>As such, the Company will:</p> <ul style="list-style-type: none"> Promote safety as a way of life by providing safe and healthy working conditions to prevent accidents, injuries and work-related illnesses. Take action and responsibility on climate change by preventing pollution through the optimization of the use of natural resources, minimizing wastes generated by processes and being an active partner in reforestation. Continuously improve the ESH management system to be at par with global best practice. Effectively comply with ESH laws, regulations and other requirements subscribed to by the Company. <p>These details may also be found on page 139 of the 2013 ACGR. http://www.meralco.com.ph/pdf/CGscorecard/ACGR_2013_Update.pdf</p>
C.3.2 Does the company publish relevant information relating to health, safety and welfare of its employees?	2013 ACGR (H.3, page 140)	<p>YES. An Environment, Safety and Health (ESH) Office, which was specifically created to design, oversee and report the implementation and conduct ESH policies and programs are published in the following:</p> <ul style="list-style-type: none"> 2013 ACGR Updates, H.3, page __ 2013 Annual Report, Safety & Environment: Milestones and Continuing Initiatives, page 28, and Corporate Governance Section -Society, Communities



Question	Source	Reference
		<p>and the Environment, page 47. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf</p> <ul style="list-style-type: none"> 2013 ANNUAL SAFETY & ENVIRONMENT PERFORMANCE REPORT, which is also accessible in the Company website. http://www.meralco.com.ph/pdf/CGscorecard/2013_PSEScorecard/2013_SEM_Annual_Report.pdf <p>These details may also be found on page 140 of the 2013 ACGR.</p>
C.3.3 Does the company have training and development programmes for its employees?	<p>2013 ACGR (ACGR H.3, page 141)</p> <p>2013 Annual Report, pages 26 and 27</p> <p>Company Website/ Corporate Governance Section</p>	<p>YES. The Company set-up a dedicated office to handle the training and development of its employees, Human Resources Learning and Development. It is committed to the professional development of its employees. Training programs and other developmental interventions are implemented to enable employees to acquire the technical and/leadership competencies to effectively perform their jobs and for their professional growth. Learning & development initiatives are delivered using the 70-20-10 framework: 70% on the job learning, 20% from coaching and feedback and 10% formal training</p> <p>Employee training statistics are published in the following:</p> <ul style="list-style-type: none"> 2013 ACGR, H.3, page 141 2013 Annual Report, Human Resources: Sustaining Excellence in the Organization and in People Management, pages 26 and 27. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf <p>2013 Training Metrics in the Corporate Governance Section of the Company Website. http://www.meralco.com.ph/pdf/corporategovernance/TRAINING_METRICS_2013.pdf</p>
C.3.4 Does the company publish relevant information on training and development programmes for its employees?		
C.3.5 Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	<p>2013 ACGR (H.3, page 142)</p> <p>2013 Annual Report, page 27</p>	<p>YES. To drive higher levels of employee performance, the Company employs both short-term and long-term incentive plans. These plans are anchored on the achievement of the Company's profitability targets on an annual and long-term basis.</p> <p>Further, as part of the Company's performance management process, employee performance is assessed on the basis of: (1) actual vs. desired results, and (2) how results were delivered in the light of corporate core values. Therefore, the achievement of financial and non-financial measures is reflected in performance planning and assessment, and this drives the Company's merit and incentive pay programs.</p>



Question	Source	Reference
		The reward and compensation policy was also discussed on page 142 of the 2013 ACGR , page 27 of the 2013 Annual Report, Human Resources: Sustaining Excellence in the Organization and in People Management. http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf
C.4 Stakeholders including individual employee and their representative bodies should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.		
C.4.1 Does the company have procedures for complaints by employees concerning illegal (including corruption) and unethical behaviour?	2013 ACGR (H.4, pages 143 and 138) 2013 Annual Report, page 46	YES. The Company's procedures in handling complaints from employees on illegal and unethical behavior is covered under the E-Report Mo (Whistleblowing) Program Implementing Rules and Regulations (IRR) Details of E-report Mo IRR is discussed in the 2013 ACGR Updates, H.3, pages 143 and 138 . And in page 46 of the 2013 Annual Report, Corporate Governance Section - The E-Report Mo (Whistleblowing Policy)- http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf
C.4.2 Does the company have a policy or procedures to protect an employee/ person who reveals illegal/unethical behavior from retaliation?	2013 ACGR (H.4, pages 143 and 138) 2013 Annual Report, page 46	YES. This is covered by Company's E-Report Mo (Whistleblowing) Program. Retaliation is prohibited and is dealt with in accordance with the pertinent Company policies, rules and applicable laws. Through E-Report Mo, the Company provides appropriate protection from retaliation. In the event of retaliation, the reporting person or witness shall report to CGO by filling out a Retaliation Protection Report Form. Protection from retaliation will be granted, upon endorsement of CGO, reviewed by the Management Disciplinary Committee or the relevant Board Committee for approval of the CEO, his designated representative or the Chairman of the Board. These requests shall be processed expeditiously. Details of E-report Mo handling of Protection from Retaliation is discussed in the 2013 ACGR Updates, H.3, pages 143 and 138 . and in page 46 of the 2013 Annual Report, Corporate Governance Section - The E-Report Mo (Whistleblowing Policy)- http://www.meralco.com.ph/pdf/aboutmeralco/annual_2013.pdf