**First Abacus Financial Holdings Group**



**CORPORATE SOCIAL RESPONSIBILITY**

I. STATEMENT OF POLICY

The First Abacus Group of Companies aspires to live up to the trust and regard it has been bestowed upon by the Filipino people. One of the ways the Group intends to do this is by being a good and responsible corporate citizen that contributes to the country’s sustainable development, respects the interests and promotes the wellbeing of its various stakeholders, and creates value in everything it does.

For First Abacus, social responsibility is a commitment that begins with the exercise of sound and fair corporate practices. The Group ensures that its entire business is conducted according to rigorous professional, ethical, regulatory, and legal standards. First Abacus strives to adhere to high standard of integrity, courtesy, and fairness as defined in its various corporate policies and frameworks. At the same time, social responsibility is a commitment that is shared by everyone in First Abacus.

This Policy sets out the principles and the programs that will enable the Group to focus its corporate social responsibility (CSR) initiatives on areas where it can make significant impact and influence.

II. PRINCIPLES

First Abacus's CSR Policy is manifested through the following strategic thrusts:

1. Education

Empowering the youth and other identified sectors of Philippine society through education and other relevant development programs such as financial literacy, particularly about the Philippine capital markets is a key component of the Group's CSR goals and programs. The Group strongly believes in education as means of promoting wealth, propagating thrift, self sufficiency and economic empowerment through financial literacy programs

2. Protecting the Environment

First Abacus is deeply committed to the cause of environmental protection as it is an issue that affects all mankind. The Group sees its active involvement in protecting the environment as crucial contributions towards attaining the wider goal of sustainable development.

3. Commitment to Philanthropic Initiatives

As a responsible corporate citizen, First Abacus shall undertake various community/social and philanthropic activities to uplift the lives of the Filipino people by giving donations to selected charities, communities, schools, etc., for various projects on infrastructure improvement and social development including critical assistance in times of calamities and disasters.

III. CSR PHILOSOPHY

The CSR goals and programs of the Group are embodied in three philosophies that promote shared responsibility and therefore focuses on building partnerships and linkages.

1. The Group believes in using existing networks and partnerships with individuals, government, non-government organizations, private and civic institutions to help address various social problems

2. The Group shall work in partnership with the Philippine Stock Exchange and other institutions in the local capital market to promote financial literacy, particularly investing in the local capital markets.

3. In all its dealings, the Group shall promote and ensure sound and ethical business practices across all levels in the organization.

IV. IMPLEMENTING GUIDELINES

1. The Group, through its Board of Directors, shall allocate a budget which shall not exceed one percent (1%) of the net income of the previous year for its CSR Programs. A judicious balance in the allocation of the CSR budget should be pursued, ensuring that each of the three components do not use up more than 50% of the total budget.

2. The Group’s CSR Programs shall be under the purview of the Office of the President & CEO of the the Group. A CSR Task Force shall be convened composed of senior officers from identified groups in the Group.

3. The measurement and evaluation of the real impact of the Group's CSR Programs shall be pursued as a means of ensuring that the Group is living up to its expectations. For this purpose, a quarterly report shall be submitted to the Group's Corporate Governance Committee on the progress and status of its CSR programs, the donations and projects undertaken for the reference quarter including any CSR initiative conceptualized/initiated by employees.

ANY EXISTING POLICY INCONSISTENT WITH THE ABOVE IS DEEMED AMENDED.

MANAGEMENT IN THE EXERCISE OF ITS SOLE AND EXCLUSIVE PREROGATIVE MAY ADD, DELETE, AMEND, AND/OR REVISE THIS POLICY.