

Annex 4

Title: Responsible Asset Protection

Document Type: Guidelines

Process Owner: Corporate Sustainability Corporate Governance
Human Resources Security
Risk Management Project Management
Corporate Social Responsibility

Purpose: These guidelines are being issued to guide First Philippine Holdings inclusive of all its subsidiaries in implementing the Company's "Responsible Asset Protection Policy" in order for them to fulfill their obligations to their co-employees and external stakeholders.

Scope: The policy and these guidelines apply to all units of First Philippine Holdings inclusive of all its subsidiaries where it has management and operational control. They apply to all its employees regardless of rank, consultants, contract personnel, and other co-creators within the company's administration, regardless of rank or employment. It applies when they are within Company Premises, and when carrying out official business or work-related tasks.

Definitions:

- **Human security-** protection of physical safety and the absence of violent conflict
- **Proportionality** - the level of response must be in proportion to the level of risk or threat

Legal Mandates:

- Human rights provisions of the Philippine Constitution and related local issuances
- International Conventions signed by the Philippines
 - UN Declaration of Human Rights (1948)
 - International Covenant on Civil and Political Rights (1966)
 - International Covenant on Economic, Social and Cultural Rights (1966)
 - UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials (1990)
 - UN Code of Conduct for Law Enforcement Officials (1979)

Related Documents:

- FPH Code of Conduct and Business Ethics
- FPH Human Rights Policy

Fundamental Principles:

Security and human rights are fundamental needs. The protection and promotion of human rights while maintaining security of personnel, property, operations, and the community are common goals and shared responsibility. While the State has the primary responsibility to maintain law and order, the company has a responsibility to ensure that its security forces conduct themselves in a manner respectful of local and international humanitarian laws. The use of force must always be proportional to assessed threat or risk.

Guidelines for Upholding Human Rights in Security Function**1.0 Stakeholder Engagement**

Security provision and the protection of human rights require the involvement of multiple stakeholders, including the host communities, host governments, and NGOs. Gaining the support of these stakeholders will lead to trust of and cooperation with the company. In this connection, the company shall:

- 1.1 consult the host local government and host communities, NGOs and relevant stakeholders in identifying the potential risks in the locality;
- 1.2 communicate existing policies and protocols related to security and any changes thereof;
- 1.3 continuously monitor the potential risks in the locality;
- 1.4 respond to concerns received in relation with public or private security forces deployed in relation to the operations of the company

2.0 Risk Assessment

The ability to accurately assess risks in a company's operating environment and impact to local communities is critical to the security of personnel, local communities, assets, and the company's operation. Risk assessment that considers security and human rights

expects companies to consider the risks it poses to the community, in addition to the risks the external environment poses to the company.

To ensure that risk assessments are accurate and effective, various factors should be considered. The company shall:

- 2.1. consider security risks that may be posed by political, economic, civil or social factors, including the varying degrees of likelihood impact of each risk to personnel, asset, or the community
- 2.2 identify the activities that may be sources of potential violence in the area to be prepared
- 2.3 screen the human rights records and reputation of security forces to be engaged
- 2.4 assess the capacity of the local authorities to hold human rights abusers and violators accountable while remaining respectful of the human rights of the accused to properly support the security function of the company.
- 2.5 analyze the root causes and nature of local conflicts to inform engagement strategies;
- 2.6 consider the potential risks that come in the provision of equipment, whether lethal or non-lethal, and identify measures to mitigate the potential negative consequences from misuse or diversion of these equipment in relation to human rights abuses

3.0 Interactions with Public Security Force

The company has limited control over public security forces. Nonetheless, public security forces play a critical role in ensuring security and protection and promotion of human rights.

4.0 Interactions with Private Security Forces

The type, number, responsibilities, and equipment to be given to private security forces should depend on the evaluation of security risks and appropriate responses. The main objective of private forces is to protect people and property and minimize risks.

To ensure that private security forces are respectful of human rights, the company shall:

- 4.1 maintain oversight and accountability over security forces whether security forces are directly employed or contracted.
- 4.2 ensure that contracts and procedures include expectations and standards of performance for security tasks and includes provisions to audit the security provider and terminate the contract if standards are not met
- 4.3 review employment records and any criminal records during hiring to ensure that there is no history of human rights abuse
- 4.4 communicate expectations regarding conduct and use of force as terms of employment and reiterated through regular training
- 4.5 have a clear code of conduct, and clear instructions on the objectives of work and permissible actions
- 4.6 ensure that use of force is for preventive and defensive purposes in proportion to the nature and extent of the threat, is included in the security training program, and any use of physical force should be reported to and evaluated
- 4.7 provision and possession of firearms, weapons and ammunition, should be licensed according to national laws
- 4.8 ensure that security forces are appropriately equipped to perform their responsibilities
- 4.9 investigate all allegations of unlawful or abusive acts of security personnel, take action or report to rightful authorities
- 4.10 continuously monitor site performance of their security contractors on an ongoing basis to ensure appropriate conduct