

First Philippine Power Systems, Inc.

UN Global Compact Communication on Progress 2012

Principle	Assessment, Policy and Goals	Implementation	Measurement of Outcome
Human Rights			
1) Business should support and respect the protection of internationally proclaimed human rights	First Philippine Power Systems, Inc. supports the United Nations Universal Declaration of Human Rights, The ILO Convention on Labor Standards, and the principles of the UN Global Compact.	We are OHSAS 18001:2007 certified which is internationally compliant. First Philippine Power Systems, Inc. ensures that our employees have a safe and conducive working environment.	There has been no reported incident with regards to violation of the human rights during the last 12 months and in fact, over the company's history.
2) Make sure that they are not complicit in human rights abuses	Relevant principles are integrated systematically in our management practice to ensure compliance with the standard Occupational health & safety, including the prevention of occupational accident and deceases is a management responsibility. Responsibilities in relation to safety and health promotion are outlined in our integrated management system covering quality, environment, occupational health & safety and corporate social responsibility.	In relation to Human Rights, the FPPS organization is also guided also by the following specific Lopez Values – Unity, Nationalism, Social Justice and Employee welfare and wellness. As an example, we conduct annual physical examination and provide health cards to our employees. This will ensure that all regular members of the organization maintain their top physical shape at all times. Group insurance policy is also an added assistance during employees' time of need.	

Labour			
3) Business should uphold freedom of association & effective recognition of the right to collective bargaining	First Philippine Power Systems, Inc. recognizes and upholds freedom of association & the right to collective bargaining. This is in line with our Lopez value to uphold Unity, Nationalism, Social Justice and employee welfare and wellness.	Employees are not unionized; however, the management ensures that the employees' welfare and interest are protected.	We remain committed to ensure a fair and supportive environment for all employees regardless of whether they have formal employee representation.
4) The elimination of all forms of forced and compulsory labor	It is the Policy of First Philippine Power Systems, Inc. to require our employees and other stakeholders to support the abolition of all forms of forced, compulsory and child labor. We are also working with our suppliers to ensure this policy is adhered to in our supply chain. This is also in line with our Lopez value to uphold Social justice.	As a practice, regular communication of our policy and monitoring of its compliance are being undertaken. We ensure to maintain a zero record of forced & compulsory and child labor incident within our operations	We will maintain to monitor the operations of our suppliers of their compliance to our policy. Non-compliance will mean a discontinuance of business partnership.
5) Effective abolition of child labor			
6) Eliminate discrimination in respect of employment and occupation	First Philippine Power Systems, Inc. promotes and supports a diverse workforce at all level of the organization. We ensure our employees or potential employees that they are not unlawfully discriminated against directly or indirectly as a result of their color, creed, race, ethnic or national origin, marital or civil partnership status, pregnancy, age, disability, religion, or similar philosophical belief, sexual orientation, gender or trade union membership and never tolerate harassment of any form.	We ensure employee behavior is in line with promoting and supporting a diverse workforce. We'll continue to use policy and procedure in accordance with the Philippine laws.	Policy and procedures meet the requirement and constantly pass audit and assessment conducted by Department of Labor and Employment

Environment			
7) Businesses should support a precautionary approach to environmental challenges	First Philippine Power Systems, Inc. continually improve the sustainability of our operations with due consideration in minimizing our impact on the environment	We are an ISO 14001:2004 certified organization which aims to protect the environment not only for the benefit of our organization and our people but for the communities that we serve.	Our systems and procedures passed the 2 nd surveillance audit by a third party certifying body. Certification is valid until January 2013.
8) Undertake initiatives to employees promote greater environmental responsibility	<p>First Philippine Power Systems, Inc. Environmental Policy regards the protection of the environmental of paramount importance, coming only second to safety.</p> <p>We do not conduct any activity where the risk is perceived to be significant in causing environmental damage.</p> <p>We always employ sustainable mitigating measures to reduce any risk to the environment to an acceptable level, in all our activities.</p>	<p>HIRAC are conducted for all activities. All risk are assessed and include (but not limited to) the following common risks:</p> <ul style="list-style-type: none"> • Sewerage system, • ground water contamination • Top Soil damage • Vegetation damage – protected and non-protected species • Wildlife impact - protected and non-protected species • Ground contamination • Spill of materials • Dust • Noise • Fumes • Vehicle hazards • Flora or Fauna <p>FPPS, being a member of the Lopez Group of Companies, is an active supporter of various CSR initiatives such as – Run for Pasig, Walk the Talk, etc.</p>	<p>There has been no reported incident with regards to non-compliance to environmental regulations during the last 12 months and the entire history of the company.</p>

9) Encourage the development and diffusion of environmentally friendly technologies	<p>First Philippine Power Systems, Inc. is constantly reviewing operational and manufacturing process to ensure that we are using the most environmentally friendly system.</p> <p>We are totally committed to environmentally friendly technology and confirm our goal of achieving a zero adverse environmental impact in all of our activities</p>	<p>We consider the protection of the environment the responsibility of everyone engaged in or associated with its activities.</p> <p>The environment is one of the company's primary concerns. Its importance is promoted at every level within the company. Project briefing, appropriate equipment, training and reporting are seen as the major tool by which we maintain the high levels of environmental awareness within our organization. Environmental protection is given the highest possible priority when planning our activities.</p>	
Anti-Corruption			
10) Business should work against all forms of corruption, including extortion and bribery	<p>First Philippine Power Systems, Inc. is committed to the highest standard of corporate governance and professional integrity. We conduct our business in an ethical, honest and accountable manner in accordance with applicable laws, rules and regulations.</p> <p>This is in line with our Lopez values of – a pioneering entrepreneurial spirit, business excellence, social justice and integrity.</p>	<p>Prior to company's registration in the special economic zone, First Philippine Power Systems, Inc. was required to execute an anti-graft certificate in pursuant of Sec 3 & 14 of the Philippine Republic Act (RA) 3019 or what we call the Anti Graft Act.</p> <p>The company rules and regulations clearly indicate that integrity issues are to be dealt severely.</p> <p>Will continue program to educate employees and stakeholders on these rules and policies.</p>	<p>There has been no reported incident on graft and corruption in the organization for the past 12 months or in fact over the company's history. All our actions are above board and never intended to violate the laws of the land.</p> <p>We'll continue to monitor and record incident of corruption and violators will be dealt with according to established rules and regulations.</p>