



GSIS Government Service Insurance System
Financial Center, Pasay City, Metro Manila 1308

THE REVISED GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) MANUAL OF CORPORATE GOVERNANCE, AS AMENDED

It is the policy of the GSIS to actively promote and pursue corporate governance reforms and to consciously observe principles of accountability and transparency. The Board of Trustees (BOT) and Management of the GSIS hereby promulgate and adopt this Manual of Corporate Governance to significantly enhance the corporate organization of the GSIS by making it a valuable partner of the government in national development, at par with the private sector and globally competitive.

A. DEFINITION OF TERMS AND COVERAGE

Section 1. *Definition of Terms.* Unless the context otherwise indicates, the following terms shall mean:

- a. Board of Trustees – the collegial body that exercises the corporate powers of the GSIS as specified in Section 41 of Republic Act (RA) 8291, which shall hereinafter be referred to as the “Board.” It is primarily responsible for the governance of the GSIS and, hence, in charge of setting policy direction and monitoring implementation of strategic and long-term goals.
- b. Conflict of Interest – arises when a member of the Board or an executive officer has a substantial interest in a business, and the interest of such corporation or business, or his or her rights or duties therein, may be opposed to or affected by the faithful performance of his or her official duties in the GSIS.¹
- c. Corporate Governance – the framework of rules, systems and processes in the GSIS that governs the performance by the Board and Management of their respective duties and responsibilities to the stakeholders.²
- d. Executive Officers - refer to the President and General Manager as Chief Executive Officer, the Senior Vice Presidents and Vice Presidents of the GSIS. As distinguished from Board Officers, Executive Officers form part of the Management of the GSIS.³

¹ Adopted from RA 6713, *Code of Conduct and Ethical Standards for Public Officials and Employees.*

² Adopted from SEC Memorandum Circular No. 6 Series of 2009, *Revised Code of Corporate Governance.*

³ Based on Section 1, GCG Memorandum Circular No. 2012-07, *Code of Corporate Governance for GOCCs.*

abuse of confidential or privileged information, misrepresentation of material facts, or any other unfair-dealing practice.⁵²

- c. *Communication with Stakeholders.* The GSIS shall ensure good relations with its stakeholders and empower them through effective communication. It shall create a consultative environment to promote transparency in all its transactions. Along this line, the GSIS shall come up with information materials to convey its new policies and programs to its clientele, engage its stakeholders through dialogues and seminars, and institutionalize communication tools by utilizing multimedia.

Likewise, the GSIS, as a large pension institution pursuing important public policy objective, shall report on stakeholder relations. The GSIS shall communicate with stakeholders and the public at large on their stakeholder policies and provide relevant information on their effective implementation. The GSIS shall allow its stakeholder reports to be independently scrutinized in order to strengthen their credibility.

1. *Dissemination of GSIS Policies and Programs Affecting Stakeholders.* The GSIS through its Corporate Communications Office (CCO) shall prepare information materials to disseminate every new policy or program being implemented for its stakeholders.
2. *Regular Dialogues and Seminars.* To ensure an effective feedback mechanism, the GSIS shall implement regular information dissemination campaigns through dialogues and seminars. Regional dialogues and pre-retirement seminars shall continuously be conducted to provide stakeholders with a venue for active interaction and exchanges to address their queries and concerns.
3. *Communication with Stakeholders through Multimedia.* The GSIS shall likewise utilize multimedia as a communication tool. It shall take advantage of technological innovations in communicative media to further its relationship with its stakeholders and maintain the implementation of its current activities utilizing print, radio, TV, social network/internet, SMS and the like.

In order to fully achieve reciprocity and mutual growth, the GSIS shall endeavor to devise more ways to strengthen its relationship with its stakeholders.

- d. *The GSIS CSR Statement.* The GSIS shall anchor its programs towards improved stakeholder relations on the following GSIS CSR Statement:

⁵² Section 33, GCG Memorandum Circular No. 2012-07, *Code of Corporate Governance for GOCCs*.

"Beyond our primary mandate of managing the pension fund for public servants, the GSIS recognizes its bigger responsibility towards the society as a whole.

For our members and pensioners, we will support activities that benefit their children and the organizations that they are part of.

For our society and the environment, we will endeavor to promote undertakings in cultural involvement, environmental awareness and disaster response

For our employees, we will encourage and carry out programs that primarily target their development as well-rounded individuals with varied interests and involvement in worthwhile causes."

Given this, the GSIS shall pursue various CSR programs and activities for its members and pensioners, the society and environment in general, and the GSIS workforce.

- e. *Monitoring of Stakeholder Satisfaction.* To ensure that it has sufficiently addressed the legitimate interests of its stakeholders, the GSIS shall develop and utilize a customer feedback survey system. This shall reflect whether the GSIS has adequately served their interests and determine areas for improvement.

J. DISCLOSURE AND TRANSPARENCY

Section 32. Disclosure and Transparency. The GSIS shall continue to enhance disclosure and transparency, and instill a sense of loyalty in its Board members and executive officers, as well as protect the interests of stakeholders. Timely and accurate disclosure shall be made on all material matters regarding the GSIS, including its financial condition, performance, ownership, and governance.

- a. *Disclosure in the GSIS Website.* The GSIS shall maintain a website and post therein for unrestricted public access the following, as applicable.⁵³

1. *On Institutional Matters:*

- a) Latest version of the GSIS Charter; and

⁵³Section 43, GCG Memorandum Circular No. 2012-07, *Code of Corporate Governance for GOCCs* except for item 3(b) which was based on Section 25(b) of RA 10149, *GOCC Governance Act of 2011*.

