

**Darwin L. Mendoza**

---

**From:** ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>  
**Sent:** Friday, November 5, 2021 3:47 PM  
**To:** APC Governance  
**Subject:** Re: APC Group, Inc.\_SEC Form 17-C\_5November2021

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.

(Subject to Verification and Review of the Quality of the Attached Document)

Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at [www.sec.gov.ph](http://www.sec.gov.ph) <<http://www.sec.gov.ph/>>

---

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) Secondary Reports such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, IHFS, BDFS, PHFS etc... through email at

ictdsubmission@sec.gov.ph <<mailto:ictdsubmission@sec.gov.ph>>

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the- counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the ONLINE SUBMISSION TOOL (OST) such as:

AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF, ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC\_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

MC28\_S2020@sec.gov.ph <mailto:MC28\_S2020@sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

# COVER SHEET

A	S	9	3	0	0	8	1	2	7
---	---	---	---	---	---	---	---	---	---

S.E.C. Registration Number

[illegible]

(Company's Full Name)

G	/	F	,		M	Y	T	O	W	N		N	E	W		Y	O	R	K		B	L	D	G	.						
G	E	N	.	E	.	J	A	C	I	N	T	O		S	T	.	C	O	R	.	C	A	P	A	S		S	T	.		
B	G	Y			G	U	A	D	A	L	U	P	E			N	U	E	V	O	,	M	A	K	A	T	I				

**MICHELLE ANGELI T. HERNANDEZ**

Contact Person

**(+63) 2 8662 8888**

Company Telephone Number

**1 2      3 1**

Month \_\_\_\_\_  
Fiscal Year \_\_\_\_\_

17-C

FORM TYPE

Month	Day	Annual Meeting
1	1	
2	2	
3	3	
4	4	
5	5	
6	6	
7	7	
8	8	
9	9	
10	10	
11	11	
12	12	

--	--	--	--	--

Secondary License Type, If Applicable

--	--	--

Dept. Requiring this Doc.

\_\_\_\_\_

Amended Articles Number/Section

--

Total No. of Stockholders

### Total Amount of Borrowings

\_\_\_\_\_

Domestic

--

Foreign

To be Accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

## STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. November 5, 2021  
Date of Report (Date of earliest event reported)
2. SEC Identification Number AS93008127
3. BIR Tax Identification Number 002-834-075
4. APC Group, Inc.  
Exact name of issuer as specified in its charter
5. Metro Manila, Philippines  (SEC Use Only)  
Province, country or other jurisdiction of incorporation      Industry Classification Code:
7. G/F MyTown New York Building, General E. Jacinto corner  
Capas Streets, Barangay Guadalupe Nuevo, Makati City      1212  
Address of principal office      Postal Code
8. (+632) 8662-8888  
Issuer's telephone number, including area code
9. Not applicable  
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>Common Stock</u>	<u>7,504,203,997</u>

11. Indicate the item numbers reported herein:  
Item No. 9

### SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

APC Group, Inc.

Issuer



Richard Anthony D. Alcazar  
Corporate Secretary

November 5, 2021

Date



APC GROUP INC.

November 5, 2021

**Securities and Exchange Commission**

Secretariat Building, PICC Complex,  
Roxas Boulevard, Pasay City

Attention : **Mr. Vicente Graciano P. Felizmenio, Jr.**  
Director, Markets and Securities Regulation Department

Subject : **Results of Meeting of the Board of Directors**

Gentlemen :

Please be informed that during its meeting held today, our Board of Directors (the "Board") has discussed the following:

1. Changes in Directors and Officers

The Board accepted the resignations of (a) Mr. Jackson T. Ongsip as President and Chief Executive Officer, and (b) Mr. Bernardo D. Lim as Director. Mr. Ongsip will, however, remain as a member of the Board. Consequently, the Board elected and appointed Mr. Ian Jason R. Aguirre as new Director, President, and Chief Executive Officer. Further, the Board also appointed Mr. Ongsip to assume the unexpired term of Mr. Lim's Board committee chairmanship and memberships, while Mr. Aguirre to replace Mr. Ongsip as member of the Executive Committee.

Lastly, the Board has also appointed Ms. Marie Joy T. Co as Treasurer and Compliance Officer.

The foregoing changes will become effective end of business day of November 5, 2021.

2. Revised Manual on Corporate Governance and Amendments to the By-laws

For the purpose of enhancing the Corporation's corporate governance standards and practices, and in compliance with the Revised Corporation Code, the Board has approved certain revisions to the Manual on Corporate Governance and amendments to our By-Laws.

Enclosed herewith are the following, for the Commission's reference:

1. Profile of Ms. Co
2. Revised Manual on Corporate Governance
3. Summary of Proposed Amendments to By-laws

Thank you.

Very truly yours,



**RICHARD ANTHONY D. ALCAZAR**  
Corporate Secretary

### **Profile of Marie Joy T. Co**

Ms. Marie Joy T. Co, 40, Filipino, is concurrently the Accounting Manager for the Philippine Geothermal Production Company. She was an Analyst for Shell Shared Services Philippines from 2004 to 2006, and Auditor for KPMG – Laya Mananghaya from 2003 to 2004. Ms. Co is a graduate of Bachelor of Science in Accountancy from De La Salle University, and a Certified Public Accountant.



# REVISED MANUAL ON CORPORATE GOVERNANCE



APC GROUP INC.

November 2021

---

## Table of Contents

<b>VISION AND MISSION STATEMENTS</b>	<b>4</b>
<b>DEFINITION OF TERMS</b>	<b>4</b>
<b>OBJECTIVE</b>	<b>6</b>
<b>THE BOARD'S GOVERNANCE RESPONSIBILITIES</b>	<b>6</b>
1. Establishing a Competent Board	6
1.1 Composition	6
1.2 Training	7
1.3 Board Diversity	7
1.4 Corporate Secretary	7
1.5 Compliance Officer	8
2. Establishing Clear Roles and Responsibilities of the Board	9
2.1 Duties and Responsibilities of the Board	9
2.2 Chairman of the Board	10
2.3 Nomination and Election of the Board of Directors	11
2.4 Qualifications	12
2.5 Permanent Disqualifications	13
2.6 Temporary Disqualification	14
2.7 Meetings of the Board	15
2.8 Compensation of Directors	16
2.9 Duties and Responsibilities of a Director	16
3. Establishing Board Committees	17
3.1 The Executive Committee	17
3.2 The Audit Committee	18
3.3 The Corporate Governance Committee	21
3.4 The Risk Oversight Committee	22
3.5 The Related Party Transactions Committee	23
3.6 The Compensation and Remuneration Committee	25
4. Fostering Commitment	25
4.1 Participation in Meetings	26
4.2 Multiple Board Seats	26
5. Reinforcing Board Independence	26
5.1 Independent Directors	26
5.2 President	27
5.3 Lead Independent Director	28
6. Assessing Board Performance	29
6.1 Board Evaluation	29
7. Strengthening Board Ethics	29

<b>DISCLOSURE AND TRANSPARENCY</b>	<b>30</b>
8. Enhancing Corporation Disclosure Policies and Procedures	30
9. Strengthening the External Auditor's Independence and Improving Audit Quality	30
9.1 External Auditor	30
10. Increasing Focus on Non-Financial and Sustainability Reporting	31
11. Promoting a Comprehensive and Cost-Efficient Access to Relevant Information	31
<b>INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FRAMEWORK</b>	<b>31</b>
12. Strengthening the Internal Control System and Enterprise Risk Management Framework	31
12.1 Internal Control System	32
12.2 Internal Audit Function	32
12.3 Chief Audit Executive	32
12.4 Enterprise Risk Management	33
12.5 Chief Risk Officer	33
<b>CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS</b>	<b>34</b>
13. Promoting Shareholder Rights	34
13.1 Promote Shareholder Rights	34
13.2 Open Communication	34
13.3 Shareholder Participation	34
13.4 Rights of Shareholders	34
13.4.1 Voting Rights	34
13.4.2 Pre-Emptive Right	35
13.4.3 Right of Inspection	35
13.4.4 Right to Information	35
13.4.5 Right to Dividend	36
13.4.6 Appraisal Right	37
13.5 Alternative Dispute Resolution	37
13.6 Investor Relations Office	37
<b>DUTIES TO STAKEHOLDERS</b>	<b>37</b>
14. Respecting Rights of Stakeholders and Effective Redress for the Violation of Stakeholders' Rights	37
15. Encouraging Employee's Participation	38
16. Encouraging Sustainability and Social Responsibility	38
<b>COMMUNICATION AND MONITORING OF THIS MANUAL</b>	<b>38</b>
17. Communication of this Manual	38
18. Monitoring and Penalties for Non-Compliance	39
19. Effectivity	39

---

# **REVISED MANUAL ON CORPORATE GOVERNANCE**

## **APC GROUP INC.**

The Board of Directors (the “Board”), Management and Staff of APC Group Inc. (the “Corporation”), hereby commit themselves to an open governance process through which its shareholders and other stakeholders may derive assurance that, in protecting and adding value to the Corporation’s financial and human investment, the Corporation is being managed ethically, according to prudently determined risk parameters, and striving to achieve local best practices.

### **VISION**

APC Group Inc. is the market leader in investments holding for sustainable energy resource development ventures in the Philippines.

### **MISSION**

- To create opportunities for growth through strategic and viable investments;
- To enhance shareholder value for the Corporation’s investors and partners;
- To promote mutually beneficial relationship with all the stakeholders that is grounded on transparency, integrity and respect;
- To enhance the quality of life of the communities we serve.

### **RULES OF INTERPRETATION**

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

### **DEFINITION OF TERMS**

- a. Corporate Governance. The framework of rules, systems and processes in the Corporation that governs the performance by the Board and Management of their respective duties and responsibilities to the stockholders and other stakeholders which include, among others, customers, employees, suppliers, financiers, government and community in which it operates;
- b. Board of Directors. The governing body elected by the stockholders that exercises the corporate powers of the Corporation, conducts all its business and controls its properties;
- c. Exchange. An organized market place or facility that brings together buyers and sellers, and executes trades of securities and/or commodities;
- d. Management. The body given the authority by the Board to implement the policies it has laid down in the conduct of the business of the Corporation;
- e. Independent Director. A person who, apart from his fees and shareholdings, is independent of Management and 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;

- 
- f. **Lead Independent Director.** An independent director, who has sufficient authority to lead the Board in cases where management has clear conflicts of interest, designated by the Board as lead independent director if the Chairman of the Board is not an independent director;
  - g. **Executive Director.** A director who is also the head of a department or unit of the Corporation or performs any work related to its operation;
  - h. **Non-Executive Director.** A director who is not the head of a department or unit of the Corporation nor performs any work related to its operation;
  - i. **Non-Audit Work.** The other services offered by an external auditor to the Corporation that are not directly related and relevant to its statutory audit functions, such as, accounting, payroll, bookkeeping, reconciliation, computer project management, data processing, or information technology outsourcing services, internal audit, and other services that may compromise the independence and objectivity of an external auditor;
  - j. **Internal Control.** The system established by the Board and Management for the accomplishment of the Corporation's objectives, the efficient operation of its business, the reliability of its financial reporting, and faithful compliance with applicable laws, regulations and internal rules;
  - k. **Internal Control System.** The framework under which internal controls are developed and implemented to manage and control a particular risk or business activity, or combination of risks or business activities, to which the Corporation is exposed;
  - l. **Internal Audit.** An independent and objective assurance activity designed to add value to and improve the Corporation's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes;
  - m. **Internal Audit Department.** A department of the Corporation that provides independent and objective assurance services in order to add value to and improve the Corporation's operations;
  - n. **Enterprise Risk Management.** A process, effected by the entity's Board, 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.
  - o. **Related Party.** Shall cover the Corporation's subsidiaries, as well as affiliates and any party (including their subsidiaries, affiliates and special purpose entities), that the Corporation exerts direct or indirect control over or that exerts direct or indirect control over the Corporation; the Corporation's directors; officers; shareholders and related interests, 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 Corporation.
  - p. **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 shall 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.

- 
- q. Stakeholders. Any individual, organization or society at large who can either affect and/or be affected by the Corporation'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.

## **OBJECTIVE**

This Manual shall institutionalize the principles of good corporate governance in the entire organization. Corporate Governance is the framework of rules, systems and processes in the Corporation that governs the performance of the Board and Management of their respective duties and responsibilities to stockholders and other stakeholders which include, among others, customers, employees, suppliers, financiers, government and community in which it operates.

The Board and Management, employees and shareholders, believe that good corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness thereof within the organization as soon as possible.

## **THE BOARD'S GOVERNANCE RESPONSIBILITIES**

### **1. Establishing a Competent Board**

Compliance with the principles of good corporate governance shall start with the Board. 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 interests of its stockholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities to ensure a high standard of best practice for the Corporation, its stockholders and other stakeholders.

#### **1.1 Composition**

- 1.1.1. The Board shall be composed of seven (7) directors who shall be elected by the Corporation's stockholders annually and shall hold office for one (1) year and until their successors are elected and qualified in accordance with the Corporation's By-Laws. The Board shall be composed of directors with collective working knowledge, experience or expertise that is relevant to the Corporation's industry or sector. The Board shall always 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 to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.
- 1.1.2. The Board shall be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.
- 1.1.3. The Board shall designate a Lead Independent Director among the Independent Directors.

---

## 1.2. Training

- 1.2.1 The Corporation shall provide a comprehensive 8-hour orientation program for new directors and an annual 4-hour continuing training for existing directors, including an understanding of the contributions that the director is expected to make, an explanation of the Board and its committees, and an explanation of the Corporation's business, including corporate governance and other matters that will assist them in discharging their duties.
- 1.2.2 The Corporation shall also provide general access to training courses to its directors as a matter of continuous professional education as well as to maintain and enhance their skills as directors and keep them updated in their knowledge and understanding of the Corporation's business.

## 1.3 Board Diversity

We value, promote and observe a policy on diversity in the composition of our Corporation's Board. Diversity in age, gender, ethnicity, experience, field expertise, and personal qualities shall be considered by the Board as it installs a process of selection to ensure a mix of competent directors and key officers.

## 1.4 Corporate Secretary

- 1.4.1 The Board is assisted by the Corporate Secretary, who is an officer of the Corporation and separate from the Compliance Officer. The Corporate Secretary shall not be a member of the Board and shall annually attend a training on corporate governance. He is primarily responsible to the Corporation and its shareholders, and not to the Chairman or President of the Corporation. His loyalty to the mission, vision and specific business objectives of the corporate entity come with his duties.
- 1.4.2 Considering the varied functions and duties, the Corporate Secretary must possess administrative and interpersonal skills, and if not the general counsel, must have some legal skills. He must also have some financial and accounting skills, working knowledge of the operations of the Corporation, and shall be a Filipino citizen.
- 1.4.3 The Corporate Secretary shall have the following duties and responsibilities:
  - 1.4.3.1 Assists the Board and the Board Committees in the conduct of their meetings, including preparing an annual schedule of Board and Committee meetings and the annual board calendar and assisting the Chairs of the Board and its Committees to set agendas for those meetings;
  - 1.4.3.2 Safekeeps and preserves the integrity of the minutes of the meetings of the Board and its Committees as well as other official records of the Corporation;
  - 1.4.3.3 Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the Corporation, and advises the Board and Chairman on all relevant issues as they arise;
  - 1.4.3.4 Works fairly and objectively with the Board, Management and stockholders and contributes to the flow of information between the Board and Management, the Board and its Committees, and the Board and its stakeholders, including shareholders;

- 
- 1.4.3.5 Advises on the establishment of Board Committees and their terms of reference;
  - 1.4.3.6 Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
  - 1.4.3.7 Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so;
  - 1.4.3.8 Performs required administrative functions;
  - 1.4.3.9 Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and
  - 1.4.3.10 Performs such other duties and responsibilities as may be provided by the Securities and Exchange Commission (SEC or the “Commission”).

## **1.5 Compliance Officer**

- 1.5.1 To ensure adherence to corporate principles and best practices, the Board shall designate a Compliance Officer who shall monitor the progress and status of the Corporation’s corporate governance activities. He shall have the rank of Senior Vice President or an equivalent position with adequate stature and authority in the Corporation, and who shall have direct reporting responsibilities to the Chairman of the Board. He should not be a member of the Board and should annually attend a training on corporate governance.
- 1.5.2 The Compliance Officer shall have the following duties and responsibilities:
  - 1.5.2.1 Ensures proper onboarding of new directors (i.e. orientation on the Corporation’s business, charter, articles of incorporation and by-laws, among others;
  - 1.5.2.2 Monitors, reviews, evaluates and ensures the compliance by the Corporation, its officers and directors with the relevant laws, the Code of Corporate Governance, rules and regulations all governance issuances of regulatory agencies;
  - 1.5.2.3 Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
  - 1.5.2.4 Ensures the integrity and accuracy of all documentary submissions to regulators;
  - 1.5.2.5 Appears before the SEC when summoned in relation to compliance with the Code of Corporate Governance;
  - 1.5.2.6 Collaborates with other departments to properly address compliance issues, which may be subject to investigation;
  - 1.5.2.7 Identifies possible areas of compliance issues and works towards the resolution of the same;
  - 1.5.2.8 Ensures the attendance of board members and key officers to relevant trainings; and



---

1.5.2.9 Performs such other duties and responsibilities as may be provided by the SEC.

## **2. Establishing Clear Roles and Responsibilities of the Board**

The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the Corporation's Articles of Incorporation and By-laws, and other legal pronouncements and guidelines shall be clearly made known to all directors as well as to shareholders and other stakeholders.

### **2.1 Duties and Responsibilities of the Board**

The Board Members shall 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. To ensure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall have, among others, the following duties and responsibilities:

- a. Install a process of selection to ensure a mix of competent directors and officers, regardless of age, gender, race and religion;
- b. Determine and regularly review, together with Management, the Corporation's vision, mission, goals and strategies;
- c. Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practices;
- d. Identify the Corporation's major and other stakeholders and formulate a clear policy on communicating with them through an effective investor relations program;
- e. Adopt a system of internal checks and balances;
- f. Establish and maintain an alternative dispute resolution system to settle conflicts between the Corporation and its stockholders or other third parties, including regulatory authorities.
- g. The Board shall oversee the development of and approve the Corporation's business objectives and strategy, and monitor their implementation, in order to sustain the Corporation's long-term viability and strength.
- h. The Board shall be headed by a competent and qualified Chairman.
- i. The Board shall be responsible for ensuring and adopting an effective succession planning program for directors, key officers and management to ensure growth and a continued increase in the shareholders' value. This shall include adopting a policy on the retirement age of directors and key officers which shall be set at the maximum age of 80 years old.
- j. The Board shall align the remuneration of key officers and Board members with the long-term interests of the Corporation. In doing so, it shall formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director shall participate in discussions or deliberations involving his own remuneration.
- k. The Board shall disclose in this Manual a formal and transparent board nomination and election policy that shall include how it accepts nominations from minority shareholders and reviews nominated candidates. This policy shall also include an assessment of the effectiveness of the

---

Board's processes and procedures in the nomination, election, or replacement of a director. In addition, its process of identifying the quality of directors shall be aligned with the strategic direction of the Corporation.

- l. 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 shall include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy shall encompass all entities within the Corporation, taking into account their size, structure, risk profile and complexity of operations.
- m. The Board shall be primarily responsible for approving the selection and assessing the performance of the Management led by the Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).
- n. The Board shall establish an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management.
- o. The Board shall oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. The Board shall also approve the Internal Audit Charter.
- p. The Board shall oversee that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.
- q. The Board shall have a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter shall serve as a guide to the directors in the performance of their functions and shall be publicly available and posted on the Corporation's website.
- r. The Board shall disclose within three business days any transactions related to their own APC shares.
- s. Other duties and responsibilities as may be assigned by the SEC.

## **2.2 Chairman of the Board**

2.2.1 The Board shall be headed by a competent and qualified Chairman. The roles and responsibilities of the Chairman include, among others, the following:

- 2.2.1.1 Ensures that the meetings of the Board are held in accordance with the Corporation's By-Laws;
- 2.2.1.2 Makes 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;

- 
- 2.2.1.3 Guarantees that the Board receives accurate, timely, relevant, insightful, concise and clear information to enable it to make sound decisions;
  - 2.2.1.4 Facilitates discussion on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
  - 2.2.1.5 Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
  - 2.2.1.6 Assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors;
  - 2.2.1.7 Makes sure that performance of the Board is evaluated at least once a year and discussed/ followed up on;
  - 2.2.1.8 Maintains qualitative and timely lines of communication and information between the Board and Management;
  - 2.2.1.9 Have general supervision and administration of the affairs of the Corporation;
  - 2.2.1.10 Initiate and develop corporate objectives and policies and formulate long range projects, plans, and programs for the approval of the Board;
  - 2.2.1.11 Carry out the resolutions of the Board and represent the Corporation at all functions; and
  - 2.2.1.12 Perform such other duties that are incident to his office or are entrusted to him by the Board.
- 2.2.2 The roles of the Chairman and the President shall be separate to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

## **2.3 Nomination and Election of Board of Directors**

- 2.3.1 Members of the Board are nominated and elected at the annual meeting of the stockholders to serve for a term of one (1) year until their successors are duly elected and qualified. The Board shall be composed of seven (7) members, two (2) of whom shall be Independent Directors. It shall be the responsibility of the Chairman of the Stockholders' Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors.
- 2.3.2 Any vacancy occurring in the Board by reason of death, resignation, retirement or disqualification may be filled by the affirmative vote of a majority of the remaining directors constituting a quorum, upon the nomination, provided that specific slots for Independent Directors shall not be filled by unqualified nominees. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

- 
- 2.3.3 Nomination of directors shall be conducted by the Nomination Committee<sup>1</sup>/ Corporate Governance (CG)<sup>2</sup> Committee prior to a stockholders' meeting.
- 2.3.4 All nominations, inclusive of each nominee's acceptance, shall be submitted in writing thru the Corporate Secretary to the CG Committee by any stockholder of record at least 60 business days prior to the date of the regular annual meeting. This will allow the CG Committee to assess and evaluate the qualifications of the nominees. A stockholder of record, including a minority stockholder, entitled to notice of, and to vote at, the regular or special meeting of the stockholders for the election of directors shall be qualified to be nominated for election as a director.
- 2.3.5 The CG Committee may engage the services of professional search firms or other reputable external sources when searching for candidates for election to the Board.
- 2.3.6 The name of the person or group of persons who recommended the nomination of the Independent Director(s) shall be identified in such report including any relationship with the nominee.
- 2.3.7 The CG Committee meets, pre-screens and evaluates the qualifications of all persons nominated for election to the Board from the pool of candidates submitted by the nominating stockholders. The CG Committee will then prepare the Final List of Candidates after considering the qualifications and disqualifications set forth in the Amended By-Laws of the Corporation. The same shall contain all the information about all the nominees for election as members of the Board, which list shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports as the Corporation will be required to submit to the SEC.
- 2.3.8 Only nominees qualified by the CG Committee and whose names appear on the Final List of Candidates shall be eligible for election either as Independent Directors or as Regular Directors. No other nominations for election as director shall be entertained after the Final List of Candidates has been prepared and finalized. No further nominations for election as director shall be entertained or allowed on the floor during the annual stockholders' meeting.
- 2.3.9 Based on the Final List of Candidates, directors are elected by shareholders individually. The vote required for the election of directors is majority of the outstanding capital stock. The election of Directors shall be by ballot and each stockholder entitled to vote may cast the vote to which the number of shares he owns entitles him, for as many persons as there are to be elected as Directors, or he may cumulate or give to one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of Directors to be elected.
- 2.3.10 To preserve the integrity of the election process, the Corporation may employ the services of a third party to validate the voting results.

---

<sup>1</sup> Until May 9, 2018

<sup>2</sup> Beginning May 9, 2018 after the Corporation's Organizational Meeting

---

## 2.4 Qualifications

A director of the Corporation must possess the following qualifications:

- 2.4.1 Holder of at least one (1) share of stock of the Corporation;
- 2.4.2 At least a holder of a Bachelor's Degree, or to substitute for such formal education, must have adequate competency and understanding of business;
- 2.4.3 He shall be of legal age or at least twenty one (21) years old;
- 2.4.4 He shall be proven to possess integrity and probity;
- 2.4.5 He shall be assiduous;
- 2.4.6 He is proven to possess the appropriate level of skill and experience in line with the strategic plans and goals of the Corporation, and
- 2.4.7 In addition to the qualifications for membership in the Board required in relevant laws, the Board may provide for additional qualifications, which may include practical understanding of the Corporation's business, membership in good standing in relevant industry, business or professional organizations, and previous business experience.

## 2.5 Permanent Disqualifications

The following individuals are disqualified from being a director of the Corporation:

- 2.5.1 Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that: (1) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (2) 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 (3) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- 2.5.2 Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, Bangko Sentral ng Pilipinas (BSP) or any court or administrative body of competent jurisdiction from: (1) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (2) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (3) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (1) and (2) above, or willfully violating the laws that govern securities and banking activities.
- 2.5.3 The disqualification shall also apply if (1) such person is the subject of an order of the SEC, BSP or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Revised Corporation Code, Securities Regulation Code or any other law administered by the SEC or BSP, or under any rule or regulation issued by the Commission or BSP; (2) such person has otherwise been restrained to engage in any activity involving securities and banking; or (3) such person is 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;

- 
- 2.5.4 Any person convicted by final judgment or order by a court, or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;
- 2.5.5 Any person who has been adjudged by final judgment or order of the SEC, BSP, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Revised Corporation Code, Securities Regulation Code or any other law, rule, regulation or order administered by the SEC or BSP;
- 2.5.6 Any person judicially declared as insolvent;
- 2.5.7 Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated previously;
- 2.5.8 Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Revised Corporation Code committed within five (5) years prior to the date of his election or appointment;
- 2.5.9 No person shall qualify or be eligible for nomination or election to the Board if he is engaged in any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:
- 2.5.9.1 If he is the owner (either of record or as beneficial owner) of 5% or more of any outstanding class of share of, any corporation (other than one in which the Corporation owns at least 20% of the capital stock) which is engaged in a business directly competitive to that of the Corporation or any of its subsidiaries or affiliates;
- 2.5.9.2 If he is an officer, manager, or controlling person of, or the owner or any member of his immediate family is the owner (either of record or as beneficial owner) of 5% or more of any outstanding class of shares of any corporation (other than one in which the Corporation owns at least 20% of the capital stock) which is an adverse party in any suit, action or proceeding (of whatever nature, whether civil, criminal, administrative, or judicial) by or against the Corporation, which has been actually filed or threatened, imminent or probably, to be filed; and
- 2.5.9.3 If he is determined by the Board, in the exercise of its judgment in good faith, to be the nominee, officer, trustee, adviser, or legal counsel, of any individual set forth in (2.5.9.1) or (2.5.9.2) hereof;
- 2.5.10 An Independent Director who has served on the Board for a maximum cumulative term of nine (9) years shall no longer be allowed to serve as an Independent Director; and
- 2.5.11 Other grounds as the SEC may provide.

## **2.6 Temporary Disqualification**

- 2.6.1. Any of the following shall be a ground for the temporary disqualification of incumbent directors:

- 
- 2.6.1.1. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election;
  - 2.6.1.2. Dismissal or termination for cause as director of any publicly-listed company, public company, registered issuer of securities and holder of a secondary license from the Commission. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination;
  - 2.6.1.3. If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification from being elected as an independent director is lifted if the limit is later complied with; and
  - 2.6.1.4. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.
- 2.6.2. Temporary disqualification shall be at the discretion of the Board and shall require a resolution of the majority of the Board.
  - 2.6.3. A director shall have sixty (60) days upon the occurrence of any ground for temporary disqualification to remedy or correct the same otherwise, the disqualification shall become permanent.

## **2.7. Meetings of the Board**

- 2.7.1. Members of the Board should attend regular and special meetings of the Board in person or via teleconference or videoconference or by any other technological means allowed by the Commission, except when justifiable causes, such as sickness, death in the immediate family and serious accidents, prevent them from doing so.
- 2.7.2. The Board may, to promote transparency, require the presence of at least one (1) independent director in all of its meetings. However, the absence of an independent director shall not affect the quorum requirements if he is duly notified of the meeting but notwithstanding such notice fails to attend.
- 2.7.3. The Board shall meet once every quarter. Regular Board Meetings shall be scheduled in advance before the start of the year. Special Board Meetings may be called upon the request of the Chairperson, or President or the Secretary at the request of any of the two (2) Directors.
- 2.7.4. Items to be discussed during the board meeting shall be made available to each director at least five (5) days in advance. In emergency circumstances, however, the meeting may be called on a shorter notice.
- 2.7.5. Non-executive Directors shall meet once a year without the presence of Executive Directors and key officers.
- 2.7.6. Presence of 2/3 of the directors is required when determining the quorum of the meeting.



---

## 2.8. Compensation of Directors

Directors shall not receive any compensation unless approved by the stockholders or provided in the Corporation's By-Laws. No director shall participate in the approval of his compensation. However, the Board may, from time to time, approve a reasonable per diem that a director may receive for attendance in Board and Board Committee meetings.

## 2.9. Duties and Responsibilities of a Director

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 specific duties and responsibilities:

- 2.9.1. Conduct fair business transactions with the Corporation and to ensure that personal interest does not bias Board decisions. He shall not use his position to make profit or to acquire benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality, should an actual or potential conflict of interest should arise, he should fully and immediately disclose the same and should not participate in the decision-making process.
  - 2.9.1.1. A conflict of interest arises when the director's personal or business interest is antagonistic to that of the Corporation, or that he stands to acquire or gain financial advantage at the expense of the Corporation.
- 2.9.2. Devote time and attention necessary to properly discharge duties and responsibilities. He should devote sufficient time to familiarize himself with the Corporation's business. He should be constantly aware of, and knowledgeable with, the Corporation's operations to enable him to meaningfully contribute to the Board's work. He should attend and actively participate in Board and committee meetings, review meeting materials, and, if called for, ask questions or seek explanation.
- 2.9.3. Act judiciously. He shall evaluate the issues, ask questions and seek clarifications necessary before deciding on any matter brought before the Board;
- 2.9.4. Exercise independent judgment. He shall review each problem or situation objectively. Should a disagreement with other directors arise, he should carefully evaluate and explain his position. He should not be afraid to take unpopular positions if he thinks such ideas are beneficial to the Corporation;
- 2.9.5. Have a working knowledge of the statutory and regulatory requirements affecting the Corporation, 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. He shall also keep himself informed of the industry developments and business trends in order to safeguard the Corporation's competitiveness;
- 2.9.6. Observe confidentiality. He should keep secure and confidential all non-public information he may acquire or learn by reason of his position as director. He shall not disclose any information to any other person without the authority of the Board or the Executive Committee;
- 2.9.7. Ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment; and



- 
- 2.9.8. Attend before assumption of office and annually thereafter a seminar on corporate governance conducted by a duly recognized private or government institute.
- 2.10. To enable the Board to properly fulfill their duties and responsibilities, management should provide directors with complete and timely information about the matters in the agenda of the meetings. Directors should be given independent access to management and the Corporate Secretary, as well as to independent professional advice.

### **3. Establishing Board Committees**

To help focus on specific corporate governance responsibilities and to aid in the optimal performance of its roles and functions, the Board created six (6) Committees namely Executive Committee; the Audit Committee; the Corporate Governance Committee; the Risk Oversight Committee; the Compensation and Remuneration Committee; and Related Party Transactions Committee.

All established committees shall be required to have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information. The Charters shall provide the standards for evaluating the performance of the Committees. Committee Charters shall be publicly available and posted on the Corporation's website.

#### **3.1 The Executive Committee**

The Executive Committee (ExCom) shall consist of at least three (3) members of the Board. Members of the Committee shall be appointed by the Board, who shall also appoint a Committee Chairperson and Committee Secretary. In accordance with this, members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board.

The ExCom's primary purpose is to function when the Board is not in session. The Committee shall have all the power and authority of the Board in the governance, management and direction of the business and affairs of the Corporation except for those matters expressly provided for in Section 34 of the Revised Corporation Code, the Corporation's By-Laws and other pertinent laws, rules or regulations.

3.1.1 The ExCom shall have the following duties and responsibilities:

- 3.1.1.1 Assist the Board in overseeing the implementation of strategies and sustaining the Corporation's long-term success and competitiveness in a manner consistent with its vision / mission;
- 3.1.1.2 Review of major issues facing the organization;
- 3.1.1.3 Monitoring of the operating activities of each business group;
- 3.1.1.4 Defining and monitoring the Corporation's performance improvement goals;
- 3.1.1.5 Defining group-wide policies and actions and overseeing their implementation;
- 3.1.1.6 Fostering the sharing of information in all areas of the business group;

- 
- 3.1.1.7 Performs other functions as the committee may deem appropriate within its scope or as assigned by the Board; and
  - 3.1.1.8 All duties and responsibilities as provided in the Executive Committee Charter.
  - 3.1.2 An act of the ExCom which is within the scope of its power shall not require ratification or approval for its validity and effectivity.
  - 3.1.3 All actions of the ExCom shall be reported to the Board at the meeting thereof following such action and shall be subject to revision by the Board.

## 3.2 The Audit Committee

The Audit Committee's (AudCom) primary function is to enhance the Board's oversight capability over the Corporation's financial reporting, internal control system, internal and external audit processes and compliance with applicable laws and regulations. It shall be composed of at least three (3) non-executive members of the Board, the majority of whom, including the Chairman, shall be independent. The Chairman of the AudCom shall not be the Chairman of the Board or any other committee. Each member shall have adequate understanding at least or competence at most of the Corporation's financial management systems and environment particularly, in the areas of accounting, audit and finance. In accordance with this, the members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board.

- 3.2.1 The AudCom shall have the following duties and responsibilities:
  - 3.2.1.1 Recommends the approval of the Internal Audit (IA) Charter, which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
  - 3.2.1.2 Through the IA Department, monitors and evaluates the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances shall be in place in order to:
    - 3.2.1.2.1 safeguard the Corporation's resources and ensure their effective utilization,
    - 3.2.1.2.2 prevent occurrence of fraud and other irregularities;
    - 3.2.1.2.3 protect the accuracy and reliability of the Corporation's financial data, and
    - 3.2.1.2.4 ensure compliance with applicable laws and regulations
  - 3.2.1.3 Oversees the Internal Audit Department and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee shall also approve the terms and conditions for outsourcing internal audit services;
  - 3.2.1.4 Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he shall directly report to the Audit Committee;
  - 3.2.1.5 Approves the appointment, evaluates the performance and confirm the removal of the Chief Audit Executive;

- 
- 3.2.1.6 Reviews and monitors Management's responsiveness to the Internal Auditor's findings and recommendations;
  - 3.2.1.7 Ensures there is an established process on the appointment, reappointment, removal, and fees of the External Auditor;
  - 3.2.1.8 Prior to the commencement of the audit, discusses 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;
  - 3.2.1.9 Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him 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, shall be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report;
  - 3.2.1.10 Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters;
    - 3.2.1.10.1 Any change/s in accounting policies and practices
    - 3.2.1.10.2 Areas where a significant amount of judgment has been exercised
    - 3.2.1.10.3 Significant adjustments resulting from the audit
    - 3.2.1.10.4 Going concern assumptions
    - 3.2.1.10.5 Compliance with accounting standards
    - 3.2.1.10.6 Compliance with tax, legal and regulatory requirements
  - 3.2.1.11 Reviews the disposition of the recommendations in the External Auditor's management letter;
  - 3.2.1.12 Performs oversight functions over the Corporation's Internal and External Auditors. It shall ensure the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
  - 3.2.1.13 Obtains any external professional advice and expertise if so required.
  - 3.2.1.14 Coordinates, monitors and facilitates compliance with laws, rules and regulations;
  - 3.2.1.15 Recommend to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the Corporation, and provides an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders;
  - 3.2.1.16 Meet with the Board at least every quarter without the presence of the CEO or other Management team members, and periodically meet with the CAE;
  - 3.2.1.17 Perform other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board; and

---

3.2.1.18 All duties and responsibilities as provided in the Audit Committee Charter.

3.2.2 The Committee shall meet at least four (4) times a year and may hold separate meetings with auditors and executive sessions (i.e. without the presence of Management).

### **3.3 The Corporate Governance Committee**

The Corporate Governance Committee (CG Com) shall be composed of at least three (3) members, all of whom should be independent directors. In accordance with this, the members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board. Each member shall have adequate and competent understanding of corporate governance principles and practices, in addition to thorough knowledge of the Corporation's business and industry in which it operates. The Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the determination of the nominees for election to the Corporation's Board, which may be done by identifying through professional search firms or other similar mechanisms, and by recommending candidates to fill vacancies occurring between annual shareholder meetings, and to provide communications with the Board and, as appropriate, communications with shareholders and regulators, that were formerly assigned to the NomCom.

3.3.1. The CG Com shall have the following duties and responsibilities:

- 3.3.1.1. Oversees 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;
- 3.3.1.2. Oversees the periodic performance evaluation of the Board and its Committees as well as Executive Management, Chairman of the Board and individual directors, and conducts an annual self-evaluation of its performance;
- 3.3.1.3. Ensures 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;
- 3.3.1.4. Ensure that the assessment shall be supported by an external facilitator every three (3) years;
- 3.3.1.5. Recommends continuing education/training programs for directors, assignment of tasks/projects to Board Committees, succession planning for the Board members and Senior Officers, and remuneration packages for corporate and individual performance;
- 3.3.1.6. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- 3.3.1.7. Proposes and plans relevant trainings for the members of the Board;
- 3.3.1.8. Determines the nomination and election process for the Corporation's directors, has the special duty of defining the general profile of Board members that the Corporation may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board;

- 
- 3.3.1.9. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates;
- 3.3.1.10. Perform other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board;
- 3.3.1.11. Pre-screen and shortlist all candidates nominated to become a member of the Board in accordance with the qualifications and disqualifications provided under the Revised Manual on Corporate Governance and all relevant rules and regulations.
- 3.3.1.12. Ensure that all candidates nominated by shareholders to become a member of the Board shall possess the ideals and values that are aligned to the Corporation's vision and mission statements, and strategic directions.
- 3.3.1.13. Assesses the relevant work experiences, educational background, competencies and track record of candidates in light of the strategic goals and objectives of the Corporation;
- 3.3.1.14. In consultation with the appropriate executive or management committee/s, redefine the role, duties and responsibilities of the Chief Executive Officer by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times.
- 3.3.1.15. Disclose the process it follows in selecting the CEO and in installing succession planning for the position of CEO and all key senior officer positions of the Corporation.
- 3.3.1.16. Consider the following guidelines in the determination of the number of directorship a member of the Board may hold:
- i. The nature of the business of the Corporation of which he is a director;
  - ii. The age of the director;
  - iii. Number of directorship/active memberships and officerships in other corporation or organization; and
  - iv. Possible conflict of interest.
- 3.3.1.17. Nominate candidate/s in case any vacancy occurs by reason of death, resignation, retirement or disqualification that may be filled by the affirmative vote of a majority of the remaining directors constituting a quorum provided that specific slots for Independent Directors shall not be filled by unqualified nominees.
- 3.3.1.18. Ensure that effective processes are in place to provide continuity of Board and executive leadership.
- 3.3.1.19. All duties and responsibilities as provided in the Corporate Governance Committee Charter.
- 3.3.2. The Committee shall meet at least two times a year.

---

### 3.4. The Risk Oversight Committee

The Risk Oversight Committee (ROC) shall be responsible for the oversight of the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. It shall be composed of at least three (3) members, majority of whom shall be independent directors. In accordance with this, the members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board. At least one member of the Committee shall have adequate and competent understanding and experience on risk management principles and practices, in addition to thorough knowledge of the Corporation's business and industry in which it operates.

3.4.1. The ROC shall have the following duties and responsibilities:

- 3.4.1.1. Develops a formal enterprise risk management plan which contains the following elements: (1) common language or register of risks, (2) well-defined risk management goals, objectives and oversight, (3) uniform processes of assessing risks and developing strategies to manage prioritized risks, (4) designing and implementing risk management strategies, and (5) continuing assessments to improve risk strategies, processes and measures;
- 3.4.1.2. Oversees the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The ROC conducts regular discussions on the Corporation's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;
- 3.4.1.3. Oversees the performance of the Chief Risk Officer who is the ultimate champion of Enterprise Risk Management and who has adequate authority, stature, resources and support to fulfill his responsibilities. Meet separately with the Chief Risk Officer to discuss any matters that the Committee or auditors believe should be discussed privately.
- 3.4.1.4. Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The ROC revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;
- 3.4.1.5. Advises the Board on its risk appetite levels and risk tolerance limits;
- 3.4.1.6. Reviews 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; May engage a consultant for a more independent assessment of the risk management infrastructure and review different units' best practice.
- 3.4.1.7. Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas

---

of concern are those risks that are the most likely to occur and to impact the performance and stability of the Corporation and its stakeholders;

- 3.4.1.8. Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management;
  - 3.4.1.9. Reports to the Board on a regular basis, or as deemed necessary, the Corporation's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary; and
  - 3.4.1.10. Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board; and
  - 3.4.1.11. All other duties and responsibilities as provided in the Risk Oversight Committee Charter.
- 3.4.2. The Committee shall meet at least twice a year.

### **3.5. The Related Party Transactions Committee**

The Related Party Transactions Committee shall have the primary function of reviewing all material related party transactions. It shall be composed of at least three (3) non-executive directors, the majority of whom, including the Chairman, shall be independent. In accordance with this, the members of the Committee may be removed or replaced, and any vacancies in the Committee shall be filled by the Board. Each member shall have adequate and competent knowledge of the Corporation's business and industry in which it operates.

3.5.1. The Related Party Transactions Committee shall have the following duties and responsibilities:

- 3.5.1.1. Evaluates on 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 shall be reflected in the relevant reports to the Board and regulators/supervisors;
- 3.5.1.2. Evaluates 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 nonrelated 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 to the corporation of the proposed RPT; (4) The availability of other sources of comparable products or services; and v. 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 shall have



---

an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;

- 3.5.1.3. 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 or potential conflicts of interest. The disclosure shall 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;
  - 3.5.1.4. Reports to the Board on a regular basis, the status and aggregate exposures to each related party;
  - 3.5.1.5. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process;
  - 3.5.1.6. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures;
  - 3.5.1.7. Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board; and
  - 3.5.1.8. All other duties and responsibilities are provided in the Related Party Transactions Committee Charter and Material RPTs Policy.
- 3.5.2. All related party transactions which are not in the usual course of business and which are equal or greater than the materiality threshold of Php 50 million, shall be subject for review by the Related Party Transactions Committee. All other RPT which are considered usual course of business need not be reviewed by the RPT Committee. The RPT Committee may, at any time, ask for a review of any of the transactions. The Board reviews and approves all material RPTs endorsed by the Related Party Transactions Committee. All Board-approved material RPTs may be subject to ratification by a vote of the majority of the minority shareholders.

### **3.6. The Compensation and Remuneration Committee**

The Compensation and Remuneration Committee shall be composed of at least three (3) members. Its role is to decide, determine and approve by a majority vote matters relating to compensation, remuneration and benefits of the Corporation's officers and directors and to provide communications with the Board and, as appropriate, communications with shareholders and regulators.

The Compensation and Remuneration Committee's overall strategy is to ensure that employees are rewarded for their contribution to the Corporation's operating and financial performance.

The Compensation and Remuneration Committee shall carry out the following tasks:

- 3.6.1 Establish a formal and transparent procedure for developing policies on executive remuneration and for fixing the remuneration packages of corporate officers and directors and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.



- 
- 3.6.2 Designate amount of remuneration, which shall be in sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully;
  - 3.6.3 Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all 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 hired;
  - 3.6.4 Disallow any director to decide his own remuneration;
  - 3.6.5 Directors, as such, shall not receive any compensation unless approved by the stockholders or provided in the Corporation's By-Laws. No directors should participate in the approval of his compensation. However, the Board may, from time to time approve a reasonable per diem that a director may receive for attendance in Board and Board Committee meetings.
  - 3.6.6 Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclose of compensation of its executive officers for the previous fiscal year and the ensuing year.
  - 3.6.7 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 with all statutory requirements that must be periodically met in their respective posts. Or in the absence of such Personnel Handbook, cause the development of such, covering the same parameters of governance stated above.
  - 3.6.8 All other duties and responsibilities are provided in the Compensation and Remuneration Committee Charter.

## **4 Fostering Commitment**

To show full commitment to the Corporation, the directors shall devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the Corporation's business.

### **4.1. Participation in Meetings**

The directors shall have the responsibility to attend and actively participate in all meetings of the Board, Committees, and Shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director shall review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.

### **4.2. Multiple Board Seats**

- 4.2.1 A director shall exercise due discretion in accepting and holding directorships outside of the Corporation. A director may hold directorships outside of the Corporation provided that these positions do not retract from the director's capacity to diligently perform his duties as a director of the Corporation.

- 
- 4.2.2 A director shall notify his incumbent Board thru the Corporate Governance Committee before accepting a directorship in another company.

## **5. Reinforcing Board Independence**

The board shall endeavor to exercise an objective and independent judgment on all corporate affairs.

### **5.1 Independent Directors**

- 5.1.1 An independent director of the Corporation must possess all the qualifications and none of the disqualifications of a regular director. He must be independent of Management, substantial shareholdings and material relations, whether it be business or otherwise, which could reasonably be perceived to impede the performance of independent judgment.
- 5.1.2 An Independent Director refers to a person who ideally:
- 5.1.2.1 Is not or has not been a senior officer or employee of the covered company unless there has been a change in the controlling ownership of the company;
  - 5.1.2.2 Is not, and has not been in the three years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies;
  - 5.1.2.3 Has not been appointed in the covered entity, its subsidiaries, associates, affiliates or related companies as Chairman "Emeritus", "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within three years immediately preceding the his election;
  - 5.1.2.4 Is not an owner of more than two percent (2%) of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;
  - 5.1.2.5 Is not a relative of a director, officer, or substantial shareholder of the covered company, its subsidiaries, associates, affiliates or related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;
  - 5.1.2.6 Is not acting as a nominee or representative of any director of the covered company or any of its related companies;
  - 5.1.2.7 Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, associated person or salesman, and an authorized clerk of the broker or dealer;
  - 5.1.2.8 Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder, or is otherwise independent of

---

Management and free from any business or other relationship within the two (2) years immediately preceding the date of his election;

5.1.2.9 Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the covered company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment;

5.1.2.10 Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and

5.1.2.11 Is not employed as an executive officer of another company where any of the covered company's executives serves as directors.

5.1.3 Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.

5.1.4 If an independent director becomes an officer, consultant, adviser, or employee of the same Corporation, he shall be automatically disqualified from being an independent director.

## 5.2 President

The positions of Chairman of the Board and President shall be held by separate individuals and each shall have clearly defined responsibilities.

Minimum internal control mechanisms for Management's operation responsibility shall center on the President, being ultimately accountable for the Corporation's organizational and procedural controls. In addition to the duties imposed on the President by the Board, and those duties and responsibilities provided by the Corporation's By-Laws, the President shall:

5.2.1 Determine the Corporation's strategic direction and formulate and implement its strategic plan on the direction of the business;

5.2.2 Communicate and implement the Corporation's vision, mission, values and overall strategy and promote any organization or stakeholder change in relation to the same;

5.2.3 Oversee the operations of the Corporation and manage human and financial resources in accordance with the strategic plan;

5.2.4 Have a good working knowledge of the Corporation's industry and market and keep up-to-date with its core business purpose;

5.2.5 Direct, evaluate and guide the work of the key officers of the Corporation;

5.2.6 Manage the Corporation's resources prudently and ensure a proper balance of the same;

5.2.7 Provide the Board with timely information and interface between the Board and the employees;

5.2.8 Build the corporate culture and motivate the employees of the Corporation;

- 
- 5.2.9 Serve as the link between internal operations and external stakeholders;
  - 5.2.10 See that all orders and resolutions of the Board are carried into effect;
  - 5.2.11 Submit to the Board as soon as possible after the close of each fiscal year, and to the stockholders at the annual meeting, a complete report of the operations of the Corporation for the preceding year, and the state of its affairs;
  - 5.2.12 Report to the Board from time to time all matters within his knowledge which in the interest of the Corporation may require to be brought to the Board's notice; and
  - 5.2.13 Perform such other responsibilities as the Board may impose.

### **5.3 Lead Independent Director**

The Board shall designate a lead director among the independent directors if the Chairman of the Board is not independent, including if the positions of the Chairman of the Board and President are held by one person. The primary responsibility of the lead independent director is to provide leadership to the independent directors and advise the Board on matters where there may be an actual or perceived conflict of interest.

The functions of the lead director include, among others, the following:

- 5.3.1 Serves as an intermediary between the Chairman and the other directors when necessary;
  - 5.3.2 Convenes and chairs meetings of the independent and/or non-executive directors without the presence of the executive directors;
  - 5.3.3 Contributes to the performance evaluation of the Chairman, as required; and
  - 5.3.4 Leads the independent directors at board meetings in raising queries and pursuing matters.
- 5.4 A director with a material interest in any transaction affecting the Corporation shall abstain from taking part in the deliberations of the same.
- 5.5 The non-executive directors shall have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation. The meetings shall be chaired by the lead independent director.

## **6 Assessing Board Performance**

The best measure of the Board's effectiveness is through an assessment process. The Board shall regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

### **6.1 Board Evaluation**

- 6.1.1 The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees, Chief Executive

---

Officer, Chief Risk Officer (CRO), Compliance Officer (CO) and Chief Audit Executive. Every three years, the assessment shall be supported by an external facilitator.

- 6.1.2 The Board shall have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees, CEO, CRO, CO and CAE. This system shall allow for a feedback mechanism from the shareholders. The establishment of such valuation system, including the features thereof, shall be disclosed in the Corporation's Annual Report or in such form of report that is applicable to the Corporation. The adoption of this performance evaluation system must be covered by a Board approval.
- 6.1.3 During the evaluation, directors shall be afforded the opportunity to identify areas for improvement in the performance of their duties and responsibilities. They will then develop concrete action plans and ensure that these are implemented to address identified areas of improvement.

## **7 Strengthening Board Ethics**

Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

- 7.1 The Board shall adopt a Code of Business Conduct and Ethics that shall 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 shall also be disclosed and made available to the public through the Corporation's website.
- 7.2 The Board shall ensure proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. The Corporation's Code of Business Conduct and Ethics shall be made effective and inculcated in the Corporation's culture through a communication and awareness campaign, continuous training to reinforce the code, strict monitoring and implementation and setting in place proper avenues where issues may be raised and addressed without fear of retribution.

## **DISCLOSURE AND TRANSPARENCY**

### **8 Enhancing Corporation Disclosure Policies and Procedures**

The Corporation shall establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

- 
- 8.1 Corporate disclosure policies and procedures shall be in place to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders to give a fair and complete picture of the Corporation's financial condition, results and business operations.
  - 8.2 The Corporation shall have a policy requiring all directors and officers to disclose/report to the Corporation any dealings in the Corporation's shares within three business days.
  - 8.3 The Board shall fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.
  - 8.4 A clear disclosure of its policies and procedure shall be in place for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report.
  - 8.5 Full disclosure of the Corporation's policies governing Related Party Transactions and other unusual or infrequently occurring transactions shall be required in the Manual on Corporate Governance. The material or significant RPTs reviewed and approved during the year shall be disclosed in its Annual Corporate Governance Report.
  - 8.6 A full, fair, accurate and timely disclosure shall be made to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. Moreover, the Board of the offeree company shall appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.
  - 8.7 The corporate governance policies, programs and procedures shall be submitted to the regulators and posted on the Corporation's website.
  - 8.8 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 in the interest of its stockholders and other stakeholders.

## **9 Strengthening the External Auditor's Independence and Improving Audit Quality**

### **9.1 External Auditor**

- 9.1.1 The Board, through the Audit Committee, shall recommend to the stockholders a duly accredited external auditor who shall undertake an independent audit and shall provide an objective assurance on the way in which the financial statements shall have been prepared and presented.
- 9.1.2 An external auditor shall enable an environment of good corporate governance as reflected in the financial records and reports of the Corporation. An external auditor shall be selected and appointed by the stockholders upon recommendation of the Audit Committee.
- 9.1.3 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.

- 9.1.4 The external auditor of the Corporation shall not at the same time provide the services of an internal auditor to the same corporation. The Corporation shall ensure that the other non-audit work shall not be in conflict with the functions of the external auditor.
- 9.1.5 The Corporation's external auditor shall be rotated or the handling partner shall be changed every five (5) years or earlier.
- 9.1.6 If an external auditor believed that the statements made in the Corporation's annual report, information statement or proxy statement filed during his engagement is incorrect or incomplete, he shall present his views in said reports.

## **10 Increasing Focus on Non-Financial and Sustainability Reporting**

The Corporation shall ensure that the material and reportable non-financial and sustainability issues are disclosed.

- 10.1 There shall be an established policy on the disclosure of material and reportable nonfinancial and sustainability issues, with emphasis on the management of environmental, social and governance (ESG) issues of the business.

## **11 Promoting a Comprehensive and Cost-Efficient Access to Relevant Information**

The Corporation shall maintain a comprehensive and cost-efficient communication channel for disseminating relevant information to its shareholders and other investors. This channel is crucial for timely and informed decision-making by investors, stakeholders and other interested users. These shall include, but not limited to, Corporation's website, media and analyst briefings.

# **INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FRAMEWORK**

## **12 Strengthening the Internal Control System and Enterprise Risk Management Framework**

To ensure integrity, transparency and proper governance in the conduct of its affairs, the Corporation shall have a strong and effective internal control system and enterprise risk management framework.

- 12.1 **Internal Control System.** The Corporation shall have an adequate and effective internal control system and enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of its operations.

- 12.2 **Internal Audit Function.** The Corporation shall have in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the Corporation's operations. The functions of the Internal Audit include, among others, the following:

- 12.2.1 Provides an independent risk-based assurance service to the Board, Audit Committee and Management, focusing on reviewing the effectiveness of the governance and control processes in (1) promoting the right values and ethics, (2) ensuring effective performance



---

management and accounting in the organization, (3) communicating risk and control information, and (4) coordinating the activities and information among the Board, external and internal auditors, and Management;

- 12.2.2 Performs regular and special audit as contained in the annual audit plan and/or based on the Corporation's risk assessment;
  - 12.2.3 Performs consulting and advisory services related to governance and control as appropriate for the organization;
  - 12.2.4 Performs compliance audit of relevant laws, rules and regulations, contractual obligations and other commitments, which could have a significant impact on the organization;
  - 12.2.5 Reviews, audits and assesses the efficiency and effectiveness of the internal control system of all areas of the Corporation;
  - 12.2.6 Evaluates operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned;
  - 12.2.7 Evaluates specific operations at the request of the Board or Management, as appropriate; and
  - 12.2.8 Monitors and evaluates governance processes.
- 12.3 **Chief Audit Executive.** The Chief Audit Executive, appointed by the Board, shall oversee and be responsible for the internal audit activity of the organization, including the portion that is outsourced to a third party service provider. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel shall be assigned the responsibility for managing the fully outsourced internal audit activity. The following are the responsibilities of the CAE, among others:
- 12.3.1 Periodically reviews the Internal Audit Charter and presents it to Senior Management and the Audit Committee for approval;
  - 12.3.2 Establishes a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals;
  - 12.3.3 Communicates the internal audit activity's plans, resource requirements and impact of resource limitations, as well as significant interim changes, to Senior Management and the Audit Committee for review and approval;
  - 12.3.4 Spearheads the performance of the internal audit activity to ensure it adds value to the organization;
  - 12.3.5 Reports periodically to the Audit Committee on the internal audit activity's performance relative to its plan; and
  - 12.3.6 Presents findings and recommendations to the Audit Committee and gives advice to Senior Management and the Board on how to improve internal processes.



---

## 12.4 Enterprise Risk Management

The Corporation shall establish a separate, effective risk management function to identify, assess and monitor key exposures.

12.4.1 The risk management function involves the following activities, among others:

12.4.1.1 Defining a risk management strategy;

12.4.1.2 Identifying and analyzing key risk exposures relating to ESG factors and the achievement of the organization's strategic objectives;

12.4.1.3 Evaluating and categorizing each identified risk using the Corporation's predefined risk categories and parameters;

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

12.4.1.5 Developing a risk mitigation plan for the most important risks to the Corporation, as defined by the risk management strategy;

12.4.1.6 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 Risk Oversight Committee; and

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

12.5 **Chief Risk Officer.** In managing the Corporation's Risk Management System, the Corporation shall have a Chief Risk Officer, who is the ultimate champion of Enterprise Risk Management and has adequate authority, stature, resources and support to fulfill his responsibilities, subject to the Corporation's size, risk profile and complexity of operations. The CRO has the following functions, among others:

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

12.5.2 Communicates the top risks and the status of the implementation of risk management strategies and action plans to the Risk Oversight Committee ;

12.5.3 Collaborates with the President in updating and making recommendations to the Risk Oversight Committee;

12.5.4 Suggests ERM policies and related guidance, as may be needed; and

12.5.5 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.

---

## CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS

### 13 Promoting Shareholder Rights

The Corporation shall treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

13.1 **Promote Shareholder Rights.** It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholder 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 electronic filing and distribution of shareholder information necessary to make informed decisions, subject to legal constraints.

13.2 **Open Communications.** In addition to the sending of notices, open communications shall be maintained with stockholders to encourage them to personally attend the stockholders' meeting. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. The Board shall encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least twenty one (21) business days before the annual meetings, and five (5) business days prior to the special meetings.

13.3 **Shareholder Participation.** The Board shall encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be available on the Corporation's website within five (5) business days from the end of the meeting.

#### 13.4 Rights of Shareholders

The Board shall be committed to respect the following rights of stockholders:

##### 13.4.1 Voting Rights

13.4.1.1 Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Revised Corporation Code. Minority shareholders shall have the right to nominate candidates for election to the Board during the Corporation's Annual Stockholders' Meetings, in accordance with the Corporation's By-Laws.

13.4.1.2 Shareholders shall have the right to participate in decisions concerning fundamental corporate changes, such as:

- i. Amendments to the Corporation's constitution
- ii. The authorization of additional shares
- iii. The transfer of all or substantially all assets, which in effect results in the sale of the Corporation

---

13.4.1.3 Election of Directors shall take place during the Annual Stockholders' Meeting of the Corporation. As mandated by the Revised Corporation Code, cumulative voting may be used in the election of directors.

13.4.1.4 The Board shall be transparent and fair in the conduct of the meetings of the shareholders. The shareholders shall be encouraged to personally attend such meetings, and that if they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the right to designate a proxy shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in favor of the shareholder.

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

#### **13.4.2 Pre-Emptive Right**

Under the Amended Articles of Incorporation of the Corporation, no stockholder of the Corporation, because of his/its ownership of stock, has a pre-emptive or other right to purchase or subscribe to any additional share of the capital stock of the corporation whether such shares of capital stock are now or hereafter authorized, whether or not such stock is convertible into or exchangeable for any stock of the Corporation or any of any other class, and whether out of the number of shares authorized by the Articles of Incorporation of the Corporation as originally filed, or by any amendment thereof, or out of shares of the capital stock of any class of the Corporation acquired by it after the issue thereof; nor shall any holder of any such stock may issue or sell that shall be convertible into, or exchangeable for, any shares of the capital stock of any class of the Corporation or to which shall be attached or appertain any warrant or warrants of any instrument of instruments that shall confer upon the owner of such obligation, warrant or instrument the right to subscribe for, or to purchase from the Corporation, any shares of the capital stock of any class.

#### **13.4.3 Right 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 Revised Corporation Code, and during normal business hours. Annual reports, including financial statements, shall be provided to stockholders, without cost or restrictions.

#### **13.4.4 Right to Information**

13.4.4.1 The Corporation recognizes that the essence of corporate governance is transparency, hence, the more transparent the internal workings of the Corporation, the more difficult it will be for Management and dominant shareholders to mismanage the Corporation or misappropriate assets.

13.4.4.2 Towards this end, the Board shall ensure that all material information about the Corporation which could adversely affect its viability or the interest of the shareholders shall be publicly and timely disclosed. Such information shall include, among others, earnings results, acquisition or disposition of assets, off balance sheets transactions, related party transactions, remuneration of directors and Management; all of which shall be disclosed through established disclosure procedures of the Philippine Stock Exchange, Inc. and SEC.

- 
- 13.4.4.3 The shareholders shall be provided, upon request, with periodic reports which disclose 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.
- 13.4.4.4 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 items are for legitimate business purposes, and in accordance with law, jurisprudence and best practice.
- 13.4.4.5 The minority shareholders shall have access to any and all information relating to matters for which the management is accountable, 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", and in accordance with law, jurisprudence and best practice.
- 13.4.4.6 Release of Notices to Annual and Shareholders' Meetings with sufficient and relevant information shall be sent to the shareholders and posted on the Corporation's website at least twenty-eight (28) days prior to the meeting.
- i. Results of the votes taken during the Annual or Special Shareholders' Meeting shall be publicly available on the next working day after the meeting.
  - ii. The draft of the Annual or Special Shareholders' Minutes of the Meeting shall be posted on the Corporation's website within five (5) days from the meeting.

#### 13.4.5 **Right to Dividend**

- 13.4.5.1 Shareholders shall have the right to receive dividends subject to the discretion of the Board.
- 13.4.5.2 The dividends shall be paid within thirty (30) days from date of declaration of such.
- 13.4.5.3 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:
- i. when justified by definite corporate expansion projects or programs approved by the Board, or
  - ii. 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
  - iii. 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 probably contingencies.

---

#### 13.4.6 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 Title X of the Revised Corporation Code of the Philippines, under any of the following circumstances:

- 13.4.6.1 In case any 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;
- 13.4.6.2 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; and
- 13.4.6.3 In case of merger or consolidation; and
- 13.4.6.4 In case of investment of corporate funds for any purpose other than the primary purpose of the Corporation.

#### 13.5 Alternative Dispute Resolution

It is the responsibility of the Board to establish an alternative dispute resolution system to settle intra-corporate disputes in an amicable and effective manner.

As such, the Board normally engages the services of a neutral third party to assist in the resolution of issues between the Corporation and stockholders, third parties and regulatory authorities. The alternative dispute resolution system may include arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof, as the Corporation and the circumstances sees fit.

Consideration is given to the need to promote candor through confidentiality of the process, the policy of fostering prompt, economical, and amicable resolution of disputes in accordance with the principles of integrity of determination by the parties, and the policy that the decision-making authority in the process rests with the parties.

- 13.6 The Corporation shall establish an **Investor Relations Office (IRO)** to facilitate constant engagement with its shareholders. The IRO shall be present at every shareholders' meeting.

### DUTIES TO STAKEHOLDERS

#### 14 Respecting Rights of Stakeholders and Effective Redress for the Violation of Stakeholders' Rights

The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders shall have the opportunity to obtain prompt effective redress for the violation of their rights.

- 
- 14.1 The Board shall identify the Corporation's various stakeholders and promote cooperation between them and the Corporation in creating wealth, growth and sustainability.
  - 14.2 The Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.
  - 14.3 The Board shall adopt a transparent framework and process that allows stakeholders to communicate with the Corporation and to obtain redress for the violation of their rights.

## **15 Encouraging Employee's Participation**

A mechanism for employee participation shall be developed to create a symbiotic environment, realize the Corporation's goals and participate in its corporate governance processes.

- 15.1 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. These policies and programs, among others, may be in the areas of health, safety and welfare, training and development, rewards/compensation for employees.
- 15.2 The Board shall set the tone and make a stand against corrupt practices by adopting an anticorruption policy and program in its Code of Ethics. Further, the Board shall disseminate the policy and program to employees across the organization through trainings to embed them in the Corporation's culture.
- 15.3 The Board shall establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have 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.

## **16 Encouraging Sustainability and Social Responsibility**

The Corporation shall be socially responsible in all its dealings with the communities where it operates. It shall ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

- 16.1 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.

## **COMMUNICATION AND MONITORING OF THIS MANUAL**

### **17 Communication of this Manual**

- 17.1 This Manual shall be available for inspection by any stockholder of the Corporation at reasonable hours on business days.
- 17.2 All directors, officers, division and department heads are tasked to ensure that thorough dissemination of this Manual to all employees and related third parties, and to likewise enjoin compliance in the process.

- 
- 17.3 An adequate number of printed copies of this Manual must be reproduced under the supervision of Governance and Corporate Affairs Department, with a minimum of at least one (1) hard copy of the Manual per department.
- 17.4 This Manual shall be subject to quarterly review unless the same frequency is amended by the Board.
- 17.5 If necessary, funds shall be allocated by the Corporation for the purpose of conducting an orientation program or workshop to operationalize this Manual.

## **18 Monitoring and Penalties for Non-Compliance**

- 18.1 To strictly observe and implement the provisions of this Manual, the following penalties shall be imposed, after notice and hearing, on the Corporation's directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff in case of violation of any of the provisions of this Manual:
- 18.1.1 In case of first violation, the subject person shall be warned, reprimanded or suspended depending on the severity of the violation. Any first violation that results in any notable financial loss for the Corporation shall be at least reprimanded or warned.
- 18.1.2 Suspension from the office shall be imposed in case of second violation. The duration of the suspension shall depend on the gravity of the violation. This shall not be applicable to directors.
- 18.1.3 For the third violation, the maximum penalty of removal from office shall be imposed. With regard to directors, the provision of Section 27 of the Revised Corporation Code shall be observed.
- 18.2 The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.

## **19 Effectivity**

The Revised Manual on Corporate Governance was approved by the Board on November 5, 2021 and shall take effect immediately. It supersedes the previous Manual on Corporation Governance that was approved and adopted by the Corporation, with version dated October 2021.

### **CERTIFIED BY:**

*(original signed)*  
Ian Jason R. Aguirre  
Compliance Officer

*(original signed)*  
Willy N. Ocier  
Chairman

### Amendments to APC Group, Inc. By-laws

	<b>Current</b>	<b>Proposed</b>
Article II, Section 2	<p>Transfer of Stock. – Subject to the restrictions on transfer as appears in the Articles of Incorporation, transfers of shares of the capital stock of the Corporation shall be made only on the books of the Corporation by the holder thereof, or by his duly authorized attorney-in-fact or legal representative, in such manner as to show the names of the parties to the transaction, the date of the transfer, the number of certificate(s) and the number of shares transferred, and upon such transfer, the old certificate(s) shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other persons as the Board of Directors may designate, by whom it/they shall be cancelled, and new certificate(s) shall be issued. The term "person" or "persons" used herein shall be deemed to include any firm or firms, corporation or associations. Whenever any transfer of shares shall be made for collateral security and not absolutely, such fact, if known to the Secretary or to the transfer agent, shall be so expressed in the entry of the transfer.</p>	<p>Transfer of Stock. – <u>Transfer of shares of stock shall be made only upon recording in the transfer books of the Corporation, kept at the office of the Corporation or of the respective Transfer Agents designated to transfer stock. Before a new certificate is issued, the old certificates shall be surrendered for cancellation and the certificate authorizing registration from the Bureau of Internal Revenue, if applicable, is presented.</u></p> <p>Subject to the restrictions on transfer as appears in the Articles of Incorporation, transfers of shares of the capital stock of the Corporation shall be made only on the books of the Corporation by the holder thereof, or by his duly authorized attorney-in-fact or legal representative, in such manner as to show the names of the parties to the transaction, the date of the transfer, the number of certificate(s) and the number of shares transferred, and upon such transfer, the old certificate(s) shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other persons as the Board of Directors may designate, by whom it/they shall be cancelled, and new certificate(s) shall be issued. The term "person" or "persons" used herein shall be deemed to include any firm or firms, corporation or associations. Whenever any transfer of shares shall be made for collateral security and not absolutely, such fact, if known to the Secretary or to the transfer agent, shall be so expressed in the entry of the transfer.</p>
Article II, Section 3	<p>Addresses of Stockholders. – Each stockholder shall designate to the Secretary of the Corporation an address at which notices of meetings and all other corporate notices may be served upon or mailed to him, and if any stockholder shall fail to designate such address, corporate notices may be served upon him by mail at his last known post office address.</p>	<p>Addresses of Stockholders. – Each stockholder shall designate to the Secretary of the Corporation <u>his post office address, or electronic mail address or mobile number or other contact information</u> <del>an address</del> at which notices of meetings and all other corporate notices may be served upon or mailed to him, and if any stockholder shall fail to designate such address <u>or other contact information</u>, corporate notices may be served upon him <del>by mail</del> at his last known <del>post office</del> address <u>or contact information</u>.</p>



To be inserted as Article II, Section 4	-	<u>Regulations. – The Board of Directors, upon recommendation of the Corporation's Transfer Agent, shall have the power and authority to make all such rules and regulations as it may deem expedient concerning the issue, transfer, conversion, and registration of certificates for shares of the capital stock of the Corporation not inconsistent with the Corporation Law of the Philippines and these By-Laws.</u>
Article II, Section 4 (To be renumbered as Article II, Section 5)	<p>Lost, Destroyed and Mutilated Certificates.</p> <p>– The holder of any stock of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificates therefor, and the Board of Directors may cause to be issued to him a new certificate(s) of stock, upon the surrender of the mutilated certificate or, in case of loss or destruction of the certificate, upon compliance with the procedure required under Section 73 of the Corporation Code. The Board of Directors may require the owner of the lost or destroyed certificate or his legal representative to give the Corporation a bond in such sum, not exceeding double the book value of such stock, and with such surety or sureties, as it may direct, to indemnify the Corporation against any claim that may be made against it on account of the alleged loss or destruction of any such certificate.</p>	<p>Lost, Destroyed and Mutilated Certificates.</p> <p>– <u>Any person claiming a certificate of stock to be lost or destroyed, shall make an affidavit to that effect and shall advertise the same in such manner as the Board may require, and shall give the Corporation a security in sch amount or in such forms as may be approved by the Board. The Board, however, may dispense with such advertisement and such security, provided that the requirements of Section 72 of the Revised Corporation Code shall be complied with. The new certificate shall be plainly marked as a duplicate certificate and shall likewise be of the same tenor as the one alleged to be lost or destroyed.</u></p> <p>The holder of any stock of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificates therefor, and the Board of Directors may cause to be issued to him a new certificate(s) of stock, upon the surrender of the mutilated certificate or, in case of loss or destruction of the certificate, upon compliance with the procedure required under Section <del>72</del>3 of the <u>Revised</u> Corporation Code. The Board of Directors may require the owner of the lost or destroyed certificate or his legal representative to give the Corporation a bond in such sum, not exceeding double the book value of such stock, and with such surety or sureties, as it may direct, to indemnify the Corporation against any claim that may be made against it on account of the alleged loss or destruction of any such certificate.</p>
Article II, Section 5 (To be renumbered as Article II, Section 6)	<p>Closing of Transfer Books. – The Board of Directors may, by resolution, direct that the stock and transfer books of the Corporation be closed for a period not exceeding twenty (20) days preceding the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for</p>	<p>Closing of Transfer Books. – The Board of Directors may, by resolution, direct that the stock and transfer books of the Corporation be closed for a period not exceeding <del>thirty</del> <u>twenty</u> (<del>30</del>) days preceding the date of any meeting of stockholders, or the date for the payment</p>

	<p>the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights, or to exercise the right in respect of any change, conversion or exchange of the capital stock, and in each such case only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to notice of, or to vote at, such meeting, or to receive payment of such dividend, or to receive such allotment of rights or to exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after such record date as aforesaid.</p>	<p>of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights, or to exercise the right in respect of any change, conversion or exchange of the capital stock, and in each such case only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to notice of, or to vote at, such meeting, or to receive payment of such dividend, or to receive such allotment of rights or to exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after such record date as aforesaid.</p>
To be inserted as Article II, Section 8	-	<p><u>Delinquent Shares. – Should the subscriptions not be paid when due, either pursuant to a call or the subscription agreement, the stockholder shall be liable to pay interest on the amount due at the rate of eighteen percent (18%) per annum, or at such rate as may be fixed by the Board, computed from the date payment is due until the full payment is made.</u></p> <p><u>Delinquent shares shall be subject to sale in accordance with the provisions of the Revised Corporation Code.</u></p>
Article III, Section 1	Place of Meetings. – All meetings of stockholders shall be held at the principal office of the Corporation unless written notices of such meetings should fix another place within Metropolitan Manila, Philippines.	Place of Meetings. – All meetings of stockholders shall be held at the principal office of the Corporation unless written notices of such meetings should fix another place within Metropolitan Manila, Philippines, <u>as may be designated by the Board of Directors.</u>
Article III, Section 2	Annual Meetings. – The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may come before the meeting shall be held in the Second Thursday of June of each year, or on such other day in APRIL and at such date and time as may be fixed by the Board of Directors. If the election of directors shall not be held on the day designated for the annual meeting or at any adjournment of such meeting, the Board of Directors shall cause the election to be held at special	Annual Meetings. – The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may come before the meeting shall be held in the second Thursday of June of each year, or <del>on such other day in APRIL</del> and at such date and time as may be fixed by the Board of Directors. If the election of directors shall not be held on the day designated for the annual meeting or at any adjournment of such meeting, the Board of Directors shall cause the election to be held at special

	meeting as soon thereafter as the same may conveniently be held. At such special meeting, the stockholders may elect the directors and transact other business as stated in the notice of the meeting with the same force and effect as at an annual meeting duly called and held.	meeting as soon thereafter as the same may conveniently be held. At such special meeting, the stockholders may elect the directors and transact other business as stated in the notice of the meeting with the same force and effect as at an annual meeting duly called and held.
Article III, Section 3	Special Meetings. - Special meeting of the stockholders may be called at any time by resolution of the Board of Directors or by order of the Chairman of the Board or the President or upon the written request of stockholders registered as owners of one-third (1/3) of the total outstanding stock having voting powers. Such request shall state the purpose(s) of the proposed meeting.	Special Meetings. – Special meeting of the stockholders may be called at any time by resolution of the Board of Directors or by order of the Chairman of the Board or the President or upon the written request of stockholders registered as owners of <u>at least majority one-third (1/3)</u> of the total outstanding stock having voting powers. Such request shall state the purpose(s) of the proposed meeting.
Article III, Section 4	Notice of Meetings. – Except as otherwise provided by law, written or printed notice of all annual and special meetings by stockholders, stating the place and time of the meeting and, if necessary, the general nature of the business to be considered, shall be transmitted by personal delivery, mail, telegraph, facsimile or cable to each stockholder of record entitled to vote thereat at his address last known to the Secretary of the Corporation, at least ten (10) days before the date of the meeting, if an annual meeting, or at least five (5) days before the date of the meeting, if a special meeting. Except where expressly required by law, no publication of any notice of a meeting of the stockholders shall be required. If any stockholder shall in person or by attorney-in-fact authorized in writing or by telegraph, cable or facsimile, waive notice of any meeting, whether before or after the holding of such meeting, notice need not be given to him. Notice of any adjourned meeting of the stockholders shall not be given, except when expressly required by law. No failure or irregularity of notices of any regular meeting shall invalidate.	Notice of <u>Time and Place of Regular or Special Meetings.</u> – <u>Notices of meetings of stockholders shall be given by mailing or delivering written or printed notice of the same, or by electronic means or any other mode of sending notices of meetings as may allowed by the Commission, at least twenty-one (21) days prior to the meeting, if an annual meeting, or at least five (5) days before the date of the meeting, if a special meeting; with postage and/or delivery charges prepaid, to each stockholder of record of the Corporation entitled to vote at such meeting and addressed to the stockholder's last known post office address, or electronic mail or messaging address, as the case may be, appearing on the corporate books of the Corporation.</u> <del>Except as otherwise provided by law, written or printed notice of all annual and special meetings by stockholders, stating the place and time of the meeting and, if necessary, the general nature of the business to be considered, shall be transmitted by personal delivery, mail, telegraph, facsimile or cable to each stockholder of record entitled to vote thereat at his address last known to the Secretary of the Corporation, at least twenty one (21) days before the date of the meeting, if an annual meeting, or at least five (5) days before the date of the meeting, if a special meeting.</del> Except where expressly required by law, no publication of any notice of a meeting of the stockholders shall be required. If any stockholder shall in person or by attorney-in-fact authorized in writing or by

		<p>telegraph, cable or facsimile, waive notice of any meeting, whether before or after the holding of such meeting, notice need not be given to him. Notice of any adjourned meeting of the stockholders shall not be given, except when expressly required by law. No failure or irregularity of notices of any regular meeting shall invalidate <u>such meeting, or any proceeding thereat, at which all the shareholders are present or represented and voting without protest.</u></p>
Article III, Section 5	<p>Quorum. – At each meeting of the stockholders, the holders of a majority of the outstanding capital stock of the Corporation having voting powers, who is or are present in person or represented by proxy, shall constitute a quorum for the transaction of business, save in those case where the Corporate Code requires the presence at the meeting, in person or by proxy, of a greater proportion of the outstanding capital stock. In the absence of a quorum, the stockholders of the Corporation present in person or represented by proxy and entitled to vote, by majority vote, or, in the absence of all the stockholders, any officer entitled to preside or act as Secretary at such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite amount of stock shall be present or represented. At any such adjourned meeting at which a quorum may be present any business may be transacted at the meeting of the number required by the laws of the Republic of the Philippines or by the Articles of Incorporation or these By-Laws for action upon any given matter shall not prevent action at such meeting upon any other matter or matters which may properly come before the meeting, if the number of stockholders required in respect of such other matter or matters shall be present.</p>	<p>Quorum. – At each meeting of the stockholders, the holders of a majority of the outstanding capital stock of the Corporation having voting powers, who is or are present in person or represented by proxy <u>or through remote communication or in absentia</u>, shall constitute a quorum for the transaction of business, save in those cases where the <u>Revised Corporation Code</u> requires the presence at the meeting, in person or by proxy, of a greater proportion of the outstanding capital stock. In the absence of a quorum, the stockholders of the Corporation present in person, <u>or through remote communication or in absentia</u> or represented by proxy and entitled to vote, by majority vote, or, in the absence of all the stockholders, any officer entitled to preside or act as Secretary at such meeting, shall have the power to adjourn the meeting from time to time, until stockholders holding the requisite amount of stock shall be present or represented. At any such adjourned meeting at which a quorum may be present any business may be transacted at the meeting of the number required by the laws of the Republic of the Philippines or by the Articles of Incorporation or these By-Laws for action upon any given matter shall not prevent action at such meeting upon any other matter or matters which may properly come before the meeting, if the number of stockholders required in respect of such other matter or matters shall be present.</p>
Article III, Section 6	<p>Organization of Meeting. – At every meeting of the stockholders, the Chairman of the Board, or in his absence, the Vice-Chairman, or in his absence, the President, or in the absence of the Chairman and the Vice-Chairman of the Board and the President, a Chairman chosen by the stockholders present in person or by proxy</p>	<p>Organization of Meeting. – At every meeting of the stockholders, the Chairman of the Board, or in his absence, the Vice-Chairman, or in his absence, the President, or in the absence of the Chairman and the Vice-Chairman of the Board and the President, a Chairman chosen by the stockholders present in person or by</p>

	and entitled to vote thereat, by majority vote, shall act as Chairman. The Secretary shall act as secretary at all meetings of the stockholders. In the absence from any such meeting of the Secretary, the Assistant Secretary shall, or if there be none, the Chairman may appoint any person to act as secretary of the meeting.	proxy, <u>or through remote communication or in absentia</u> , and entitled to vote thereat, by majority vote, shall act as Chairman. The Secretary shall act as secretary at all meetings of the stockholders. In the absence from any such meeting of the Secretary, the Assistant Secretary shall <u>act as secretary of the meeting</u> , or if there be none, the Chairman may appoint any person to act as secretary of the meeting.
Article III, Section 7	Voting. – At every meeting of the stockholders, each stockholder shall be entitled to vote in person or by proxy and, unless otherwise provided by Jaw, he shall have one vote for each share of stock entitled to vote and recorded in his name in the books of the Corporation. At all meetings of the stockholders, all elections and all questions shall be decided by the plurality of vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, except in cases where other provision is made by statute. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or in his name by proxy if there be such proxy, and shall state the number of shares voted by him.	Voting. - At every meeting of the stockholders, each stockholder shall be entitled to vote in person or by proxy, <u>or through remote communication or in absentia</u> , and, unless otherwise provided by law, he shall have one vote for each share of stock entitled to vote and recorded in his name in the books of the Corporation. At all meetings of the stockholders, all elections and all questions shall be decided by the plurality of vote of stockholders present in person or by proxy, <u>or through remote communication or in absentia</u> , and entitled to vote thereat, a quorum being present, except in cases where other provision is made by statute. Unless required by law, or demanded by a stockholder present in person or by proxy, <u>or through remote communication or in absentia</u> at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or in his name by proxy if there be such proxy, and shall state the number of shares voted by him. <u>In all instances where voting will be done by ballot, advance votes made via remote communication or in absentia shall, nonetheless, be considered and counted as if they were done by ballot.</u>
Article III, Section 8	Proxies. – Any stockholder not present at any annual or special meeting of the stockholders may vote the share or shares standing in his name on the stock transfer books of the Corporation by proxy, such proxy to be dated, signed and to designate the person or persons named as proxy, and these proxies must be filed with the Secretary three (3) days before the date of the stockholders' meeting.	Proxies. – Any stockholder not present at any annual or special meeting of the stockholders may vote the share or shares standing in his name on the stock transfer books of the Corporation by proxy, such proxy to be dated, signed and to designate the person or persons named as proxy, and these proxies must be filed with the Secretary <u>five (5) business</u> <del>three (3)</del> days before the date of the stockholders' meeting.
To be inserted as Article III, Section 9	-	<u>Election of Inspectors. – Two inspectors shall be appointed by the Board of Directors before or at each meeting of the stockholders of the Corporation, at which</u>

		<u>an election of directors shall take place; if no such appointment shall have been made or if the inspectors appointed by the Board of Directors refused to act or fail to attend, then the appointment shall be made by the presiding officer of the meeting. The inspectors shall receive and take charge of all proxies and ballots and shall decide all questions touching upon the qualifications of voters, the validity of proxies, and the acceptance and rejection of votes. In case of a tie by the vote of the inspectors on any question, the presiding officer shall decide.</u>
To be inserted as Article III, Section 10	-	<p><u>Order of Business. – At the annual meeting and, as far as possible, at all other meetings of the stockholders, shall be as follows:</u></p> <ol style="list-style-type: none"> <li>1) <u>Calling the roll.</u></li> <li>2) <u>Secretary's proof of due notice of the meeting.</u></li> <li>3) <u>Reading and approval of minutes of the previous stockholders' meeting.</u></li> <li>4) <u>Ratification of the acts of the Board, Board Committees and Management.</u></li> <li>5) <u>Reports of officers, annual and otherwise.</u></li> <li>6) <u>Approval of the annual report, consolidated financial statements and previous year's operation and results.</u></li> <li>7) <u>Unfinished business.</u></li> <li>8) <u>New business.</u></li> <li>9) <u>Election of Directors.</u></li> <li>10) <u>Appointment of External Auditor.</u></li> <li>11) <u>Adjournment.</u></li> </ol>
To be inserted as Article III, Section 11	-	<p><u>Record Date. – The Board of Directors shall authorize the Executive Committee or the President to set a record date prior to each meeting of stockholders of the Corporation for determination of the stockholders entitled to notice of such meeting and the number of shares which the stockholder is entitled to vote at such meeting.</u></p>
Article IV, Section 1	General Powers. – Unless otherwise provided by Jaw, the powers, business and property of the Corporation shall be exercised, conducted and controlled by the Board of Directors.	<p>General Powers. – Unless otherwise provided by law, the powers, business and property of the Corporation shall be exercised, conducted and controlled by the Board of Directors. <u>The Board of Directors is the supreme authority in matters of governance and managing the regular and ordinary business of the corporation. Within their chartered authority, the directors acting as a board have the fullest power to regulate the concerns of the corporation according to their best judgment. It shall be the Board's</u></p>

		<p><u>responsibility to promote and adhere to the principles and best practices of corporate governance and to foster the long-term success of the corporation and secure its sustained competitiveness in the global environment in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the corporation, its shareholders and other stockholders. The Corporation shall conform to requirement to have an independent director or such number of independent directors as may be required by law.</u></p>
Article IV, Section 2	<p>Number, Qualifications &amp; Term of Office. – The number of directors shall be fixed in the Articles of Incorporation. Each director shall own in his own right at least one (1) share of the capital stock of the Corporation. The directors shall be elected annually in the manner provided in these by-Laws and each director shall hold office until the annual meeting held next after his election and until his successor shall have been elected and shall have qualified, or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. The directors named in the Articles of Incorporation of the Corporation and their successors in accordance with these By-Laws shall hold office until the first annual meeting of the stockholders for the election of directors and until their successors shall have been elected and shall have qualified.</p>	<p><del>Number, Qualifications &amp; Term of Office. –</del> <u>The corporate powers of the Corporation shall be exercised, and the property and business of the Corporation shall be managed by its Board of Directors, consisting of such number of members as provided for in the Articles of Incorporation, who shall be nominated by the Corporate Governance Committee and elected at the annual meeting of the stockholders to serve for a term of ONE (1) YEAR until their successors shall have been duly elected and qualified, or until his death, resignation, or otherwise removal in the manner hereinafter provided; however, that at least two (2) members of the Board of Directors, or at least twenty percent (20%) of the total number of members thereof, shall be independent as hereinafter defined. It shall be the responsibility of the Chairman of the Stockholders' Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors.</u></p> <p><u>The Board may delegate its power of management and its prerogatives to a Committee or to one or more of its officers subject to such qualifications and limitations as the Board may impose. The number of directors shall be fixed in the Articles of Incorporation. Each director shall own in his own right at least one (1) share of the capital stock of the Corporation. The directors shall be elected annually in the manner provided in these by-Laws and each director shall hold office until the annual meeting held next after his election and until his successor shall have been elected and shall have qualified, or</u></p>

		<p>until his death or until he shall resign or shall have been removed in the manner hereinafter provided. The directors named in the Articles of Incorporation of the Corporation and their successors in accordance with these By-Laws shall hold office until the first annual meeting of the stockholders for the election of directors and until their successors shall have been elected and shall have qualified.</p>
To be inserted as Article IV, Section 3	-	<p><u>Qualifications. – Each director shall possess all of the following qualifications:</u></p> <ul style="list-style-type: none"> <li>(a) <u>a holder of at least one (1) share of stock of the Corporation;</u></li> <li>(b) <u>at least a holder of a Bachelor's Degree, or to substitute for such formal education, must have been, preferably, engaged in, or exposed to the nature of the business areas engaged in by the Corporation, for at least five (5) years;</u></li> <li>(c) <u>of legal age;</u></li> <li>(d) <u>shall have proven to possess integrity and probity; and,</u></li> <li>(e) <u>shall be assiduous.</u></li> </ul> <p><u>Any stockholder of record may be nominated or elected to the Board of Directors. The Board of Directors, by majority vote, shall pass upon the qualifications of nominees to the Board.</u></p> <p><u>It may also, in the exercise of its discretion and by majority vote of its members, disqualify a nominated shareholder who, in the Board's judgment represents an interest adverse to or in conflict with those of the Corporation. Without limiting the generality of the foregoing, the Board may take into consideration the fact that the nominated shareholder is:</u></p> <ul style="list-style-type: none"> <li>i. <u>the owner (either of record or as beneficial owner) of five percent (5%) or more of any outstanding class shares of any corporation other than one in which the Corporation owns at least twenty percent (20%) of the capital stock) which is engaged in a business directly competitive to that of the Corporation or any of its subsidiaries or affiliates;</u></li> <li>ii. <u>An officer, manager or controlling person of, or the owner of any member of his immediate family member is the</u></li> </ul>



		<p><u>owner (either of record or as beneficial owner) of five percent (5%) or more of any outstanding class of shares of any corporation (other than one in which the Corporation owns of at least twenty percent (20%) of the capital stock) which is an adverse party in any suit, action or proceeding (of whatever nature, whether civil, criminal, administrative or judicial) by or against the Corporation, which has been actually filed or threatened, imminent or probable, to be filed;</u></p> <p>iii. <u>as determined by the Board of Directors, in the exercise of its judgment in good faith, to be the nominee, officer, trustee, adviser or legal counsel, of any individual set forth in (i) and (ii) hereof.</u></p> <p><u>In determining whether a person has a conflict of interest with the Corporation or is a controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business, family and professional relationships.</u></p> <p><u>For purposes of this provision, "immediate family" shall mean any person related to another whether consanguinity or affinity, up to the third civil degree.</u></p> <p><u>Notwithstanding the foregoing, if the authority to determine the qualifications and disqualifications of nominees to the board of directors has been delegated to the Corporate Governance Committee the decision of such Corporate Governance Committee shall be subject to the confirmation by mere majority of the members of the Board of Directors.</u></p>
To be inserted as Article IV, Section 4	-	<p><u>Disqualifications. – The following persons shall be disqualified from being elected as members of the Board of Directors:</u></p> <p>(a) <u>any person finally convicted judicially of an offense involving corruption, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false oath, perjury, or other fraudulent acts;</u></p> <p>(b) <u>any person finally found by the Securities and Exchange Commission (SEC) or a court or other administrative body to have willfully violated, or</u></p>

		<p><u>willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Revised Corporation Code (RCC), or any other law administered by the SEC or the Bangko Sentral ng Pilipinas (BSP);</u></p> <p>(c) <u>any person judicially declared to be insolvent;</u></p> <p>(d) <u>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;</u></p> <p>(e) <u>conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the RCC, committed within five (5) years prior to the date of his election or appointment; and,</u></p> <p>(f) <u>other disqualifications which the Commission, the Philippine Competition Commission, or other government agencies may impose in the promotion of good corporate governance or as sanctioned in their administrative proceedings</u></p>
To be inserted as Article IV, Section 5	-	<p><u>Additional Requirements for Independent Directors. – In addition to the foregoing qualifications and disqualifications, a director nominated and elected as independent as required in the Section 2 of this Article, shall likewise meet the following requirements:</u></p> <p>(a) <u>is not a director or officer of the Corporation or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;</u></p> <p>(b) <u>does not own more than two percent (2%) of the shares of the Corporation and/or of its related companies or any of its substantial shareholders;</u></p> <p>(c) <u>is not related to any director, officer or substantial shareholder of the Corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;</u></p>

		<p>(d) <u>is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;</u></p> <p>(e) <u>has not been employed in any executive capacity by the Corporation, any of its related companies and/or by any of its substantial shareholder within the last two (2) years;</u></p> <p>(f) <u>is not retained, either personally or through his firm or any similar entity, as professional adviser by the Corporation, any of its related companies and/or any of its substantial shareholders within the last two (2) years; or.</u></p> <p>(g) <u>has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial.</u></p> <p><u>For purposes of the foregoing, a "related company" of the Corporation shall be any of the following: (i) its parent company, (ii) its subsidiaries, or (iii) subsidiaries of its parent company. Also, a "substantial shareholder" shall mean any person who, directly or indirectly, beneficially owns more than ten percent (10%) of any class of security issued by the Corporation.</u></p>
To be inserted as Article IV, Section 6	-	<p><u>Nomination of Independent Directors. – An independent director shall hold no interests or relationships with the Corporation that may hinder their independence from the Corporation or Management which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The nomination of independent directors shall be conducted by the Corporate Governance Committee or such other committee of the Board of Directors tasked to review and evaluate nominations</u></p>

		<p><u>for election to the Board of Directors prior to a stockholders' meeting.</u></p> <p><u>All nominations shall be submitted to the Corporate Governance Committee by any stockholder of record at least sixty (60) business days prior to the date of the regular annual meeting to allow the Corporate Governance Committee sufficient time to assess and evaluate the qualifications of the nominees.</u></p> <p><u>All recommendations for the nomination of independent directors shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.</u></p> <p><u>All provisions of SRC Rule 38 as amended and all rules and regulations relative to the requirement on nomination and election of independent director/s shall be complied with by the Corporation.</u></p>
To be inserted as Article IV, Section 7	-	<p><u>List of Candidates. – After the nomination, the Corporate Governance Committee shall prepare a List of Candidates which shall contain all the information about all the nominees for election as members of the Board of Directors, which list shall be made available to the SEC and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports as the Corporation will be required to submit to the SEC.</u></p> <p><u>The name of the person or group of persons who recommended the nomination of the independent director(s) shall be identified in such report including any relationship with the nominee.</u></p> <p><u>Only nominees whose names appear on the List of Candidates shall be eligible for election as directors. No other nominations for election as director shall be entertained after the List of Candidates shall have been prepared and finalized. No further nominations for election as director shall be entertained or allowed on the floor during the actual annual stockholders' meeting.</u></p>
To be inserted as Article IV, Section 13	-	<p><u>Notice. – Notice of any special meeting shall be given at least two days previously thereto by written notice delivered personally, by mail, by cable, facsimile,</u></p>

		<p><u>electronic mail, or by other mode of communications, including by telephone or internet-based messaging facilities, to each director at his business address. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.</u></p>
Article IV, Section 3 (To be renumbered as Article IV, Section 15)	<p>Election of Directors. At each meeting of the stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person or by proxy and entitled to vote shall be the directors. In case of any increase in the number of directors, the additional directors may be elected by the stockholders (i) at the first annual meeting held after such increase has been approved, (ii) or at a special meeting called for the purpose, or (iii) at the same meeting authorizing the increase of directors if so stated in the notice of the meeting.</p>	<p>Election of Directors. – At each meeting of the stockholders for the election of directors, at which a quorum is present, the persons receiving the highest number of votes of the stockholders present in person <u>or in absentia or by remote communication</u> or by proxy and entitled to vote, shall be the directors. In case of any increase in the number of directors <u>that has been approved by the SEC</u>, the additional directors may be elected by the stockholders (i) at the first annual meeting held after such increase has been approved, (ii) or at a special meeting called for the purpose, or (iii) at the same meeting authorizing the increase of directors if so stated in the notice of the meeting.</p> <p><u>In case of failure of election for the independent directors, the Chairman of the Stockholders’ Meeting shall call for a separate election during the same meeting to fill up the vacancy.</u></p>
Article IV, Section 4 (To be renumbered as Article IV, Section 12)	<p>Quorum and Manner of Acting. Except as otherwise provided by statute, by the Articles of Incorporation or by these By-Laws, a majority of the number of directors specified in the Articles of Incorporation shall constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which there is a quorum shall be valid as a corporate act. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.</p>	<p>Quorum and Manner of Acting. – Except as otherwise provided by statute, by the Articles of Incorporation or by these By-Laws, a majority of the number of directors specified in the Articles of Incorporation shall constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present in person <u>or through remote communication such as videoconferencing, teleconferencing, or any other alternatives modes of communication</u> at any meeting at which there is a quorum shall be valid as a corporate act. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time</p>

		until a quorum be had. Notice of any adjourned meeting need not be given.
Article IV, Section 5 (To be renumbered as Article IV, Section 8)	Place of Meeting. – The Board of Directors may hold its meeting at the principal office of the Corporation on or at such other places within or outside the Republic of the Philippines as the Chairman, and in his absence, the President may from time to time determine.	Same
Article IV, Section 6 (To be renumbered as Article IV, Section 9)	Organizational Meeting. – The Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, as soon as practicable after each annual election of directors and on the same day, at the same place at which regular meetings of the Board of Directors are held. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors in a consent and waiver of notice thereof signed by all the directors.	Same
Article IV, Section 7 (To be renumbered as Article IV, Section 10)	Regular Meetings - Regular meetings of the Board of Directors shall be held every fourth Thursday of each month or at such date, time and place as the Chairman, or in his absence, the President shall from time to time determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day not a legal holiday. Notice of regular meetings need not be given.	Regular Meetings. – Regular meetings of the Board of Directors shall be held every fourth Thursday of each month or at such date, time and place as the <u>Board of Directors, or the</u> Chairman, or <del>in his absence,</del> the President shall from time to time determine, <u>for any justifiable reason.</u> If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day not a legal holiday. Notice of regular meetings need not be given.
Article IV, Section 8 (To be renumbered as Article IV, Section 11)	Special Meetings: Notice – Special meetings of the Board of Directors shall be held when called by the Chairman of the Board, or the President, or by the Secretary at the request of any two (2) of the directors. Notice of each such meeting shall be mailed to each director, addressed to him at his residence or usual place of business, at least two (2) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable, or facsimile, or be delivered personally or by telephone, not later than the day before the day on which the meeting is to be held. Every such notice shall state the time and place of the meeting but need not state the	Special Meetings: Notice – Special meetings of the Board of Directors shall be held when called by the Chairman of the Board, or the President, or by the Secretary at the request of any two (2) of the directors. Notice of each such meeting shall be mailed to each director, addressed to him at his residence or usual place of business, at least two (2) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegraph, cable, or facsimile, or be delivered personally or by telephone, <u>or electronic mail, or by other mode of communications, including telephone or internet-based messaging facilities,</u> not later than the day before the

	purpose thereof except as otherwise in these By- Laws expressly provided. Notice of any meeting of the Board need not be given to any director, if waived by him in writing or by telegraph, cable or facsimile whether before or after such meeting is held or if he shall be present at the meeting.	day on which the meeting is to be held. Every such notice shall state the time and place of the meeting but need not state the purpose thereof except as otherwise in these By- Laws expressly provided. Notice of any meeting of the Board need not be given to any director, if waived by him in writing or by telegraph, cable or facsimile, <u>or electronic mail, or by other mode of communications, including telephone or internet-based messaging facilities,</u> whether before or after such meeting is held or if he shall be present at the meeting.
Article IV, Section 10 (To be renumbered as Article IV, Section 17)	Removal of Directors. – Any director of the Corporation may be removed subject to and in accordance with the requirements of Section 28 of the Corporation Code.	Removal of Directors. – <u>Any director may be removed, either with or without cause, at any time, by the affirmative vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock entitled to vote at a regular meeting or at a special meeting of the stockholders called for the purpose and held after due notice as provided in Section 27 of the Revised Corporation Code. The vacancy in the Board caused by any such removal may be filled by the stockholders at such meeting without further notice, or at any regular or at any special meeting called for the purpose after giving notice as prescribed by the Revised Corporation Code. Any director of the Corporation may be removed subject to and in accordance with the requirements of Section 28 of the Corporation Code.</u>
Article IV, Section 11 (To be renumbered as Article IV, Section 14)	Vacancies. Any vacancy in the Board of Directors caused by death, resignation, disqualification, or any other cause, except by removal or expiration of term may be filled by the majority vote of the remaining directors then in office, constituting a quorum, and each director so elected shall hold office for a term to expire at the next annual election of directors, and until his successor shall be duly elected and qualified, or until his death, resignation or removal in the manner herein provided.	Vacancies. <u>– Any vacancy in the Board of Directors caused by death, resignation, disqualification, or any other cause, except by removal or expiration of term may be filled by the majority vote of the remaining directors then in office, constituting a quorum, and each director so elected shall hold office for a term to expire at the next annual election of directors, and until his successor shall be duly elected and qualified, or until his death, resignation or removal in the manner herein provided. upon the nomination of the Corporate Governance Committee, provided, that specific slots for independent directors shall not be filled by unqualified nominees. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.</u>
Article IV, Section 12 (To be	Compensation – Except for reasonable per diems, directors, as such, shall be entitled	Same

renumbered as Article IV, Section 18)	to receive only such compensation as may be granted to them by the vote of the stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders. In no case shall the total yearly compensation of directors, as such, exceed 10% of the net income before income tax of the Corporation during the preceding year.	
Article IV, Section 13	Nomination and Election of Independent Directors. – In observance of good corporate governance, the duly constituted Nomination Committee of the Corporation shall promulgate rules and procedure for the nomination and election of independent directors for the Board of the Corporation in accordance with its By-Laws and existing rules and regulations of the Securities and Exchange Commission (SEC), particularly Section 38 of the Securities Regulations Code, as amended, Guidelines on the Nomination and Election of Independent Directors and, its implementing rules and regulations.	To be deleted
Article V, Section 1	Executive Committee. – The Board of Directors may, by resolution or resolutions passed by a majority of all its members, create an executive committee of five (5) whose members shall be appointed by the Board from among themselves. Except as provided in Section 35 of the Corporation Code, the executive committee shall have and exercise all such power as may be delegated to it by the Board. The executive committee shall keep regular minutes of its proceedings and report the same to the Board whenever required. The Board shall have the power to change the members of the executive committee at any time, to fill vacancies therein and to discharge or dissolve such committee either with or without cause.	Executive Committee. – The Board of Directors may, by resolution or resolutions passed by a majority of all its members, create an Executive Committee <u>of at least three (3) directors of five (5)</u> whose members shall be appointed by the Board from among themselves. Except as provided in Section 34 <u>5</u> of the <u>Revised</u> Corporation Code, the Executive Committee shall have and exercise all such power as may be delegated to it by the Board. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board whenever required. The Board shall have the power to change the members of the Executive Committee at any time, to fill vacancies therein and to discharge or dissolve such committee either with or without cause.
Article VI, Section 1	Number. – The officers of the Corporation shall be a Chairman of the Board, one or more Vice-Chairmen, a President, one or more Executive Vice Presidents, Senior Vice Presidents, a Secretary, a Treasurer and such other officers as may from time to time be elected or appointed by the Board of Directors. Any two or more positions may be held concurrently by the same person, except that no one shall act as	Number. – The officers of the Corporation shall be a Chairman of the Board, one or more Vice-Chairmen, a President, one or more Executive Vice Presidents, Senior Vice Presidents, a Secretary, <u>an Assistant Secretary</u> , a Treasurer, <u>and such other officers as may from time to time be elected or appointed by the Board of Directors. The said officers shall be elected by the Board of Directors among its members, except the Executive and Senior</u>



	President and Secretary or as President and Treasurer at the same time.	<u>Vice Presidents, the Treasurer, and the Secretary and Assistant Secretary, who may not be members of the Board. Such other officers and assistant officers may be deemed necessary, may be elected or appointed by the Board of Directors provided they are not inconsistent with each other.</u> Any two or more positions may be held concurrently by the same person, except that no one shall act as President and Secretary or as President and Treasurer at the same time.
Article VI, Section 2	Election, Term of Office & Qualifications. – The Officers of the Corporation named in Section I above shall be elected annually by the affirmative vote of a majority of all the members of the Board of Directors. Each officer shall hold office until his successor is elected and qualified in his stead, or until he shall have resigned or shall have been removed in the manner hereinafter provided. Such other officers as may from time to time be elected or appointed by the Board of Directors shall hold office for such period, have such authority and perform such duties as are provided in these By-Laws or as the Board of Directors may determine. The Chairman of the Board, the Vice Chairman and the President shall be chosen from among the directors, and the Secretary shall be a resident and a citizen of the Philippines.	Election, Term of Office & Qualifications. – The Officers of the Corporation named in Section 1 above shall be elected annually <u>during the organizational meeting provided for in Article IV, Section 9 hereof</u> by the affirmative vote of a majority of all the members of the Board of Directors. <u>If the election of officers shall not be held as aforesaid, then it shall be held as soon thereafter as conveniently may be.</u> Each officer shall hold office until his successor is elected and qualified in his stead, or until he shall have resigned or shall have been removed in the manner hereinafter provided. Such other officers as may from time to time be elected or appointed by the Board of Directors shall hold office for such period, have such authority and perform such duties as are provided in these By-Laws or as the Board of Directors may determine. The Chairman of the Board, the Vice Chairman and the President shall be chosen from among the directors, and the Secretary shall be a resident and a citizen of the Philippines.
Article VI, Section 3 (To be renumbered as Article VI, Section 13)	Removal. – Any officer may be removed, either with or without cause, by the vote of a majority of the whole Board of Directors.	Removal. – Any officer may be removed, either with or without cause, by the vote of a majority of the whole Board of Directors.
Article VI, Section 4 (To be renumbered as Article VI, Section 14)	Resignations. – Any officer may resign at any time by giving written notice to the Board of Directors, to the Chairman or Vice Chairman of the Board, or to the President. Any such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.	Resignations. – Any officer may resign at any time by giving written notice to the Board of Directors, to the Chairman or Vice Chairman of the Board, or to the President. Any such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
Article VI, Section 5 (To be renumbered as Article VI, Section 3)	Vacancies. - A vacancy in any office because of death, resignation, removal, disqualification or any other cause may be	Same

	filled for the unexpired portion of the term by the Board of Directors.	
Article VI, Section 13 (To be renumbered as Article VI, Section 4)	Compensation. – The Board of Directors shall fix the salaries and bonuses of all officers enumerated in this Article VI. The compensation of all other officers shall be left to the discretion of the President. The fact that any officer is a director shall not preclude him from receiving a salary or bonus or from voting upon the resolution fixing the same.	Compensation. – The Board of Directors shall fix the salaries and bonuses of all officers enumerated in this Article VI. The compensation of all other officers shall be left to the discretion of the President <u>upon the advice of the Compensation and Remuneration Committee</u> . The fact that any officer is a director shall not preclude him from receiving a salary or bonus or from voting upon the resolution fixing the same.
Article VI, Section 6 (To be renumbered as Article VI, Section 5)	Chairman of the Board – The Chairman of the Board shall, if present, preside at all meetings of the stockholders and of the Board of Directors. The Chairman shall also perform such other duties as shall from time to time be assigned to him by the Board of Directors.	Chairman of the Board - The Chairman of the Board shall, if present, preside at all meetings <del>of the stockholders and</del> of the Board of Directors <u>and of the stockholders and accordingly authenticate all minutes thereof in conjunction with the Secretary</u> . The Chairman shall also perform such other duties <u>and functions</u> as shall from time to time be assigned to him by the Board of Directors.
Article VI, Section 7 (To be renumbered as Article VI, Section 6)	Vice Chairman of the Board. – In the absence of the Chairman, the Vice Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Directors. The Vice Chairman shall also perform such other duties as shall from time to time be assigned to him by the Board of Directors.	Same
Article VI, Section 8 (To be renumbered as Article VI, Section 7)	President. – The President shall be the chief executive officer of the Corporation and subject to the control of the Board of Directors, shall have general supervision of the business and affairs of the Corporation. He shall, in the absence of the Chairman and the Vice Chairman of the Board, preside at all meetings of the stockholders and of the Board of Directors. He may sign with the Secretary any or all certificates of stock of the Corporation; provide the stockholders and the Board of Directors such reports, memoranda, accounts and data which may be required of him; and, in general, perform all duties incident to the office of the President and such other duties as may from time to time be assigned to him by the Board of Directors or as prescribed by these By-Laws.	President, - The President who shall be the chief executive officer of the Corporation and subject to the control of the Board of Directors, shall have general supervision of the business and affairs of the Corporation. He shall, in the absence of the Chairman and the Vice Chairman of the Board, preside at all meetings of the stockholders and of the Board of Directors. <u>He shall sign, together with either the Treasurer or Executive Vice President or other officer designated by the Board, all checks, drafts, or other orders with respect to any funds of the Corporation maintained in any bank. He may likewise sign together with any proper officer of the Corporation thereunto authorized by these By-Laws or by the Board of Directors, certificates of stock of the Corporation, any deed, mortgage, bond, contract, or other instrument which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by</u>

		<p><u>these By-Laws to some other officer of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time. He may sign with the Secretary any or all certificates of stock of the Corporation; provide the stockholders and the Board of Directors such reports, memoranda, accounts and data which may be required of him; and, in general, perform all duties incident to the office of the President and such other duties as may from time to time be assigned to him by the Board of Directors or as prescribed by these By-Laws.</u></p>
<p>Article VI, Section 9 (To be renumbered as Article VI, Section 8)</p>	<p>Executive Vice Presidents. – At the request of the President, any Executive Vice President who is also a director, or in the absence or disability of the President, the most senior Executive Vice President who is also a director, shall perform all the duties of President, and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any Executive Vice President shall perform such other duties as may, from time to time, be assigned to him by the Board of Directors or the President.</p>	<p>Executive Vice Presidents. – <u>In the absence or disability of the President, the Executive Vice President (or in the event that there be more than one Executive Vice President, the Executive Vice Presidents in the order designated at the time of their election, or in the absence of designation, then in the order of their election) shall perform the duties and exercise the powers of the President. He shall assist the President in the performance of his duties and subject to the general supervision of the President, he shall take direct charge of the business and affairs of the Corporation. He shall furthermore perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors. At the request of the President, any Executive Vice President who is also a director, or in the absence or disability of the President, the most senior Executive Vice President who is also a director, shall perform all the duties of President, and, when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any Executive Vice President shall perform such other duties as may, from time to time, be assigned to him by the Board of Directors or the President.</u></p>
<p>Article VI, Section 10 (To be renumbered as Article VI, Section 9)</p>	<p>Senior Vice Presidents and Vice Presidents. – The Senior Vice Presidents and Vice President shall perform such duties as may from time to time be assigned to them by the Board of Directors or the President. In general, they shall exercise management of such aspect of business or department of the Corporation assigned to them; execute and implement the orders, resolutions and</p>	<p>Senior Vice Presidents and Vice Presidents. – <u>In the absence or disability of the President and the Executive Vice President, the Senior Vice President (or in the event that there be more than one Senior Vice President, the Senior Vice Presidents in the order designated at the time of their election, or in the absence of designation, then in the order of their election) shall</u></p>

	<p>policies of the Board of Directors; submit such reports, memoranda, accounts and data which may be required of them by the President or the Board of Directors.</p>	<p><u>perform the duties and exercise the powers of the President. He shall assist the President in the performance of his duties and subject to the general supervision of the President, he shall take direct charge of the business and affairs of the Corporation. He shall furthermore perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors. The Senior Vice Presidents and Vice President shall perform such duties as may from time to time be assigned to them by the Board of Directors or the President. In general, they shall exercise management of such aspect of business or department of the Corporation assigned to them; execute and implement the orders, resolutions and policies of the Board of Directors; submit such reports, memoranda, accounts and data which may be required of them by the President or the Board of Directors.</u></p>
<p>Article VI, Section 11 (To be renumbered as Article VI, Section 10)</p>	<p>The Secretary. – The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the stockholders and of the Board of Directors; shall give, or cause to be given, notice of all meetings of stockholders and directors and all other notices required by Jaw or by these By-Laws; and in the case of his absence or refusal or neglect to do so, any such notice may be given by any person directed by the President, or by the directors or stockholders, upon whose request the meeting is called as provided in these By-Laws; shall be custodian of the records and of the seal of the Corporation and see that the seal or a facsimile thereof is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws, and shall attest the same; shall keep a register of the post office address of each stockholder, and make all proper changes in such register, retaining and filling his authority for all such entries; shall see that the books, statements, certificates and all other documents and records required by Jaw arc properly kept and filed; may sign with the President any or all certificates of stock of the Corporation; shall, unless otherwise determined by the Board of Directors, have charge of the original stock books, transfer books and stock ledgers</p>	<p>The Secretary. – The Secretary, <u>who must be a citizen and resident of the Philippines</u>, shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the stockholders and of the Board of Directors; shall give, or cause to be given, notice of all meetings of stockholders and directors and all other notices required by law or by these By-Laws; and in the case of his absence or refusal or neglect to do so, any such notice may be given by any person directed by the President, or by the directors or stockholders, upon whose request the meeting is called as provided in these By-Laws; shall be custodian of the records and of the seal of the Corporation and see that the seal or a facsimile thereof is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws, and shall attest the same; shall keep a register of the post office address of each stockholder, and make all proper changes in such register, retaining and filling his authority for all such entries; shall see that the books, statements, certificates and all other documents and records required by law are properly kept and filed; may sign with the President any or all certificates of stock of the Corporation; shall, unless otherwise determined by the Board of Directors, have</p>

	and act as transfer agent in respect of the stock and securities of the Corporation; and, in general, shall perform all duties incident to the office of the Secretary, and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President.	charge of the original stock books, transfer books and stock ledgers and act as transfer agent in respect of the stock and securities of the Corporation; and, in general, shall perform all duties incident to the office of the Secretary, and such other duties as may, from time to time, be assigned to him by the Board of Directors or by the President.
To be inserted as Article VI, Section 11	-	<u>Assistant Secretary. – During the absence or disability of the Secretary, the Assistant Secretary, who must likewise be a citizen and resident of the Philippines, shall perform and exercise all the functions of the Secretary and perform such other duties as are properly required of him by the Board of Directors.</u>
Article VI, Section 12	The Treasurer. – The Treasurer shall give such bond for the faithful performance of his duties as the Board of Directors may require. He shall have charge and custody of, and be responsible for, all funds, securities, evidences of indebtedness and other valuable documents of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws; at all reasonable times exhibit his books of account and records to any of the directors of the Corporation where such books and records are kept; when required by the President of the Board of Directors render a statement of the condition of the finances of the Corporation; receive, and give, or cause to be given, receipts for money due and payable to the Corporation from any source whatsoever, and pay out money as the business of the Corporation may require; and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors or by the President.	The Treasurer. – The Treasurer shall give such bond for the faithful performance of his duties as the Board of Directors may require. He shall have charge and custody of, and be responsible for, all funds, securities, evidences of indebtedness and other valuable documents of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws. <u>He shall sign, together with either the President or other officer designated by the Board, all checks, drafts or other orders with respect to any funds of the Corporation maintained in any bank.</u> He shall, at all reasonable times, exhibit his books of account and records to any of the directors of the Corporation where such books and records are kept; when required by the President of the Board of Directors render a statement of the condition of the finances of the Corporation; receive, and give, or cause to be given, receipts for money due and payable to the Corporation from any source whatsoever, and pay out money as the business of the Corporation may require; and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors or by the President.
To be inserted as Article VII, Section 1	-	<u>Inspection of Accounts. – The books of account and records of the Corporation shall be open to inspection by any member of the Board of Directors at all times. The stockholders may inspect the books of the</u>

		<u>Corporation at such reasonable hours of every business day throughout the year subject to Section 73 of the Revised Corporation Code.</u>
Article VII, Section 2 (To be renumbered as Article VII, Section 3)	Dividends. – Dividends shall be declared only from the surplus profit and shall be payable at such time and in such manner and in such amounts as the Board of Directors shall determine. No dividends shall be declared which would impair the capital of the Corporation.	Dividends. – <u>Cash and stock</u> dividends shall be declared only from the surplus profit and shall be payable at such time and in such manner and in such amounts as the Board of Directors shall determine. No dividends shall be declared which would impair the capital of the Corporation.
To be inserted as Article VII, Section 6	-	<u>Manual on Corporate Governance. – To aid the Board of Directors in the promotion of and adherence to the principles and best practices of good corporate governance, the Board shall adopt a Manual of Corporate Governance, and amend the same from time to time, and such Manual of Corporate Governance shall be suppletory to these By-laws.</u>
Article VIII (To be renumbered as Article VII, Section 7)	The seal of the Corporation shall indicate the name of the Corporation and the year of its incorporation, and shall be in such design and size as may be approved by the Board of Directors.	Same
Article IX (To be renumbered as Article VII, Section 5)	<p>Amendments. – All By-Laws of the Corporation shall be subject to amendment, alteration or repeal, and new By-Laws, not inconsistent with any provision of law may be made by the affirmative vote of a majority of the Board of Directors and a majority of the outstanding capital stock of the Corporation entitled to vote in respect thereof, given at an annual meeting or at any special meeting, provided that notice of the proposed amendment, alteration or repeal or of the proposed new By-Laws be included in the notice of such meeting.</p> <p>The Board of Directors may likewise amend, alter or repeal By-Laws or adopt a new By-Laws, at any regular or special meeting of the Board, if authorized by the stockholders as provided in Section 48 of the Corporation Code.</p>	<p>Amendments. – All By-Laws of the Corporation shall be subject to amendment, alteration or repeal, and new By-Laws, not inconsistent with any provision of law may be made by the affirmative vote of a majority of the Board of Directors and a majority of the outstanding capital stock of the Corporation entitled to vote in respect thereof, given at an annual meeting or at any special meeting, provided that notice of the proposed amendment, alteration or repeal or of the proposed new By-Laws be included in the notice of such meeting.</p> <p>The Board of Directors may likewise amend, alter or repeal By-Laws or adopt a new By-Laws, at any regular or special meeting of the Board, if authorized by the stockholders as provided in Section 47<del>8</del> of the <u>Revised</u> Corporation Code.</p>

*Note: Other affected article and section numbers shall be adjusted accordingly.*

## Certification

I, **Richard Anthony D. Alcazar**, Corporate Secretary of **APC Group, Inc.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **AS93008127** and with principal office at **G/F MyTown New York Bldg., General E. Jacinto St. corner Capas St., Barangay Guadalupe Nuevo, Makati City**, on oath state:

- 1) That I have caused this **SEC Form 17-C** dated **November 5, 2021** to be prepared on behalf of **APC Group, Inc.**;
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company, **APC Group, Inc.**, will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its submissions to CGFD.


IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of NOV 05 2021, 2021.



**Richard Anthony D. Alcazar**

**SUBSCRIBED AND SWORN** to before me this NOV 05 2021 in Pasig City, affiant after exhibiting to me his Comm. Tax Cert. No. 0688779 issued on January 09, 2021 at Pasig City and SSS No. 33-30928147 as competent evidence of his identity.

Doc. No. 148 ;  
Page No. 31 ;  
Book No. I ;  
Series of 2021

  
**BURNT EDMOND C. SANTOS**  
Notary Public for the Cities of Pasig, San Juan,  
and Municipality of Pateros  
Appointment No. 35 (2021-2022)  
Commission Expires on 31 December 2022  
2303-A East Tower, Ildefonso Tower, Encarnacion Road  
Ortigas Center, Pasig City, Metro Manila  
**NOTARY PUBLIC**  
PTR No. 6514807; 06/09/2021; Pasig City  
IBP No. 142833; 01/05/2021; Pasig City  
MCLE Compliance No. N/A  
(Admitted to the Philippine Bar on 20 July 2011)