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MANUAL ON CORPORATE GOVERNANCE
RFM CORPORATION
(Pursuant to SEC Memorandum Circular No. 19, Series of 2016)

Article 1: DEFINITION OF TERMS

a.) Corporate Governance – the system of stewardship and control to guide organizations in fulfilling their long-term economic, moral, legal and social obligations towards their stakeholders.

Corporate governance is a system of direction, feedback and control using regulations, performance standards and ethical guidelines to hold the Board and senior management accountable for ensuring ethical behavior – reconciling long-term customer satisfaction with shareholder value – to the benefit of all stakeholders and society.

Its purpose is to maximize the organization's long-term success, creating sustainable value for its shareholders, stakeholders and the nation.

b.) Board of Directors – the governing body elected by the stockholders that exercises the corporate powers of a corporation, conducts all its business and controls its properties.

c.) Management – a group of executives given the authority by the Board of Directors to implement the policies it has laid down in the conduct of the business of the corporation.

d.) Independent director – a person who is independent of management and the controlling shareholder, and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

e.) Executive director – a director who has executive responsibility of day-to-day operations of a part or the whole of the organization.

f.) Non-executive director – a director who has no executive responsibility and does not perform any work related to the operations of the corporation.

g.) Conglomerate – a group of corporations that has diversified business activities in varied industries, whereby the operations of such businesses are controlled and managed by a parent corporate entity.

h.) Internal control – a process designed and effected by the board of directors, senior management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through efficient and effective operations; reliable, complete and timely financial and management information; and compliance with applicable laws, regulations, and the organization's policies and procedures.

i.) Enterprise Risk Management – a process, effected by an entity's Board of Directors, management and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risks to be within its risk appetite, and provide reasonable assurance regarding the achievement of entity objectives.

j.) Related Party – shall cover the company's subsidiaries, as well as affiliates and any party (including their subsidiaries, affiliates and special purpose entities), that the company exerts direct or indirect control over or that exerts direct or indirect control over the company; the company's directors; officers; shareholders and related interests (DOSRI), and their close family members, as well as corresponding persons in affiliated companies. This shall also include such other person or juridical entity whose interest may pose a potential conflict with the interest of the company.

k.) Related Party Transactions – a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.

l.) Stakeholders – any individual, organization or society at large who can either affect and/or be affected by the company's strategies, policies, business decisions and operations, in general. This includes, among others, customers, creditors, employees, suppliers, investors, as well as the government and community in which it operates.

Article 2: RULES OF INTERPRETATION

All references to the masculine gender in the salient provisions of this Manual shall likewise cover the feminine gender.

All doubts or questions that may arise in the interpretation or application of this Manual shall be resolved in favor of promoting transparency, accountability and fairness to the stockholders and investors of the Corporation.

Article 3: BOARD OF GOVERNANCE

The Board of Directors (the "Board") is primarily responsible for the governance of the Corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide an independent check on Management.

The Corporation shall be headed by a competent, working Board to foster the long-term success of the Corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.

A. Composition of the Board

Compliance with the principles of good corporate governance is paramount and shall start with the Board of Directors. The Board shall be composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.

The Board shall be composed of eleven (11) members, at least two (2) of whom shall be Independent Directors. The membership of the Board shall, as a rule, be composed of a majority of non-executive directors in order that no director or small group of directors can dominate the decision-making process and to ensure that the Corporation's interest is protected over that of the individual shareholders.

The non-executive directors shall possess such qualifications and stature that would enable them to effectively participate in the deliberation process of the Board. The Board may consider the adoption of guidelines on the number of directorships that its members can hold, always making sure however that the shareholders' legal right to vote and be voted as directors remains inviolable. The number should take into consideration the ability of the director to diligently and efficiently perform his duties and responsibilities and the nature and kind of corporations he or she may be a director of, regardless of the number of directorships that he or she may be holding.

A director should notify the Board where he/she is an incumbent director before accepting a directorship in another listed company.

As a rule, the Board's independent directors shall serve for a maximum cumulative term of nine (9) years starting from the year 2012, making sure however that the shareholders' legal right to vote and be voted as directors remains inviolable. In the instance that the Corporation wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s, advise the shareholders of such justifications, and seek shareholders' approval during the annual shareholders' meeting.

The Board should ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.

The Board likewise adopts a policy on diversity to avoid groupthink and ensure that optimal decision-making is achieved. This diversity policy is not limited to gender diversity. It also includes diversity in age, ethnicity, culture, skills, competence and knowledge.

B. The Chairman of the Board and Chief Executive Officer

The roles of the Chairman of the Board ("the Chair") and Chief Executive Officer (CEO) shall, as much as practicable, be separate to foster an appropriate balance of power, increased accountability and better capacity for independent decision-making by the Board. The positions of the Chair and CEO should be held by separate individuals and a clear delineation of responsibilities and functions shall be made between them upon their election. In case the positions are unified, the proper checks and balances shall be laid down to ensure that the Board gets the benefit of independent views and perspectives.

1. The duties and responsibilities of the Chair in relation to the Board shall include, among others, the following:

    (i) Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;

    (ii) Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the CEO, Management and the directors;

    (iii) Maintain qualitative and timely lines of communication and information between the Board and Management;

    (iv) Make certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the Corporation, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;

    (v) Guarantee that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;

(vi) Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;

(vii) Ensure that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;

(viii) Assure the availability of proper orientation for first-time directors and continuing training opportunities for all directors, and;

(ix) Make sure that performance of the Board is evaluated at least once a year and discussed/followed up on.

2. The Chief Executive Officer shall have the following roles and responsibilities, among others:

(i) Determine the Corporation's strategic direction and formulate as well as implement its strategic plan on the direction of the business;

(ii) Communicate and implement the Corporation's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same;

(iii) Oversee the operations of the Corporation and manages human and financial resources in accordance with the strategic plan;

(iv) Possess a good working knowledge of the Corporation's industry and market and keeps up-to-date with its core business purpose;

(v) Direct, evaluate and guide the work of the key officers of the Corporation;

(vi) Manage the Corporation's resources prudently and ensures a proper balance of the same;

(vii) Provide the Board with timely information and interfaces between the Board and the employees;

(viii) Build the corporate culture and motivates the employees of the Corporation, and;

(ix) Serve as the link between internal operations and external stakeholders.

If the Chairman of the Board is not independent or if the positions of the Chairman of the Board and Chief Executive Officer are held by one person, then the Board shall designate a lead director among the independent directors.

The functions of the Lead Director include, among others, the following:

(i) Serve as an intermediary between the Chairman and the other directors when necessary;

(ii) Convene and chair meetings of the non-executive directors, and;

(iii) Contribute to the performance evaluation of the Chairman, as required.

C. Qualifications of Directors

In addition to the qualifications for membership in the Board provided for in the Corporation Code, Securities Regulation Code and other relevant laws, the Board may provide for additional qualifications which include, among others, the following:

(i) Holder of at least one (1) share of stock of the Corporation;

(ii) He or she shall be at least a college graduate or have sufficient experience in business management to substitute for such formal education;

(iii) He or she shall be at least twenty one (21) years old;

(iv) He or she shall have proven to possess integrity and probity;

(v) He or she shall be prudent;

(vi) He or she shall have practical understanding of the business of the Corporation;

(vii) He or she shall have membership in good standing in relevant industry, business or professional organizations, and;

(viii) He or she shall have previous business experience.

D. Disqualification of Directors

1. Permanent Disqualification

The following shall be grounds for permanent disqualification of a director:

(i) Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;

(ii) Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities. The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporate Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP; or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;

(iii) Any person finally convicted judicially of an offense involving moral turpitude or fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or similar fraudulent acts or transgressions;

(iv) Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted,

counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;

(v) Any person earlier elected as independent director who becomes an officer, employee or consultant of the same corporation;

(vi) Any person judicially declared to be insolvent;

(vii) Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;

(viii) Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment, and;

(ix) No person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business or activity which competes with or is antagonistic to that of the Corporation or any of its subsidiaries and affiliates, which disqualification may be waived by a majority vote of the Board of Directors, upon the recommendation of the Nomination Committee.

***2. Temporary Disqualification*:**

Any of the following shall be a ground for the temporary disqualification of a director:

(i) Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency unless absence is due to illness, death in the immediate family or serious accident. This disqualification applies for purposes of the succeeding election. A director, however, shall not be considered absent if he participates in the meetings via teleconferences;

(ii) Dismissal/termination from directorship in another listed corporation the shares of which are listed on the Exchange, for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;

(iii) Being under preventive suspension by the Corporation;

a. In the case of independent director,

i. his beneficial equity ownership in the corporation or any of its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with;

ii. in the case of independent directors, the additional grounds for temporary disqualification shall be those provided under Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code.

b. Conviction that has not yet become final referred to in the grounds for the disqualification of directors.

A temporarily disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

E. Responsibilities, Duties and Functions of the Board

1. General Responsibility

It is the Board's responsibility to foster the long-term success of the Corporation and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interest of its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.

The Board should formulate the Corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

2. Duties and Functions

To ensure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall conduct itself with honesty and integrity in the performance of, among others, the following duties and functions:

i. Implement a process for the selection of directors who can add value to and contribute independent judgment to the formulation of sound corporate strategies and policies;

ii. Ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction;

iii. Appoint competent, professional, honest and highly motivated management officers;

iv. Adopt and ensure a professional development program and an effective succession planning program for directors, key officers and Management to ensure growth and a continued increase in the shareholders' value, including a policy on the retirement age for directors and key officers as part of management succession and to promote dynamism in the Corporation;

v. Provide sound strategic polices and guidelines to the Corporation on major capital expenditures;

vi. Establish programs that can sustain its long-term viability and strength;

vii. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance;

viii. Ensure the Corporation's faithful compliance with all applicable laws, regulations and best business practices ;

ix. Identify the Corporation's stakeholders in the community in which it operates or are directly affected by its operations and formulate a clear policy of accurate, timely and effective communication with them;

x. Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the Corporation. If feasible, the Corporation's CEO or CFO shall exercise oversight responsibility over this program;

xi. Identify the sectors in the community in which the Corporation operate or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them;

xii. Adopt a system of check and balance within the Board. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness;

xiii. Identify key risk areas and key performance indicators and monitor these factors with due diligence to enable the corporation to anticipate and prepare for possible threats to its operational viability;

xiv. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouse, children and dependent siblings and parents, and of interlocking director relationships by members of the Board;

xv. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities;

xvi. Establish and maintain an alternative dispute resolution system that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities;

xvii. Properly discharge Board functions by meeting regularly at least once a month. Independent views during Board meetings shall be given due consideration and all meetings shall be duly minuted;

xviii. Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation, By-Laws and in existing laws, rules and regulation;

xix. Elect a President and other Officers;

xx. Appoint a Compliance Officer, and;

xxi. Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives.

F. Specific Duties and Responsibilities of a Director

A director's office is one of trust and confidence. He or she shall act in a manner characterized by transparency, accountability and fairness. He or she should also

exercise leadership, prudence and integrity in directing the Corporation towards sustained progress:

A director shall observe the following norms of conduct:

(i) To conduct fair business transactions with the Corporation and to ensure that personal interest does not bias Board decisions;

(ii) To devote time and attention necessary to properly discharge his duties and responsibilities;

(iii) To act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Corporation and all shareholders;

(iv) To act judiciously on matters brought before the Board, thoroughly evaluating the issues involved before making any decision;

(v) To exercise independent judgment;

(vi) To have a working knowledge of the statutory and regulatory requirements affecting the Corporation and its operations, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Commission, and where applicable, the requirements of other regulatory agencies.

(vii) To observe confidentiality on non-public information acquired by reason of his position as a Director;

(viii) To ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.

G. Internal Control Responsibilities of the Board

The Corporation shall have in place an independent internal audit function which shall be performed by an Internal Auditor or a group of Internal Auditors, through which its Board, senior management, and stockholders shall be provided with reasonable assurance that its key organizational and procedural controls are effective, appropriate, and complied with.

The Internal Auditor shall report to the Audit Committee. The Internal Auditor shall be guided by the International Standards on Professional Practice of Internal Auditing.

The minimum internal control mechanisms for management's operational responsibility shall be established by the Chief Executive Officer, being ultimately accountable for the Corporation's organizational and procedural controls.

The scope and particulars of a system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance.

H. Related Party Transactions Policy

The Board shall have the overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.

I. Training of Directors

First-time directors may undergo an eight (8)-hour orientation program to ensure that they are appropriately apprised of their duties and responsibilities before beginning their directorships. The orientation program shall cover SEC-mandated topics on corporate governance and an introduction to the Corporation's business, Articles of Incorporation, and Code of Conduct.

While a four (4)-hour relevant continuing training for all directors may be conducted, once every two (2) years as determined by the Board of Directors, to make certain that they are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Corporation. The training shall involve courses on corporate governance matters relevant to the Corporation, including audit, internal controls, risk management, sustainability and strategy.

J. Board Meetings and Quorum Requirement

The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the Commission.

Independent directors should always attend Board meetings. Unless otherwise provided in the By-Laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one independent director in all its meetings.

To monitor the director's compliance with the attendance requirements, the Corporation shall submit to the Commission, on or before 30 January of the following year, a sworn certification about the directors' record of attendance in Board meetings. The Certification may be submitted through SEC Form 17-C in a separate filing.

K. Remuneration of Directors and Officers

The Corporation may establish formal and transparent procedures for the development of a policy on executive remuneration or determination of remuneration levels for individual directors and officers that are aligned with the long-term interests of the Corporation. The Corporation shall, as a rule, formulate and adopt a policy specifying the relationship between remuneration and performance. No director should participate in the discussions or deliberations involving his or her own remuneration.

The Corporation's annual reports and information and proxy statements shall include a clear, concise and understandable disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers during the preceding fiscal year.

To protect the funds of a corporation, the Commission may, in exceptional cases, e.g., when a corporation is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its directors and officers.

L. Assessment of the Board

The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment may be supported by an external facilitator.

M. Board Ethics

The Board shall adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code shall be properly disseminated to the Board, senior management and employees. It should also be disclosed and made available to the public through the company website.

The Board shall ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.

N. Board Committees

To aid in complying with the principles of good corporate governance, the Board shall constitute proper committees.

1. Corporate Governance Committee

The Corporate Governance Committee shall be composed of three (3) members, the majority of whom should be independent directors, including the Chairman. It is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It shall have the following duties and functions:

a. Oversee the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;

b. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;

c. Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;

d. Recommend continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;

e. Adopt corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;

f. Propose and plan relevant trainings for the members of the Board;

g. Determine the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board, and;

h. Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors by considering the guidelines herein set forth. In determining the number of concurrent directorships that a Board member may have, the Committee shall consider the:

   (i) Nature of the business of the Corporation of which he is a director;
   (ii) Number of directorships/active memberships and officerships in other corporations or organizations, and;
   (iii) Such other factors which the Committee may consider from time to time.

   The optimum number shall be related to the capacity of a director to perform his duties diligently in general.

   The executive directors, the independent directors and non-executive directors shall submit themselves to a low indicative limit on membership in other corporate boards of listed companies other than the subsidiaries of the Corporation. The same low limit shall apply to independent, non-executive directors who serve as full time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

3. Compensation Committee

The Compensation Committee shall be composed of at least three (3) voting members, one of whom shall be an independent director. Its duties and responsibilities are to:

a. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and personnel, ensuring that compensation is consistently and equitably implemented in accordance with the Corporation's culture, strategy, and control environment and recommend the remuneration packages of directors for the approval of the Board;

b. Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the company successfully;

c. Develop a form on Full Business Interest Disclosure for directors and incoming officers, which among others compel all officers and incoming officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once appointed or hired;

d. Disallow any director to decide his or her own remuneration;

e. Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year, and;

f. Review of the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

4. Audit Committee

The Audit Committee shall be composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. The Chairman of the Audit Committee should not be the Chairman of the Board or of any other committees. Each member shall have adequate understanding at least or competence at most of the company's financial management systems and environment. Concurrently, the Audit Committee shall also act as the Corporation's risk oversight and related-party transaction body, tasked respectively to ensure the functionality and effectiveness of the Corporation's Enterprise Risk Management System and tasked with reviewing all material related party transactions.

Its duties and responsibilities are, to:

a. Assist the Board in the performance of its oversight responsibility for the Corporation's financial reporting process, system of internal control, internal and external audit process and monitoring of compliance with applicable laws, rules and regulations;

b. Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;

c. Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan shall include the audit scope, resources and budget necessary to implement it;

d. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

e. Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;

f. Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security;

g. Review the reports submitted by the internal and external auditors;

h. Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:

    (i) Any change/s in accounting policies and practices
    (ii) Major judgmental areas
    (iii) Significant adjustment resulting from the audit
    (iv) Going concern assumptions
    (v) Compliance with accounting standards
    (vi) Compliance with tax, legal and regulatory requirements

i. Coordinate, monitor and facilitate compliance with laws, rules and regulations;

j. Perform direct interface functions with the internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;

k. Elevate to international standards the accounting and auditing processes, practices and methodologies, and develop the following in relation to this reform:

(i) A definitive timetable within which the accounting system of the Corporation will be 100% International Accounting Standard (IAS) compliant

(ii) An accountability statement that will specifically identify officers and/or personnel directly responsible for the accomplishment of such task.

l. Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the company through a step-by-step procedures and policies handbook that will be used by the entire organization.

m. Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report

n. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. He shall functionally report directly to the Audit Committee

The Audit Committee shall ensure that, in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties.

Moreover, the Audit Committee shall also act as a risk oversight body which shall be responsible for the oversight of the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. As such, it shall:

a. Develop a formal enterprise risk management plan which contains the following elements: (i) common language or register of risks, (ii) well-defined risk management goals, objectives and oversight, (iii) uniform processes of assessing risks and developing strategies to manage prioritized risks, (iv) designing and implementing risk management strategies, and (v) continuing assessments to improve risk strategies, processes and measures;

b. Oversee the implementation of the enterprise risk management plan through the Risk Management Group and conduct regular discussions on the Corporation's prioritized and residual risk exposures based on regular risk management reports and assess how the concerned units or offices are addressing and managing these risks;

c. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness;

d. Advise the Board on its risk appetite levels and risk tolerance limits;

e. Review at least annually the Corporation's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the Corporation;

f. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence;

g. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation; and

h. Report to the Board on a regular basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

Finally, the Audit Committee shall also act as a related party transactions body, which is tasked with reviewing all material related party transactions ("RPTs") of the Corporation. As such, it shall:

a. Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice-versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;

b. Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the Corporation are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:

1. The related party's relationship to the Corporation and interest in the transaction;
2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
3. The benefits of the Corporation of the proposed RPT;
4. The availability of other sources of comparable products or services; and
5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The Corporation should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;

c. Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the Corporation's RPT exposures, and policies on conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the Corporation's affiliation or transactions with other related parties;

d. Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;

e. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and

f. Oversees the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs, including a periodic review of RPT policies and procedures.

O. The Corporate Secretary

The Corporate Secretary is an officer of the Corporation and he or she shall be a Filipino citizen. Considering his or her varied functions and duties, he or she must possess administrative and interpersonal skills. His or her duties and responsibilities are:

i. Responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board as well as other official documents, records and other information essential to the conduct of his duties and responsibilities to the Corporation;

ii. Inform the members of the Board of the date and agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;

iii. Serve as an adviser of the Board and assist the Board in making business judgment in good faith and in the performance of their responsibilities and obligations;

iv. Work fairly and objectively with the Board, Management, stockholders and stakeholders;

v. Have a working knowledge of the operations of the Corporation;

vi. Attend all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so, and maintain record of the same;

vii. Submit to the Commission, on or before January 30 of the following year, an annual sworn certification as to the attendance of the directors during Board meetings;

viii. Keep abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;

ix. Oversee the drafting of the by-laws and ensures that they conform with regulatory requirements; and

x. Perform such other duties and responsibilities as may be provided by the SEC.

P. The Compliance Officer

To ensure adherence to corporate principles and best practices, the Board shall designate a Compliance Officer who should have a rank of, as far as practicable and taking into account the size of the Corporation, structure, risk profile, and complexity of its operations, a Senior Vice President or an equivalent position with adequate stature and authority in the corporation. The Compliance Officer shall have reporting responsibilities to the Chairman of the Board through the Audit Committee. He or she shall perform the following duties:

(i) Monitor compliance with the provisions and requirements of this Manual, the Code and such other laws, circulars, rules and regulations issued in relation to corporate governance, and if any violations are found, report the matter to the Board and recommend the imposition of appropriate disciplinary action on the responsible parties and the adoption of measures to prevent a repetition of the violation;

(ii) Appear before the Securities and Exchange Commission upon summon on matters relating to the Corporation's compliance with this Manual, the Code and such other laws, circulars, rules and regulations issued in relation thereto;

(iii) Determine violation/s of the Manual and recommend penalty for violation thereof for further review and approval of the Board;

(iv) Issue a certification every January 30th of the year on the extent of the Corporation's compliance with this Manual for the immediately preceding fiscal year of the Corporation, explaining if necessary the reason/s of the latter's deviation from the same;

(v) Identify, monitor and control compliance risks;

(vi) Ensure proper onboarding of new directors (i.e., orientation on the Corporation's business, charter, articles of incorporation and by-laws, among others);

(vii) Ensure the attendance of board members and key officers to relevant trainings; and

(viii) Perform such other duties and responsibilities as may be provided by the SEC.

The appointment of the compliance officer (and his alternate) shall be immediately disclosed to the Securities and Exchange Commission on SEC Form 17-C. All correspondence relative to his functions as such shall be addressed to said Officer.

Article 4: ADEQUATE AND TIMELY INFORMATION

To enable the members of the Board to properly fulfill their duties and responsibilities, Management should provide them with complete, adequate and timely information about the matters to be taken in their meetings.

Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a member of the Board to enable him or her to properly perform his or her duties and responsibilities. Hence, the members should be given independent access to Management and the Corporate Secretary.

The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

The members, either individually or as a Board, and in furtherance of their duties and responsibilities, shall have access to independent professional advice at the Corporation's expense.

Article 5: ACCOUNTABILITY AND AUDIT

A) The Board is primarily accountable to the stockholders. It shall provide them with a balanced and comprehensible assessment of the corporation's performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.

Thus, the Management shall provide all members of the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.

The Management shall likewise formulate, under the supervision of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:

i. The extent of its responsibility in the preparation of the financial statements of the corporation, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;

ii. An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Corporation for the benefit of all stockholders and other stakeholders;

iii. On the basis of the approved audit plans, internal audit examinations shall cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the Corporation's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations;

iv. The Corporation shall consistently comply with the financial reporting requirements of the Commission;

v. An external auditor shall enable an environment of good corporate governance as reflected in the financial records and reports of the Corporation. He or she shall be selected and appointed by the stockholders upon recommendation of the Audit Committee and rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Corporation, shall be changed with the same frequency. The Internal Auditor shall submit to the Audit Committee and Management an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee. The annual report shall include significant risk exposures, control issues and such other matters as may be needed or requested by the Board and Management. The Internal Auditor shall certify that he or she conducts his or her activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If he or she does not, he shall or she disclose to the Board and Management the reasons why he or she has not fully complied with the said standards.

B) The Board, after consultation with the Audit Committee, shall recommend to the stockholders an external auditor duly accredited by the Commission who shall undertake an independent audit of the corporation, and shall provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. The external auditor shall not, at the same time, provide internal services to the corporation. Non-audit work may be given to the external auditor, provided it does not conflict with his or her duties as an independent auditor, does not pose a threat to his or her independence. If the external auditor resigns, is dismissed or ceases to perform his or her services, the reason/s for the resignation, dismissal or cessation from service and the date thereof of an external auditor shall be reported in the Corporation's annual and current reports. Said report shall include a discussion of any disagreement with said former external auditor on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure. A preliminary copy of the said report shall be given by the corporation to the external auditor before its submission. If the external auditor believes that any statement made in an annual report, information statement or any report filed with the

Commission or any regulatory body during the period of his engagement is incorrect or incomplete, he shall give his comments or views on the matter in the said reports.

Article 6: RISK MANAGEMENT GROUP

The Risk Management Group shall be composed of the heads of the Corporation's different departments as members and headed by the Risk Management Officer (RMO) and who shall meet at least once every quarter through a risk management meeting. The group's functions involve the following activities:

a. Defining a risk management strategy;

b. Identifying and analyzing key risks exposure relating to economic, environmental, social and governance (EESG) factors and the achievement of the organization's strategic objectives;

c. Evaluating and categorizing each identified risk using the company's predefined risk categories and parameters;

d. Establishing a risk register with clearly defined, prioritized and residual risks;

e. Developing a risk mitigation plan for the most important risks to the company, as defined by the risk management strategy;

f. Communicating and reporting significant risk exposures including business risks (i.e., strategic, compliance, operational, financial and reputational risks), control issues and risk mitigation plan to the Audit Committee; and

g. Monitoring and evaluating the effectiveness of the organization's risk management processes.

The Risk Management Officer, who is the ultimate champion of Enterprise Risk Management (ERM), shall have adequate authority, stature, resources and support to fulfill his or her responsibilities, and has the following functions, among others:

a. Supervises the entire ERM process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;

b. Communicates the top risks and the status of implementation of risk management strategies and action plans to the Audit Committee;

c. Collaborates with the CEO in updating and making recommendations to the Audit Committee;

d. Suggests ERM policies and related guidance, as may be needed; and provides insights on the following:

(i) Risk management processes are performing as intended;

(ii) Risk measures reported are continuously reviewed by risk owners for effectiveness; and

(iii) Established risk policies and procedures are being complied with.

The RMO shall report to the Audit Committee acting as a risk oversight body on a regular basis.

Article 7. STOCKHOLDERS' RIGHTS AND PROTECTION OF MINORITY STOCKHOLDERS INTERESTS

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore, the Board shall be committed to respect the following rights of the stockholders:

A. Voting Right

The Board should be transparent and fair in the conduct of the annual and special stockholders' meetings of the Corporation. The stockholders should be encouraged to personally attend such meetings. In case the stockholders cannot attend the annual and special stockholders' meetings, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the by-laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the stockholders' favor.

Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.

The directors shall be voted in accordance with the Corporation Code.

A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

B. Pre-emptive Right

All stockholders shall have pre-emptive rights, unless the same is denied in the articles of incorporation or an amendment thereto. They shall have the right to subscribe to the capital stock of the Corporation. The Articles of Incorporation shall lay down the specific rights and powers of shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Corporation Code.

C. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions. Provided that, such right may be denied by the Board if the requesting stockholder improperly used information secured from prior examination, or is not acting in good faith, or does not have a legitimate purpose for inspecting the records, or if the Board determined it necessary to safeguard the rights and legitimate interest of the Corporation such as when the records to be inspected contain sensitive or confidential information or are covered by a confidential or non-disclosure obligation which will be breached by the Corporation if such records were made available for inspection.

D. Right to Information

The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.

Subject to the provisions of the Corporation Code, the rules and regulations issued by the Commission in the implementation thereof and the By-Laws, the minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes. The determination of whether any proposed item in the agenda of the proposed meeting is for a legitimate business purpose shall rest solely upon the discretion of the Board.

The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

E. Right to Dividends

Shareholders with cumulative fixed dividend feature, as of the record date fixed by the Board in the resolutions declaring dividends on such shares, shall have the right to receive dividends subject to the discretion of the Board and in accordance with the Corporation Code, the rules and regulations issued by the Commission in the implementation thereof of the Articles of Incorporation.

The Corporation shall be compelled to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: a) when justified by definite corporate expansion projects or programs approved by the Board or b) when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or c) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

F. Appraisal Right

The shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 80 of the Revised Corporation Code of the Philippines, under any of the following circumstances:

(a) In case an amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;

(b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;

(c) In case of merger or consolidation; and

(d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of

shareholder information necessary to make informed decisions subject to legal constraints. Although all stockholders should be treated equally or without discrimination, the Board shall give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the Corporation.

G. Alternative Dispute Resolution

The Board shall make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.

H. Investor Relations Office

The Board shall establish an Investor Relations Office (IRO) tasked to receive feedback, complaints and queries from shareholders, and assure their active participation with regard to activities and policies of the Corporation. The IRO shall have a designated investor relations officer, email address and telephone number to ensure constant engagement with its shareholders. The IRO should be present at every shareholders' meeting.

Article 8: MATERIAL AND REPORTABLE NON-FINANCIAL AND SUSTAINABILITY ISSUES

The Corporation shall ensure that its material and reportable non-financial and sustainability issues are disclosed. It shall adopt a globally recognized standard/framework in reporting sustainability and non-financial issues like the management of economic, environmental, social and governance (EESG) issues of its business.

These disclosures may be made using standards/frameworks, such as the G4 Framework by the Global Reporting Initiative (GRI), the Integrated Reporting Framework by the International Integrated Reporting Council (IIRC) and/or the Sustainability Accounting Standards Board (SASB)'s Conceptual Framework.

The Corporation shall recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the Corporation to grow its business, while contributing to the advancement of the society where it operates.

Article 9. EMPLOYEE'S PARTICIPATION

The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Corporation's goals and in its governance.

Such policies and programs shall cover, among others, the following:

(1) health, safety and welfare;
(2) training and development;
(3) reward/compensation for employees; and
(4) anti-corruption policy

A suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation, shall also be established by the Board. It shall allow direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. The Board shall be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.

These policies and programs shall be disseminated to employees across the organization through trainings to embed them in the Corporation's culture.

Article 10. MONITORING AND ASSESSMENT

The Compliance Officer shall establish an evaluation system to determine and measure compliance with this Manual. Any violation thereof shall subject the responsible officer or employee to the penalty provided under Part 8 of this Manual.

The establishment of such evaluation system, including the features thereof, shall be disclosed in the company's annual report (SEC Form 17-A) or in such form of report that is applicable to the Corporation. The adoption of such performance evaluation system must be covered by a Board approval.

This Manual is subject to review and amendment to take into account the Corporation's changing needs, factual conditions prevailing in the environment and regulatory requirements.

All business processes and practices being performed within any department or business unit of the Corporation that are not consistent with any portion of this Manual shall be revoked unless upgraded to the compliant extent.

Article 11: DISCLOSURE AND TRANSPARENCY

The essence of corporate governance is transparency. The more transparent the internal workings of the Corporation are, the more difficult it will be for Management and dominant stockholders to mismanage the Corporation or misappropriate its assets. It is therefore essential that all material information about the Corporation which could adversely affect its viability or the interests of the stockholders and other stakeholders should be publicly and timely disclosed. Such information should include, among others, earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board and Management.

The Board shall therefore commit at all times to full disclosure of material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders.

The Corporation shall likewise include media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.

Article 12: REPORTORIAL OR DISCLOSURE SYSTEM OF COMPANY'S CORPORATE GOVERNANCE POLICIES

The reports or disclosures required under this Manual shall be prepared and submitted to the Commission by the responsible Committee or officer through the Corporation's Compliance Officer or his alternate.

All material information, i.e., anything that could potentially affect share price, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of directors and changes to ownership.

Other information that shall always be disclosed includes remuneration (including stock options) of all directors and senior management corporate strategy, and off balance sheet transactions.

All disclosed information shall be released via the approved stock exchange procedure for company announcements as well as through the annual report.

All material non-public information shall not be communicated to any person, unless the Corporation is ready to simultaneously disclose the material non-public information to the Philippine Stock Exchange.

This notwithstanding, the prohibition in the preceding Section does not apply if the disclosure is made to:

i. A person who is bound by duty to maintain trust and confidence to the Corporation such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and

ii. A person who agrees in writing to maintain in strict confidence the disclosed material information and will not take advantage of it for his personal gain.

The Board shall establish and implement internal controls that will ensure that the officers, staff and any other person who is privy to the material non-public information shall comply with the prohibition on disclosure of material non-public information.

Article 13: TRAINING PROCESS

If necessary, funds shall be allocated by the Chief Financial Officer or its equivalent officer for the purpose of conducting an orientation program or workshop to operationalize this Manual.

Article 14: COMMUNICATION PROCESS

This Manual shall be available for inspection by any stockholder or employee of the Corporation at reasonable hours on business days subject to such express limitations provided by the Corporation and other relevant laws, circulars, rules and regulations.

All directors, executives, division and department heads are tasked to ensure the thorough dissemination of this Manual to all employees and related third parties, and to likewise enjoin compliance in the process.

An adequate number of printed copies of this Manual must be reproduced under the supervision of the HRD, with a minimum of at least one (1) hard copy of the Manual per department.

Adopted by the Board of Directors on the 17th day of November 2021 at Mandaluyong City, Metro Manila, Philippines.

ATTEST:

JOSE MA. A. CONCEPCION III
Chairman of the Board

ENRIQUE OLIVER I. REY-MATIAS
Vice-President & CFO/Compliance Officer

ATTY. MITCHIE VANESSA T. MAGOMNANG
Corporate Secretary