

COMMUNITY RELATIONS POLICY

I. Policy Statement

It shall be the policy of STERLING INSURANCE CO., INC. (SICI) to promote its Vision, Mission and Commitment through the community relations activities herein referred to in this policy.

II. Coverage

The coverage is defined by SICI's target recipients in the communities where our Company has an office which are directly affected by its operations by formulating a clear policy for an accurate, timely and effective communication with them in order to contribute to societal goals of a philanthropic charitable nature by engaging in a supporting voluntary or ethically oriented practices.

III. Objectives

The objectives of the policy are:

- 1. To formulate Corporate Social Responsibility activities that will directly benefit the Company's defined recipients.
- 2. To undertake civic and corporate social activities for the well-being and development of the Company's general clientele.

IV. Community Relation Policy

- 1. All SICI employees are expected to respectfully uphold the dignity of the defined recipients and their immediate family members.
- 2. Foremost consideration of SICI on dealings with defined recipients shall be their common good.
- 3. Employees who volunteer to join the activities must be aware that the success of the program may, in some instances, entail rendering work beyond those mandated by law.

V. Procedure

1. The budget for the program shall be dependent on the Company's net income as reflected in the most recent audited financial statements.



- 2. A regular employee can propose to his Department Head the specific activities needed to be done for the accomplishment of the event. A detailed memo for this purpose will be endorsed to the Executive Vice President for approval of the President.
- 3. A committee for the activity will be formed to execute the activity, serve as oversight and render a report to both the Executive Vice President and President on how the program was carried out.