

COP 2008

C O M M U N I C A T I O N O N P R O G R E S S

CORPRENSA
CORPORACIÓN LA PRENSA, S.A.



FOUNDING MEMBER OF RED PACTO GLOBAL PANAMA

| | |
|---|-----------|
| Message from the President & CEO | 5 |
| CORPRENSA – at a glance..... | 8 |
| History | 8 |
| Newspapers, Magazines and Supplements | 8 |
| Circulation..... | 9 |
| Number of Associates | 9 |
| Vision | 9 |
| Mission..... | 8 |
| Code of Ethics – Values | 8 |
| Organizational Chart..... | 9 |
| Organizational affiliations | 10 |
| CORPRENSA’s CSR Committee | 11 |
| CORPRENSA and the 10 UN Global Compact Principles..... | 12 |
| Human Rights | 12 |
| Commitment | 12 |
| Policies and Procedures..... | 12 |
| The Right of Freedom of Expression | 13 |
| Non complicity in Human Right Abuses | 13 |
| Readers’ Ombudsman – La Prensa | 13 |
| Readers’ Rights | 14 |
| Balance in the News..... | 14 |
| Actions and Outcome | 15 |
| Illustrative Highlights from 2008 Publications | 15 |
| 1. The disappeared from Darien | 15 |
| Impact | 15 |
| Reaction..... | 15 |
| Consequences | 15 |
| 2. Cárceles, lugares donde la vida cuesta un favor | 15 |
| Impact | 15 |
| Reaction..... | 15 |
| 3. El muerto oculto de Daniel Delgado Diamante..... | 16 |
| Impact | 16 |
| Reaction..... | 16 |
| Consequences | 16 |
| Editorial Prizes..... | 16 |
| APRENDÓ - The right to an education..... | 17 |
| APRENDÓ’s objectives and team | 17 |
| APRENDÓ’s Editorial Product..... | 17 |
| Magazine APRENDÓ..... | 17 |
| APRENDÓweb.com | 18 |
| APRENDÓ’s Special Editorial Project 2008 | 18 |
| APRENDÓ Promotions | 18 |

| | |
|--|-----------|
| Community Relations | 18 |
| Teaching Material | 18 |
| School Excursions to CORPRENSA | 19 |
| The making of a Newspaper in the Classroom | 20 |
| “I Read and I Learn” Excursions | 20 |
| School Fairs | 21 |
| Pro-Escuelas Program | 21 |
| Critical Thinking Seminars | 22 |
| Workshops for Public School Teachers | 22 |
| APRENDÓ's Administrative Achievements | 23 |
| APRENDÓ's Recognitions and Awards | 23 |
| Recognitions - WAN | 23 |
| Recognitions - FUDESPA | 23 |
| Awards | 24 |
| 2008 Finances for APRENDÓ | 24 |
| APRENDÓ's plans for 2009 | 24 |
| APRENDÓ | 24 |
| Pro Escuelas | 24 |
| General Donations to Community Organizations | 25 |
| Labor Standards | 27 |
| Commitment | 27 |
| Policies and Procedures | 27 |
| Study “Organizational and Employee’s Commitment” | 27 |
| Associates Benefits | 27 |
| Co-ownership | 27 |
| Profit Sharing | 27 |
| Health and Insurance Benefits | 28 |
| Additional Compensation Benefits & Vacations | 29 |
| The freedom of association | 29 |
| Forced Labor and Discrimination | 29 |
| Activities | 29 |
| Corporate Volunteerism | 30 |
| “Quebrada Lastenia” School | 30 |
| “Junior Achievement” | 31 |
| Environment | 31 |
| Commitment | 31 |
| Policies and Procedures | 32 |
| Voluntary Environmental Audit | 32 |
| Activities & Outcome | 35 |
| Paper Management | 35 |
| Electricity Management | 36 |
| Noise Management | 36 |
| Ink Management | 37 |
| Promotion of Environmental Responsibility | 37 |
| Illustrative Highlights from 2008 Publications | 37 |
| 1. The new cement factory in La Chorrera | 37 |
| Impact | 37 |
| Reaction | 37 |

| | |
|--|-----------|
| Consequences | 37 |
| 2. More concrete, and less vegetation in the “Cinta Costera” or “Cinta Concretera” | 38 |
| Impact | 38 |
| Reaction | 38 |
| Consequences | 38 |
| 3. Ecological Crime and Full Blown Devastation | 38 |
| Impact | 38 |
| Reaction | 38 |
| Consequences | 38 |
| 4. Risk Expansion / The Devastation of Mangroves in Colon | 39 |
| Impact | 39 |
| Reaction | 39 |
| 5. Devastation in Colon / Petaquilla got out of its limit | 39 |
| Impact | 39 |
| Reaction | 39 |
| Consequences | 39 |
| 6. Coiba, a dark past and a promising future | 39 |
| Impact | 39 |
| Reaction | 39 |
| Results..... | 40 |
| Editorial Awards | 40 |
| Anti-Corruption..... | 41 |
| Commitment..... | 41 |
| Policies and Procedures | 41 |
| Activities | 41 |
| Constant Review of the Ethics Policies..... | 41 |
| Illustrative Highlights from 2008 Publications | 41 |
| 1. Martin Torrijos’ Secret Contract..... | 41 |
| Impact | 41 |
| Reaction | 41 |
| 2. Public Funds pay for a Private Club..... | 42 |
| Impact | 42 |
| Reaction | 42 |
| Consequences | 42 |
| 3. They pay cents for rent of Amador Lands I | 42 |
| Impact | 42 |
| Reaction | 42 |
| Consequences | 42 |
| 4. Presidential luxuries - Rafael Berrocal..... | 43 |
| Impact | 43 |
| Reaction | 43 |
| Consequences | 43 |
| 5. Surprise on the Valorization Tax that would finance the Cinta Costera..... | 43 |
| Impact | 43 |
| Reaction | 43 |
| Consequences | 43 |
| Moving forward with CSR and UN Global Compact..... | 44 |

Prepared for Corprensa by El Cedro Consultoría, S.A., Associate Consultant to Red Pacto Global Panamá

Graphic Design: Art and Creativity Department - Corprensa



Message from the President & CEO

It is with great pleasure that we hereby present CORPRENSA's Communication on Progress (COP) for 2008 to all our stakeholders (interest groups).

The preparation of an annual COP is part of our commitment as a member of The UN Global Compact and its local network, Red Pacto Global Panamá. However, the COP is first and foremost a direct communication with CORPRENSA's stakeholders such as our readers, advertisers, Associates, shareholders, suppliers, and the community at large.

Through posting the COP 2008 on CORPRENSA's own website, www.prensa.com, the website of the UN Global Compact, www.unglobalcompact.org, plus giving the COP 2008 ample coverage in our publications, we wish to share with you, the actions, outcomes, and projections rooted in our commitment and dedication to strengthen and implement the 10 principles of the UN Global Compact within the following four areas:

- a. Human Rights
- b. Labor Standards
- c. Environment
- d. Anti-corruption

CORPRENSA and UN Global Compact

The philosophy and history of CORPRENSA are naturally and inviolably linked together with human rights and social responsibility.

Ever since the foundation of the newspaper La Prensa in 1980 during the military regime, the objectives of the corporation have been the permanent defense of freedom of speech, democracy in Panama, and rule of law. In order to attain a more fair society, we have always put special emphasis on the fight against poverty and corruption through our publications.

As a member of UN Global Compact as well as Red Pacto Global Panamá¹, CORPRENSA understands the need to combine a commercial mission with ethical principles that commits us to the community, the well being of our Associates², and the environment. As a founding member and benefactor of Red Pacto Global Panamá, CORPRENSA financially supports and actively participates in the various activities organized by the local network.

Our values and ethical principles in accordance with the principles of the UN Global Compact are already reflected through our policies, in our publications, and through projects and activities.

As stated in our previous COP, an assessment was elaborated in 2007 using the CSR Index for Panama³, through an external consultancy coordinated with Red Pacto Global Panamá, showed that CORPRENSA complies with approximately 70% of the indicators in the following 7 areas:

1. Ethics and transparency
2. Quality of the relationship with suppliers and consumers
3. Labor conditions
4. Social inclusion commitments
5. Community relations
6. Social responsibility and communication promotion
7. Care and management of environmental impact

CORPRENSA and Corporate Social Responsibility (CSR)

But at CORPRENSA, we wish to go further by increasing, developing and implementing Corporate Social Responsibility (CSR) as a core strategic business tool in the relationship with all our stakeholders.

Our commitment in this area is based on our firm belief that working systematically with CSR is basic good citizenship as well as basic common business sense. We are certain that with the right design and implementation, CSR offers strategic benefits – for CORPRENSA and for all our stakeholders. In a time with global recession, good citizenship on all levels is probably even more imperative in order to establish sustainable trust, hope, and prosperity.

As in many other countries comparable to Panama, the general prevalence of CSR is – although gaining momentum – still in the initial stages and predominantly fragmentary, but it is in the spirit of CORPRENSA to be among the role models in the promotion as well as practice of social responsibility.

In 2008, CORPRENSA established a CSR committee that is chaired by our Director of Human Development, Lic. Lourdes Paredes de Morrison. This has been done to create a permanent organizational body with the purpose of assessing all relevant procedures and activities, and from there to systematize and coordinate the development and implementation of CSR.

¹ Local Chapter of the United Nations Global Compact

² It is the policy of CORPRENSA to offer permanent Associates the opportunity to become shareholders, and therefore it is our policy to call them Associates

³ The CSR Index for Panama is based on the 10 principles of the UN Global Compact and was developed in 2007 for Red Pacto Global Panamá in a project sponsored by the Inter-American Development Bank / Multilateral Investment Fund.

As part of our decision to significantly strengthen CORPRENSA's strategic engagement with CSR and as part of our continued commitment to the 10 fundamental principles of the UN Global Compact, the COP 2008 has been prepared by an external consultancy, El Cedro Consultoría S. A.; an Associate Consultancy to Red Pacto Global Panamá. The preparation has been done in close cooperation with our CSR Committee and other Key Associates from the corporation.

In coordination with Red Pacto Global Panamá, CORPRENSA will continue in 2009 and 2010 to work closely with the external consultancy in a strategic process that will actively involve all our stakeholders.

We hope you will find the COP practical and helpful, and we look forward to receive any feedback you may have at laprensa@prensa.com, telephone +507 222-1222, or P. O. Box 0819-5620, Panama City, Republic of Panama.

Sincerely,



Fernando Berguido
President

Carlos Rabat
CEO

CORPRENSA – at a glance

History



La Prensa was founded in 1980 by a group of Panamanians led by I. Roberto Eisenman Jr., who was its President from 1980 to 1995.

La Prensa was born into a hostile atmosphere during the military dictatorship, with the basic criteria to create a written information media and of independent opinion, where no one can own more than 1% of the shares. During the 1980's, La Prensa was in the front in the fight against the military dictatorship. The newspaper was often harassed, attacked, and shut down by the regime, as well as many of the people associated with La Prensa had to endure many assaults until democracy was finally re-established in Panama in 1989.

La Prensa has more than 1,600 shareholders. Since its beginning, La Prensa has maintained a legitimately independent line that has been proven to be the most effective in compliance with its fundamental democratic principles

Due also to its atomized capital the only source of income for La Prensa is its publicity, circulation and printing commercial division. This fact has always demanded a professional organization of the highest level that has made use of the most talented people in the continent in design, layout, plant design, modern methods of administration, publicity,

circulation and the purchase of the most modern electronic equipment in the industry.

In 2003, CORPRENSA launched the full color first edition of Mi Diario, La Voz de Panamá (Panama's Voice) addressed to the popular sector respecting society's values and offering constant promotions and contributing to people's self improvement. It has destroyed the myth that a tabloid has to sell sex and blood. It maintains its commitment to educational products offering value added to its readers with albums, and educational programs to orient Panamanian families and students in the area of health, sexuality, English, hand-works, cooking and projects such as the Pediatric at Home, Family and Sexuality Consultation, that help the readers to understand and reflect about their daily reality.

Newspapers, Magazines and Supplements

Newspapers

La Prensa – El diario Libre de Panamá – 1980

Mi Diario – La Voz de Panamá – 2003

Magazines included in La Prensa's issues

Ellas, every Friday

Ellas Teen once a month on Wednesday

Ellas Extraordinario, once a month

Martes Financiero, every Tuesday.

Aprendo, Sundays

Revista K – First Thursday of every month



Supplements included in La Prensa's issues

El Pulso de la Nación – opinion poll – does not have a defined frequency.

Weekend, every Thursday

A la mesa, every Saturday

+Que ver, every Sunday

Mosaico – every Sunday



Circulation

La Prensa 41,323 Monday through Saturday and 33,034 Sundays
 Mi Diario 41,778 de Monday through Saturday and 35,789 Sundays
 The newspapers' circulation is certified by KPMG.

Number of Associates

CORPRENSA has 524 Associates employed.⁴

Vision

Leader in journalistic excellence, innovative, committed to the community and that it offers value added to its readers, clients, Associates, shareholders with international projection.

Mission

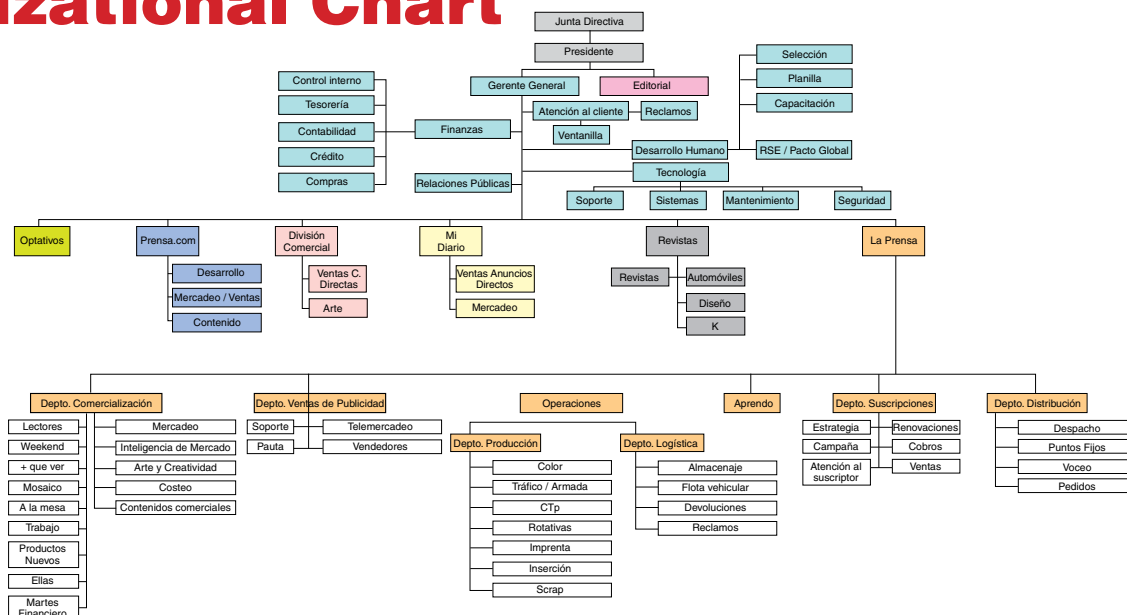
Exceed its readers, clients Associates, and shareholders expectations.

Code of Ethics – Values

Ethical Commandments – Code of Conduct: Everyone's Commitment

- Behave with the highest moral sense and avoid conflict of interest.
- Our commitment is with the truth and respect of human dignity.
- Harmonic living with the environment.
- Exceed the expectation of our readers, advertisers, Associates and the community in general through the creation of high quality products and services
- Maintain our independence
- Serve society by acting as counterweight upon abuse of power
- Maintain the confidentiality of our sources if they so demand it.
- Investigate, gather the necessary versions to inform with impartiality, objectivity and responsibility
- Rectify errors
- Save the necessary separation between advertisers and the news.

Organizational Chart




⁴ December 15, 2008.

Organizational affiliations

It is in the spirit of CORPRENSA to cooperate with organizations that we have shared professional interests with.

CORPRENSA is a member of the following organizations – nationally, regionally, and internationally.

| Panamá |
|--|
| <p>Asociación Panameña de Administración de Recursos Humanos Panamanian Association of Human Resource Administrators</p> |
| <p>Asociación Panameña de Crédito (APC) Panamanian Credit Association www.apc.com</p> |
| <p>Cámara de Comercio, Industrias y Agricultura de Panamá Panamanian Chamber of Commerce, Industry and Agriculture www.panacamara.com</p> |
| <p>Colegio de Contadores Públicos Autorizados de Panamá Authorized Public Accountants Collegiate of Panama www.colegiocpapanama.org</p> |
| <p>Consejo Nacional de Periodismo National Journalism Council www.cnppanama.org</p> |
| <p>Fundación Forum de Periodistas Forum of Journalists www.forumdeperiodistas.org</p> |
| <p>Pacto Global Panamá Local chapter of UN Global Compact www.redpactogloballpanama.org</p> |



Regionally - Internationally**American Society of Newspaper**www.asne.org**International News Media Marketing Association -INMA**www.inma.org**Newspaper Association of America**www.naa.org**Sociedad Interamericana de Prensa (SIP)****Inter American Press Association**www.sipiapa.com**UN Global Compact**www.unglobalcompact.org**World Association of Newspapers (WAN)**www.wan-press.org**CORPRENSA's CSR Committee**

Associates from different departments of CORPRENSA integrate the CSR Committee.

Lourdes Paredes de Morrison, Human Development Director – Committee Chairman

Basilio Fernández, Operation's Manager

Adela Mendoza, Public Relations Chief

Cecilia Fonseca, Information Chief

Yanniva Almengor, Art and Creativity Chief

Carlos González, Training and Integration Supervisor

Edsel Espino, Customer Service Chief

José Archer, Creative Designer

Herminia Rivera, Reporter, Editor

CORPRENSA and the 10 UN Global Compact Principles

In the following, we wish to share with our stakeholders how the principles of UN Global Compact are reflected through our policies, in our publications, and through projects and activities.

In this COP 2008, we are expanding the coverage significantly compared to our previous COPs. We are proud of the results, proud of being able to share them, and at the same time we also wish to continuously strive to obtain an even more comprehensive overview of all CSR related activities and to be able to increasingly systematize the measurement of our activities in order to be able to present as transparent and comprehensive accounts as possible in accordance with the fundamental spirit of CORPRENSA.

Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2:

Make sure that they are not complicit in human rights abuses.

Commitment

At CORPRENSA, we are committed to persistently advocate the compliance of proclaimed human rights through our editorials and reports in which we denounce human rights violations that are brought to our attention.

It is a fundamental and absolute principle for CORPRENSA to defend freedom of speech vigilantly and to promote the rule of law through investigation, balanced reporting and denunciations of violations. In this spirit, CORPRENSA is committed to be a vehicle for communities or groups that feel that they are being affected by actions or omissions from public or private enterprises, or that they feel that their rights have been violated.

As a provider of information and insight, CORPRENSA sees it as a natural and important role to be a one of several facilitators in society, enabling the community at large to participate positively, critically, and actively in the democratic process. As we believe that quality of our democratic institutions is closely linked to the quality of education, CORPRENSA thus also aspires to have a positive impact on the education of children in Panama.

Policies and Procedures

In order to ensure that our commitment to Freedom of Expression goes beyond the rhetoric, we have written, with participation of several Associates in different areas, the Writing and Style Manual that indicates clearly the rules and regulations that have to be complied with in order to publish any information in our newspapers La Prensa and Mi Diario. The editorial staff has the obligation to ensure the compliance and to make sure that the news reported and printed complies with our principles.

In exercising our news reporting, we have two Codes that we adhere to faithfully:

1. Writing and Style Manual
2. Code of Ethics.

These two factors together with the fact that there is no majority shareholder of the corporation, helps to ensure – at the editorial level – our independence regarding newsworthy issues, that may affect a political party, an economic group, etc.

The Right of Freedom of Expression

We have exercised the Freedom of Expression since our foundation (1980) and in accordance to the Declaration of Chapultepec in 1994⁵, and the Declaration on the Principles of Freedom of Expression. To that end we have been active in leading actions to defend the right by demanding the abolishment of the gag laws placed by the Dictatorship, and requesting the government to issue news-reporting licenses.

CORPRENSA issues two newspapers every day: La Prensa – a broadsheet newspaper – and Mi Diario – a newspaper in tabloid format.

Non complicity in Human Right Abuses

The Ethical Commandments of the Writing and Style Manual establish the practices, which should be applied to search and verify the news at the reporting level, thus the responsible editors of each section, the news chiefs and editorial directors, review with a critical eye reported news to ensure its' the control and objectivity.

The Writing and Style Manual establishes obligations for the reporters, such as:

1. *“Act with independence with the news source and power groups, reject pressures and be careful upon flattery;*
2. *Respect the professional secret and confidentiality of the sources when, because it is necessary, we have promised to do so. Such a promise will be justified only in the cases stated in the Manual*
3. *Avoid conflict of Interest. If it happens, inform the newspaper's management.*
4. *Exhaustively investigate and gather as many versions as are necessary to inform with support, accuracy, equity and responsibility.”*

This Manual also states, regarding the management of information, that:

“It is prohibited to discriminate or apply the “ice law”⁶ to certain personalities or institutions. Those that do so violate the principle of impartiality with respect to sources and deprive the reader of information relevant about activities, decisions or statement of public interest. The right to information belongs; above all, to the reader and it is the duty of the reporter to respect it.”

Readers' Ombudsman – La Prensa

The figure of the “Reader's Ombudsman” has been conceived as a representative of the public within the newspaper whose main function is to defend their legitimate interest in relation with La Prensa's publications and actions.

The main instrument to ensure these interests and for the good management of the news-reporting activity is the Style and Writing Manual where the ethical, professional and style principles are dictated and adhered to by CORPRENSA's reporters.

⁵ The Declaration of Chapultepec. Sponsored by the IAPA and the McCormick Foundation and drafted by 100 private citizens, the document was adopted and signed on March 11, 1994 in the castle of the same name in Mexico City. The Chapultepec Declaration's 10 principles were the first to define freedom of expression and establish the right to information as part of the basic human right of freedom of expression.

⁶ “Ice Law” means to ignore people or institutions and/or not give them the opportunity to express themselves

The Reader's Ombudsman" is a "fair arbiter" that mediates between the newspaper and the readers and sources to repair damages and avoid – through teaching – that these do not repeat themselves. Its aim is to seek accuracy in the news, professional excellence to better serve the readers, with which credibility is obtained, a key asset of a media corporation.

The Style and Writing Manual indicates the specific main functions of the Reader's Ombudsman:

- *"To take care of reader's complaints in regards to the violation of principles and norms established in the Manual as well as others relating to the ethic-professional development of the newspaper, its personnel, and to communicate to them promptly the results. To this end, it is expected that the Ombudsman interact with the Writing section to sponsor better news-reporting practices and avoid errors.*
- *He should also receive, evaluate and edit letters sent by readers to La Prensa, its Directors, reporters and to the Ombudsman himself, which will be printed in the "Readers Page". Write columns – which will be published in the same page – making comments on values, writing norms and procedures of decision making that prevail in La Prensa as well as about issues of ethics, news-reporting procedures, national or international, that would be of interest as an effort to educate the public about the profession and especially about La Prensa."*

Readers' Rights

The Readers Rights are stated in the Style and Writing Manual, as follows:

1. *That La Prensa act with ethics, according to explicit and public norms.*
2. *To receive independent information, that exposes with precision, truth, clarity and equity the facts and opinions of public interest.*
3. *That the newspaper respects his/her dignity and that of other people.*
4. *To receive different versions of the fact*
5. *That the newspaper be attentive to his needs and changing interest, and try to satisfy them in time, accessibly and attractively*
6. *To have the right to replicate against information without base that directly and negatively affects him or that it involves him in improper acts*
7. *That his opinions and critics of the newspaper be taken into account and considered for its publication*
8. *To easily distinguish between newspaper publication and publicity*

Balance in the News

The Writing and Style Manual, in reference to conflictive indicates the following:

"In conflictive information, in which there are criticisms, charges against people or institutions, it should be included without exception, the reply or explanation of those affected or implicated. The reporter has to make a genuine effort to obtain these versions. If, after several attempts in this sense, it is not possible to obtain it, the information can be published without the reply or explanation of those affected or implied, but with previous authorization from the Editor or immediate superior. In this case, it should be clearly indicated in the text that, in spite of efforts, the version of the affected could not be obtained. Information that are not necessarily conflictive, or that do not charge, but it is important to include different versions or points of view, should follow the procedures listed herein."

The newspaper does not censor news on accounts of calls or interventions of high profile people, whether politicians or businessmen. Many times it has been tried, but there is no echo for that within the Corporation, as it is part of this Editorial House's culture of independence. The only news that are censored have to do with its contents because of news content, that is not being pertinent (private life, intimate issues, for lack of public value or irrelevant or offensive, for instance) or because they do not contain the newsworthy parameters mentioned in our Writing and Style Manual.

Actions and Outcome

Illustrative Highlights from 2008 Publications

1. The disappeared from Darien

Impact

20 years after the dictatorship fell, a group of ex members of the defunct defense forces that were on duty in the in La Palma District, revealed that in Darien about twenty foreigners were thrown from helicopters in the years 1982 and 1983. Their declaration reinforced the belief that this was a practice that was taking place along the country.

Reaction

All the national media replicated the news including foreign media. The Government remained silent on the issue.

Consequences

The authorities in the Attorney General's office opened an investigation in which declarations were taken including from the reporter that wrote the news.



2. Prisons, places where life is worth a favor, a journey through La Joya and La Joyita – Rafael Luna

Impact

The issue of the prisons La Joya and La Joyita was put on the table as being controlled by at least 20 criminal gangs, that measure forces internally within the complexes; that drug traffickers, assassins and gang members have leadership within the prison; and that in order to survive you have to pay, affiliate to a group or exploit the weaker. The prisoners themselves who live piled together, where some also direct the criminal agenda, recognize all these issues.

Reaction

The authorities recognize that they have infrastructure, health and security problems and that they are all related to the piling that there is in the prisons.



3. The hidden dead of Delgado Diamante

Impact

It was revealed that when Daniel Delgado Diamante – at the moment the news were published, he was precisely Minister of Government and Justice in functions – was second lieutenant of the National Guard, in February 1970, killed a subordinate. Further, it was revealed that there had not been any investigation in the justice courts and that he was detained for less than a month in a Central Police of Panama ward. That by August 1970 he was already working as a guard to General Omar Torrijos.

Reaction

Daniel Delgado Diamante, who was minister when the reports were published, said that what La Prensa pretended was to “affect the ministry and the minister” and that for any accusation or information, we should go to the General Attorney’s office, because he had nothing else to say to the news media. Delgado Diamante alleges that he was investigated and that he was acquitted after having admitted to having fired 3 shots but in self-defense. These facts he has not yet been able to prove.

Consequences

The General Attorney’s office opened an investigation and to date has not found any proof that there was a judicial process, as alleged by Delgado Diamante. After pressure from organized that demanded that the official be dismissed, he announced that he separated from his position for one month to prove his innocence. He did not come back. Delgado Diamante put a criminal complaint against La Prensa and the reporter, accusing them of libel and slander.



Editorial Prizes

During 2008 CORPRENSA had to honor to receive the following prize in this area:

Prize By: **SENADIS⁷** For Human Rights and the Dignity of Disabled People.
Category: Written Press
Title: **“An eclipse in Ana Lucia’s Life”**
For: Daniel Domínguez
Date: February 15th, 2008

civilsociety

⁷ SENADIS – Secretaría Nacional de Discapacidad

APRENDO - The right to an education

CORPRENSA's core business is the writing of news as well as promoting human rights and social responsibility, we have implemented, since 1994 a program called APRENDO, through which we wish to have an impact in the education of children in Panama, to make them appreciate reading and understanding what they read, as well as to develop critical thinking. But it is also important to impact the teachers by providing them with tools that empower their teaching abilities.

Thus, APRENDO is first and foremost an investment in community education. Financially, the salaries of the APRENDO staff are paid by CORPRENSA. Apart from this, APRENDO – through sponsorships, subscriptions and, in some cases, symbolic user fees – ideally should be close to cost neutral or profit generating.

APRENDO's objectives and team

- *"Serve Panamanian children and youth, as well as all those involved in the process of teaching-learning;*
- *Make reading and learning an attractive and motivating experience beyond school years."*



that will last

APRENDO also serves long term commercialization purposes for CORPRENSA, by introducing and promoting CORPRENSA's brands and newspaper readership in the young. It is also a public relations program, providing goodwill towards the company

APRENDO's staff, with an average of 11 years in the corporation, consists of 6 bilingual, highly educated professionals with differing degrees of expertise, from teaching to commercialization. All staff members are specialized in the treatment of children and teachers. It also annually employs a highly skilled university student to hone his/her professional skills as part of a corporate apprentice program.

APRENDO's Editorial Products

Magazine APRENDO

The printed issue, whose primary target children from 8 to 12 years old, combines "in" issues with educational issues. It is the second most read corporate publication by adult's providing intergenerational readership to the product.

In addition to inserting the magazine in the Sunday issue of La Prensa, the APRENDO is distributed for free in selected schools at a national level with the help of newspapers distributors. This distribution channel is also used to promote other educational products from CORPRENSA.

| | Schools | Teachers | Class-rooms | Students | APRENDO Annual Distribution |
|------|---------|----------|-------------|----------|-----------------------------|
| 2003 | 82 | 765 | 716 | 24,499 | 104,000 |
| 2004 | 105 | 834 | 834 | 22,769 | 122,495 |
| 2005 | 106 | 803 | 798 | 21,676 | 119,500 |
| 2006 | 106 | 794 | 776 | 21,875 | 121,500 |
| 2007 | 100 | 762 | 746 | 20,787 | 99,373 |
| 2008 | 99 | 1229 | 756 | 21,249 | 112,375 |

Along with the magazine, the schoolteachers that are part of the distribution program receive several extra benefits, foremost among them exclusive educational material, such as classroom posters, newsprint, etc. APRENDO's staff visits the schools twice a year to maintain a personalized relationship.

Additionally, whenever possible returns of APRENDO are given to worthy NGOs such as Fundación Tierra Nueva, Fundación Pro Niños del Darién⁸, Hospital del Niño⁹ y and several public schools in the country.

APRENDO magazine is the only corporate product of CORPRENSA to be internationally syndicated by Universal Press Syndicate and is currently published in 7 magazines or newspapers in the U. S., Mexico and Japan.

APRENDOweb.com

The site, which was redesigned by an external supplier, allows children to chose their "person" and play in one of 4 worlds. It is scheduled to be redesigned in August 2009.

APRENDO's Special Editorial Project 2008

Every year APRENDO develops at least one special editorial project, with contents never published before. These projects also impact La Prensa's Sunday circulation. Among APRENDO's many successful projects throughout the years are: Atlas Práctico de Panamá, Ilustra con Imágenes, GeoPanamá, Animales de Mi Ciudad, 55 Mandatarios, and many others.

APRENDO's special project for 2008 was the "Historical Comics" Series with 8 relevant themes of Panama's history. These also included learning activities designed by APRENDO. This series increased the Sunday circulation of La Prensa by 6%.



APRENDO Promotions

APRENDO was until 2008 the only editorial product of CORPRENSA that incorporates marketing and commercialization functions to its editorial staff.

APRENDO takes advantage of the arrival of international artists and shows like "Ugly Duckling" and "High School Musical 3" to obtain synergy between editorial contents and promotional material. This strategy positions the brand and maintains it current and up-dated.

Among its more recent successful commercialization schemes was the creation of AprendoRock, composed for free by Omar Alfanno, a well-known Panamanian composer.

An independent video was made under APRENDO's direction. This video was launched with the greatest multimedia penetration in CORPRENSA's history. The video was shown in all APRENDO events and excursions.

Community Relations

Teaching Material

PTo celebrate the Book's Week and to sponsor creative reading/writing in Panamanian children, we elaborated and printed for the third consecutive year the supplement "Medio Pollito" with winning stories of the national children's literature contest sponsored by INAC¹⁰. This year, the Juan Ramón Poll Foundation sponsored the project.

⁸ <http://www.darien.org.pa/>

⁹ <http://www.hden.sld.pa/>

¹⁰ Instituto Nacional de Cultura - National Cultural Institute – a government agency.

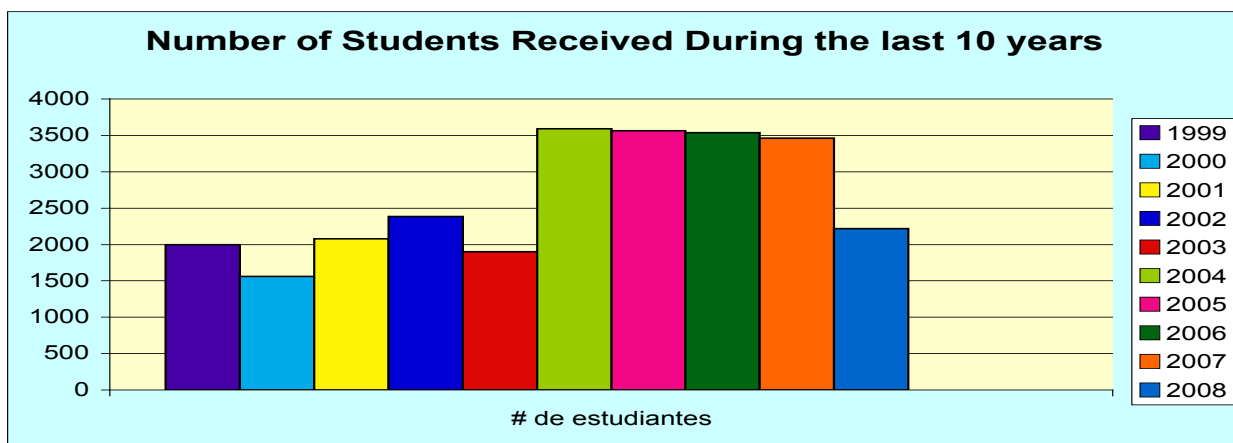
APRENDO also designed, wrote and delivered the guide to Parque Municipal Summit¹¹. This insert was distributed freely to all parks visitors during 2008 promoting the interest in environmental conservation.

School Excursions to CORPRENSA



The objective of this program is to open the world of newspapers to children from 4th to the 6th grade in primary school and university students. This program has gone on for 10 consecutive years, during which APRENDO has received 29,296 students.

During 2008 we had visits from 34 and 1 university group from Universidad Tecnológica de Panamá¹².



¹¹ A park in Panama City that exhibits Panamanian flora and fauna.

¹² www.utp.ac.pa

During 2008 sightseeing tours were curtailed by national strikes and several school cancellations. Never the less, we received 74 excursions with 2,219 students, from who received 68 evaluations, whose qualitative and quantitative results are:

| Participant's Evaluation of the Excursions | 2007 | 2008 |
|--|------|------|
| Excellent | 77 | 56 |
| Very good | 27 | 9 |
| Good | 3 | 1 |
| Bad | 0 | 0 |
| Very bad | 0 | 0 |
| Blank | 2 | 0 |

The making of a Newspaper in the Classroom

In order to expand and diversify APRENDO's services to the educational community, APRENDO added a workshop called "The making of a Newspaper in the Classroom". This aims to explain to third graders the editorial and commercial work behind the machinery of newspaper production.

| | 2008 |
|----------------------------------|-----------|
| Number of Students participating | 659 |
| Number of Schools | 15 |
| Total Workshops dictated | 23 |
| Total Income | B/. 2,702 |

"I Read and I Learn" Excursions

APRENDO includes as part of his educational offerings the very successful circus show "I read and I learn". Its objective is to promote reading to children of the first and second grades with the support of a couple of Brazilian clowns named Bomqsó, while introducing CORPRENSA's brands. This year the show was sponsored by Choco Mix (Café Durán). There were a total of 30 shows in Panama, in 15 days and 3 shows in one day in the city of David, Chiriquí.

The shows in Panama were evaluated at 100% in the sense that they were appropriate for the levels of the students; it motivated the students, and promoted the taste for reading.

The statistics for this program are:

| | 2005 | 2006 | 2008 |
|---------------------------|------|-------|-------|
| Number of Students | 3565 | 3,228 | 3,621 |
| Number of Schools | 54 | 60 | 50 |



School Fairs

APRENDO participates in school fairs since 2004, with the aim of supporting fund raising activities in schools. APRENDO takes its inflatable “APRENDOextreme” and several other merchandizing paraphernalia.

| | 2004 | 2005 | 2006 | 2007 | 2008 |
|--------------------------|-------|-------|-------|-------|-------|
| Number of Fairs | 11 | 17 | 16 | 20 | 12 |
| Earnings per Fair in B/. | 1,295 | 2,461 | 2,861 | 4,068 | 2,587 |

APRENDO went to fewer fairs this year because part of the equipment of our inflatable was stolen in March 2008. While it was being replaced, we could not participate in any school fairs. Also, as usual, many school fairs have the same dates.

Pro-Escuelas Program

Pro-Escuelas “Is a business community committed to support the educational system through training and educational tools”. This program was created with the objective to train teachers, parents and the public in general, in current educational techniques, in the daily use of the classroom, and the promotion of leadership. The Ministry of Education sponsors this program aimed at public schools at risk.

Pro Escuelas allows Panamanian companies – who are clients and/or suppliers – to sponsor with funds, donate didactic material and also receive commercial benefits in CORPRENSA through advertising in APRENDO.

Our sponsors these years have been:

- *Panasonic since 2006*
- *Refrescos Nacionales since 2005*
- *Movistar in 2006*
- *Start Contact in 2008.*

The sponsorship for 2007 was B/. 53,500 and B/. 36,000 for 2008.

The historical impact statistics are:



| | Schools | Teachers | Newspapers | Libraries |
|-------------|---------|-------------------------|------------------------------|-----------------------------------|
| 2005 | 3 | 95 (2,982 students) | 6,980 (4,847 students) | B/. 1,500.00 (4,768 students) |
| 2006 | 12 | 310 (9,914 students) | 37,534 (11,086 students) | B/. 2,800.00 (11,844 students) |
| 2007 | 16 | 415 | 37,190 (13,138 students) | B/. 3,000.00 (4,282 students) |
| 2008 | 15 | 98 | 41,012 (13,322 students) | B/. 1,500.00 (2,745 students) |



Critical Thinking Seminars

Four seminars were developed during 2008: three of which with eight hours duration, two of which were directed to professionals in all areas, public in general, parents and teachers. The third one, with four hours duration, was directed to teachers.

The subjects of these seminars were:

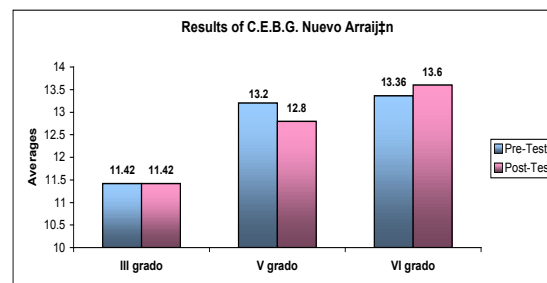
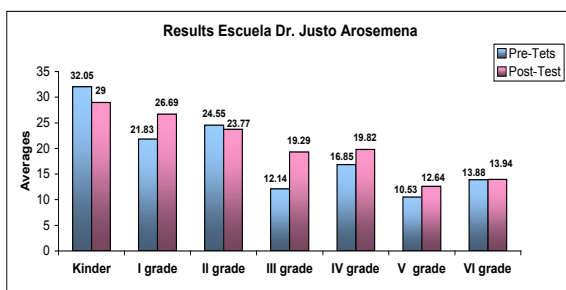
“Business Critical Thinking Seminar”, “Development of Critical Thinking”, “Practical use of the Newspaper in the Classroom”; and one seminar with 40 hours duration specifically designed for the Pro-Escuelas Project called **“Psychopedagogic Orientation in the Classroom”** helping the teachers in their daily work.

These seminars offer the Panamanian community training options at reasonable prices. Additionally they increase APRENDO and CORPRENSA’s goodwill aside from giving APRENDO an additional income.

Workshops for Public School Teachers

For four consecutive years, we have continued the program Pro-Escuelas addressed to public schools with little resources. This has allowed Panamanian companies – that are clients and/or suppliers – to sponsor with funds, donate materials and receive the commercial benefit in CORPRENSA through publicity in APRENDO.

We have measured the progress on Critical Thinking in 571 students with pre-tests and post-tests. In the following charts it is evident that a stimulation in the process of thinking of the students. This makes the academic influence significant in this school period.



APRENDO's Administrative Achievements

For many years, APRENDO's personnel have worked to improve internal processes both in APRENDO and CORPRENSA. The most successful recent endeavor was heading EURO, a team of high level management employees who was responsible for CORPRENSA's decision to limit product sizes, resulting in huge savings for the corporation. This year's achievements were:

For APRENDO:

- The creation of a new database of seminary participant's with the cooperation of the Analysis Unit.
- Cleanup and review of accounts, review of the management of accounts, the system of income and outgo, special projects, deferrals, and bonus.

For CORPRENSA

The creation and design of a new budget module for the department's management that is currently is used as a pilot in APRENDO with the intention of extending it to all of CORPRENSA's departments.

APRENDO's Recognitions and Awards

Recognitions - WAN

APRENDO is recognized worldwide as one of the premier Newspaper in Education programs. It has won several international awards. Foremost among them is the "Young Readers Award". The World Association of Newspapers (WAN) awarded the program twice once in 2000 and 2006. In 2007, WAN officially retired APRENDO from competition and promoted the program as World Judge for all prize categories. As such, APRENDO represents the entire American continent (including the US and Canada).

APRENDO's personnel also serve as international interpreters and illustrators for WAN. This year Sonia Short¹³ served as international interpreter of Franny Fish, a story distributed globally for readership month. Wendy Tribaldos¹⁴ was commissioned to unify documents of various countries to create teaching activities, while Alexander Arosemena¹⁵ was in charge of sketching the story.

Recognitions - FUDESPA¹⁶

Additionally, Wendy Tribaldos was invited to participate as a member of the Education Committee of Fudespa to provide the presidential candidates of a government plan in the area of education.



¹³ Sonia Short is a staff member of APRENDO

¹⁴ Wendy Tribaldos is the Coordinator of the Program APRENDO

¹⁵ Alexander Arosemena is the photographer of APRENDO

¹⁶ Fundación para el Desarrollo Económico y Social de Panamá (FUDESPA)

Awards

Prize By: **Autoridad Nacional del Ambiente (ANAM)**
Prize: Honorary mention for their work in GEO PANAMA (2007)
Given to: Wendy Tribaldos and Alexander Arosemena

Additionally, Alexander Arosemena won the following prizes

- “Photographer of the Year 2007” CORPRENSA
- International Internal UNICEF Contest “Best Photograph”
- “Best Photograph” III Environmental News reporting Contest by ANAM
- Readers Phonograph, National Geographic Magazine, Spanish – September Issue.

2008 Finances for APRENDO

| | 2006 | 2007 | 2008 |
|--|--------------------|--------------------|---------------------|
| Service Expenses | B/. 118,807 | B/. 124,896 | B/. 141,057 |
| Operation Expenses | B/. 64,625 | B/. 74,499 | B/. 129,963 |
| Printing Expenses of the APRENDO Magazine | B/. 110,602 | B/. 112,411 | B/. 134,787 |
| Total Expenses | B/. 294,036 | B/. 311,806 | B/. 405,807 |
| Total Earnings | | | |
| - Includes APRENDO Magazine, special projects and educational program | B/. 217,658 | B/. 241,010 | B/. 261,097 |
| NET | B/. -76,378 | B/. -70,796 | B/. -144,710 |

2008's deficit has increased considerably in comparison to 2007 mainly due to huge increases in costs such as gasoline, electricity, and material such as paper.

APRENDO's plans for 2009

APRENDO

For 2009 the amount of visits, courses and fairs is determined by the people's demands, the rest of the programs will be basically the same.

2009's focus will be under the premise “environmental conservation”. Everything APRENDO does will stem from it. For instance, APRENDO plans to start with educational posters for schoolrooms with eco-themes, provided by the United Nations. Also, APRENDO's special project will be National Parks; a description of Panama's 15 national parks will be done. The project has been in development since 2007, and will finally be publish in May 2009. Many other projects will go on with this all encompassing theme.

Pro Escuelas

- We will work with winning leader teachers in a contest for merit.
- Pro Escuelas will start in February 2009, and will develop the following trainings:
 - Practical daily use in the classroom
 - Development of Critical Thinking
 - Psycho pedagogical orientation in classroom work
 - Evaluation and measurement of the schools in the project during the school year
 - Didactic material for the winning teacher.
 - Didactic visits to educational places with the students
 - All year counselling for teachers.

General Donations to Community Organizations

During 2008 CORPRENSA has donated in cash to the following institutions:

| Organization | Amount (B./.) |
|--|---------------|
| Fundación para el Desarrollo de la Libertad Ciudadana ¹⁷ (Foundation for Citizen Freedom Development) http://www.libertadciudadana.org | 111,230 |
| Centro Latinoamericano de Periodismo (CELAP) Latin American Center for Journalism http://www.celap.net | 5,000 |
| Fundacáncer (Cancer Foundation) http://www.fundacancerpanama.org | 5,000 |
| Universidad Católica Santa María la Antigua (Catholic University of Santa Maria la Antigua) http://www.usma.ac.pa | 2,000 |
| Asociación de Damas Españolas-Panameñas Association of Spanish-Panamanian Ladies | 1,291 |
| Fundación Facultad de Medicina (Universidad de Panamá) Foundation of the Faculty of medicine www.up.ac.pa | 250 |
| Fundación Amigos con Leucemia y Cáncer Foundation of Friends with Leukemia and cancer | 345 |
| Asociación Aldeas Infantiles SOS Kinderdorf International http://www.aldeasinfantiles-sos.org/Donde-ayudamos/America/Panama/Pages/default.aspx | 150 |
| Asociación Panameña de Ejecutivos de Empresa (APEDE) Panamanian Association of Business Executives www.apede.org | 125 |
| Cámara de Comercio, Industrias y Agricultura de Panamá Panamanian Chamber of Commerce, Industry and Agriculture http://www.panacamara.com | 100 |
| Organización Panameña Antituberculosa Panamanian Anti-Tuberculosis Organization | 25 |
| Total Donaciones en Efectivo – Total Cash Donations | 125,517 |

¹⁷ Capítulo Panameño de Transparencia Internacional (Panamanian Chapter of Transparency International).

At the same time – during 2008 – CORPRENSA has donated space within La Prensa to each of the following organizations:

| Organization | Inches | Amount (B/.) |
|--|-----------|--------------|
| Campaña de Promoción Arquidiocesana (<i>Campaign for the Archdiocese Promotion</i>) http://www.arquidiocesana.org | 2,929.0 | 49,742.00 |
| Fundación para el Desarrollo de la Ciudadanía (<i>Foundation for Citizenship Development</i>) | 2,428.5 | 37,108.60 |
| Fundación San Felipe (<i>San Felipe Foundation</i>) http://www.fundacionsanfelipe.com | 870.0 | 14,790.00 |
| Cena Pan y Vino (<i>Bread and Wine Dinner</i>) | 840.0 | 14,280.00 |
| Feria Familiar Católica (<i>Catholic Family Fair</i>) http://www.primada.org/htdocs/pc/20061022/feria.htm | 504.0 | 8,568.00 |
| Centro Latinoamericano de Periodismo (CELAP) Latin American Center for Journalism http://www.celap.net | 408.0 | 7,344.00 |
| Fundayuda http://www.enexclusiva.com/Revista/articulos/2008-03/luchar.html | 393.0 | 6,681.00 |
| Comité de Ayuda Social (<i>Social Help Committee</i>) | 294.0 | 4,998.00 |
| Ciudad del Niño (<i>Children's City</i>) http://www.ciudaddelnino.org | 281.5 | 4,785.50 |
| Carita Feliz (<i>Happy Face</i>) http://www.fundacioncaritafeliz.org | 238.5 | 4,054.50 |
| Operación Sonrisa (<i>Operation Smile</i>) http://www.operacionsonrisa.org.pa/ | 224.5 | 3,816.50 |
| Amigos de San José (<i>St Joseph's Friends</i>) | 201.0 | 3,417.00 |
| Junior Achievement http://www.ja.org/ | 189.0 | 3,402.00 |
| Fundación Amanecer (<i>Sunrise Foundation</i>) | 130.0 | 2,210.00 |
| Red Pacto Global – Panamá http://www.redpactogloballpanama.org | 120.0 | 2,160.00 |
| Hogar San José de Malambo (<i>San José of Malambo Hospice [orphanage]</i>) http://malambo.org/ | 126.0 | 2,142.00 |
| Caminata Fila Pro Niñez (<i>Fila Walk in favor of Children</i>) | 120.0 | 2,040.00 |
| Fundación para el Desarrollo de la Libertad Ciudadana (<i>Foundation for Citizen Freedom Development</i>) http://www.libertadciudadana.org | 90.0 | 1,530.00 |
| Olimpiadas Especiales – Torneo de Golf (<i>Special Olympics – Golf Tournament</i>) http://www.olimpiadasespeciales.org.pa/ | 90.0 | 1,530.00 |
| Patronato Pro Niñez (<i>Patronage in favor of Children</i>) | 78.0 | 1,326.00 |
| Hospital del Niño (<i>Children's Hospital</i>) http://www.hden.sld.pa/ | 76.0 | 1,292.00 |
| Cruz Blanca Panameña (<i>Panamanian White Cross</i>) http://www.jamboree.org.pa/inicip/noti.aspx?id=93 | 32.0 | 544.00 |
| Fundacancer (<i>Cancer Foundation</i>) http://www.fundacancerpanama.org/ | 31.5 | 535.50 |
| Fundación Psoriasis de Panamá (<i>Psoriasis Foundation of Panama</i>) http://www.psoriasispanama.org | 15.0 | 255.00 |
| Club de Leones (<i>Lions Club</i>) http://www.lionsclubs.org/ | 11.0 | 187.00 |
| Cruz Roja Panameña (<i>Panamanian Red Cross</i>) http://www.panama.cruzroja.org/ | 2.0 | 34.0 |
| Donaciones Totales en Espacio (<i>Total Donations in Space</i>) | 10,719.50 | 178,862.50 |

Labor Standards

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4:

The elimination of all forms of forced and compulsory labor.

Principle 5:

The effective abolition of child labor.

Principle 6:

The elimination of discrimination in respect of employment and occupation.

Commitment

CORPRENSA is committed to comply with all the current labor laws in the Republic of Panama as well as international standards that ensure good working conditions health, safety and security.

Policies and Procedures

The loyalty and comfort of all our Associates in CORPRENSA is of utmost importance. To that end it is CORPRENSA's policy to offer all permanent Associates the opportunity to become shareholders, and therefore it is our policy to call them "Associates".

Study "Organizational and Employee's Commitment"

It is CORPRENSA's policy to do every two years a study called "Organizational and Employees Commitment (OCA)". However, due to changes during 2008 in the Management of Human Development, we have decided to do the OCA in 2010.

Associates Benefits

As it is established in our policy to retain the loyalty of our Associates and to give them comfort in the workplace we have established several benefits for permanent Associates.

To become an Associate a person has to work in CORPRENSA for at least six months and then have his/her permanence confirmed. From this point on, the Associate has the rights:

Co-ownership

To purchase up to 100 shares per year of CORPRENSA with a 20% discount.

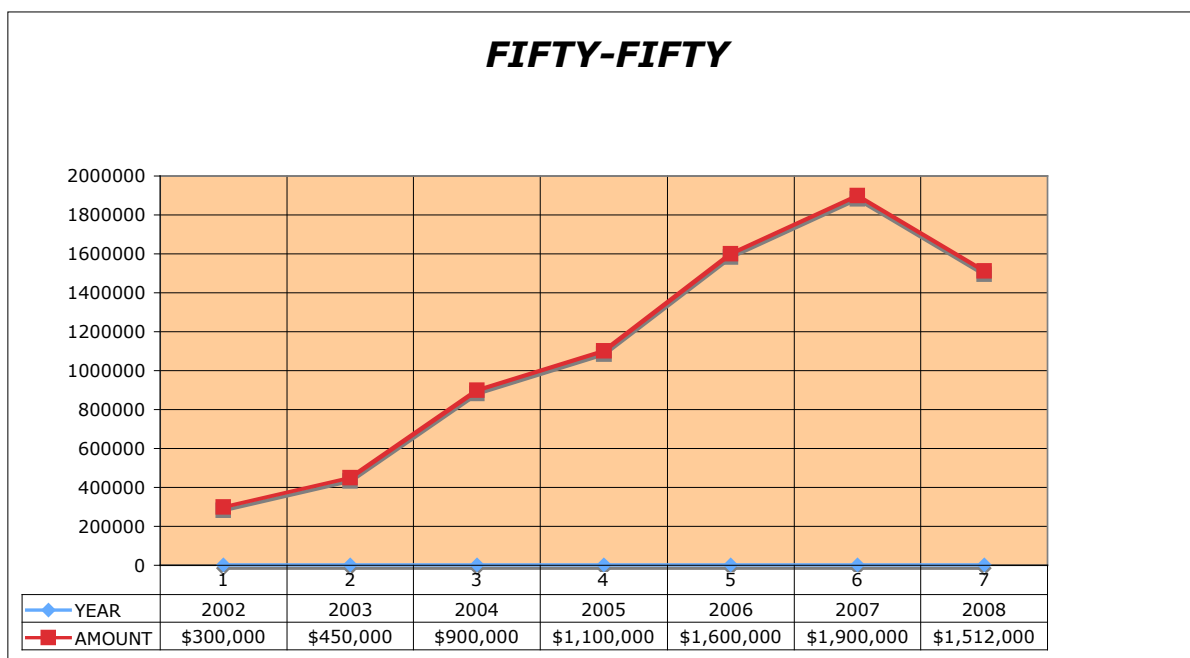
Profit Sharing

As a unique arrangement, CORPRENSA offers a FIFTY-FIFTY participation on profits or earnings if he or she is a permanent Associate as at December 31 of the year in which the profits are split. This means that the Associates share 50% of the profits made by CORPRENSA.

The FIFTY-FIFTY arrangement has had significant concrete impact for our Associates personal lives in the sense of economic access to housing, means of transportation that otherwise would have been difficult to obtain.

Additionally, all the Associates receive, at the end of each month, a Financial Report of CORPRENSA.

Below is the development of the FIFTY-FIFTY from 2002 to 2008:



Health and Insurance Benefits

Although all employers in Panama have to subscribe their employees Associates to the Government's Social Security System ¹⁸, CORPRENSA has decided to give additional facilities to their Associates.

These benefits are:

- Life Insurance
- Hospital or Health Insurance
- Medical Service with free Nurse/Doctor services in the "Live + Clinic" free doctor from Monday to Friday from 9 am to 12 pm
- Economic assistance when a family member dies.
- 3 days of paid license or permission when getting married
- \$50.00 every year to buy lenses (glasses). Up to \$150.00 are financed to be paid back in 6 bi-weekly installments.
- Common fund, that is financed without interest the co-insurance and deductible that is not covered by medical insurance in situations of grave illnesses, accidents and others that are catastrophic.

The In House healthcare statistics are as follows:

| USE OF MEDICAL SERVICES / CORPRENSA / 66225 | | | | | | | | | | | | |
|---|------|------|-------|-------|-----|------|-----|------|-------|------|------|------|
| YEAR 2007 | | | | | | | | | | | | |
| SUPPLIER | JAN. | FEB. | MARCH | APRIL | MAY | JUNE | JLY | AUG. | SEPT. | OCT. | NOV. | DEC. |
| CEPPAS | | | | | 139 | 171 | 62 | 131 | 127 | 157 | 120 | 93 |
| DR. LILIBETH LAO | | | | | 2 | 0 | 0 | 0 | 0 | | 1 | 0 |
| NATIONAL MEDICAL CENTER | | | | | | | | | | 1 | 1 | 0 |
| CENTRO DE MEDICINA PREVENTIVA | | | | | 2 | 2 | 3 | 4 | 4 | 4 | 1 | 4 |
| YEAR 2008 | | | | | | | | | | | | |
| PROVEEDOR | JAN. | FEB. | MARCH | APRIL | MAY | JUNE | JLY | AUG. | SEPT. | OCT. | NOV. | DEC. |
| CEPPAS | 99 | 80 | 53 | 83 | 99 | 83 | 151 | 92 | 91 | 102 | 93 | 87 |
| DR. LILIBETH LAO | 0 | 0 | | 0 | 1 | 1 | 3 | 1 | 1 | 2 | 1 | 2 |
| CENTRO MEDICO NACIONAL | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 1 |
| CENTRO DE MEDICINA PREVENTIVA | 1 | 5 | 2 | 4 | 2 | 3 | 2 | 0 | 7 | 4 | 3 | 4 |

¹⁸ Caja del Seguro Social de Panama CSS

Additional Compensation Benefits & Vacations

It is important to recognize the interest of our Associates to improve themselves through education therefore, when any of our Associates achieves a Bachelor or Master Degree get an automatic pay increase.

Panama's labor law requires that employers pay their Associates a thirteenth month salary. At CORPRENSA we improve it by payment 21 working hour additional salary every year = 7 hours every one third¹⁹.

Office personnel have to wear a uniform that is purchased by CORPRENSA. In this way we contribute to the Associate's saving on clothing expenses and wear and tear.

Panama's law requires that every employee have 1 month vacation after working 11 consecutive months. CORPRENSA adds to that by giving one-week additional vacation.

Workers in the Graphic Design department are given an extra compensation when working on Graphic Design day, on December 15th every year.

The freedom of association

Currently, CORPRENSA does not have unions or exercises collective bargaining.

The reason for this is that previous management wrote within the Internal Labor Ruling all the issues that the Associates had requested as their rights.

These rights are clearly established and can only be changed if more than 50% of the Associates sign and agree to a change. Thus far, this has never occurred.

Any Associate can become a member of an industrial union on his or her own. There are not any restrictions whatsoever. However, none have felt the need to do so which indicates that the Value Added given by CORPRENSA for its Associates covers their needs.

Forced Labor and Discrimination

It is CORPRENSA policy to ensure that there is no forced or compulsory labor within the organization. By the same token, it is also CORPRENSA's policy not to have discrimination at the time of employment or occupation.

Regarding people that are soon to be retired, the Corporation does not have any written policy in this respect. At the moment, the personnel soon to be retired is faced out gradually, and their experience is taken into consideration for part-time work, if the Associate wants to continue under those conditions.

The only policy in this respect is that every Associate that reaches the Retirement Age as established by the Social Security (CSS), has the right to retire and to continue working or not within the corporation. It is the Associate's own decision.

Activities

At CORPRENSA, we are committed to give our Associates free time to enjoy their families and co-workers and in this respect we organize events to celebrate the following activities:

- *"La Prensa Invites": B/. 12 annually for each Associate towards lunches, dinners or similar (determined by each department)*
- *Scholarship contests for Associate's children (according to the scholarship rules of the corporation).*
- *Recognition and annual prizes (Assistance, Cooperation, Initiative, Improvement, Partner, Best Picture, Best Research, Best News, etc.).*
- *Christmas Party*
- *Celebration on: Day of the Accountant, Reporter, Graphic Arts, Secretaries -Assistance Days.*
- *Sponsorship of Sports Leagues*

¹⁹ The thirteenth salary is paid in three instalments a year. Therefore the additional calculations are based on every third that in is every instalment.

- Cafeteria Services “Hoy por Hoy”
- Credit Union for the Associates (COLIEX, R.L.)
- Common fund, that is financed without interest the co-insurance and deductible that is not covered by medical insurance in situations of grave illnesses, accidents and others that are catastrophic.

Corporate Volunteerism

Corporate volunteerism is carried out exclusively with THE volunteer work provided by the Associates of CORPRENSA.

“Quebrada Lastenia” School

The main activity has been building the school, “Escuela Quebrada Lastenia” in Darien. The project was initiated in 2007 with a contribution of B/. 73,688, collected from the Corporation’s profits, 50% of which was contributed by the Shareholders and the other 50% from the Associates as part of the “50/50”. The school was finished in 2008 and delivered to the Government.



Additionally the Associates donated another B/. 5,000 in food, clothes, shoes, wire mesh fencing, among others to the children and the Community of Quebrada Lastenia.

During 2008 the Associates also donated more than B/. 3,000 in food and clothes to the Communities of Agua de Salud and Ñurum, both in the Comarca Ngöble Buglé.

“Junior Achievement”²⁰

Junior Achievement is a non-profit organization whose objective is to inspire and prepare the young so that they can be successful in the global economy.

CORPRENSA is part of a group of collaborators of Junior Achievement where the Associates participate as advisors, offering them part of their knowledge to children and young from primary and secondary school, as part of our work in Corporate Social Responsibility.

The “Junior Achievement” program involves the collaborators in a social activity where the Associate’s capacities and knowledge is developed together with the children and young, in an agreeable environment and a gratifying experience for the Associates.

Environment

Principio 7:
Businesses should support a precautionary approach to environmental challenges.

Principle 8:
Undertake initiatives to promote greater environmental responsibility.

Principle 9:
Encourage the development and diffusion of environmentally friendly technologies.

Commitment

CORPRENSA is very much committed to be a media through which society in general and our readers in particular are aware of the importance of supporting a precautionary approach to environmental challenges. Thus, at CORPRENSA we promote through our publications greater environmental responsibility and when given the opportunity we write about new environmentally friendly technologies.

But our commitment goes further than that, as we have decided as a policy to implement Environmentally Friendly working conditions and taking care of the impact we might have, with our production processes in the atmosphere of our surroundings.



²⁰ “Junior Achievement” is a non profit organization whose purpose is to inspire and prepare youth so that they can be successful in the global economy.
<http://www.ja.org>

Caring for Climate

CORPRENSA is one of 324 UN Global Compact participant worldwide who have signed and thus endorses the UN Global Compact platform – Caring for Climate.

“Caring for Climate” is a voluntary and complementary action platform for UN Global Compact participants who seek to demonstrate leadership on the issue of climate change. It provides a framework for business leaders to advance practical solutions and help shape public policy as well as public attitudes.

By supporting the platform, CORPRENSA has also stated readiness to set goals, develop and expand strategies and practices, and to publicly disclose emissions as part of our existing disclosure commitment within the UN Global Compact framework.

Policies and Procedures

With the cooperation of ANAM²¹ and external specialized consultants, we have made the following programs:

Voluntary Environmental Audit

In 2006, CORPRENSA made a Voluntary Environmental Audit in order to establish a PAMA²² in July 2007. It was sent to the Environmental authority ANAM for their approval. In May 2008 ANAM made some observations and the PAMA was re-submitted the document in July 2008. Although we have not yet received final approval, we have started implementing the PAMA, which has 54 areas of proposed measures.

| Component | Considerations | Objectives |
|--|---|--|
| Water 4 measures | <ul style="list-style-type: none"> Water consumption and in contact with humans Residual water Permission to unload residual water. | <ul style="list-style-type: none"> Guarantee potable water's quality that is consumed in the company. Guarantee that the outflow unloads in the sewage system. Comply with the State's regulations. |
| Hygiene and Industrial Security 5 measures | <ul style="list-style-type: none"> Prevention, emergency and contingency signal system. Use of security pages of the substances used in the production plant. Extinguishers and location charts. First Aid Medical cabinet. | <ul style="list-style-type: none"> That the company has a signaling system to take care of the unforeseen. That the company uses protocols to manage and store substances. That the company has the necessary equipment to fight fires. That the company has the necessary equipment to take care of emergencies. Identify vulnerabilities and risk points. |
| Best Practices 3 measures | <ul style="list-style-type: none"> Creation of an operative unit of environment responsibility. Have an operative regulation. | <ul style="list-style-type: none"> Channel the environmental management to the administrative level Unify criteria and security compliance programs for the company. |

²¹ Autoridad Nacional del Ambiente (ANAM) www.anam.gob.pa/

²² PAMA: Programa de Adecuación y Manejo Ambiental (Environmental Adapting and Management Program)

| | | |
|--|---|--|
| Intervention Indicator 1 measure | <ul style="list-style-type: none"> Study the information that will allow us to evaluate the production efficient obtained by implementing environmental management measures. | Related to the study of: <ul style="list-style-type: none"> Total production before and after the intervention Total consumption before and after the intervention Process flow Water consumption Energy consumption Fuel consumption |
| Cleaner Production Plan 6 measures | <ul style="list-style-type: none"> Generate statistics on the based described in the PAMA Induction talks on environment and best practices Document raw material's life cycle. Self-control and follow-up Teach the personnel to put off the equipment when not using it. Quantify the amount of water used monthly in the administrative and in the productive process areas. Quantify the amount of energy used monthly in the administrative and in the productive process areas. Chart the potency factor Prepare a regulation for suppliers and agents of massive distribution Prepare equipment cleaning guidelines under the P+L criteria Document the work of the automobile fleet. | <ul style="list-style-type: none"> Generate line base statistics for P+L Teach all the employees general concepts of the environmental law Know the products' production cycle and identify the opportunities to reduce at the origin. Save energy Know the amount of water resource used in the company Know the amount of energy resource used in the company Know the tendency of electric dimensions and avoid sanctions. Unify external agent's practices within the plant Adequate use of material. Guarantee that the automobile fleet is in good mechanical state. |
| Rational Management of Natural Resources Plan 4 measures | <ul style="list-style-type: none"> Install water timers in faucets in the administrative area. Internal re-order plan Include an annual review of the plumbing in a preventing maintenance program. Plant trees in the parking area | <ul style="list-style-type: none"> Economic savings of water usage Increase the operating and circulation space Save the water resource Place a natural screen for noise and esthetics. |



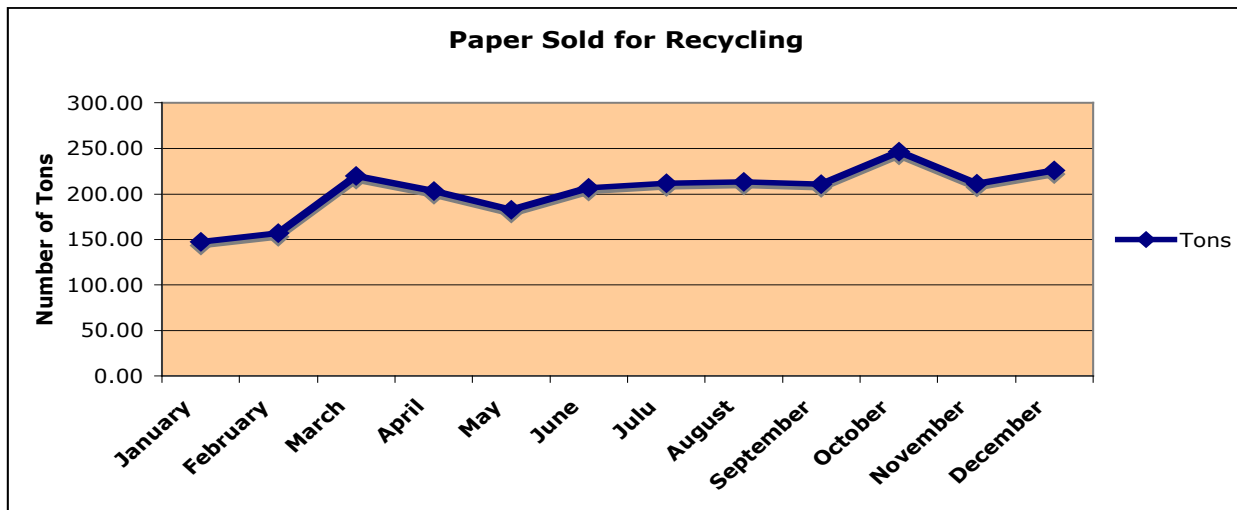
| | | |
|--|--|--|
| <p>Accident Prevention Plan 19 measures</p> | <ul style="list-style-type: none"> • Install vision protection and energy saving screens on PC's. • Medical evaluation Archive, disorder audiometer. • Substitute the access stairs to the second floor from the old printing press. • Install fluorescent lights in the printing presses. • Protection of some sections from the existing electric cables. • Install industrial extractors and fans in the printing presses • Order the printing presses areas. • Transit signs in the area of forklifts • Install a shower and eyewash in the printing press area. • Provide to the personnel that requires it, helmets, gloves and masks. • Establish the maximum height for paper stowage • Prepare an instruction manual and place it in the ink container area. • Place security production sheets in the area where they are used. • Eliminate the practice of integrating cleaning cloths with the domestic garbage. • Indicate in laminated color guides the ink tubs. • Enable the chimney for analytical sampling. • Review and enable to printing presses' source of water. • Use protectors for the equipment. • Close the container with rollers cleaning solution once the task has been finished. | <ul style="list-style-type: none"> • Personnel protection and energy savings • Initiate an occupational health registry • Reduce the probabilities of fall at drops • Improve lighting • Industrial security • Renewal of the internal air and cooling of personnel. • Increase the work and circulation space • Provide industrial security. • Increase the useful life of the system • Limit accident possibilities • Guarantee resource providing. |
| <p>Contingency Plan 5 measures</p> | <ul style="list-style-type: none"> • Creation of an internal contingency attention committee upon natural, technological or anthropogenic disasters. • Prepare sheets with contact numbers and place them in visible places (Firefighters, Police, SINAPROC²³, ambulances, etc. • Elaborate, disclose (talks, flyers) implement (exercises, training) practices (simulations) and update the contingency plan. | <ul style="list-style-type: none"> • Have an organizational structure that can confront contingencies. • Have at the plant fast access in case of emergency. • Make possible the development of the personnel upon a contingency, under a known, practiced structure. |
| <p>Monitoring Plan 7 measures</p> | <ul style="list-style-type: none"> • Potable water • Residual water • Noise • Vibration • Internal atmosphere • Emission of fixed sources • Illumination. | <ul style="list-style-type: none"> • Verify the quality of water for human consumption and contact. • Characterize outflow process • Analyze the noise in the operative wings and neighborhood • Analyze the noise in the coupling areas. • Register gases in the internal environment • Characterization of fixed sources • Quality of the illumination sources |

Activities & Outcome

At CORPRENSA we use a lot of natural resources, and we have decided to manage them in order to affect the environment as little as possible, and also to reduce expenses. To that end we have done the following activities:

Paper Management

CORPRENSA compacts in special containers the residual paper when printing the newspapers. This residual paper is sold to paper companies for their recycling. During 2008 we sold 2,438 tons of paper for a total of B/. 206,166, as per the chart below:



Electricity Management

Even though during 2008 there was a significant increase in Fuel costs worldwide, CORPRENSA managed the electricity quite efficiently as demonstrated by this chart.

| | July 2006 | July 2007 | July 2008 | 2007-2006 | | 2008-2007 | |
|----------------------------|----------------------|----------------------|----------------------|----------------------|---------------|----------------------|----------------|
| | | | | Difference | Variation | Difference | Variation |
| Energy Consumed (kwh) | 355,600 | 354,900 | 368,200 | -700 | -0.20% | 723,100 | -3.61% |
| Fixed Charge | B/. 8.12 | B/. 8.49 | B/. 8.89 | B/. 0.37 | 4.56% | B/. 0.40 | -4.50% |
| Energy Consumption | B/. 41,743.88 | B/. 46,393.19 | B/. 57,680.08 | B/. 4,649.31 | 11.14% | B/. 11,286.89 | -19.57% |
| Maximum Demand | B/. 7,253.40 | B/. 6,733.80 | B/. 8,753.12 | -B/. 519.60 | -7.16% | B/. 2,019.32 | -23.07% |
| Fuel Variation | B/. 391.16 | B/. 6,700.51 | B/. 9,922.99 | B/. 6,309.35 | 1612.98% | B/. 3,222.48 | -32.47% |
| Tariff Stabilization Fund | -B/. 2,322.86 | | | B/. 2,322.86 | -100.00% | | |
| Subsidy Surcharge (Law 15) | B/. 256.75 | B/. 212.54 | B/. 381.83 | -B/. 44.21 | -17.22% | B/. 169.29 | -44.34% |
| Total | B/. 47,330.45 | B/. 60,048.53 | B/. 76,746.91 | B/. 12,718.08 | 26.87% | B/. 16,698.38 | -21.76% |

There are several actions that are taking place in order to improve the use of electricity.

- The entry has been unified in order to reduce the Maximum Demand
- Light circuits have been reassigned in the post press area in order to turn off the areas that are not in use
- Experimented to work in Mi Diario with different options of Air Conditioning to see if there would be an appreciative difference in the consumption.
- Tried a movement sensor in one of the bathrooms
- Measuring the electricity consumption of all the company's equipment
- Quoted PLC products to administer Air Conditioners vs. the Gerardo project
- A liquid was put in order to save energy in Mi Diario to determine impacts.
- A program to monitor computers that are turned on has been put in place
- Measuring the electricity consumption of all Air Conditioners and comparing the data with their plates.
- Working in the electric unification to obtain a 10% savings.
- Installed curtains in the warehouse and the return room so that the air does not leave when the door is opened.
- Installed vision protection and energy saving screens on PC's and changed the screens to LCD).

Noise Management

In our efforts to ensure that none of our Associates or neighbors is exposed to noise levels above the established legal norms, we requested an audit from the Center of Chemical Investigations to establish the current status – in the plant and its exterior, as well as measures to reduce it.

The evaluation took place on December 17 2008, based on the noise level required by Executive Decree No. 1 of 2004.

The result of the measurement was that:

At the Press: The noise level had a range of 87.3 dB(A) up to 96.4 dB(A). This range slightly exceeds the accepted noise level of 85 dB(A) if an Associate is exposed to it for more than 2 hours on a working day, since the regulation shows that maximum noise level allowed from 2 to 8 continuous hours ranges from 85 dB(A) to 95 dB(A). Thus our Associates wear earmuffs when at the Press.



In the exterior of the traffic circle: The noise level was measured at 56.1 dB(A) to 66.9 dB(A), which is very well within the range of noise allowed.

The maximum noise level in a working day from 6 a.m. to 9:59 p.m. was measured at 60 dB(A), also within the noise level allowed.

Ink Management

The ink used by the printers is recycled. We have been monitoring the savings on ink since 2004. These are the numbers.

| Recycling of Ink | | | | | | |
|------------------|-----------------|------------|--------------|------------------------------------|---------------|-------------------|
| Year | Pounds Urbanite | Pounds U70 | Total Pounds | Annual Average Price per Pound B/. | Total in B/. | Accumulated Total |
| 2004 | 9,202 | 7,235 | 16,437 | B/. 53.38 | B/. 8,774.07 | |
| 2005 | 8,768 | 8,987 | 17,755 | B/. 53.38 | B/. 9,477.63 | B/. 18,251.70 |
| 2006 | 7,455 | 11,344 | 18,799 | B/. 53.94 | B/. 10,132.74 | B/. 28,384.44 |
| 2007 | 12,284 | 12,358 | 24,642 | B/. 56.30 | B/. 13,837.95 | B/. 42,222.39 |
| 2008 | 3,488 | 10,685 | 14,173 | B/. 63.33 | B/. 9,056.00 | B/. 51,278.39 |

Promotion of Environmental Responsibility

Reporters from La Prensa and Mi Diario proactively investigate public and private institutions that do not comply with current environmental laws in order to make this known to the community so that citizen's actions will be made to protect the environment. Additional, the media is receptive to denouncements from citizen's organizations that deal with the issue. On the other hand, information is reported on agreements and conventions (national and international) relating to environment as well as good business practices that stand out or are innovative.

Illustrative Highlights from 2008 Publications

1. The new cement factory in La Chorrera

Impact

We published the issue of the construction of a cement factory in La Chorrera that was not public because the residents, the majority of which are people with few resources, didn't immediately have easy access to the media and exert their right to express themselves and to disagree. Besides, there was evidence that the company did not comply with its duty to inform the neighbors about the industrial type project, and that it would be installed in a residential area. Also, a number of facts that evidenced illegal acts were visible, among which the approval of an Environmental Impact Study which was made in less than a month for a project of this size.

Reaction

After the publication, authorities manifested that they would not authorize the operation of a cement factory in this sector.

Consequences

The Government disqualified the reporter and La Prensa, alleging that all the processes were done through the corresponding channels.



2. More concrete, and less vegetation in the “Cinta Costera” or “Cinta Concretera”

Impact

It was revealed that there existed three different versions of the Cinta Costera’s design. The first that was announced by the Ministry of Public-Works, promoted a project that would be “a green lung for the city” in Avenida Balboa, all was vegetation. A second version appeared in a flier that the Ministry of Public-Works circulated includes a parking area even if it mentions that the project will improve the quality of the air since it will include ample green areas. The following month, during a forum, the entity published a photo where the marinas of the Yacht Club and the Miramar Hotel appear as huge land areas, when it was known that at least the Yacht Club would install huge galleys in the area. More cement and less vegetation appeared every time

Reaction

Civil society maintains its pressure on the authorities demanding that the final design of the Cinta Costera be made public and that it will not be converted into a place full of stores. Transparency in the project is being demanded from the authorities taking into account that it is a millionaire investment with public funds.

Consequences

The Ministry of Public-Works is obliged to give the landscape blue print and the design of the Cinta Costera and to explain to the citizenship the changes that have been made.



3. Ecological Crime and Full Blown Devastation

Impact

Evidence was placed of the destruction that the mangroves of the District of Pedasí in Los Santos were subject to by the development of great tourist projects. In order to build a resort with a casino, the deforestation and burning of mangroves as well as the deflection of the river is necessary.

Reaction

Environmental organizations demand that the sale of beach areas and mangrove areas not be sold as they are ecosystems that guarantee the survival of many species and that they maintain the environmental equilibrium. Local authorities recognize that they have a problem but they allege that entities linked to the issue do nothing to resolve.

Consequences

The ANAM initiates an investigation. The environmental organizations intensify their lobbying to approve a norm that protects the mangrove areas.²⁴



²⁴ Aftermath: In February 2009 the ANAM declares an area of about 85,600 hectares of mangrove as protected, even if the ones that at the moment were part of the development of residential and tourist projects, have been excluded.

4. Risk Expansion / The Devastation of Mangroves in Colon causes concern and they ask for a use of land plan - - José Arcia

Impact

The issue of the need to reform the land use plan in the reverted areas is brought to the table to protect mangrove areas that are left, since, when it was conceived, there was little information on the issue and about the damage that port development provokes to the ecosystem. Also the risk that it represents to this area and the city of Colon and the general loss of the mangrove was brought up, for instance that would produce more inundations and more severe every time, since the protection barrier represented by the mangroves would be lessened. Reacción

Reaction

The scientific community makes pressure on the issue, but there is no echo from the authorities. The problem persists



5. Devastation in Colon / Petaquilla²⁵ got out of its limit and Petaquilla shields itself on the contract. - Rafael Berrocal y Mónica Palm

Impact

Environmental damage issue is placed on the table that the mining project is causing in Colon. As a project that has not complied with the norms and violated environmental aspects it is putting at risks 3,000 hectares of forest, a great part of which has hardly had any human intervention, as well as the great biodiversity of the area. There is also evidence of the non-compliance of the contract signed with the State.

Reaction

Environmental groups add themselves. They demand with protests and participation in the media the suspension of the project. The affected community by the impact of the mine also protests.

Consequences

The ANAM initiates investigations and sanctions the company for non-compliance, however, the exploratory activity in the area continues and the company advances in the necessary structure for the production of gold and copper mine.



6. Coiba, a dark past and a promising future.

Impact

The history of a penitentiary island whose past of tortures, was internationally known. A story of how it was born, from its terror history, and its natural beauty wasted today.

Reaction

It was put on evidence the lack of interest in a historical and rich in biodiversity site, of animal and plant life, marine and land, for its geographical and geological particularities.



²⁵ Petaquilla is a mining project.

Editorial Awards

In this respect CORPRENSA has been honored to receive during 2008 the following prizes:

Award By: **Natura's Foundation Biosphere**
Category: Territorial organization
Title of the work: **"Cinta Costera,²⁶ – its final design"**
Awarded to: José González
Date: January 30, 2008

Award By: **National Environmental Authority (ANAM)**
Category: Best news report on Cleaner Production
Title of the work: **"Indigenous take the lead"**
Awarded to: Zoraida Chong (Journalist)
Date: June 27, 2008

Award By: **National Environmental Authority (ANAM)**
Category: Best news report on Environmental Science and Technology
Title of the work: **"Mine all ahead"**
Awarded to: Rafael Berrocal (Journalist)
Date: July 1, 2008

Award By: **National Environmental Authority (ANAM)**
Category: Best news report on Environmental Economy
Title of the work: **"Imminent danger for Coiba"**
Awarded to: Monica Palm (Journalist)
Date: July 1, 2008

Award By: **National Environmental Authority (ANAM)**
Category: Best news report on Printed Media
Title of the work: **"Forest in Danger"**
Awarded to: Jose Arcia (Journalist)
Date: July 1, 2008

Award By: **National Environmental Authority (ANAM)**
Category: Best Photograph
Title of the work: **"Ray in Cold"**
Awarded to: Alexander Arosemena (APRENDÓ's Photographer)
Date: July 1, 2008

²⁶ Cinta Costera is the title of a government improvement of the coastal roadway in Panama City.

Anti-Corruption

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

Commitment

CORPRENSA is committed to internally enforce ethical behavior at all levels within our own organization, as well as externally to shed light on and generate attention to corrupt activities detected in any sector in Panama – public, private, or civil.

Policies and Procedures

To that end CORPRENSA has – with the participation of its Associates – written and implemented two very important documents which are given to all Associates when newly hired and is available to all Associates on Intranet. These are:

- *Policy of Corporate Ethics*
- *Style and Writing Manual*

Activities

Constant Review of the Ethics Policies

The current Code, as well as all regulations that form part of the Writing and Style Manual, was made and up-dated with teamwork from reporters, editors, and writing directors. There was a discussion process in a committee which during months worked in the review, correction and updating of all the elements and then it was presented to the rest of the Associates.

This document is available to all Associates by Intranet, and a copy of it given to all employees when they enter the corporation.

Illustrative Highlights from 2008 Publications

1. Martín Torrijos²⁷ Secret Contract

Impact

We put in evidence that between 2001 and 2004 Martin Torrijos received B/. 300,000 annually for an irregular contract that he signed with the Government of the Dominican Republic thanks to his political contacts in the Caribbean island; that the earnings of said contract were collected by Torrijos even when he was President Elect of Panama and that they were not included in his sworn declaration that he made public when he assumed his position; that the contract – in which high officials of his government also participated – never complied, violated the Public Contract Law of the Dominican Republic and avoided taxes. It was also proven that the contract was never complied with.

Reaction

Transparency International, the political groups and civil society that fight for transparency of public affairs made echo of the publication and demanded explanations from the President who at all times denied any irregularity. President Torrijos alleged that he had to make a

living.



²⁷ Martín Torrijos - President of the Republic of Panama

2. Public Funds pay for a Private Club

Impact

Private agreements and negotiation terms that benefited particulars above the State's interest were known: properties in state land and properties with expired concessions for which cents were paid and whose owners would be indemnified by the State in the Cinta Costera Project. Also, through a Habeas Data, we achieved that the Ministry of Public-Works be forced to give information that is public but that he continued to refuse to give it.

Reaction

When this note was published we received the support of civil organizations that intensified their presence in the media to demand that the Ministry of Public-Works provided to the citizens the information about the project that was hidden (artistic blue prints and the design of the Cinta Costera, for instance). The citizens in general reacted some time later when we made it known that a valorization tax was being studied to finance the project.

Consequences

The Ministry of Public-Works started a media campaign – every time that a media asked him about the issue – to discredit La Prensa's reports and the reporter. He alleged that the reported refused to wait when he was going to his office, and that to give the information the newspaper should pay for the copy of the blueprints.



3. They pay cents for rent of Amador²⁸ Lands - - Rafael Berrocal / The Amador disaster – Rafael Berrocal / Concessions given on sale - Rafael Berrocal

Impact

These and other follow-up notes put in evidence facts that we consider that have corruption appearance, in concession of state lands and/or sea bed, in the Amador area, Balboa Avenue and Punta Paitilla, with the aggravating circumstances that the State signed contracts at ridiculous prices (between B/. 0.02 and B/. 2.00) in areas where the land is quoted at prices between B/. 2,000 up to B/. 5,000 per square meter. The investigation discovered irregularities and law violations, among which, legal demands, delayed accounts, hotels and commercial centers that were never constructed, out of place or not authorized sea bed fillings, buildings above the height allowed and altered blueprints.

Reaction

Civil society groups as well as Transparency International and environmental NGOs made echo of these accusations and demanded that transparency from the State in the issuing of concessions to avoid lesions to public funds.

Consequences

The newspaper as well as the reporters involved in these notes were demanded for lack of ethics by some of the concessionaires, and in the subsequent months some of them have maintained media campaign – publishing communiqués – in which they allege that La Prensa has mounted a campaign without any basis.



²⁸ Amador is a tourist area in the Panama Canal Area.

4. Presidential luxuries - Rafael Berrocal

Impact

This investigation revealed how Presidents of the last three periods of Government acquired during their respective terms valuable properties and constructed millionaire structures and that for two of them investigations have started on illegal enrichment, that did not prosper. In this note names of partners of President Martin Torrijos were revealed, in Farrallón²⁹, and the use of public funds was denounced to favor him, since the only paved road in the area where his beach house is – at the moment of the investigation – is the one that lead to his property.

Reaction

The President of the Republic recognized that he had a beach house. Transparency International pronounced itself and demanded that ex-presidents and President Torrijos explain to the citizens how they had acquired their assets.

Consequences

President Torrijos started a campaign against La Prensa and the reporter; each time that the media asked about the issue what he did was to disqualify them. His wife, Vivian de Torrijos, said that La Prensa had interfered with her personal life.



5. Surprise on the Valorization Tax that would finance the Cinta Costera and Affected demand participation / If you live here you will have to pay for the Cinta Costera.

Impact

Information that was not revealed and that affected a number of Panamanians was made public, who by the way, were never consulted about the possibility that because they live in areas near the public work, that it re-valued their properties and that they would have to pay an annual tax called valorization tax. It was put it evidence that the Government did not comply with the public consultation channels and citizen's participation and that it was retaining information that should have been made public, thus non complying with the Transparency Law.

Reaction

Organized civil society and the area neighbors were outraged by the amounts that they would have to pay for a public work that they alleged did not ask for and for which they were not consulted. They started a campaign with signs and posters and vigils in which they demanded more information from the authorities, and at the same time opposing to the charge.

Consequences

Even if it cannot be affirmed as a direct consequence of diverse publications on the issue made by this newspaper – the issue was only questioned by La Prensa – the Ministry of Public-Works, in the end, eliminated the valorization tax and it was announced that the Government would assume the cost of the Cinta.



²⁹ Farrallón is a beach resort area

Moving forward with CSR and UN Global Compact

As mentioned in the opening message from our President, Fernando Berguido and, CEO, Carlos Rabat, the philosophy and history of CORPRENSA are naturally and inviolably linked together with human rights and social responsibility. Good proof of this is our place in and our involvement with the community, our internal environment, and our dedication to environmental issues.

Apart from our commitment to and compliance with the individual principles of the UN Global Compact, CORPRENSA has in 2008 taken two important general steps in the process of significantly strengthening the overall strategic engagement with CSR and our commitment to the 10 principles of UN Global Compact.

1. Establishing a CSR Committee with representatives from different branches of the corporation
2. Contracting an external CSR consultancy – in coordination with Red Pacto Global Panamá – to manage the preparation of CORPRENSA's COP 2008 in close cooperation with our CSR Committee and other key Associates

Via Red Pacto Global Panamá, CORPRENSA will continue in 2009-2010 to work uninterruptedly with an associate consultancy.

In the projected next steps where all our stakeholder groups will be involved, CORPRENSA will:

1. Continue to gather a comprehensive overview of all our CSR related activities
2. Increasingly systematize the measurement of our activities for reporting purposes. We will initially use the CSR Index for Panama developed for Red Pacto Global Panamá but we will eventually work towards a measurement based on an international set of indicators
3. Develop a CSR strategy in a dialogue with all our stakeholder groups
4. Implementation of CSR strategy
5. Goal-oriented CSR inductions and training of Associates on all organizational levels.

At CORPRENSA we are proud of our history and performance. We also know that we need to improve, and this is exactly what we will be working on with dedication based on our firm belief that working systematically with CSR is basic good citizenship as well as basic common business sense.

CSR is very much a dialogue between the corporation and its stakeholders, and therefore we will only be happy to receive questions and comments to this COP that you may have. You can contact us at: at laprensa@prensa.com, telephone +507 222-1222, or P. O. Box 0819-5620, Panama City, Republic of Panama.