

QUESTION	ANSWER	REMARKS
C. ROLE OF STAKEHOLDERS		
<u>C.1 The rights of stakeholders that are established by law or by mutual agreement are to be respected.</u>		
<u>Does the company disclose a policy that :</u>		
C.1.1 Stipulates the existence and scope of the company's efforts to address customers' welfare?	Yes	<p>EDC, through our Board, Management, officers and employees, strictly observe the following key values and principles in dealing with our stakeholders, pursuant to our Code of Conduct and Business Ethics (CCBE) and Code of Conduct and Discipline (CCD):</p> <p><u>A. Business Partners (i.e. customers, suppliers, contractors, creditors, investors, government)</u></p> <ul style="list-style-type: none"> ✓ Honor all contractual obligations in accordance with existing laws, rules and policies; ✓ Fairness and transparency in all procurement activities and business transactions; ✓ Maintain professional relationships with potential and current suppliers, contractors and clients; ✓ Maintain the highest standards of service, professionalism, fairness and honesty in dealing with clients, bankers and financial advisors; ✓ Strictly observe company policies and laws on conflict of interest; ✓ Treat business partners and their personnel with professionalism and courtesy and without compromising EDC's integrity; ✗ Avoid soliciting gifts, accepting bribes and doing special favors and other acts that might be construed as giving undue advantage ✗ Avoid accepting anything the value of which is manifestly excessive that may impair or be presumed to impair professional judgment <p>We also have a Whistleblower policy wherein employees, customers, shareholders and other stakeholders are encouraged to raise and report serious concerns involving illegal and questionable activities or omissions, unethical behavior, fraud and other malpractices prior to seeking resolution outside the company without fear of harassment, retaliation, or adverse employment consequence. Our Whistleblower Policy laid down the procedures for whistleblowing, as well as their rights and responsibilities under the said policy.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC's Key Principles in Dealing with our Stakeholders , pages 11, 18.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 89, 96 >> Exhibit: Annual Corporate Governance Report, pages 104-105.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. EDC CODE OF CONDUCT AND BUSINESS ETHICS.</p>

<p>C.1.2 Explains supplier/contractor selection practice?</p>	<p>Yes</p>	<p>EDC, through our Board, Management, officers and employees, strictly observe the following key values and principles in dealing with our stakeholders, pursuant to our Code of Conduct and Business Ethics (CCBE) and Code of Conduct and Discipline (CCD):</p> <p><u>A. Business Partners (i.e. customers, suppliers, contractors, creditors, investors, government)</u></p> <ul style="list-style-type: none"> ✓ Honor all contractual obligations in accordance with existing laws, rules and policies; ✓ Fairness and transparency in all procurement activities and business transactions; ✓ Maintain professional relationships with potential and current suppliers, contractors and clients; ✓ Maintain the highest standards of service, professionalism, fairness and honesty in dealing with clients, bankers and financial advisors; ✓ Strictly observe company policies and laws on conflict of interest; ✓ Treat business partners and their personnel with professionalism and courtesy and without compromising EDC’s integrity; <p>EDC has institutionalized a supplier / contractor evaluation and accreditation process which ensures that only those companies which are duly registered with appropriate regulatory bodies, operating for at least three years and compliant with government rules and regulations, as well as financially and technically capable of completing the projects, are awarded the contracts.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC’s Key Principles in Dealing with our Stakeholders , pages 11-12.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 91 >> Exhibit: Annual Corporate Governance Report, pages 104-105.</p>
<p>C.1.3 Describes the company’s efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?</p>	<p>Yes</p>	<p>EDC, through our Board, Management, officers and employees, strictly observe the following key values and principles in dealing with our stakeholders, pursuant to the CCBE and CCD: xxx xxx xxx</p> <p><u>B. The Environment and the Community</u></p> <ul style="list-style-type: none"> ✓ Prioritize the environment and protect, conserve, develop and enhance all natural resources in and around every place EDC operates, particularly geothermal reservations enabling us to sustain operations and maintain ecological balance; ✓ Educate relevant stakeholders on environmental and social responsibilities; and ensure that they have understood, acknowledged and accepted these responsibilities; ✓ Promote environmental consciousness and protection, in partnership with local and private sectors;

		<p>✓ Respect the customs, traditions and beliefs of all indigenous peoples where it operates. Encourage them to wholeheartedly take active roles in the community development programs sponsored by the Company;</p> <p>✓ Empower residents of host communities toward self-reliance, self-respect and unity by implementing livelihood programs;</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC’s Key Principles in Dealing with our Stakeholders , page 11.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 89-90 >> Exhibit: Annual Corporate Governance Report, pages 47, 94, 106-107.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT. OUR 2013 PERFORMANCE>> FEATURES. REACH RESOURCES AND RESPONSIBILITY, pages 35-39.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS.2013 ANNUAL CORPORATE GOVERNANCE REPORT >> ROLE OF STAKEHOLDERS >>> ENVIRONMENTALLY FRIENDLY VALUE CHAIN, pages 87-89.</p>
<p>C.1.4 Elaborates the company’s efforts to interact with the communities in which they operate</p>	<p>Yes</p>	<p>EDC, through our Board, Management, officers and employees, strictly observe the following key values and principles in dealing with our stakeholders, pursuant to the CCBE and CCD: xxx xxx</p> <p><u>B. The Environment and the Community</u></p> <p>✓ Educate relevant stakeholders on environmental and social responsibilities; and ensure that they have understood, acknowledged and accepted these responsibilities;</p> <p>✓ Respect the customs, traditions and beliefs of all indigenous peoples where it operates. Encourage them to wholeheartedly take active roles in the community development programs sponsored by the Company;</p> <p>✓ Empower residents of host communities toward self-reliance, self-respect and unity by implementing livelihood programs;</p> <p>✓ Support local employment, and provide equal opportunity to all qualified individuals in recruitment and other employment practices – regardless of ethnic, religious or other types of affiliation;</p> <p>✓ Promote youth development, through appropriate activities and programs such as practicum, training and apprenticeship program for students and out-of -school youths regardless of their social affiliation; and</p> <p>✓ Provides disaster relief operations in time of calamity.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC’s Key Principles in Dealing with our Stakeholders , page 11.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 89-90 >> Exhibit:</p>

		<p>Annual Corporate Governance Report, pages 108-109.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT. OUR 2013 PERFORMANCE>> FEATURES. REACH RESOURCES AND RESPONSIBILITY, page 33.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS.2013 ANNUAL CORPORATE GOVERNANCE REPORT >> ROLE OF STAKEHOLDERS >>> ENVIRONMENTALLY FRIENDLY VALUE CHAIN, pages 86-87.</p>
<p>C.1.5 Describes the company's anti-corruption programmes and procedures?</p>	<p>Yes</p>	<p>EDC has anti-corruption programs that extends beyond detection and prevention of fraud and other corrupt practices, and supports a culture where unethical practices are highly discouraged and strictly prohibited.</p> <p>Aside from our CCBE and Conflicts of Interest Policy, we have the following policies for this purpose:</p> <p><i>A. Fraud Policy.</i> We have a corporate fraud policy, which was established to facilitate the development of controls which will aid in the detection and prevention of fraud against the Company. It also aims to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls. It defines fraud and enumerates the instances wherein fraud is committed, and designates the office primarily responsible for investigating corporate fraud cases. It emphasizes that in the process of investigating corporate fraud cases, EDC shall, at all times, accord all individuals concerned with all the rights and privileges emanating from due process.</p> <p><i>B. Whistleblower Policy ("Protected Disclosures Policy") and Fraud Policy.</i></p> <p>EDC's Whistleblower Policy provides that "No Director, officer, employee or anyone, who in good faith, reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequence."</p> <p>The EDC Whistleblower Policy's main thrust is to ensure protection for the Whistleblower, and prohibits any and all forms of retaliatory action against him. The Policy likewise defines who could be whistleblowers, laying down the matters which are reportable thereunder, the procedures for whistleblowing, as well as the whistleblower's rights and responsibilities under the said policy.</p> <p>In furtherance of our good governance initiatives and in consonance with our internal Fraud Policy and the Code of Conduct and Discipline to be discussed below, our Internal Audit Department (IAD) has been put in charge for the administration, revision, interpretation and application of this policy, under the supervision of the Boards' Audit and Governance Committee.</p> <p>Our IAD has assigned hotlines to enable employees and other stakeholders to report serious concerns of irregularities and wrongdoings. All stakeholders are encouraged to raise their concerns and complaints, together with detailed evidence, at hotline nos. +63 2 982-2202 or +63 917 863-4260. All reports will be acted upon and treated with strict confidentiality in accordance with the provisions of EDC's Protected Disclosure Policy.</p> <p><i>C. Code of Conduct and Discipline.</i> We have a Code of Conduct</p>

and Discipline, which became effective on September 16, 2011. It prescribes the norms of conduct and standards of behavior to instill a strong sense of discipline among our employees. These standards of behavior serve as guideposts in ensuring that our employees embrace and live EDC's core values. In launching the Code of Conduct and Discipline, acknowledgment forms expressing their joint commitment to strictly conform to the Code of Conduct and Discipline were also signed by all employees.

D. Guidelines on Giving and Receiving of Corporate Gifts. We also have Guidelines on giving and receiving corporate gifts, which was issued in February 14, 2013. It established the general principles on giving and receiving of gifts by all EDC officers and employees, probationary, regular, and contractual, and its subsidiaries, consistent with our Code of Conduct and Discipline, Conflict of Interest Policy and other related Corporate Policies.

The purpose of the guidelines is to set clear and realistic guidelines on giving and receiving of gifts that incorporate examples of what types of gifts are and are not allowed. The guidelines also helps motivate employees to strive for transparent business practices and relationships by keeping gifts and favors to a minimum, if not prohibiting them entirely, and empower employees with freedom and trust to strike the correct balance in their relationships with outside firms, to include vendors, consultants, contractors, suppliers, customers, regulators, political leaders, host communities and other business partners, among others.

E. Anti-Sexual Harassment Policy. We also have an Anti-Sexual Harassment policy. This policy prescribes the rules and regulations towards the promotion of a work environment which values human dignity and respect for human rights. It prescribes the administrative process and disciplinary action for sexual harassment cases. The policy was circulated, discussed and dissected in various labor-management council meetings, and finally signed and made effective on December 7, 2012.

SOURCES:

EDC WEBSITE. CORPORATE GOVERNANCE. [2014 EDC CORPORATE GOVERNANCE REPORT](#). >> 3. Role of Stakeholders >>> Anti-Corruption Programs , pages 18-19.

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. [2014 ANNUAL AUDITED FINANCIAL STATEMENTS \(SEC FORM 17-A\)](#). >>Corporate Governance, pages 96-97 >> Exhibit: Annual Corporate Governance Report, pages 46-56, 110, 115.

EDC WEBSITE. [2013 PERFORMANCE REPORT](#). OUR 2013 PERFORMANCE >> SCALING NEW HEIGHT: POLICY IN FOCUS. WHISTLEBLOWER POLICY, pages 64-65.

EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. [EDC'S CORPORATE GOVERNANCE RELATED POLICIES AND ISSUANCES](#). -GUIDELINES ON GIVING AND RECEIVING CORPORATE GIFTS. – CODE OF CONDUCT AND BUSINESS ETHICS. – CODE OF CONDUCT AND DISCIPLINE. – WHISTLEBLOWER POLICY, pages 83-84.

EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. [2013 ANNUAL CORPORATE GOVERNANCE REPORT](#) . ROLE OF STAKEHOLDERS >> CUSTOMER'S WELFARE. ANTI-CORRUPTION PROGRAMMES, pages 86, 90.

[EDC ANNUAL AND SUSTAINABILITY REPORT](#). Page 58.

<p>C.1.6 Describes how creditors' rights are safeguarded?</p>	<p>Yes</p>	<p>Briefly, EDC, through our Board, Management, officers and employees, strictly observe the following key values and principles in dealing with our stakeholders, pursuant to the CCBE and CCD:</p> <p><u>A. Business Partners (i.e. customers, suppliers, contractors, creditors, investors, government)</u></p> <p>✓ Honor all contractual obligations in accordance with existing laws, rules and policies;</p> <p>✓ Fairness and transparency in all procurement activities and business transactions;</p> <p>✓ Maintain the highest standards of service, professionalism, fairness and honesty in dealing with clients, bankers and financial advisors;</p> <p>✓ Strictly observe company policies and laws on conflict of interest;</p> <p>✓ Treat business partners and their personnel with professionalism and courtesy and without compromising EDC's integrity;</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC's Key Principles in Dealing with our Stakeholders , pages 11.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 89 >> Exhibit: Annual Corporate Governance Report, pages 104-105, 111.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS >> CUSTOMER'S WELFARE. >> SAFEGUARDING CREDITOR'S RIGHTS, pages 86-87 AND 90.</p>
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Does the company disclose the activities that it has undertaken to implement the above-mentioned policies?

<p>C.1.7 Customer health and safety</p>	<p>Yes</p>	<p>Committed to promote customer interests in the Company, EDC has partnered with First Gen Corporation in conducting a customer's appreciation event. The event provides a venue for EDC to express appreciation to our customers for keeping good business relations with the Company and to get feedback on our services.</p> <p>In 2014, our customer's appreciation event, headed by Our Chairman/CEO Federico R. Lopez and our President/COO Richard B. Tantoco, was held on December 3, 2014 at the Marriott Hotel, Manila. Customers from various parts of the Philippines attended the said event. A short seminar on "The Ultimate Purpose of Life" was conducted by Mr. Bo Sanchez for our customers. Feedback forms were distributed to the customers during said seminar. In the same event, EDC also cited and formally recognized our customers for exemplary business relations and customer performance: Most Responsive and Cooperative Customer, the Prompt Payer and the Customer of the Year. We also gave loyalty awards to customers who signed up PSA amendments ahead of time.</p> <p>We also conducted three (3) Customer Assemblies for 2014 in Panay, Cebu and Dumaguete. The Assembly provided EDC the opportunity to touch base with our customers through</p>
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		<p>teambuilding activities, seminars on business continuity and discussions on value-added services that are offered by EDC and the Lopez Group.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , pages 12.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 90-91 >> Exhibit: Annual Corporate Governance Report, pages 104-105.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS, pages 86-87.</p>
C.1.8 Supplier/Contractor selection and criteria	Yes	<p>in 2014, for our Supply Chain activities, EDC has institutionalized a supplier / contractor evaluation and accreditation process which ensures that only those companies which are duly registered with appropriate regulatory bodies, operating for at least three years and compliant with government rules and regulations, as well as financially and technically capable of completing the projects, are awarded the contracts.</p> <p>In selecting our suppliers, we conduct a financial risk evaluation to determine a supplier's capacity to meet financial commitments and to deliver goods/services based on credible financial statements covering a reasonable period for analysis. We also conduct a legal evaluation to ascertain a supplier's statutory compliance and legitimacy as an entity fit for engagement after perusal of required documents. We also undertake further calibration through technical evaluation, business case detailing cost savings potential and other value drivers for EDC, as may be required by the nature of transaction.</p> <p>As part of the accreditation process, we require our suppliers to execute a written statement on the absence of family or personal interests in EDC, its subsidiaries, affiliates, their officers, stockholders, representatives, agents or employees to ensure their compliance with our Conflict of Interest Policy. We also adopt relevant contract terms that guarantee the supplier's agreement to abide by laws, rules, regulations and EDC established standards pertaining to the environment, health and safety, and other applicable laws. We also implement a competitive and transparent bidding process in selecting our suppliers. We further ensure that our database of accredited suppliers and contractors remain current with regular updating.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , pages 12.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, page 91 >> Exhibit: Annual Corporate Governance Report, pages 104-105.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS, pages 87.</p>
C.1.9 Environmentally-friendly value chain	Yes	<p>We, at EDC, recognize the need to harmonize our activities with the planet and the people, by enhancing the environment and</p>

		<p>creating self-sufficient communities.</p> <p><i>Climate Change Initiatives.</i> EDC assists in addressing the hazards that can be brought about by climate change. It undertakes holistic management of the forests around its projects to ensure the protection of the water-based hydro and geothermal reservoirs through forest patrols, reforestation, biodiversity monitoring, information education, and alternative livelihoods for forest dwellers to avoid encroachment. EDC has organized 125 forest communities in its project sites and provided them with livelihood opportunities since 1990. These interventions have drastically reduced destructive activities like illegal logging and slash-and-burn farming.</p> <p><i>BINHI Program.</i> From simply planting trees, EDC has branched out to tree biodiversity preservation. EDC's BINHI program aims to rehabilitate forest fragments and ensure preservation of biodiversity with its three modules, which are: Tree for Life, Tree for Food and Tree for the Future. Through these modules, EDC has planted an estimated 1,306 hectares in its five geothermal project sites in 2014. Also, EDC planted total of 3,509 endangered trees in 15 different areas including 2 new regions (CAR and Region IV-B), and achieved an average of 90% survival rate in almost all planting sites due to the good maintenance of our partner schools and organizations, in 2014 alone.</p> <p>We have also continued to rescue and preserve 92 Philippine premium and endangered tree species, and produced a cumulative number of 38,000 propagated seedlings through vegetative materials production of 53 species.</p> <p>Through the Program, we have partnered with 109 institutions across 12 regions, planting 3,509 trees of 60 premium, endangered and native species.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , page 13.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, page 92 >> Exhibit: Annual Corporate Governance Report, pages 106-108.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT. OUR 2013 PERFORMANCE >> ENVIRONMENTAL PERFORMANCE. NURTURING AND PROTECTING BIODIVERSITY, pages 46-49.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS, pages 87-89.</p> <p>EDC WEBSITE. EDC ANNUAL AND SUSTAINABILITY REPORT, pages 41-49.</p>
<p>C.1.10 Interaction with the communities</p>	<p>Yes</p>	<p>We, at EDC, recognize the need to harmonize our activities with the planet and the people, by enhancing the environment and creating self-sufficient communities.</p> <p><i>Livelihood Programs.</i> With our zero-budget CSR livelihood program, we have a deep commitment to cultivate entrepreneurial skills through income generating projects of host communities. We supervised livelihood modules that are implemented by 9 Farmer Cooperatives and 89 Farmers/Community Associations across the five geothermal project sites, with plans of expansion in the future to our other</p>

renewable energy project areas. EDC awarded P3.7 million worth of major livelihood projects that generated employment among community members and provided income to the associations.

As a model of a sustainable enterprise, demo farms (sweet corn and banana) were established wherein members of EDC-assisted cooperatives and associations are trained, not only, on production, marketing and financial management, but also, on the value of accountability and responsibility through on-the-job trainings in the different aspects of the work.

Apart from establishing systems for livelihood development, EDC has been instrumental in making the livelihood program sustainable and competitive. Proof of the capability and competitiveness of the beneficiaries of EDC's livelihood program are evident in (a) the extension by the Land Bank of the Philippines of a credit facility amounting to P17.7M in 2014 to the Federation of Bacman Host Communities (FEDBAHC), a federation of all Host Communities Association (HCA) that provides livelihood opportunities to the local households; (b) the establishment of additional branches of Corn Monster, a sweet corn cart owned by Mailom-Minoyan United Farmers Marketing Cooperative (MMUFARMAC) based in Negros Occidental assisted by EDC; and (c) the direct award in the amount of P370.1 Million worth of small and large -scale contracts to local farmers federations.

Capability Building. Working towards this objective, EDC looks into enhancing the capability of the school facilities and personnel with the repair of 36 schools, trainings on various teaching skills enhancement with 300 teacher participants, financial incentives to 52 teachers, and provision of working paraphernalia for 330 teachers. For the students, EDC subsidized the miscellaneous fees and school supplies of 20,807 elementary school students, and awarded scholarships to 1,160 top-performing and indigent high school students and 30 college students, giving them an opportunity to stay in school for another year.

Apart from enhancing the academic capability of the students, physical fitness, values formation, environmental awareness and entrepreneurship are also strengthened through the annual Energy Camp, which involved 47 high school students last year.

We continue to implement the College Admission Review and Readiness (CAREERS) Project to provide equal access to quality education and gainful employment. In 2014, 21 CAREERS summer class reviewees have qualified in the University of the Philippines College Entrance Test (UPCAT). There are currently 62 students in the different UP campuses who benefit from the Project's monthly monitoring, mentoring and financial assistance. Also in 2014, a second batch of 179 students underwent a 20-day review class to prepare for entrance tests of premium universities, such as UP and other state colleges. The CAREERS Project also facilitated their UPCAT applications last year.

Community Health and Safety. To further ensure the health of the communities surrounding our plants and improve their sanitation practices, EDC has repaired 3 Barangay Health Centers (BHCs), provided functional equipment to 25 BHCs, rehabilitated 10 Barangay water systems, and distributed medicines and medical supplies to 33 BHCs, 14 partner elementary schools and 17 day care centers.

To complement the improved facilities and supplies, we also enhanced the skills of more than 140 community health workers through refresher trainings on primary health care, basic life support, diseases prevention, responsible parenthood and

		<p>emergency preparedness and response. Support in health services, such as medical, dental, optical, blood-letting, outreach activities, health awareness and responsible parenthood, were also extended to 8,151 individuals of host communities across the five sites.</p> <p>Likewise, 3,375 school children in 9 schools were beneficiaries of the nutrition feeding program implemented in EDC's assisted partner schools. To further ensure the health of the community and improve sanitation practices, EDC has also rehabilitated 7 barangay water systems.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , pages 13-14.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 92-93 >> Exhibit: Annual Corporate Governance Report, pages 108-110.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT. OUR 2013 PERFORMANCE >> ENVIRONMENTAL PERFORMANCE. NURTURING AND PROTECTING BIODIVERSITY, pages 35-37.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS, pages 89-90.</p> <p>EDC WEBSITE. EDC ANNUAL AND SUSTAINABILITY REPORT, pages 64-69.</p>
<p>C.1.11 Anti-corruption programmes and procedures</p>	<p>Yes</p>	<p>EDC has anti-corruption programs that extends beyond detection and prevention of fraud and other corrupt practices, and supports a culture where unethical practices are highly discouraged and strictly prohibited.</p> <p>Aside from our CCBE and Conflicts of Interest Policy, we have the following policies for this purpose:</p> <p><i>A. Fraud Policy.</i> We have a corporate fraud policy, which was established to facilitate the development of controls which will aid in the detection and prevention of fraud against the Company. It also aims to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls. It defines fraud and enumerates the instances wherein fraud is committed, and designates the office primarily responsible for investigating corporate fraud cases. It emphasizes that in the process of investigating corporate fraud cases, EDC shall, at all times, accord all individuals concerned with all the rights and privileges emanating from due process.</p> <p><i>B. Whistleblower Policy ("Protected Disclosures Policy").</i> We have a Whistleblower policy wherein employees, customers, shareholders and other stakeholders are encouraged to raise and report serious concerns involving illegal and questionable activities or omissions, unethical behavior, fraud and other malpractices prior to seeking resolution outside the company without fear of harassment, retaliation, or adverse employment consequence. Our Whistleblower Policy laid down the procedures for whistleblowing, as well as their rights and responsibilities under the said policy.</p> <p>In furtherance of our good governance initiatives and in consonance with our internal Fraud Policy and the Code of</p>

Conduct and Discipline to be discussed below, our Internal Audit Department (IAD) has been put in charge for the administration, revision, interpretation and application of this policy, under the supervision of the Boards' Audit and Governance Committee.

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The purpose of the guidelines is to set clear and realistic guidelines on giving and receiving of gifts that incorporate examples of what types of gifts are and are not allowed. The guidelines also helps motivate employees to strive for transparent business practices and relationships by keeping gifts and favors to a minimum, if not prohibiting them entirely, and empower employees with freedom and trust to strike the correct balance in their relationships with outside firms, to include vendors, consultants, contractors, suppliers, customers, regulators, political leaders, host communities and other business partners, among others.

E. Anti-Sexual Harassment Policy. We also have an Anti-Sexual Harassment policy. This policy prescribes the rules and regulations towards the promotion of a work environment which values human dignity and respect for human rights. It prescribes the administrative process and disciplinary action for sexual harassment cases. The policy was circulated, discussed and dissected in various labor-management council meetings, and finally signed and made effective on December 7, 2012.

SOURCES:

EDC WEBSITE. CORPORATE GOVERNANCE. [2014 EDC CORPORATE GOVERNANCE REPORT](#). >> 3. Role of Stakeholders >>> Anti-Corruption Programs , pages 18-19.

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. [2014 ANNUAL AUDITED FINANCIAL STATEMENTS \(SEC FORM 17-A\)](#). >>Corporate Governance, pages 96-97 >> Exhibit: Annual Corporate Governance Report, pages 46-56, 110, 115.

EDC WEBSITE. [2013 PERFORMANCE REPORT](#). OUR 2013 PERFORMANCE >> SCALING NEW HEIGHT: POLICY IN FOCUS.

		<p>WHISTLEBLOWER POLICY, pages 64-65.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. EDC'S CORPORATE GOVERNANCE RELATED POLICIES AND ISSUANCES. -GUIDELINES ON GIVING AND RECEIVING CORPORATE GIFTS. – CODE OF CONDUCT AND BUSINESS ETHICS. – CODE OF CONDUCT AND DISCIPLINE. – WHISTLEBLOWER POLICY, pages 83-84.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS.2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS >> CUSTOMER'S WELFARE. ANTI-CORRUPTION PROGRAMMES, pages 86, 90.</p> <p>EDC ANNUAL AND SUSTAINABILITY REPORT. Page 58.</p>
<p>C.1.12 Creditors' rights</p>	<p>Yes</p>	<p>We respect all our contractual obligations, including loan agreements. We regularly get in touch with our creditors and continuously update them with the status of our projects and activities, and engage them in discussions to address their concerns regarding our plans and existing activities. We also ensure that restrictions and covenants, such as blackout period, and prohibition of set-off in loan agreements, are incorporated in our contracts.</p> <p>SOURCES:</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , pages 13.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, page 91 >> Exhibit: Annual Corporate Governance Report, pages 104-105, 111.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS.2013 ANNUAL CORPORATE GOVERNANCE REPORT . ROLE OF STAKEHOLDERS, pages 86 and 90.</p> <p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI CHECKED B+ BASED ON EUSS REPORTING STANDARDS, page 188.</p>
<p>C.1.13 Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?</p>	<p>Yes</p>	<p>SOURCES:</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS.2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 92-93 >> Exhibit: Annual Corporate Governance Report, pages 111, 134-138.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest , pages 13-14.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT. OUR 2013 PERFORMANCE >> BUSINESS PERFORMANCES AND ECONOMIC IMPACT >>> STRENGTHENING SHARED SUCCESSES, pages 33-44.</p> <p>INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI CHECKED B+ BASED ON EUSS REPORTING STANDARDS, page 188.</p>
<p><u>C.2. Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</u></p>		
<p>C.2.1 Does the company provide</p>	<p>Yes</p>	<p>Our Internal Audit Department has assigned hotlines to enable</p>

contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?

employees and other stakeholders to report serious concerns of irregularities and wrongdoings. **All stakeholders are encouraged to raise their concerns and complaints, together with detailed evidence, at hotline nos. +63 2 982-2202 or +63 917 863-4260.** All reports will be acted upon and treated with strict confidentiality in accordance with the provisions of EDC's Protected Disclosure Policy. Contact details are available at our website and our Annual Report.

SOURCES:

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. **2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A)**. >>Corporate Governance, page 96 >> Exhibit: Annual Corporate Governance Report, pages 51-56.

EDC WEBSITE. CORPORATE GOVERNANCE. **2014 EDC CORPORATE GOVERNANCE REPORT**. >> 3. Role of Stakeholders >>> Anti-Corruption Programs, page 18.

2013 PERFORMANCE REPORT. BACK COVER SHEET. CONTACT NUMBER OF HEAD OFFICE AND STRATEGIC BUSINESS UNIT.

C.3 Performance-enhancing mechanisms for employee participation should be permitted to develop.

C.3.1 Does the company explicitly disclose the health, safety, and welfare policy for its employees?

Yes

EDC, through our Board, Management, officers and employees, strictly observes the following key values and principles in dealing with our stakeholders, pursuant to the Code of Conduct and Business Ethics (CCBE) and Code of Conduct and Discipline (CCD):

C. The Employees

✓ Provide fair and competitive salaries and benefits to all employees and administers these promptly without regard to position or title;

✓ Provide equal opportunities for our employees' training and career development;

✓ Acknowledge and respect the right of employees to freedom of association within the parameters of the law, and for as long as such activities will be beneficial to them and to the Company;

✓ Observe fair, non-discriminatory and transparent procedures in hiring employees based on qualifications and experience and in accordance with the organizational requirements of the company;

✓ Implement a fair and objective employee performance evaluation in order to promote productivity, career growth and general work improvement; and

✓ Ensure a safe, healthy and secure working environment for its employees

SOURCES:

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. **2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A)**. >>Corporate Governance, page 90 >> Exhibit: Annual Corporate Governance Report, pages 111-113.

EDC WEBSITE. CORPORATE GOVERNANCE. **2014 EDC CORPORATE GOVERNANCE REPORT**. >> 3. Role of Stakeholders >>> EDC's Key Principles in Dealing with our Stakeholders, pages 11-12.

EDC WEBSITE. **2013 PERFORMANCE REPORT**. OPERATIONS AND SAFETY >> POWERING THE COUNTRY'S GROWTH MOMENTUM DESPITE TYPHOON YOLANDA >>> ASSURED SAFETY, pages 41-

		<p>42.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT >> PERFORMANCE-ENHANCING MECHANISMS FOR EMPLOYEE PARTICIPATION, pages 90-92.</p> <p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI-CHECKED B+ BASED ON EUSS REPORTING STANDARDS, pages 54-58</p>
<p>C.3.2 Does the company publish data relating to health, safety and welfare of its employees?</p>	<p>Yes</p>	<p><i>Employees' Health, Safety and Welfare.</i> EDC advocates for a good work-life balance to keep our employees healthy, engaged, enabled, energized and vigorous.</p> <p>In promoting a healthy lifestyle, the following activities have been undertaken in EDC in 2014:</p> <p>(a) Regular monthly five-kilometer "Walk the Talk" walkathons, zumba dance and yoga classes, weekly badminton activities, and regular sports tournaments in EDC alone, or with other Lopez Group companies were conducted.</p> <p>(b) "The Biggest Loser EDC Edition" program was launched in September 2014 and ran for six weeks. Sixteen (16) out of the twenty-eight (28) participants successfully completed said program.</p> <p>(c) Teambuilding activities, a holistic wellness and health fair, executive learning sessions with local and international experts, Power-up sessions, Summer, Christmas and Halloween parties and celebrations of first Friday masses were also conducted to provide our employees a continuous holistic development and the EDC total experience.</p> <p>(d) We also provide our employees and their families access to health-related education, tools and programs that promote good health and well being through the Lopez Lifelong Wellness Program. The program promotes the adoption of healthy habits and choices, which lower the risk of developing chronic health conditions.</p> <p>(e) We also implement the Minimum Health Management Standards in all sites and aspects of EDC operations that should meet local regulatory requirements: health risk management, monitoring of health performance and incident reporting and investigation, fitness to work including alcohol and drugs, local health facilities and medical emergency response, health and wellness, health impact assessment for new projects and occupational health for contractor operations.</p> <p>(f) Also, policies promoting our employees' health and safety were approved and updated this 2014, namely, the Corporate Health and Safety Policy, Health and Safety Management System, and the Security Protocol on the Protection of EDC Personnel, Contractors and Visitors in All Field Site Work Areas. Copies of these policies are available in the EDC intranet.</p> <p>(g) Safety training sessions on safety leadership, creating a positive safety culture and emergency disaster configuration, among others, were conducted for 2014.</p> <p>(h) A live firefighting and rescue training for 30 fire brigade members of various EDC facilities nationwide was conducted to ensure that there is a mechanism that will enable EDC to respond to fire emergencies at any facility. Emergency response plans, preparedness, fire brigade organization, communications, command systems, procedures, knowledge and skills, equipment and status of audit items on fire safety are continuously being</p>

		<p>assessed by EDC’s Health, Safety and Environment Group. Safety drills in EDC power plants were also conducted to evaluate and ensure emergency preparedness of the employees. Also, our employees are constantly reminded about our basic safety guidelines via town hall meetings and quarterly employee councils.</p> <p>(i) Our training and safety culture extend to our contractors and business partners. We adopted a system that measures the safety performance of our contractors and use the information to model a comprehensive safety passport program.</p> <p>(j) Advisories on various health and safety issues are also posted and disseminated through our intranet system, emails, announcement boards and internal electronic bulletin boards located in strategic locations throughout the company premises and facilities to promote our employees’ health and safety awareness.</p> <p>SOURCES:</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 93-94 >> Exhibit: Annual Corporate Governance Report, pages 111-112.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders’ Interest, pages 15-16.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT >> PERFORMANCE-ENHANCING MECHANISMS FOR EMPLOYEE PARTICIPATION, pages 90-92.</p> <p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI-CHECKED B+ BASED ON EUSS REPORTING STANDARDS, pages 54-58</p>
<p>C.3.3 Does the company have training and development programmes for its employees?</p>	<p>Yes</p>	<p><i>Employee Empowerment.</i> We offer various employee training and development opportunities throughout the year to enable our employees perform their functions more effectively, develop higher-level skills and attain personal career satisfaction. These include programs on personal effectiveness, business process improvement, leadership empowerment and managerial excellence, and corporate governance, among others.</p> <p>To facilitate the sharing of knowledge and experience among our seasoned technical professionals, several of these training programs are conducted through mentoring, peer-to-peer coaching and through the Energy Academy. The Energy Academy offers a three-tiered training program that builds on levels from “basic” to “generalist” to “advanced.” Our in-house mentors and trainers are proven experts with actual field experience backed by relevant skills obtained from studies in geothermal institutes in Iceland, New Zealand and USA.</p> <p>Also, library learning sessions and lecture series were conducted in 2014, covering topics on risk management, physical fitness and proper nutrition and leadership.</p> <p>Our new employees also undergo an onboarding program to give them a more in-depth understanding and appreciation about EDC’s business and culture.</p> <p>In June 2014, our Leadership Team, comprised of our Board, our Management, our executive officers, managers and supervisors, participated in our 2014 Leaders’ Assembly as part of our</p>

		<p>succession program for the company. Themed "Future Forward," the Assembly provided our employees a learning environment enabling them to develop and strengthen their strategic and transformational leadership skills to help them transform to become our future leaders. The Assembly also provided our Management an opportunity to engage our employees to participate towards EDC's bright future, by providing them a venue to speak up and voice out their concerns.</p> <p>In August 2014, we also launched our Power-up Sessions as a part of the culture change program wherein employees are immersed and reintroduced to EDC's core values and principles. In the 3-day Power-up sessions, Management cascades EDC's future plans and interfaces with employees, answering their concerns and queries. This program provides a venue for our Management and employees to align and revitalize their personal values and plans with the initiatives and activities of the company. This program is being implemented in all business units with the purpose that everyone in EDC, including the Board and the Management, should be powered-up.</p> <p>We also administered our 2014 Employee Engagement Survey conducted by Towers Watson in November 2014. Through the survey, we will be able to identify our strengths and areas for improvement to ensure that our employees are fully committed into achieving the company's goals. The survey results will also give the Management a benchmark of our employees' engagement and performance against similar organizations locally and globally.</p> <p>SOURCES:</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, pages 94-95 >> Exhibit: Annual Corporate Governance Report, pages 112-113.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest >>> Employee Empowerment, page 16.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT >> PERFORMANCE-ENHANCING MECHANISMS FOR EMPLOYEE PARTICIPATION, pages 92-93.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT >> EDC FIRE BRINGERS, page 53.>>TALENT MANAGEMENT. RISING TO THE OCCASION >>> EXPERT AND PIONEERS, page 55.>>TRAINING AND SUCCESSION PLANNING, page 55.</p> <p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI-CHECKED B+ BASED ON EUSS REPORTING STANDARDS, pages 54-58</p>
<p>C.3.4 Does the company publish data on training and development programmes for its employees?</p>	<p>Yes</p>	<p><i>Employee Empowerment.</i> We offer various employee training and development opportunities throughout the year to enable our employees perform their functions more effectively, develop higher-level skills and attain personal career satisfaction. These include programs on personal effectiveness, business process improvement, leadership empowerment and managerial excellence, and corporate governance, among others.</p> <p>To facilitate the sharing of knowledge and experience among our seasoned technical professionals, several of these training programs are conducted through mentoring, peer-to-peer coaching and through the Energy Academy. The Energy</p>

Academy offers a three-tiered training program that builds on levels from "basic" to "generalist" to "advanced." Our in-house mentors and trainers are proven experts with actual field experience backed by relevant skills obtained from studies in geothermal institutes in Iceland, New Zealand and USA.

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SOURCES:

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. [2014 ANNUAL AUDITED FINANCIAL STATEMENTS \(SEC FORM 17-A\)](#). >>Corporate Governance, pages 94-95 >> Exhibit: Annual Corporate Governance Report, pages 112-113.

EDC WEBSITE. CORPORATE GOVERNANCE. [2014 EDC CORPORATE GOVERNANCE REPORT](#). >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders' Interest >>> Employee Empowerment, page 16.

EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. [2013 ANNUAL CORPORATE GOVERNANCE REPORT](#) >> PERFORMANCE-ENHANCING MECHANISMS FOR EMPLOYEE PARTICIPATION, pages 92-93.

EDC WEBSITE. [2013 PERFORMANCE REPORT](#) >> EDC FIRE BRINGERS, page 53.>>TALENT MANAGEMENT. RISING TO THE OCCASION >>> EXPERT AND PIONEERS, page 55.>>TRAINING AND SUCCESSION PLANNING, page 55.

		<p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI-CHECKED B+ BASED ON EUSS REPORTING STANDARDS, pages 54-58</p>
<p>C.3.5 Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?</p>	<p>Yes</p>	<p><i>Rewards and Compensation.</i> We recognize the contribution of every employee in EDC’s success and vitality. Deserving employees who work hard and perform well are bestowed with appropriate rewards and recognition.</p> <p>To foster a positive and productive working environment and to motivate our employees to always aim for excellence, we have recently launched the Performance Management System, the EDC Performance P.A.C.E. It is a development tool used to evaluate company and individual performance linked to EDC’s business objectives vis-a-vis individual rewards and incentives. This is a reformulated evaluation system that would address the current strategic business concerns of EDC in relation to our employees’ performance.</p> <p>Also, to give credit to the hard work, professionalism and loyalty of our employees, we started holding service recognition programs to formally recognize employees who have loyally and expertly served us for at least ten (10) years. In 2014, a total of 290 employees from the Head Office and the project sites were given a rousing celebration and recognition for the long and quality service they have rendered to EDC.</p> <p>We also give qualified officers and employees the opportunity to be part of our Employee Stock Grant Plan (ESGP). The ESGP is an integral part of EDC’s total rewards program for its officers and employees and is intended to provide an opportunity for participants to have real and personal direct interest in EDC. It covers officers and employees of EDC and other individuals whom the Nomination and Compensation Committee (NCC) may decide to include. Stock awards granted to EDC officers and employees are summarized in the Notes to Financial Statements.</p> <p>SOURCES:</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, page 95 >> Exhibit: Annual Corporate Governance Report, pages 113-115.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> EDC Activities Promoting Stakeholders’ Interest >>> Rewards and Compensation, pages 16-17.</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2013 DEFINITIVE INFORMATION STATEMENT (SEC FORM 20-IS) >> NOTES TO CONSOLIDATED FINANCIAL STATEMENTS >>> NOTE 21. EQUITY. COMMON SHARES IN EMPLOYEE TRUST ACCOUNT, page 58 >>> NOTE 32. SHARED-BASED PAYMENT, page 72.</p> <p>EDC WEBSITE. INTEGRATED ANNUAL AND SUSTAINABILITY REPORT. GRI-CHECKED B+ BASED ON EUSS REPORTING STANDARDS, pages 54-58</p>

C.4 Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.

<p>C.4.1 Does the company have procedures for complaints by employees concerning illegal (including corruption) and</p>	<p>Yes</p>	<p>Our Internal Audit Department has assigned hotlines to enable employees and other stakeholders to report serious concerns of irregularities and wrongdoings. All stakeholders are encouraged to raise their concerns and complaints,</p>
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<p>unethical behaviour?</p>		<p>together with detailed evidence, at hotline nos. +63 2 982-2202 or +63 917 863-4260. All reports will be acted upon and treated with strict confidentiality in accordance with the provisions of EDC’s Protected Disclosure Policy. Contact details are available at our website and our Annual Report.</p> <p>FRAUD POLICY. The corporate fraud policy is established to facilitate the development of controls which will aid in the detection and prevention of fraud against the Company and promotion of consistent organizational behaviour by providing guidelines and assigning responsibility for the development of controls.</p> <p>The policy defines fraud and enumerates the instances wherein fraud is committed, and designates the office primarily responsible for investigating corporate fraud cases. It emphasizes that in the process of investigating corporate fraud cases, the Company shall, at all times, accord all individuals concerned with all the rights and privileges emanating from due process.</p> <p>WHISTLEBLOWER POLICY. EDC’s Whistleblower policy is intended to encourage and enable employees and others to raise serious concerns within the company prior to seeking resolution outside the company. The EDC whistleblower policy is a guarantee that no person who reports a violation of company policies shall suffer harassment, retaliation, or adverse employment consequence. The EDC Whistleblower Policy identifies who could be whistleblowers, laying down the matters which are reportable thereunder, the procedures for whistleblowing, as well as their rights and responsibilities under the said policy. In furtherance of EDC’s good governance initiatives and in consonance with its internal Fraud Policy and the Code of Conduct and Discipline, the Company’s Internal Audit Department (IAD) has assigned new hotlines to enable employees to report serious concerns of irregularities and wrongdoings.</p> <p>SOURCES:</p> <p>EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. 2014 ANNUAL AUDITED FINANCIAL STATEMENTS (SEC FORM 17-A). >>Corporate Governance, page 96 >> Exhibit: Annual Corporate Governance Report, pages 51-56.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. 2014 EDC CORPORATE GOVERNANCE REPORT. >> 3. Role of Stakeholders >>> Anti-Corruption Programs, page 18.</p> <p>EDC WEBSITE. 2013 PERFORMANCE REPORT , pages 64-65.</p> <p>EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. 2013 ANNUAL CORPORATE GOVERNANCE REPORT >> PERFORMANCE-ENHANCING MECHANISMS FOR EMPLOYEE PARTICIPATION, page 93.</p> <p>EDC WEBSITE. CORPORATE GOVERNANCE. INITIATIVES AND POLICIES >> FRAUD POLICY AND WHISTLEBLOWER POLICY.</p>
<p>C.4.2 Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?</p>	<p>Yes</p>	<p><i>Whistleblower Policy (“Protected Disclosures Policy”).</i>We have a Whistleblower policy wherein employees, customers, shareholders and other stakeholders are encouraged to raise and report serious concerns involving illegal and questionable activities or omissions, unethical behavior, fraud and other malpractices prior to seeking resolution outside the company without fear of harassment, retaliation, or adverse employment consequence. Our Whistleblower Policy laid down the procedures for whistleblowing, as well as their rights and responsibilities</p>

under the said policy.

In furtherance of our good governance initiatives and in consonance with our internal Fraud Policy and the Code of Conduct and Discipline to be discussed below, our Internal Audit Department (IAD) has been put in charge for the administration, revision, interpretation and application of this policy, under the supervision of the Boards' Audit and Governance Committee.

Our IAD has assigned hotlines to enable employees and other stakeholders to report serious concerns of irregularities and wrongdoings. **All stakeholders are encouraged to raise their concerns and complaints, together with detailed evidence, at hotline nos. +63 2 982-2202 or +63 917 863-4260.** All reports will be acted upon and treated with strict confidentiality in accordance with the provisions of EDC's Protected Disclosure Policy.

SOURCES:

EDC WEBSITE. CORPORATE GOVERNANCE. [2014 EDC CORPORATE GOVERNANCE REPORT](#). >> 3. Role of Stakeholders >>> Anti-Corruption Programs , page 18.

EDC WEBSITE. INVESTOR RELATIONS. PSE/SEC STRUCTURED REPORTS. [2014 ANNUAL AUDITED FINANCIAL STATEMENTS \(SEC FORM 17-A\)](#). >>Corporate Governance, pages 96-97 >> Exhibit: Annual Corporate Governance Report, pages 51-56, 115.

EDC WEBSITE. [2013 PERFORMANCE REPORT](#). OUR 2013 PERFORMANCE >> SCALING NEW HEIGHT: POLICY IN FOCUS. WHISTLEBLOWER POLICY, pages 64-65.

EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. [EDC'S CORPORATE GOVERNANCE RELATED POLICIES AND ISSUANCES](#)>> WHISTLEBLOWER POLICY, page 83.

EDC WEBSITE. INVESTOR RELATIONS, PSE/SEC STRUCTURED REPORTS. [2013 ANNUAL CORPORATE GOVERNANCE REPORT](#) . ROLE OF STAKEHOLDERS >> ANTI-CORRUPTION PROGRAMMES, page 93.

EDC WEBSITE. CORPORATE GOVERNANCE. INITIATIVES AND POLICIES >> [WHISTLEBLOWER POLICY](#).