

COVER SHEET

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S.E.C. Registration Number

M E T R O P A C I F I C I N V E S T M E N T S
 C O R P O R A T I O N

(Company's Full Name)

9/F, TOWER 1, ROCKWELL BUSINESS CENTER, ORTIGAS AVENUE, ORTIGAS CENTER,
 BRGY. UGONG, PASIG CITY 1604

(Business Address : No./ Street / City Town / Province)

RICARDO M. PILARES III

Contact Person

8888-0888

Company Telephone Number

1 2 3 1

Month Day
 Fiscal Year

I-ACGR

FORM TYPE

0 5 2 9

Month Year
 Annual Meeting

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

File Number

LCU

Document I.D.

Cashier

STAMPS



May 25, 2023

SECURITIES AND EXCHANGE COMMISSION

7907 Makati Avenue,
Makati City

Attention: **Atty. Rachel Esther J. Gumtang-Remalante**
Director
Corporate Governance and Finance Department

Gentlemen:

In compliance with SEC Memorandum Circular No. 19 Series of 2016, and No. 15 Series of 2017, we submit herewith the Metro Pacific Investment Corporation's Integrated Annual Corporate Governance Report for Fiscal Year 2022.

Very truly yours,

A handwritten signature in black ink, appearing to read "RMP", positioned above the typed name.

RICARDO M. PILARES III

Vice President, Legal

Compliance Officer

Metro Pacific Investments Corporation



**SEC FORM – I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **December 31, 2022**
2. SEC Identification Number **CS200604494**
3. BIR Tax Identification No. **244-520-457-000**
4. Exact name of issuer as specified in its charter: **METRO PACIFIC INVESTMENTS CORPORATION**
5. **METRO MANILA, PHILIPPINES**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code
7. **9th Floor Tower 1, Rockwell Business Center, Ortigas Avenue, Pasig City**
Address of principal office Postal Code
8. **(632) 8888-0888**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address, and former fiscal year, if changed since last report.



INTEGRATED CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
<p>Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.</p>			
Recommendation 1.1			
<p>1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</p>	Compliant	<p><i>Article 1, Section 1 of the MPIC Revised Code of Corporate Governance¹ provides:</i></p> <p>"The Board should be composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector. The Board should always ensure that it has an appropriate mix of</p>	<p>The business background and qualifications of the Company's directors in 2022 can be found in the Company's Annual Report, Definitive Information Statement and the Company's website. A summary of the competence and expertise of the Company's Board of Directors is also provided in the Company's Integrated Report.</p> <p>MPIC Website:</p>
<p>2. Board has an appropriate mix of competence and expertise.</p>	Compliant		<p>https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 14 to 28)</p>
<p>3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.</p>	Compliant		<p>https://www.mpic.com.ph/about-us/leadership/board-of-directors/</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 146-150)</p>

¹ Attached herewith as Annex "A" is a copy of MPIC's Revised Code of Corporate Governance which was filed with the SEC on March 3, 2021.

		<p>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 evolving business environment and strategic direction.</p> <p>MPIC shall adopt applicable guidelines on the search, screening and selection of directors² which shall ensure that the composition of the Board is an effective and balanced mix of knowledge, expertise,</p>	
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² Attached herewith as Annex “B” is a copy of MPIC’s Guidelines on the Search, Screening and Selection of Directors approved by the MPIC Nomination Committee and Corporate Governance Committee in a joint meeting held on April 19, 2016 and by the MPIC Board of Directors on May 4, 2016 (hereafter, “MPIC’s Guidelines on the Search, Screening and Selection of Directors”).

		<p>experience, complementary skills and talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others. It shall likewise ensure that the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures:</p> <p>i. Identification of the necessary skills and qualifications that are aligned and</p>	
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		<p>will promote the achievement of the Company's Mission, Vision and strategic objectives.</p> <p>ii. Assessment of the existing board's composition which entails cataloging members' skills and experience;</p> <p>iii. Comparison of the existing board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming</p>	
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		<p>vacancies owing to retirement or resignation in order to account for potential required skills and qualifications; and</p> <p>iv. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.”</p>	
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Below is the updated composition of the Board of Directors of the Corporation for the year 2022:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)	Elected when (Annual / Special Meeting)	No. of years served as director
Manuel V. Pangilinan	Chairman, President and CEO, -Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	March 2006	May 27, 2022	AGM	16
Jose Ma. K. Lim	President and CEO, Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	March 2006	May 27, 2022	AGM	16
June Cheryl A. Cabal-Revilla	Executive Director; Executive Vice President, Chief Finance Officer, Chief Sustainability Officer and Chief Risk Officer	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	December 2020	May 27, 2022	AGM	2
Ray C. Espinosa	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	November 2009	May 27, 2022	AGM	13
Ramoncito S. Fernandez	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	June 2009	May 27, 2022	AGM	13
Christopher H. Young	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	May 2019	May 27, 2022	AGM	4
Augusto P. Palisoc, Jr.	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	March 2006	May 27, 2022	AGM	16



Chief Justice Artemio V. Panganiban	Lead Independent Director	None	Julius Perez (Registered Stockholder); Relationship - None	August 2007	May 27, 2022	AGM	15
Alfred V. Ty	Non-Executive Director	GT Capital Holdings, Inc.	GT Capital Holdings, Inc.	November 2015	May 27, 2022	AGM	7
Albert F. Del Rosario ³	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	May 2016	May 27, 2022	AGM	6
Rodrigo E. Franco ⁴	Non-Executive Director	Metro Pacific Holdings Inc. (MPHI)	Metro Pacific Holdings Inc. (MPHI)	May 2016	May 27, 2022	AGM	6
Francisco C. Sebastian	Non-Executive Director	GT Capital Holdings, Inc.	GT Capital Holdings, Inc.	June 2016	May 27, 2022	AGM	6
Oscar J. Hilado	Independent Director	None	Julius Perez (Registered Stockholder); Relationship – None	May 2021	May 27, 2022	AGM	2
Pedro E. Roxas	Independent Director	None	Julius Perez (Registered Stockholder); Relationship – None	May 2021	May 27, 2022	AGM	2
Roberto C. Yap, S.J.	Independent Director	None	Julius Perez (Registered Stockholder); Relationship - None	May 2021	May 27, 2022	AGM	2

Recommendation 1.2

³ Mr. Del Rosario passed away on April 18, 2023.

⁴ On May 3, 2023, the Board of Directors accepted Mr. Franco's resignation as Director, and elected Mr. Rogelio L. Singson on the same date.

<p>1. Board is composed of a majority of non- executive directors.</p>	<p>Compliant</p>	<p><i>Article 1, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should, in general, 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.”</p>	<p>For the year 2022, only two (2) out of fifteen (15) directors were executive directors.</p> <p>The executive directors of the Corporation for 2022 are:</p> <ul style="list-style-type: none"> (i) Manuel V. Pangilinan; and (ii) June Cheryl A. Cabal-Revilla. <p>The following are the non-executive directors of the Company for 2022 who do not hold any executive positions in the Company:</p> <ul style="list-style-type: none"> (i) Alfred V. Ty (ii) Jose Ma. K. Lim (iii) Francisco C. Sebastian (iv) Albert F. Del Rosario (v) Ray C. Espinosa (vi) Rodrigo E. Franco (vii) Ramoncito S. Fernandez (viii) Auguto P. Palisoc, Jr. (ix) Christopher H. Young <p>The following are the Independent Directors of the Company for 2022:</p> <ul style="list-style-type: none"> (i) Artemio V. Panganiban (ii) Roberto C. Yap, SJ (iii) Pedro O. Roxas (iv) Oscar J. Hilado
<p>Recommendation 1.3</p>			



<p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p>	<p>Compliant</p>	<p><i>Article 1, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“MPIC shall adopt a formal orientation program for first-time directors to ensure that new members are appropriately apprised of their duties and responsibilities, before carrying-out said duties and responsibilities. The orientation program shall include topics on corporate governance as mandated by the Philippine Securities and Exchange Commission (SEC), an introduction to the Company’s business, and relevant details on the Company’s Articles of Incorporation, By-laws, Code of Business Ethics and other relevant policies and charters. The</p>	<p>MPIC Head Office, together with the other members of the Group, organizes an Annual Corporate Governance Enhancement Session (“ACGES”) accredited by the SEC. The content varies each year and covers a range of matters, including traditional corporate governance topics such as audit, internal controls, anti-corruption and risk management as well as new and forward-looking areas of interest.</p> <p>For 2022, MPIC also conducted two (2) SEC-accredited Corporate Governance training sessions focusing on sustainability issues for its directors, officers, and employees. The first training was conducted on November 4, 2022, from 1:00 p.m. to 5:00 p.m. with the topic “New Sustainability Frontiers”. The second training was conducted on November 24, 2022, from 10:00 a.m. to 12:00 p.m. with the topic “Leading in Times of Disruption”.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 98)</p>
<p>2. Company has an orientation program for first time directors.</p>	<p>Compliant</p>	<p>and relevant details on the Company’s Articles of Incorporation, By-laws, Code of Business Ethics and other relevant policies and charters. The</p>	<p>New members to the Board participate in a comprehensive orientation program and it is compulsory for all members to participate in on-going professional development training.</p>
<p>3. Company has relevant annual continuing training for all directors.</p>	<p>Compliant</p>	<p>The</p>	<p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/</p>

		<p>orientation program shall be scheduled as soon as practicable and preferably within a month after the appointment of the new director.</p> <p>Unless otherwise exempt by the SEC or such other competent regulatory agencies of the government, each MPIC director shall undergo a continuing training program for at least four (4) hours each year to promote board performance and continuing qualification in carrying out directors' duties and responsibilities. This annual continuing training program shall ensure that directors are continuously informed of the developments in the business and regulatory</p>	
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		environments, including emerging risks relevant to the Company. It may cover courses on corporate governance matters, including audit, internal controls, risk management, sustainability and strategy.”	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	<p><i>Article 1, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should have a policy on board diversity.”</p> <p><i>Article 2, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should adopt a formal and transparent</p>	<p>Consistent with the Company’s commitment to the principles of good corporate governance, the Board Diversity Policy⁵ was approved on November 7, 2018 to ensure that the Board has suitable mix of expertise, experience and skills that would promote critical thinking and balanced decision-making that is in line with the Company’s strategic goals and objectives. The Policy emphasizes that the primary consideration in the nomination and selection of directors shall always be merit, and that nominees shall not be discriminated against by reason of gender, religion, ethnicity, age and other factors. A copy of the Company’s Board Diversity Policy is published in the Company’s website.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/06/Board-Diversity-Policy.pdf https://www.mpic.com.ph/corporate-governance/governance-practices/</p>

⁵ Attached herewith as Annex “C” is a copy of MPIC’s Board Diversity Policy which was approved by the Board on November 7, 2018.

		<p>board nomination and election policy that should include how it accepts nominations from minority shareholders and reviews nominated candidates. The policy should 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 should be aligned with the strategic direction of the company.</p> <p>In addition, the policy shall set forth the following procedures and safeguards in the director selection process:</p>	
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		<p>i. The MPIC Nominations Committee (the “Committee”), through its Secretariat, shall receive all letters nominating candidates for election as directors/independent directors from stockholders.</p> <p>ii. The Committee shall evaluate and screen nominees for directors <i>vis-à-vis</i> the applicable qualifications and disqualifications as set forth in the Company’s Manual on Corporate Governance, By-Laws and other applicable policy, law or regulations while ensuring that said</p>	
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		<p>qualifications are in line with the strategic objectives of the Company.</p> <p>iii. For nominees for independent directors, the Committee shall determine whether or not the nominees meet the independence criteria set forth in the Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulation.</p> <p>iv. The Committee shall also consider other relevant factors, such as any conflict of interest and directorships and/or positions in other</p>	
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		<p>corporations, which may compromise their capacity to diligently and effectively serve and perform their duties to the Board, the Company and its stakeholders, when elected.</p> <p>v. With the assistance of an executive search firm, if necessary, the Committee shall develop a list of nominees to be recommended to the Board, ensuring thereby that:</p> <ul style="list-style-type: none"> • the composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary 	
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		<p>skills and talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others; and</p> <ul style="list-style-type: none"> the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures: 	
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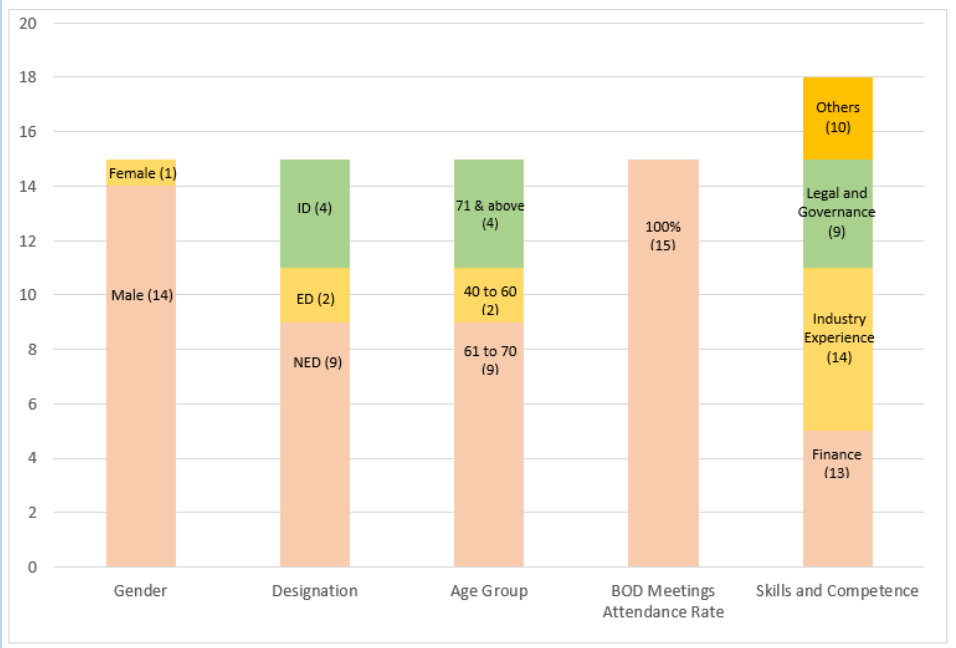
		<ol style="list-style-type: none"> 1. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives. 2. Assessment of the existing board's composition which entails cataloging members' skills and experience; 3. Comparison of the existing 	
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		<p>board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications.</p> <p>4. The gaps, if any, should</p>	
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		<p>function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.</p> <p>vi. Nominees for independent directors who accept the nomination are requested to submit to the Committee a Certification of Independent Director stating his/her qualification and a list of affiliations and positions that may directly or indirectly</p>	
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		<p>give rise to conflict of interest or may contravene applicable regulations.</p> <p>vii. The Committee shall submit to the Board of Directors its recommended list of final nominees.</p> <p>viii. The nominees approved by the Board are recommended for election as directors at the meeting of the stockholders or the Board, as the case may be.</p> <p>In the search of potential nominees, the Committee may use external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the</p>	
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		search for and widen the base of potential nominees.”	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	The Company’s policy on implementing its board diversity is provided in its Guidelines on the Search, Screening and Selection of Directors. The MPIC Nominations Committee spearheads the implementation of the policy and reports to the Board the pertinent proceedings of the Committee, including any progress in achieving its objectives.	<p>An analysis of the Board’s composition is set out in the Corporate Governance Report of the Company and published in the company website.</p> <p>The Company’s Board Diversity Policy recognizes the need for, and recognizes the benefits of, having a diverse board in order to enhance its performance and decision-making. Pursuant to its policy, the Company is encouraged by its diversity targets to have the following Board composition:</p> <p>(1) more independent directors than the minimum required by law; (2) more than one director must be female; (3) at least one director with international experience in industry and operations, finance and/r risk management; (4) the board membership must have a good mix of expertise in the following fields: (a) industry and operations, (b) risk management, (c) finance and accounting, and (d) government and regulatory.</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 133)</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf (page 11)</p>

			<p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 148-150)</p>  <table border="1"> <caption>Board Composition Data</caption> <thead> <tr> <th>Category</th> <th>Sub-category</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Gender</td> <td>Male</td> <td>14</td> </tr> <tr> <td>Female</td> <td>1</td> </tr> <tr> <td rowspan="3">Designation</td> <td>NED</td> <td>9</td> </tr> <tr> <td>ED</td> <td>2</td> </tr> <tr> <td>ID</td> <td>4</td> </tr> <tr> <td rowspan="3">Age Group</td> <td>61 to 70</td> <td>9</td> </tr> <tr> <td>40 to 60</td> <td>2</td> </tr> <tr> <td>71 & above</td> <td>4</td> </tr> <tr> <td>BOD Meetings Attendance Rate</td> <td>100%</td> <td>15</td> </tr> <tr> <td rowspan="4">Skills and Competence</td> <td>Finance</td> <td>13</td> </tr> <tr> <td>Industry Experience</td> <td>14</td> </tr> <tr> <td>Legal and Governance</td> <td>9</td> </tr> <tr> <td>Others</td> <td>10</td> </tr> </tbody> </table>	Category	Sub-category	Count	Gender	Male	14	Female	1	Designation	NED	9	ED	2	ID	4	Age Group	61 to 70	9	40 to 60	2	71 & above	4	BOD Meetings Attendance Rate	100%	15	Skills and Competence	Finance	13	Industry Experience	14	Legal and Governance	9	Others	10
Category	Sub-category	Count																																			
Gender	Male	14																																			
	Female	1																																			
Designation	NED	9																																			
	ED	2																																			
	ID	4																																			
Age Group	61 to 70	9																																			
	40 to 60	2																																			
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<p>Recommendation 1.5</p>																																					
<p>1. Board is assisted by a Corporate Secretary.</p>	<p>Compliant</p>	<p><i>Article 1, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p>	<p>The Company's Corporate Secretary is Atty. Ricardo M. Pilares III, who was appointed on May 27, 2022.</p>																																		
<p>2. Corporate Secretary is a separate individual from the Compliance Officer.</p>	<p>Non-Compliant</p>		<p>Atty. Ricardo M. Pilares III was appointed as both Corporate Secretary and Compliance Officer of the Company on May 27, 2022. The Company adopts the Revised Corporation Code which allows an individual to hold two (2) or more</p>																																		

		<p>“The Board should ensure that it is assisted in its duties by a Corporate Secretary, who should be a separate individual from the Compliance Officer. In general, the Corporate Secretary should not be a member of the Board of Directors and should annually attend a training on corporate governance.</p> <p>The Corporate Secretary is primarily responsible to the Corporation and its shareholders, and not to the Chairman or President of the Company and has, among others, the following duties and responsibilities:</p> <p>i. Assists the Board and the board committees in the</p>	<p>positions concurrently. Moreover, the Company’s Corporate Secretary is assisted by an Assistant Corporate Secretary, Atty. Cristina Palma Gil-Fernandez.</p>
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		<p>The Company’s Corporate Secretary, Atty. Ricardo M. Pilares III, is not a member of the Board of Directors in 2022.</p>
4. Corporate Secretary attends training/s on corporate governance.	Compliant		<p>MPIC Head Office, together with its affiliated companies, organize an Annual Corporate Governance Enhancement Session (“ACGES”) accredited by the SEC. All directors, officers and relevant employees of the Company, particularly the Corporate Secretary, are required to attend.</p> <p>The Company also sponsored several group-wide sessions discussing on various topics on sustainability, of which corporate governance is a part of. For 2022, MPIC conducted two (2) such sessions, which were accredited by the SEC. The first session was conducted on November 4, 2022, from 1:00 p.m. to 5:00 p.m. with the topic “New Sustainability Frontiers”. The second session was conducted on November 24, 2022, from 10:00 a.m. to 12:00 p.m. with the topic “Leading in Times of Disruption”.</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 98)</p>

		<p>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;</p> <p>ii. Safe keeps 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;</p> <p>iii. Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry</p>	
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		<p>developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;</p> <p>iv. 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;</p> <p>v. Advises on the establishment of board committees and their terms of reference;</p>	
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		<p>vi. 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;</p> <p>vii. Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;</p> <p>viii. Performs required administrative</p>	
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		<p>functions;</p> <p>ix. Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and</p> <p>x. Performs such other duties and responsibilities as may be provided by the SEC.”</p>	
Optional: Recommendation 1.5			
<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p>	Compliant	<p><i>Item (vi) of Article 1, Section 5 of the MPIC Revised Code of Corporate Governance provides the following as one of the duties and responsibilities of the Corporate Secretary:</i></p> <p>Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings</p>	<p>Attached as Schedule I is a certification executed by the MPIC Corporate Secretary attesting to the distribution of materials for board meetings.</p>

		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.	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	<p><i>Article 1, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should ensure that it is assisted in its duties by a Compliance Officer, who should be someone with adequate stature and authority in the corporation. The Compliance Officer should not be a member of the Board of Directors and should attend a training on corporate governance.</p>	<p>The Company’s Compliance officer is Atty. Ricardo M. Pilares III. His background is provided in the Company’s website, Integrated Report and Information Statement.</p> <p>MPIC Website: https://www.mpic.com.ph/about-us/leadership/senior-management/ricardo-m-pilares-iii/ https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf</p>

		<p>The Compliance Officer is a member of the company's management team in charge of the compliance function. Similar to the Corporate Secretary, he/she is primarily liable to the corporation and its shareholders, and not to the Chairman or President of the company. He/she has, among others, the following duties and responsibilities:</p> <ul style="list-style-type: none"> i. Ensures proper onboarding of new directors (i.e. orientation on the company's business, charter, articles of incorporation and by-laws, among others); ii. Monitors, reviews, evaluates and 	
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		<p>ensures the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;</p> <p>iii. Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;</p> <p>iv. Ensures the integrity and accuracy of all documentary submissions to regulators;</p>	
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		<ul style="list-style-type: none"> v. Appears before the SEC when summoned in relation to compliance with this Code; vi. Collaborates with other departments to properly address compliance issues, which may be subject to investigation; vii. Identifies possible areas of compliance issues and works towards the resolution of the same; viii. Ensures the attendance of board members and key officers to relevant trainings; and 	
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		ix. Performs such other duties and responsibilities as may be provided by the SEC.”	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		MPIC’s Compliance Officer is its Vice President for Legal, Atty. Ricardo M. Pilares III. The position of Senior Vice President is essentially equivalent to the position of Vice President in MPIC, which does not have a Senior Vice President position.
3. Compliance Officer is not a member of the board.	Compliant		MPIC’s Compliance Officer is not a member of the MPIC Board of Directors for 2022.
4. Compliance Officer attends training/s on corporate governance.	Compliant		MPIC Head Office, together with its affiliated companies, organize an Annual Corporate Governance Enhancement Session (“ACGES”) accredited by the SEC. All directors, officers and relevant employees of the Company are required to attend. MPIC’s Compliance Officer, Atty. Ricardo M. Pilares III, also attended The First Data Privacy and Cybersecurity Professionals’ Summit, from November 23-25, 2022 to learn about updates on data privacy and cybersecurity compliance matters. MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>Compliant</p>	<p><i>Article 2, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and all shareholders.”</p>	<p>Attached as Schedule I is a certification executed by the MPIC Corporate Secretary attesting that the Board Minutes he prepared for 2022 reflect that the members of the Board act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company.</p>
<p>1. Board oversees the development, review and approval of the company’s business objectives and strategy.</p>	<p>Compliant</p>	<p><i>Article 2, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p>	<p>The Board, together with the Management, assess annually the continuing appropriateness of the Company’s long-term vision, mission and strategic objectives. This assessment takes place during the last quarterly board meeting of the Company when the budget for the succeeding year is likewise submitted for approval. The Company’s long-term targets, as well as the execution strategy for the same, are discussed with the key executives of each operating unit.</p>
<p>2. Board oversees and monitors the implementation of the company’s business objectives and strategy.</p>	<p>Compliant</p>	<p>“The Board should oversee the development of and approve the company’s business objectives and strategy, and monitor their implementation, in order to sustain the company’s long-term viability and strength.”</p>	<p>The Board exercises oversight on Management in the latter’s execution of the strategic direction and implementation of the policies set by the Board through regular briefings on material events and transactions from the Management. To monitor performance and ensure alignment with the changing business environments and culture, key executives from each operating unit report to the Board in its regular quarterly board meetings. Further, the Board reviews and guides major plans of action and oversees major capital expenditures, acquisitions and divestments of the Company.</p>

			MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>The Board has a clearly defined vision, mission and core values as follows:</p> <p>Our Mission and Purpose We create long-term value for all our stakeholders through responsible and sustainable investments that contribute to national progress and improve the quality of life of people.</p> <p>Our Vision We aspire to be the preeminent Philippine conglomerate and achieve the ideal balance between maximizing economic opportunities and enabling solutions to urgent societal challenges. We will foster inclusive growth through our investments that champion innovation,</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 5)</p> <p>https://www.mpic.com.ph/about-us/our-company/</p>

		<p>operational efficiency, customer centricity, human capital excellence, environmental stewardship, and good governance.</p> <p>Our Culture</p> <p>Customer Passion Deliver outstanding customer experience.</p> <p>Hyper-collaboration Utilize diverse strengths and abilities to achieve superior results.</p> <p>Responsible Action Take ownership of the quality and outcome of our work.</p> <p>Utmost Concern Exhibit genuine compassion for all stakeholders.</p> <p>Intellectual Honesty</p>	
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		<p>Uphold uncompromising integrity in all our actions.</p> <p>Moral Courage Do the right thing even when it is difficult.</p> <p>The vision, mission and values statement of MPIC, which was updated in 2021, was crafted with the participation of employees. It has been subject to a regular review at such frequency as may be determined by the Board of Directors.</p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p>Compliant</p>	<p>The Company's targets as well as the execution strategy for the same are determined prior to the start of each calendar year and are discussed with the key executives of each operating unit. To monitor performance and ensure alignment with the changing business environment and culture,</p>	<p>The Board, together with the Management, assess annually the continuing appropriateness of the Company's long-term vision, mission and strategic objectives. This assessment takes place during the last quarterly board meeting of the Company when the budget for the succeeding year is likewise submitted for approval. The Company's long-term targets, as well as the execution strategy for the same, are discussed with the key executives of each operating unit. The Board exercises oversight on Management in the latter's execution of the strategic direction and implementation of the policies set by the Board through regular briefings on material events and transactions from the Management. To monitor performance and ensure alignment with the changing business environments and culture, key executives from each operating unit report to the Board in its regular quarterly board meetings. Further, the Board reviews and</p>

		key executives from each operating unit report to the Board in its regular quarterly meetings.	guides major plans of action and oversees major capital expenditures, acquisitions and divestitures of the Company. MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p><i>Article 2, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>The Board should be headed by a competent and qualified Chairperson.</p> <p>The roles and responsibilities of the Chairman include, among others, the following:</p> <p>i. Makes certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the corporation,</p>	<p>The Board is headed by Mr. Manuel V. Pangilinan as Chairperson. His profile and background, which shows his qualifications as Chairperson of the Board is in the Company's website and the Company's Information Statement.</p> <p>MPIC Website: https://www.mpic.com.ph/about-us/leadership/board-of-directors/manuel-v-pangilinan/</p> <p>https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 14 to 16)</p>

		<p>considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;</p> <p>ii. Guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;</p> <p>iii. Facilitates discussions on key issues by fostering an environment conducive for constructive</p>	
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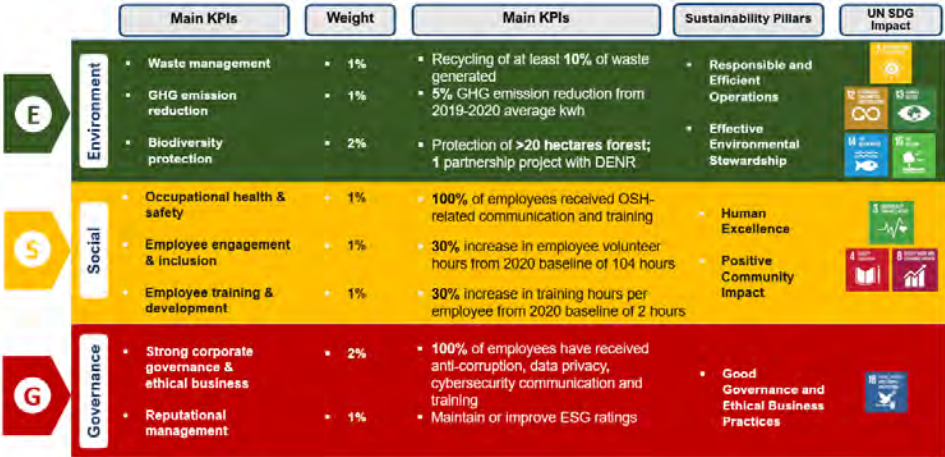
		<p>debate and leveraging on the skills and expertise of individual directors;</p> <p>iv. Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;</p> <p>v. Assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors; and</p> <p>vi. Makes sure that performance of the Board is</p>	
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		evaluated at least once a year and discussed/followed up on.	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<i>Article 2, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i>	The Company's Succession Planning Policy ⁶ was approved by the Board on November 7, 2018 and updated on November 9, 2022.
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	"The Board should 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 should include adopting a policy on the retirement age for directors and key officers as part of management succession and to promote dynamism in the corporation."	The policy lays down the guidelines that management shall consider in identifying and preparing candidates in management to assume bigger responsibilities in case of vacancies in senior management positions due to retirement, resignation, incapacity or other reasons. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Succession-Planning-Policy-09-Nov-2022.pdf
Recommendation 2.5			

⁶ Attached herewith as Annex "D" is a copy of MPIC's Succession Planning Policy, which was approved by the Board on November 7, 2018 and amended on November 9, 2022.

<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p>Compliant</p>	<p><i>Article 2, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should align the remuneration of key officers and board members with the long-term interests of the company. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director should participate in discussions or deliberations involving his own remuneration.”</p>	<p>The Board ensures that the remuneration of its directors, officers and employees is consistent with the Company’s Vision, Mission, culture, strategy, and the business environment in which it operates and aligned with the long-term interest of the Company.</p> <p>Directors The compensation of directors and other officers must be competitive and at a level that will attract and retain talent and drive them to steadily contribute to the long-term success of the Company. The remuneration of the directors of the Company are in accordance with the By-Laws of the Company. No director participates 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.</p> <p>The Company’s directors receive a per diem allowance for their attendance in the Board and Board Committee meetings. Each director is entitled to a per diem allowance of PhP100,000.00 for every board meeting attended and PhP50,000.00 for every committee meeting.</p> <p>Directors do not participate in the discussion of their own remuneration.</p>
<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>Compliant</p>	<p>The Company’s executives are incentivized to push the Company forward. Compensation is competitive and set at a level meant to attract and retain talent and drive them to contribute to the Company’s long-term</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 135)</p> <p>President and CEO and Key Officers</p> <p>Key executives of the Company, including the President and CEO, are entitled to receive fixed and variable remuneration, in accordance with the compensation</p>










	<p>success. Management is compensated by a mix of core income progression targets and share price performance.</p> <p>Remuneration of key executives, including the President and CEO, is based on compensation plans approved by the Board.</p> <p>The Company likewise adopts policies relating to payment of bonus to its employees the amount of which depends on the performance of the company as well as the individual employee as measured against the goals agreed upon between the employee and his/her superior prior to the start of the rating period. The performance appraisal is conducted on a semi-annual basis.</p>	<p>plans approved by the Board. Factors considered in fixing remuneration packages of key officers are salaries paid by comparable companies, time commitment and responsibilities of corporate officers and employment conditions elsewhere in the group. Further, the Company adopts incentive programs for its key executives that take into account the achievement of an approved target core income of the Company as a condition for the vesting of the incentive. This includes the Long-Term Incentive Plan (LTIP). Each LTIP performance cycle generally covers 3 years with payment intended to be made at the end of each cycle (without interim payments) and is contingent upon the achievement of an approved target core income of the Company by the end of the performance cycle.</p> <p>Employees</p> <p>All regular employees of the Company are entitled to receive, fixed and variable remuneration, in accordance with the employment contract signed and executed by each employee with the Human Resources Department under the supervision of the President and CEO. The Company likewise adopts policies relating to payment of bonuses and long-term incentives to its employees, the amount of which depends on the performance of the company and the individual employee. The performance appraisal is conducted on a semi-annual basis.</p> <p>Additional information may also be found in the attached MPIC Compensation Committee Charter.</p> <p>Effective January 1, 2022, the Company introduced environmental, social, and governance (“ESG”) targets in its Short-Term Incentive Plan. The rationale for including ESG targets in the Company’s Short Term Incentive Plan are: (1) to</p>
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<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p>Compliant</p>	<p><i>Article 2, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should align the remuneration of key officers and board members with the long-term interests of the company. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. <u>Further, no director should participate in discussions or deliberations involving his own remuneration.</u>”</p>	<p>embed sustainability in MPIC’s DNA, (2) to address the increasing demand from institutional investors to include ESF metrics in the Company’s compensation plans, and (3) to comply with ESG rating agencies’ required disclosures. Employees are personally engaged in meeting the following Company’s ESG targets:</p>  <p>The infographic displays ESG targets across three pillars: Environment (E), Social (S), and Governance (G). Each pillar lists Main KPIs with weights and corresponding Sustainability Pillars. Environment includes waste management, GHG emission reduction, and biodiversity protection. Social includes occupational health & safety, employee engagement & inclusion, and employee training & development. Governance includes strong corporate governance & ethical business and reputational management. Each KPI is linked to specific UN SDG Impact icons.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/ https://www.mpic.com.ph/sustainability/esg-linked-compensation/ https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 135)</p>
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			https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	<p>The Board, through the MPIC Compensation Committee, approves the remuneration of senior executives.</p> <p>Among the relevant key responsibilities of the Compensation Committee as provided in its Charter are:</p> <ol style="list-style-type: none"> 1. Establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight 	<p>Additional information may be found in the attached MPIC Compensation Committee Charter.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf</p>

		<p>over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Corporation's culture, strategy and control environment. To this end, the Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of corporate officers and directors and employment conditions elsewhere in the group.</p> <p>2. Designate the amount of remuneration of directors and officers, which shall be in a</p>	
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		<p>sufficient level to attract and retain directors and officers, who are needed to run the Corporation successfully and to make recommendations to the Board of the remuneration of non-executive directors; and</p> <p>3. Performs staff support functions as may be delegated by the Board in the performance evaluation, succession planning and remuneration of the Corporation's executives.</p>	
<p>2. Company has measurable standards to align the performance-</p>	<p>Compliant</p>	<p><i>Article 2, Section 5 of the MPIC Revised Code of</i></p>	<p>The Company has a Long Term Incentive Plan (LTIP) for its key executives which is contingent on the Company meeting certain defined targets at the end of the performance cycle.</p>

<p>based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>		<p><i>Corporate Governance provides:</i></p> <p><u>“The Board should align the remuneration of key officers and board members with the long-term interests of the company.</u> In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director should participate in discussions or deliberations involving his own remuneration.”</p> <p>Pursuant thereto, the Company adopted the LTIP, which is designed to reward the grantee directors and senior executives who contribute to its growth to stay with the company for the long term.</p>	<p>Effective January 1, 2022, the Company introduced environmental, social, and governance (“ESG”) targets in its Short-Term Incentive Plan. The rationale for including ESG targets in the Company’s Short Term Incentive Plan are: (1) to embed sustainability in MPIC’s DNA, (2) to address the increasing demand from institutional investors to include ESF metrics in the Company’s compensation plans, and (3) to comply with ESG rating agencies’ required disclosures. Employees are personally engaged in meeting the following Company’s ESG targets:</p> <table border="1"> <thead> <tr> <th></th> <th>Main KPIs</th> <th>Weight</th> <th>Main KPIs</th> <th>Sustainability Pillars</th> <th>UN SDG Impact</th> </tr> </thead> <tbody> <tr> <td>E Environment</td> <td> <ul style="list-style-type: none"> Waste management GHG emission reduction Biodiversity protection </td> <td> <ul style="list-style-type: none"> 1% 1% 2% </td> <td> <ul style="list-style-type: none"> Recycling of at least 10% of waste generated 5% GHG emission reduction from 2019-2020 average kwh Protection of >20 hectares forest; 1 partnership project with DENR </td> <td> <ul style="list-style-type: none"> Responsible and Efficient Operations Effective Environmental Stewardship </td> <td>  </td> </tr> <tr> <td>S Social</td> <td> <ul style="list-style-type: none"> Occupational health & safety Employee engagement & inclusion Employee training & development </td> <td> <ul style="list-style-type: none"> 1% 1% 1% </td> <td> <ul style="list-style-type: none"> 100% of employees received OSH-related communication and training 30% increase in employee volunteer hours from 2020 baseline of 104 hours 30% increase in training hours per employee from 2020 baseline of 2 hours </td> <td> <ul style="list-style-type: none"> Human Excellence Positive Community Impact </td> <td>  </td> </tr> <tr> <td>G Governance</td> <td> <ul style="list-style-type: none"> Strong corporate governance & ethical business Reputational management </td> <td> <ul style="list-style-type: none"> 2% 1% </td> <td> <ul style="list-style-type: none"> 100% of employees have received anti-corruption, data privacy, cybersecurity communication and training Maintain or improve ESG ratings </td> <td> <ul style="list-style-type: none"> Good Governance and Ethical Business Practices </td> <td>  </td> </tr> </tbody> </table> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/ https://www.mpic.com.ph/sustainability/esg-linked-compensation/</p>		Main KPIs	Weight	Main KPIs	Sustainability Pillars	UN SDG Impact	E Environment	<ul style="list-style-type: none"> Waste management GHG emission reduction Biodiversity protection 	<ul style="list-style-type: none"> 1% 1% 2% 	<ul style="list-style-type: none"> Recycling of at least 10% of waste generated 5% GHG emission reduction from 2019-2020 average kwh Protection of >20 hectares forest; 1 partnership project with DENR 	<ul style="list-style-type: none"> Responsible and Efficient Operations Effective Environmental Stewardship 		S Social	<ul style="list-style-type: none"> Occupational health & safety Employee engagement & inclusion Employee training & development 	<ul style="list-style-type: none"> 1% 1% 1% 	<ul style="list-style-type: none"> 100% of employees received OSH-related communication and training 30% increase in employee volunteer hours from 2020 baseline of 104 hours 30% increase in training hours per employee from 2020 baseline of 2 hours 	<ul style="list-style-type: none"> Human Excellence Positive Community Impact 		G Governance	<ul style="list-style-type: none"> Strong corporate governance & ethical business Reputational management 	<ul style="list-style-type: none"> 2% 1% 	<ul style="list-style-type: none"> 100% of employees have received anti-corruption, data privacy, cybersecurity communication and training Maintain or improve ESG ratings 	<ul style="list-style-type: none"> Good Governance and Ethical Business Practices 	
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Recommendation 2.6

1. Board has a formal and transparent board nomination and election policy.	Compliant	<p><i>Article 2, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should adopt a formal and transparent board nomination and election policy that should include how it accepts nominations from minority shareholders and reviews nominated candidates. The policy should 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 should be aligned with the strategic direction of the company.</p> <p>In addition, the policy shall</p>	<p>Additional information may be found in the attached MPIC Nomination Committee Charter.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised_May-2017.pdf</p> <p>Nominees to the Board of Directors of the Company are first submitted to the Company’s Nomination Committee, to review their credentials and to confirm that they have all of the qualifications and none of the disqualifications to become directors of the Company. A discussion of this process is included in the Company’s Information Statement published for reference of the shareholders prior to the Company’s Annual Shareholders’ Meeting.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 29-30, 70)</p>
2. Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.	Compliant		
6. Board has a process for identifying the quality of directors that is aligned	Compliant		

<p>with the strategic direction of the company.</p>		<p>set forth the following procedures and safeguards in the director selection process:</p> <ul style="list-style-type: none"> i. The MPIC Nominations Committee (the "Committee"), through its Secretariat, shall receive all letters nominating candidates for election as directors/ independent directors from stockholders. ii. The Committee shall evaluate and screen nominees for directors <i>vis-à-vis</i> the applicable qualifications and disqualifications as set forth in the Company's Manual on Corporate Governance, By-Laws 	
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		<p>and other applicable policy, law or regulations while ensuring that said qualifications are in line with the strategic objectives of the Company.</p> <p>iii. For nominees for independent directors, the Committee shall determine whether or not the nominees meet the independence criteria set forth in the Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulation.</p> <p>iv. The Committee shall also consider other relevant factors, such as any conflict of</p>	
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		<p>interest and directorships and/or positions in other corporations, which may compromise their capacity to diligently and effectively serve and perform their duties to the Board, the Company and its stakeholders, when elected.</p> <p>v. With the assistance of an executive search firm, if necessary, the Committee shall develop a list of nominees to be recommended to the Board, ensuring thereby that:</p> <ul style="list-style-type: none"> • the composition of the Board is an effective and balanced mix of knowledge, 	
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		<p>expertise, experience, complementary skills and talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others; and</p> <ul style="list-style-type: none"> • the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures: 	
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		<ol style="list-style-type: none"> 1. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives; 2. Assessment of the existing board's composition which entails cataloging members' skills and experience; 3. Comparison of the existing board's inventory of qualifications with the list of 	
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		<p>desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications; and</p> <p>4. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee</p>	
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		<p>shall assemble upon which the nominees shall be measured against.</p> <p>vi. Nominees for independent directors who accept the nomination are requested to submit to the Committee a Certification of Independent Director stating his/her qualification and a list of affiliations and positions that may directly or indirectly give rise to conflict of interest or may contravene applicable regulations.</p> <p>vii. The Committee shall submit to the Board of Directors its recommended list of final nominees.</p>	
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		<p>viii. The nominees approved by the Board are recommended for election as directors at the meeting of the stockholders or the Board, as the case may be.</p> <p>In the search of potential nominees, the Committee may use external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the search for and widen the base of potential nominees.”</p>	
Recommendation 2.7			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and</p>	Compliant	<p><i>Article 2, Section 7 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should have</p>	<p>In compliance with the SEC’s Memorandum Circular No. 10, Series of 2019, the Company’s Audit Committee, acting through the authority granted by the Company’s Board of Directors in its regular meeting held on August 1, 2019, approved the Company’s revised RPT Policy on October 18, 2019. The RPT was further revised on November 9, 2022. The revised RPT Policy includes a policy on</p>

other unusual or infrequently occurring transactions.		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.	material related policy transactions in accordance with the Rules on Material Related Party Transactions set forth by the Commission.
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.”	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval	Compliant	<i>Article 2, Section 7 of the MPIC Revised Code of</i>	Under the MPIC’s RPT Policy, any RPT involving an amount or value greater than Php 100 Million but less than 10% of the Company’s total consolidated assets shall be submitted for review of the Audit Committee prior to its endorsement

<p>of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p><i>Corporate Governance provides:</i></p> <p>“The Board should have the overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.”</p>	<p>to the Board for approval. RPTs which do not exceed the threshold must be approved by the President and CEO. The RPT policy also requires the Head of Finance Department to ensure the proper disclosure of RPTs in the Company’s financial reports in accordance with accounting standards.</p> <p>Furthermore, Sec. 6.3. of the RPT policy states that “Directors with personal interest in an RPT should abstain from participating in discussions and voting on the same. In case they refuse to abstain, their attendance shall not be counted for purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.”</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf</p>
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders</p>	<p>Compliant</p>	<p>Section 6.1 of the Related Party Transactions Policy mandates that all material related party</p>	



<p>approve specific types of related party transactions during shareholders' meetings.</p>		<p>transactions within a twelve (12)-month period shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the material transaction. Directors with personal interest in the material transaction should abstain from participating in discussions and voting on the same.</p> <p>Material transactions entered into by the Company's Board of Directors and management, including related-party transactions, are disclosed in the Company's Definitive Information Statement, which is provided to each shareholder. The Company's Chief</p>	
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		Financial Officer, reports on said transactions during the AGM and seeks the approval and/or ratification of the shareholders during said meeting.	
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p><i>Article 2, Section 8 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the President and Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).”</p>	<p>The MPIC Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Internal-Audit-Charter-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Governance-and-Sustainability-Committee-Charter.pdf</p>

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p><i>Article 2, Section 8 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the President and Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).”</p>	<p>The MPIC Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive). This exercise is done annually and the results thereof are reported to the Governance and Sustainability Committee and the Board.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/</p>
<p>Recommendation 2.9</p>			
<p>1. Board establishes an effective performance management framework that ensures that Management’s performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p><i>Article 2, Section 9 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should establish an effective performance management framework that will ensure that the Management, including</p>	<p>Additional information may be obtained from the MPIC 2022 Integrated Report that can be found in the Company’s website.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 132 to 135)</p>
<p>2. Board establishes an effective performance</p>	<p>Compliant</p>	<p>Management, including</p>	



management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.		the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management."	
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Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<i>Article 2, Section 10 of the MPIC Revised Code of Corporate Governance provides:</i>	The Company has an appropriate internal control system which includes a mechanism to monitor and manage potential conflicts of interests. Additional information may be obtained from the MPIC 2022 Integrated Report that can be found in the Company's website.
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	"The Board should 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 should also approve the Internal Audit Charter."	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf
3. Board approves the Internal Audit Charter.	Compliant		The Company's Internal Audit Charter was amended on March 7, 2022 to adopt best internal audit practices. The amendment was approved by the Company's Audit Committee March 7, 2022 and Board of Directors on March 9, 2022. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Internal-Audit-Charter-2022.pdf

Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p><i>Article 2, Section 11 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should 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 should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.”</p>	<p>The Company adopts a pragmatic framework in identifying, analyzing and managing opportunities that may impact its ability to meet its objectives. In 2022, the Company in fact, updated its ERM strategy and plan to fortify its investments against risks by building overall resilience. Additional information may be obtained from the MPIC 2022 Integrated Report that can be found in the Company’s website.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 139 to 145)</p>
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	<p><i>Article 2, Section 11 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should have a Board Charter that formalizes</p>	<p>The duties and powers of the members of the Board are provided in Section 5 of MPIC’s By-laws:</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/9-BY-LAWS.pdf</p>



2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter should serve as a guide to the directors in the performance of their functions and should be publicly available and posted on the company's website."	
3. Board Charter is publicly available and posted on the company's website.	Compliant	NOTE: The roles and responsibilities of the Board are clearly provided in the MPIC Revised Code of Corporate Governance, the MPIC By-laws and the various Charters of the MPIC Board Committees. The foregoing documents are uploaded in the Company's website.	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	MPIC adopted an Insider Trading Policy ⁷ and the same is posted in the Company's website.	The Insider Trading Policy regulates the dealing or trading of the Company's shares while in possession of material, non-public information. The Company's Compliance Officer regularly sends out Blackout Notices to the whole organization prohibiting any director, officer, employee or insider of the Company from transacting MPIC shares during an identified Blackout Period. The Insider Trading Policy also requires directors and covered

⁷ Attached herewith as Annex "E" is the MPIC Insider Trading Policy.

			<p>officers of the Company to properly disclose their dealings of shares of stock of the Company in accordance with the rules of the PSE and SEC.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/06/Insider-Trading-Policy.pdf</p>
Optional: Principle 2			
<p>1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.</p>	Compliant	<p>Under the MPIC RPT Policy, transfers under finance arrangements (including loans and equity contributions in cash or in kind) should be disclosed if they are with a related party. Such transactions shall then be reviewed to determine whether the same meet the following RPT Standards:</p> <ul style="list-style-type: none"> i. The RPT is on <i>arm's length</i> terms; ii. The RPT is in the best interest of MPIC and its shareholders as whole, considering the relevant circumstances. 	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf</p>

		<p><i>Section 5.g.2 of the MPIC Conflict of Interest Policy provides:</i></p> <p>“The Company shall not, directly or indirectly, including through any Subsidiary or Affiliate, grant or arrange for any credit (or extensions thereof) in the form of personal loans to any Director or officer, unless allowed by applicable laws and regulations.”</p>	
<p>2. Company discloses the types of decision requiring board of directors’ approval.</p>	<p>Compliant</p>	<p>The Company’s RPT Policy provides:</p> <p>Notwithstanding any provisions in this Guidelines, the following RPTs shall be subject to the approval by the Board and ratification by stockholders of the Company in accordance with the Corporation Code:</p> <ul style="list-style-type: none"> • Contract between an officer and the Company (Board approval only); 	<p>The Company’s Related Party Transaction Policy clearly provides threshold amounts and approval levels for related party transactions.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf</p>

		<ul style="list-style-type: none"> • Contract between a director and the Company (Board approval), but when the presence of such director in the Board meeting in which the contract was approved was necessary to constitute a quorum and the votes of such director was necessary for the approval of the contract, approval by the Company's stockholders is also required; • Contract between the Company and another corporation with interlocking directors (Board approval), but if the interest of the interlocking director in the Company is nominal and his interest in the 	
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		<p>other corporation is substantial, and such director's presence in the Company's Board meeting in which the contract was approved was necessary to constitute a quorum and the vote of such director was necessary for the approval of the contract, approval by the Company's stockholders is also required; and</p> <ul style="list-style-type: none"> • Management contract where the Company undertakes to manage or operate all or substantially all of the business of another corporation or vice versa. 	
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p><i>Article 3, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.”</p> <p>NOTE: The following are the six (6) MPIC Board Committees: (i) Audit Committee (ii) Risk Management Committee (iii) Governance and Sustainability Committee (iv) Compensation Committee, (v) Nominations Committee, and (vi) Finance Committee.⁸</p>	<p>A more detailed information on the six (6) Board Committees of the Company mentioned in the MPIC Revised Code of Corporate Governance may be found in the Company’s website, along with information on the Data Privacy and Information Security Committee, which was established by the Board of Directors on August 3, 2022.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)</p>
Recommendation 3.			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control</p>	<p>Compliant</p>	<p><i>Article 3, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should establish an Audit Committee to enhance</p>	<p>The MPIC Audit Committee has oversight of financial reporting and internal controls of the Company. It is responsible for reviewing the performance of the external auditor, ensuring their independence, and recommending the external auditor (including the terms of engagement thereof) and ensuring that non-audit work does not compromise their independence. The Audit Committee also approves the Internal Audit function and its scope of work.</p>

⁸ Schedule II provides for copies of the seven (7) Board Committee Charters of the Company.

<p>system, internal and external audit processes, and compliance with applicable laws and regulations.</p>		<p>its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The committee should be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees."</p>	<p>The Audit Committee is also responsible for ensuring the Company's compliance with applicable laws and regulations, and for this purpose, the Audit Committee appoints a Compliance Officer, who assists the Audit Committee in monitoring all compliance-related matters involving the Company. The Compliance Officer of the Company regularly reports to the Audit Committee on matters relating to compliance.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>
<p>2. Audit Committee is composed of at least three appropriately qualified non- executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>		<p>The three (3) members of the MPIC Audit Committee are all non-executive directors, two (2) of whom are independent directors.</p> <p>Chairman: Mr. Pedro O. Roxas (ID) Member: Ret. Chief Justice Artemio V. Panganiban (ID) Member: Mr. Francisco C. Sebastian (NED)</p>

			MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	The three (3) members of the MPIC Audit Committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	The full profile and work background of each may be found at the MPIC Annual Report and the Definitive Information Statement. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 149-150)
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant		The Chairman of the Audit Committee, Mr. Pedro O. Roxas, is not the chairman of the Board or of any other Board committee.
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<i>Article 3, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i> “...The Audit Committee has the following duties and responsibilities, among others: vii. Evaluates and	The MPIC Audit Committee reviews and approves all non-audit services conducted by the external auditor. MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf

		<p>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 should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report..."</p>	
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<p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>Compliant</p>	<p><i>Article 3, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“...The Audit Committee meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit.”</p>	<p>The MPIC Audit Committee conducts regular meetings and dialogues with the external audit team separately to ensure that issues are discussed freely.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)</p>
<p>Optional: Recommendation 3.2</p>			
<p>1. Audit Committee meet at least four times during the year.</p>	<p>Compliant</p>	<p><i>Article 3, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“...The Audit Committee meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit.”</p> <p>NOTE: The Audit Committee Charter provides that the Audit Committee shall meet at</p>	<p>For 2022, the Audit Committee met five (5) times.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)</p>

		least four (4) times during the year.	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p><i>Article 3, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“...The Audit Committee has the following duties and responsibilities, among others:</p> <p>iii. 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 should also approve the terms and conditions for outsourcing internal audit services...”</p> <p>The Internal Audit Charter provides that the Board, through the Audit Committee, will approve decisions regarding the appointment, replacement and remuneration of the Chief Audit Executive.</p>	<p>The MPIC Audit Committee approves the appointment and removal of the internal auditor.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Internal-Audit-Charter-2022.pdf</p>

Recommendation 3.3			
<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	<p>Compliant</p>	<p><i>Article 3, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should establish a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities. It should be composed of at least three members, all of whom should be independent directors, including the Chairman.”</p>	<p>The MPIC Board established a Governance and Sustainability Committee⁹ tasked to assist the Board in the performance of its corporate governance responsibilities and sustainability initiatives.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf</p>
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Compliant</p>		<p>The three (3) members of the MPIC Governance and Sustainability Committee are all independent directors.</p> <p>Chairman: Fr. Roberto C. Yap (ID) Member: Mr. Oscar J. Hilado (ID) Member: Ret. Chief Justice Artemio V. Panganiban (ID)</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/</p>

⁹ The Company renamed its Corporate Governance Committee to Governance and Sustainability Committee in a Board Meeting dated March 3, 2021.

			https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant		The Chairman of the MPIC Governance and Sustainability Committee, Fr. Roberto C. Yap, is an Independent Director of the Company. MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	The attached Corporate Governance Committee Charter provides that the Corporate Governance Committee shall meet at least twice during the year.	For 2022, the Governance and Sustainability Committee met six (6) times. https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality	Compliant	<i>Article 3, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i> "The Board should establish a separate Board Risk Oversight Committee that should be responsible for the oversight	The MPIC Board established a separate Risk Management Committee that is responsible for the oversight of the Company's Enterprise Risk Management system thereby ensuring its functionality and effectiveness. The Board also appointed a Chief Risk Officer whose primary duty is to implement the Company's Enterprise Risk Management System. The Company's management team regularly reports to its Risk Management Committee on various risk factors affecting the Company and its operating units, and discusses mitigating measures being undertaken to address these risks.

<p>and effectiveness.</p>		<p>of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness. The BROCC should be composed of at least three members, the majority of whom should be independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committees. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.”</p> <p>NOTE: The Board Risk Oversight Committee of MPIC is referred to as MPIC Risk Management Committee.</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)</p>
<p>2. BROCC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>Compliant</p>	<p>The three (3) members of the MPIC Risk Management Committee are all non-executive directors, two (2) of whom are independent directors.</p> <p>Chairman: Mr. Artemio V.</p>	<p>The MPIC Risk Management Committee assists the Board in fulfilling its oversight responsibilities over the Company’s enterprise risk management policy and execution of risk management strategies and practices including regulatory and ethical compliance monitoring. The Committee investigates the risk exposures of the Company and evaluates the steps the management is taking in managing and controlling such exposures.</p> <p>MPIC Website:</p>

		Panganiban (ID) Member: Mr. Pedro O. Roxas (ID) Member: Mr. Alfred V. Ty (NED)	https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	The Chairman of the Risk Management Committee, Retired Chief Justice Panganiban, is not the chairman of the Board or of any other Board committee.	https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134) The three (3) members of the MPIC Risk Management Committee are all non-executive directors, two (2) of whom are independent directors. Chairman: Retired Chief Justice Artemio V. Panganiban (ID) Member: Pedro O. Roxas (ID) Member: Mr. Alfred V. Ty (NED)
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	The three (3) members of the MPIC Risk Management Committee have relevant knowledge and experience on risk and risk management.	The full profile and work background of each may be found at the MPIC Annual Report and the Definitive Information Statement. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022.pdf Please see the Company's Integrated Report which indicates the areas of expertise of the members of the Board of Directors of the Company. In particular, the members of the Risk Management Committee, namely, Retired Chief Justice V. Panganiban and Messrs. Pedro E. Roxas and Alfred V. Ty, have been noted as having expertise and experience in Risk Management and related fields. https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134) (pages 148-150)

Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p><i>Article 3, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should establish a Related Party Transaction (RPT) Committee, which should be tasked with reviewing all material related party transactions of the company and should be composed of at least three non-executive directors, two of whom should be independent, including the Chairman.”</p> <p><i>Article 4.7(a) of the MPIC Audit Committee Charter provides:</i></p> <p>“[The Audit Committee shall] perform other activities related to this charter as requested by the Board of Directors, including review of all material</p>	<p>Under the MPIC RPT Policy, it is the Audit Committee that is tasked to review and evaluate RPTs of the Company. The Audit Committee is composed of three (3) non-executive directors, two (2) of whom (including the Chairman) are independent directors.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf</p>

		related party transactions of the Corporation.”	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>The members of the Audit Committee act as the RPT Committee of the Company. Two (2) out of the three (3) members are independent directors.</p> <p>Chairman: Pedro O. Roxas (ID) Member: Artemio V. Panganiban (ID) Member: Francisco C. Sebastian (NED)</p>	<p>Under the MPIC RPT Policy, it is the Audit Committee that is tasked to review and evaluate RPTs of the Company. The Audit Committee is composed of three (3) non-executive directors, two (2) of whom (including the Chairman) are independent directors.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf</p>
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p><i>Article 3, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“All established committees should be required to have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations,</p>	<p>Copies of the Charters of the seven (7) Board Committees are provided in Schedule II of this I-ACGR.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/board-committees/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)</p>
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	<p>reporting processes, resources and other relevant information. The Charters should provide the standards</p>	



3. Committee Charters were fully disclosed on the company's website.	Compliant	for evaluating the performance of the Committees. It should also be fully disclosed on the company's website."	
Principle 4: To show full commitment to the company, the directors should 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.			
Recommendation 4.1			
1. The Directors 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.	Compliant	<i>Article 4, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i> "The directors should 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 should ensure that	Attached as Schedule I is the certification issued by the Company's Corporate Secretary attesting that the Board Minutes reflect that the members of the Board attend and actively participate in all meetings of the Board and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Securities and Exchange Commission, review meeting materials for all Board meetings, and asked the necessary questions and sought clarifications and explanations during the respective meetings of the Board.
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee	Compliant		

meetings.		they have sufficient time to fully prepare for meetings, discuss Management’s proposals/views, and oversee the long-term strategy of the company.”	
Recommendation 4.2			
1. Non-executive directors (should) concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management’s proposals/ views, and oversee the long- term strategy of the company.	Non-Compliant	Article 3, Section 2 of MPIC By Laws provides the list of qualifications of the members of the Company’s Board of Directors.	While there is no explicit rule in the Company’s policies prohibiting the Directors from serving in more than five publicly-listed companies, MPIC requires its Directors to disclose their membership in other companies. The Company ensures that all Directors attend all meetings. Directors are given notice and materials within a reasonable time before each meeting so as to give them ample period to study and prepare for the meeting. The Directors’ ability to attend all meetings and their active involvement in the Company are reflected in their very high attendance rate. A summary of the attendance of the Company’s directors in all Board and Committee meetings are disclosed in the Company’s Integrated Report. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 134-135)
Optional: Principle 4			
1. Company does not have any executive directors who serve in	Compliant	The two (2) executive directors of the Company namely: Mr. Manuel V. Pangilinan and Ms.	The full profile and background information of all Company directors, including directorship in other companies (listed and non-listed), may be

more than two boards of listed companies outside of the group.		June Cheryl A. Cabal-Revilla, do not serve in more than two boards of listed companies outside of the group.	found in the Website, Annual Report and Definitive Information Statement of the Company. MPIC Website: https://www.mpic.com.ph/about-us/leadership/board-of-directors/ https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022.pdf
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	The Company schedules board of directors' meetings before the start of the financial year. The schedule is published in the Corporate Governance portion of the Annual Report.	The schedule of the Company's board of directors' meetings for the year are likewise published in the Company's website at the beginning of the year. MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/
3. Board of directors meet at least six times during the year.	Compliant	The Board of Directors meet at least six (6) times each year: four (4) quarterly meetings, one (1) pre-AGM and one (1) organizational meeting.	For 2022, a total of twelve (12) meetings were held. MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 135)
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-Compliant		The Company adopts the applicable provision of the Revised Corporation Code which provides that a majority of the number of directors fixed in the



			articles of incorporation shall constitute a quorum for the transaction of corporate business.
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Non-Compliant		The Company has four (4) independent directors, which is more than the requirement of the Revised Corporation Code of the Philippines requiring that independent directors in publicly-listed companies constitute at least twenty percent (20%) of the Company's Board.
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p><i>Article 5, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>The Board should ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.</p> <p>Independent directors need to possess a good general understanding of the industry they are in. Further, it is worthy</p>	<p>During the Annual General Meeting of the shareholders, it is certified that the members of the Nomination Committee duly received the names of the nominees for directors for the year and that following such receipt, the Committee implemented procedures for their nominations, all of which are in accordance with the applicable laws, rules, regulations of the PSE and SEC, the Company's Nomination Committee Charter, the Company's Guidelines on the Search, Screening and Selection of Directors and that the criteria used by the Company in the selection process is aligned with the Company's Vision, Mission and strategic objectives. He likewise confirms that all the nominees possess the qualifications and none of the disqualifications for them to be nominated as directors.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf</p>

		<p>to note that independence and competence should go hand-in-hand. It is therefore important that the non-executive directors, including independent directors, possess the qualifications and stature that would enable them to effectively and objectively participate in the deliberations of the Board.</p> <p>An Independent Director refers to a person who, ideally:</p> <ul style="list-style-type: none"> i. 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; ii. Is not, and has not been in the three years immediately preceding the election, a director of the covered company; a director, officer, employee 	
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		<p>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;</p> <p>iii. Has not been appointed in the covered company, 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 his election;</p> <p>iv. Is not an owner of more than two percent (2%) of the outstanding shares of</p>	
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		<p>the covered company, its subsidiaries, associates, affiliates or related companies;</p> <p>v. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its 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;</p> <p>vi. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;</p> <p>vii. Is not a securities broker-dealer of listed companies and registered issuers of securities. “Securities broker-dealer” refers to</p>	
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		<p>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, an associated person or salesman, and an authorized clerk of the broker or dealer;</p> <p>viii. 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 three years immediately preceding the date of his</p>	
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		<p>election;</p> <p>ix. 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;</p> <p>x. 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</p>	
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		<p>xi. Is not employed as an executive officer of another company where any of the covered company's executives serve as directors.</p> <p>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.</p>	
Supplement to Recommendation 5.2			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	Compliant	<p>The Board of Directors are mandated to exercise independent judgment.</p> <p style="text-align: center;"><i>Article 1, Section of the Revised Code of Corporate Governance provides:</i></p> <p>"The Board should, in general, be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure</p>	<p>The Company's Board of Directors is primarily responsible for the governance of the Corporation and is structured to provide an independent check on management. Each director has the obligation to contribute independent judgment to the formulation of sound corporate strategies and policies. The Company's Board of Directors is composed of three (3) executive directors and twelve (12) non-executive directors, four (4) of whom are independent directors. The Company's independent directors comply with Rule 38 of the Implementing Rules of the SRC on the qualifications, nomination and election of independent directors and has no business or other relationship with the Company that could, or could reasonably be perceived to materially interfere with the exercise of his/her independent judgment in carrying out his/her responsibilities as an independent director.</p>

		objective, independent judgment on corporate affairs and to substantiate proper checks and balances.”	MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p><i>Article 5, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“As a rule, independent directors may serve for a maximum of nine (9) consecutive years, starting in 2012, making sure however that the shareholders’ legal right to vote and be voted directors remains inviolable. If the company wants to retain an independent director who has served for nine (9) consecutive years, the Board should provide meritorious justifications and sufficient reason to believe that the individual concerned remains to be independent and advise the shareholders of such justifications during the annual</p>	<p>As a general rule, the independent directors of the Company shall only serve for nine (9) consecutive years, starting in 2012. Consequently, new Independent Directors were elected during the Company’s shareholders’ meeting on May 28, 2021, namely Mr. Oscar J. Hilado, Mr. Pedro O. Roxas and Fr. Roberto C. Yap, who were elected again in the shareholders’ meeting of May 27, 2022. However, the Board finds it warranted to retain Retired Chief Justice Artemio V. Panganiban as an Independent Director as doing so will best serve the interest of the Company and its shareholders given his stature and his unquestioned integrity and probity. His experience as Lead Independent Director of the Company will also help the Company in navigating the changes that have been brought about, and will be brought about, by the COVID-19 pandemic to the Company’s various businesses. Furthermore, his continuing to serve as Independent Director of the Company will complement the other three new nominees for Independent Director, who can gain from Chief Justice Panganiban’s experience, knowledge and insight on the Company and its businesses. The justifiable reasons for Chief Justice Panganiban’s retention as Independent Director beyond the 9-year term limit was disclosed in the Company’s Definitive Information Statement for 2022 and discussed during the Annual Shareholders’ Meeting on May 27, 2022.</p> <p>MPIC Website:</p>

		shareholders' meeting.”	https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 29 to 30)
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Non-Compliant		<p><i>Article 5, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“As a rule, independent directors may serve for a maximum of nine (9) consecutive years, starting in 2012, making sure however that the shareholders’ legal right to vote and be voted directors remains inviolable. If the company wants to retain an independent director who has served for nine (9) consecutive years, the Board should provide meritorious justifications and sufficient reason to believe that the individual concerned remains to be independent and advise the shareholders of such justifications during the annual shareholders’ meeting.”</p> <p>The shareholders of the Company elected three (3) new Independent Directors ino 2021 after the former Independent Directors served for more than nine (9) years. However, Chief Justice Panganiban was retained by the shareholders as an Independent Director for meritorious justifications disclosed in the Information Statement and discussed to the shareholders.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 29 to 30)</p>

<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	<p>Compliant</p>	<p><i>Article 5, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“As a rule, independent directors may serve for a maximum of nine (9) consecutive years, starting in 2012, making sure however that the shareholders’ legal right to vote and be voted directors remains inviolable. If the company wants to retain an independent director who has served for nine (9) consecutive years, the Board should provide meritorious justifications and sufficient reason to believe that the individual concerned remains to be independent and advise the shareholders of such justifications during the annual shareholders’ meeting.”</p>	<p>Justification for the retention of Retired Chief Justice Artemio Panganiban:</p> <p>The proposed retention of Retired Chief Justice Artemio V. Panganiban as an independent director of the Company must be viewed in light of, among others, (1) the unique situation that the COVID-19 pandemic has brought on publicly listed companies, including the Company, (2) the fact that the three other nominees as Independent Directors of the Company would be serving in this capacity for the second year only, and (3) the significant global events affecting the economy.</p> <p>Chief Justice Panganiban acted as the Company’s Lead Independent Director, and in such role, has effectively served as an intermediary between the Chairman and other Directors. He has also given valuable contributions in his role as the Chairperson of the Corporate Governance Committee and as a member of the Finance Committee. He has also been actively involved in discussions in the meetings of the Board and various committees of the Company, and has shown a deep and extensive knowledge of the Company and its various investments, each of which operates on a different commercial and regulatory framework.</p> <p>Chief Justice Panganiban’s retention as an Independent Director will best serve the interest of the Company and its shareholders given his stature and his unquestioned integrity and probity. His experience as Lead Independent Director of the Company will also help the Company in navigating the changes that have been brought about, and will be brought about, by the COVID-19 pandemic to the Company’s various businesses. Furthermore, his continuing to serve as Independent Director of the</p>

			<p>Company will complement the other three new nominees for Independent Director, who can gain from Chief Justice Panganiban’s experience, knowledge and insight on the Company and its businesses. Lastly, his exceptional legal background will provide a unique perspective on the various global events that are causing not only widescale economic implications but may also potentially lead to regulatory reforms.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022.pdf (page 30)</p>
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Non-Compliant	<i>Article 5, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i>	For the year 2022, the Chairman of the MPIC Board of Directors is Mr. Manuel V. Pangilinan who also held the positions of President and Chief Executive Officer. Under Philippine law, it is not prohibited for one individual to occupy the role of both Chairman of the Board of Directors and Chief Executive Officer. Furthermore, the Board appointed Retired Chief Justice Panganiban as Lead Independent Director.
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>“In general, the positions of Chairman of the Board and Chief Executive Officer should be held by separate individuals and each should have clearly defined responsibilities.</p> <p>The CEO has the following roles and responsibilities, among others:</p>	

		<ul style="list-style-type: none"> i. Determines the corporation's strategic direction and formulates and implements its strategic plan on the direction of the business; ii. Communicates and implements the corporation's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same; iii. Oversees the operations of the corporation and manages human and financial resources in accordance with the strategic plan; iv. Has a good working knowledge of the corporation's industry and market and keeps up-to- 	
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		<p>date with its core business purpose;</p> <p>v. Directs, evaluates and guides the work of the key officers of the corporation;</p> <p>vi. Manages the corporation's resources prudently and ensures a proper balance of the same;</p> <p>vii. Provides the Board with timely information and interfaces between the Board and the employees;</p> <p>viii. Builds the corporate culture and motivates the employees of the corporation; and</p> <p>ix. Serves as the link between internal operations and external stakeholders.</p>	
Recommendation 5.5			
1. If the Chairman of the Board is not an	Compliant	<i>Article 5, Section 5 of the MPIC Revised Code of Corporate</i>	The Board re-appointed Retired Chief Justice Artemio V. Panganiban as Lead Independent Director in 2022.

<p>independent director, the board designates a lead director among the independent directors.</p>		<p><i>Governance provides:</i></p> <p>“The Board should 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 Chief Executive Officer are held by one person.”</p> <p><i>Section 6 of MPIC Conflict of Interest Policy provides:</i></p> <p>“Primarily, Directors, Employees and Consultants must disclose in writing any actual or potential instances and/or situations where they may have a Conflict of Interest or the appearance of a Conflict of Interest to the relevant authorities specified herein, as soon as they become aware of such actual or potential instances and/or situations. Depending on the nature of the conflict situation, conflicted Directors, Employees and</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-17C-Results-of-the-AGM-and-Organizational-Meeting-filed-27-May-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf</p>
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		<p>Consultants may be required to comply with other requirements.</p> <p>In situations falling under Item No. 5 (a) above, and where the Conflict of Interest business transactions cannot be avoided or where a particular business transaction has the potential of being categorized as a Conflict of Interest business transaction or official action, the Director, Employee or Consultant concerned shall make a full written disclosure of such transaction and his or his Affiliate's private interest in the transaction or official action, as follows:</p> <p>a.1. For Directors To: The Board of Directors through its Chairman</p> <p>a.2. For Officers To: The President & CEO Cc: The Corporate Governance Committee through its</p>	
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		<p>Chairman</p> <p>a.3. For Rank and File ("R&F"), Supervisory Employees and Managers To: The Department Head</p> <p>a.4. For Consultants To: The Department Head of the business unit for which the Consultant renders professional service.</p> <p>The Director, Employee or Consultant concerned shall likewise inhibit himself from any direct or indirect participation or involvement at any stage of the transactional process flow and cannot sign any paper or document related to the transaction."</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the	Compliant	<i>Article 5, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i>	Attached as Schedule I is a certification executed by the MPIC Corporate Secretary attesting that the relevant Board Minutes of the Company reflect that Director(s) who have a material interest in transactions affecting the Company abstained from taking part in the deliberations by the Board regarding such transactions.

transaction.		<p>“A director with a material interest in any transaction affecting the corporation should abstain from taking part in the deliberations for the same.”</p> <p><i>Section 6 of the MPIC Conflict of Interest Policy provides:</i></p> <p>“The Director, Employee or Consultant concerned shall likewise inhibit himself from any direct or indirect participation or involvement at any stage of the transactional process flow and cannot sign any paper or document related to the transaction.”</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf</p>
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	<p><i>Article 5, Section 7 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The non-executive directors (NEDs) should have separate periodic meetings with the external auditor and heads of the internal audit, compliance</p>	<p>The non-executive directors (NEDs) of the Company have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present and the same is chaired by the Lead Independent Director, Mr. Artemio V. Panganiban.</p> <p>For 2022, the Company’s Non-Executive Directors and Independent Directors, who comprise the various Board Committees, conducted a joint meeting to discuss various matters and concerns involving the Company and its subsidiaries. Members of the management were not present in the</p>
2. The meetings are	Compliant		



chaired by the lead independent director.		and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation. The meetings should be chaired by the lead independent director.”	said meeting. Attached as Schedule III is a certification executed by the MPIC Corporate Secretary attesting to the conduct of the said meeting. MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/ https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Non-Compliant		Mr. Jose Ma. K. Lim has been the CEO of the Company since its incorporation in 2006 until December 31, 2021. His knowledge of the Company and its subsidiaries provides valuable insight to the Board, and as such, he was retained as director for 2022.
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<i>Article 6, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i> “The Board should conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.”	The Board acknowledges the importance of a regular performance assessment, individually and collectively as part of their accountability. Performance assessments were done to evaluate their specific and overall performance for the past calendar year. The assessment of their 2022 Board, Board Committees and CEO performance was conducted in the first quarter of 2023. The Board evaluated their individual and collective performances regarding the Board and its committees’ structures, processes and responsibilities. The Board also assessed the 2022 performance of the Company’s President and key officers based on their working relations with the Board, Management, and communication. Five assessment instruments were accomplished by the directors:
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self- assessment of their performance.	Compliant		
4. Each committee conducts a self- assessment of its performance.	Compliant		

			<ol style="list-style-type: none"> 1. Board Self-Assessment; 2. General Board Committee Performance Assessment; 3. Board Committee Self-Assessment; 4. President & CEO Performance Assessment; and 5. Key Officers Performance Assessment. <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/</p>
5. Every three years, the assessments are supported by an external facilitator.	Compliant	The Company intends to engage, once every three years, the services of an external facilitator to support the conduct of the assessments.	<p>The Company has engaged the services of the Good Governance Advocates and Practitioners of the Philippines (GGAPP) as external facilitator in the Company’s conduct of the assessments.</p> <p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/</p>
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	<p><i>Article 6, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“Board should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees.”</p>	<p>MPIC Website: https://www.mpic.com.ph/corporate-governance/governance-practices/</p>

<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>The Company’s website provides the following:</p> <p>“MPIC stakeholders, including but not limited to, customers, suppliers and the general public may contact MPIC to express their concerns, issues or complaints through the Office of the Compliance Officer:</p> <p>Atty. Ricardo M. Pilares III Telephone Number: 8888-0888 (local:3830)”</p> <p>The Company’s Integrated Report enlists the methods of Company’s engagement with investors and creditors. Among others, the Company conducts individual meetings, quarterly financial and operational briefings, and conferences and roadshows with its investors and creditors.</p>	<p>The Company has a strong Investors Relations Program to keep a two communication between investors and senior management of the Company. The Company has a dedicated Investor Relations Department who maintain lines of communication with the Company’s shareholders. The Company, has in fact, been recognized by various bodies for its Investor Relations Program.</p> <p>MPIC Website: https://www.mpic.com.ph/contact-us/</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 137-138)</p>
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Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1			
<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	Compliant	<p><i>Article 7, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code should be properly disseminated to the Board, senior management and employees. It should also be disclosed and made available to the public through the company website.”¹⁰</p> <p>The Code of Business Conduct and Business Ethics (“Code”) has been disseminated to the Company’s Board of Directors</p>	<p>MPIC adopted a Code of Business Conduct and Ethics (“Code of Ethics”) pursuant to MPIC’s dedication to doing business “with the highest standards of ethics” and “to promote a culture of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness and transparency.” Upon review, the Code of Ethics was updated on November 9, 2022.</p> <p>The MPIC Code of Ethics sets forth the Company’s business principles and values which shall guide and govern all business relationships of MPIC, its directors, officers and employees, including their decisions and actions when performing their respective duties and responsibilities.</p> <p>All directors, officers and employees of MPIC are required to comply with the Code of Ethics and a copy thereof is provided to every employee to ensure thorough understanding of and personal commitment to the values that the Code embodies.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Code-of-Business-Conduct-and-Ethics-09-Nov-2022.pdf</p>
<p>The Code is properly disseminated to the Board, senior management and employees.</p>	Compliant		
<p>The Code is disclosed and made available to the public through the company website.</p>	Compliant		

¹⁰ Attached herewith as Annex “F” is a copy of the MPIC Code of Business Conduct and Ethics.

		and employees and may be found in its website.	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p><i>Article 7, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.”</p> <p>The Code also includes provisions on its implementation.</p> <p><i>Section 2 of MPIC Anti-Bribery and Anti-Corruption Policy provides:</i></p> <p>“The Company has a zero-tolerance approach to bribery and corruption. Common examples of corruption include the following: extortion, fraud, insider dealing, money laundering, kickbacks, and</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Code-of-Business-Conduct-and-Ethics-09-Nov-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Anti-Bribery-and-Anti-Corruption-Policy.pdf</p>

		facilitation payments. All forms of bribery and corruption are unacceptable and will not be tolerated. The Company's employees must not act corruptly in their dealings with any other person, and must ensure that any third party acting on its behalf complies with these standards."	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<i>Article 7, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i> "The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies."	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Code-of-Business-Conduct-and-Ethics-09-Nov-2022.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 133 and 136)
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure	Compliant	<i>Article 8, Section 1 of the MPIC Revised Code of Corporate</i>	The Company's corporate disclosure policy and procedure are designed to ensure a comprehensive, accurate, reliable and timely report to

<p>policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>		<p><i>Governance provides:</i></p> <p>“The Board should establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.”</p>	<p>shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p> <p>MPIC Website: https://www.mpic.com.ph/company-disclosures/ https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 138)</p>
Supplement to Recommendations 8.1			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>		<p>Company complies with the period provided by law. Furthermore, while the consolidated financial statements are usually published only after 90 days from the end of the fiscal year, the Company's year-end results are normally announced during the month of March, or within 90 days from the end of the Company's fiscal year. For example, the Company announced its full year 2022 results on March 8, 2023.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC_17Q_Mar2022-filed-06-May-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-17C-Results-of-the-March-2022-Board-Meeting-filed-09-March-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf</p>

<p>2. Company discloses in its annual report the principal risks associated with the identity of the company’s controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</p>	<p>Compliant</p>		<p>The Company discloses in its Annual Report and Definitive Information Statement the security ownership of directors, officers and beneficial owners of at least 5% security interest.</p> <p>MPIC Website: https://www.mpic.com.ph/company-disclosures/</p> <p>https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022.pdf</p>
<p>Recommendation 8.2</p>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three business days.</p>	<p>Compliant</p>	<p><i>Article 8, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p>	<p>The Company has a policy requiring immediate disclosure to the MPIC Legal/Compliance Office of any acquisition, disposal, or change in the shareholdings of the Directors and Officers. Said policy applies to all directors and key officers of the Company. This policy is communicated to all directors and key officers during the Company’s orientation and on-boarding programs. Reminders are also issued to Directors and Officers from time to time.</p>
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company’s shares within three business days.</p>	<p>Compliant</p>	<p>“The Company should have a policy requiring all directors and officers to disclose/report to the company any dealings in the company’s shares within three business days.”</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/06/Insider-Trading-Policy.pdf</p>

		<p>Under the Company's Insider Trading Policy, all Directors and Key Officers must report any changes in their beneficial ownership of the Company's shares within 1 trading day for review.</p> <p><i>Section 4(B) of the MPIC Conflict of Interest Policy provides:</i></p> <p>"Section 23 of the Securities Regulation Code prescribed that a director or an officer of the issuer of the security, shall file, at the time either such requirement is first satisfied or within ten (10) days after he becomes such a beneficial owner, director, or officer, a statement with the SEC and to the PSE and the PDEX (if the security is listed for trading) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten (10) days after the close of each calendar month thereafter, if there has been a</p>	
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		<p>change in such ownership during such month. Likewise, Section 13 of the PSE's Revised Disclosure Guidelines, requires the disclosure of the direct and indirect ownership of its directors and principal officers of the Company securities (or shares) within two (2) trading days after in any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The Issuer's securities is first admitted in the Official Registry of the Exchange; 2. Director is first elected or an Officer is appointed; or 3. Any acquisition, disposal, or change in the shareholdings of the Directors and Officers. <p>All Directors and Key Officers of the Company shall submit their accomplished Statement of Changes in Beneficial Owners given the above mentioned circumstances not later than</p>	
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		<p>one (1) trading day after the occurrence of the event to the Compliance Officer. In any of the above circumstances, the concerned Company Director or Key Officer shall immediately accomplish the Statement of Changes in Beneficial Ownership or SCBO and submit the same to the PR and Corporate Communications Department for review and validation. The validated SCBO shall be submitted to the Office of the Compliance Officer not later than one (1) trading day after the occurrence of the event. The Compliance Office shall ensure that the accomplished SCBO shall be submitted within two (2) trading days after the event occurrence.”</p>	
Supplement to Recommendation 8.2			
<p>1. Company discloses the trading of the corporation’s shares by directors, officers (or persons performing similar functions) and controlling</p>	<p>Compliant</p>	<p><i>Article 8, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p>	<p>The Company complies with all the disclosure requirements of the Philippine Stock Exchange as provided under the applicable provisions of the Securities Regulation Code and its implementing rules and regulations. The relevant disclosures of the Company may be accessed through the following link:</p>

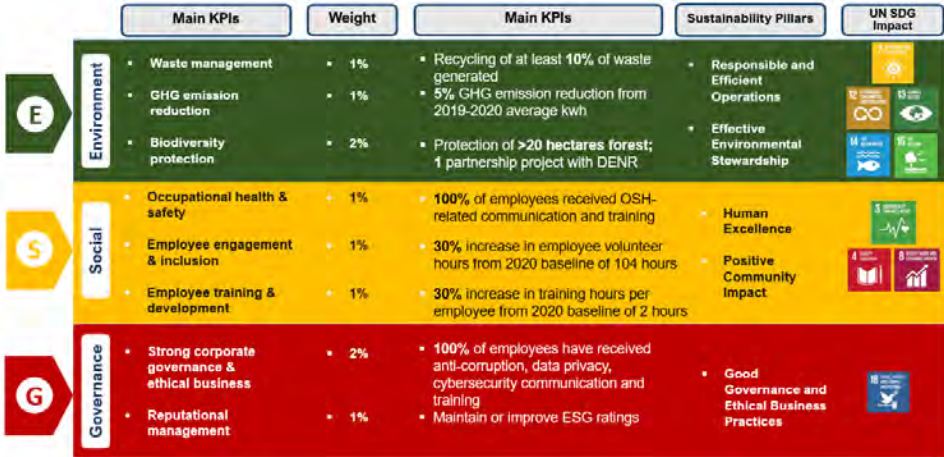


<p>shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>		<p>“The Company should make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition 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 should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that will breach the materiality threshold to be determined.”</p>	<p>PSE Website: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=604 https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-17C-Resumption-of-Share-Buy-Back-Program-filed-28-Jul-2021.pdf https://www.mpic.com.ph/wp-content/uploads/2022/02/MPIC-17C-Approval-of-the-Share-Buyback-Program-filed-17-Feb-2022.pdf</p> <p>The Company’s Compliance Officer submits an annual compliance report to the Audit Committee, which includes a report on the Company’s compliance with its disclosure obligations. A semi-annual certification is also executed confirming to the Audit Committee material compliance with relevant laws and regulations.</p>
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Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<i>Article 8, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i>	The business background, qualifications, and material information on individual members of the Board of Directors and key management are provided in the Company's Annual Report, Definitive Information Statement and the Company's website.
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	"The Board should 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."	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 14 to 27) https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 148 to 150)
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<i>Article 8, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i>	The Board ensures that the remuneration of its directors, officers and employees is consistent with the Company's Vision, Mission, culture, strategy, and the business environment in which it operates and aligned with the long-term interest of the Company.
2. Company provides a	Compliant	"The Company should provide a clear disclosure of its policies and	Directors The compensation of directors and other officers must be competitive and at a level that will attract and retain talent and drive them to steadily contribute to

<p>clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>		<p>procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. Also, the Company should disclose the remuneration of the Board on an individual basis and the executive remuneration in an aggregate basis, including termination and retirement provisions.”</p>	<p>the long-term success of the Company. Directors, as such, do not receive any compensation unless approved by the stockholders or provided in the By-Laws of the Company. No director participates 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.</p>
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p><i>MPIC 2021 Integrated Report provides:</i></p> <p>“The Board, together with management, assesses annually the continuing appropriateness of our vision, mission, and strategic objectives. Long-term targets and the strategies to achieve them are discussed with key executives of each</p>	<p>The Company’s directors receive a per diem allowance for their attendance in the Board and Board Committee meetings. Each director is entitled to a per diem allowance of Php100,000.00 for every board meeting attended and Php50,000.00 for every committee meeting.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 135)</p> <p>President and CEO and Key Officers</p> <p>Key executives of the Company, including the President and CEO, are entitled to receive fixed and variable remuneration, in accordance with the compensation plans approved by the Board. Factors considered in fixing remuneration packages of key officers are salaries paid by comparable companies, time commitment and responsibilities of corporate officers and employment conditions elsewhere in the group. Further, the Company adopts incentive programs for its key executives that take into account the achievement of an approved target core income of the Company as a condition for the vesting of the incentive. Among such programs is the Long-Term Incentive Plan (LTIP). Each LTIP performance cycle generally covers 3 years with payment intended to be made at the end of each cycle (without interim payments) and is contingent upon</p>

	<p>operating unit through regular briefings. Management is responsible for the specific day-to-day operations based on strategies outlined by the Board. They report to the Board during quarterly meetings to ensure that our Company's performance aligns with the changing business environment and culture. Our executives are incentivized to help push the Company forward. Compensation is competitive and set at a level meant to attract and retain talent and drive them to contribute to the Company's long-term success. Management is compensated by a mix of core income progression targets and share price performance. Remuneration of key</p>	<p>the achievement of an approved target core income of the Company by the end of the performance cycle.</p> <p>Employees</p> <p>All regular employees of the Company are entitled to receive, fixed and variable remuneration, in accordance with the employment contract signed and executed by each employee with the Human Resources Department under the supervision of the President and CEO. The Company likewise adopts policies relating to payment of bonuses and long-term incentives to its employees, the amount of which depends on the performance of the company and the individual employee. The performance appraisal is conducted on a semi-annual basis.</p> <p>Effective January 1, 2022, the Company introduced environmental, social, and governance ("ESG") targets in its Short-Term Incentive Plan. The rationale for including ESG targets in the Company's Short Term Incentive Plan are: (1) to embed sustainability in MPIC's DNA, (2) to address the increasing demand from institutional investors to include ESF metrics in the Company's compensation plans, and (3) to comply with ESG rating agencies' required disclosures. Employees are expected to contribute to meet the following Company's ESG targets:</p>
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		<p>executives, including the President and Chief Executive Officer, is based on compensation plans approved by the Board.”</p>	 <p>MPIC Website: https://www.mpic.com.ph/sustainability/esg-linked-compensation/</p>
Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	Compliant	<p><i>Article 8, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their</p>	<p>The Company has a policy on RPTs. The Company also regularly reports to the Audit Committee related party transactions.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p>
<p>2. Company discloses material or significant RPTs reviewed and approved</p>	Compliant	<p>“The Company should disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their</p>	<p>The Company discloses in its Annual Financial Statement all material or significant RPTs reviewed and approved during the year. The same may be found under Note</p>

during the year.		Manual on Corporate Governance. The material or significant RPTs reviewed and approved during the year should be disclosed in its Annual Corporate Governance Report.”	19 – Related Party Transactions of the 2022 MPIC 17-A (Audited Financial Statement). MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p><i>Article 8, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should make a full, fair, accurate and timely disclosure 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 should appoint an independent party to</p>	Attached as Schedule I is a certification executed by the MPIC Corporate Secretary attesting that the relevant Board Minutes of the Company reflect that with respect to related party transactions, Director(s) with conflict interest disclosed his/her/their interest prior to Board discussion, and abstained from the Board discussion, on such transactions. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Conflict-of-Interest-Policy-09-Nov-2022.pdf

		<p>evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that will breach the materiality threshold to be determined.”</p> <p><i>Section 6 of MPIC Conflict of Interest Policy provides:</i></p> <p>“Primarily, Directors, Employees and Consultants must disclose in writing any actual or potential instances and/or situations where they may have a Conflict of Interest or the appearance of a Conflict of Interest to the relevant authorities specified herein, as soon as they become aware of such actual or potential instances and/or situations. Depending on the nature of the conflict situation, conflicted Directors, Employees and</p>	
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		<p>Consultants may be required to comply with other requirements.</p> <p>In situations falling under Item No. 5 (a) above, and where the Conflict of Interest business transactions cannot be avoided or where a particular business transaction has the potential of being categorized as a Conflict of Interest business transaction or official action, the Director, Employee or Consultant concerned shall make a full written disclosure of such transaction and his or his Affiliate's private interest in the transaction or official action, as follows:</p> <p>a.1. For Directors To: The Board of Directors through its Chairman</p>	
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		transaction.”	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms’ length.	Compliant	Under the MPIC RPT Policy, RPTs are reviewed to determine whether the same meet the following RPT Standards: i. The RPT is on <i>arm’s length</i> terms; ii. The RPT is in the best interest of MPIC and its shareholders as whole, considering the relevant circumstances.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/11/Related-Party-Transaction-Policy-09-Nov-2022.pdf
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<i>Article 8, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i> “The Company should make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of	All material transactions of the group are timely and adequately disclosed through the disclosure system of the Philippine Stock Exchange and are likewise filed with the Securities and Exchange Commission. PSE Website: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=604 MPIC Website: https://www.mpic.com.ph/company-disclosures/

<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>Compliant</p>	<p>significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. Moreover, the Board of the offeree company should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that will breach the materiality threshold to be determined.”</p>	<p>The Company engages an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that breach the materiality threshold determined by the MPIC Board.</p>
<p>Supplement to Recommendation 8.6</p>			
<p>1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	<p>Compliant</p>	<p><i>Article 8, Section 6 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which</p>	<p>Additional information may be obtained from the MPIC 2022 Integrated Report that can be found in the Company’s website. The link to the report is also included in the Company’s Annual Report (SEC 17-A).</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf</p>

		<p>could adversely affect the viability or the interest of its shareholders and other stakeholders. Moreover, the Board of the offeree company should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that will breach the materiality threshold to be determined.”</p>	
Recommendation 8.7			
<p>1. Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p>Compliant</p>	<p>The Company’s Revised Code of Corporate Governance (MOCG) contains the company’s governance policies, programs and procedures. Said manual is filed with the SEC and PSE and is posted in the Company’s website.</p>	<p>The Manual of Corporate Governance (MOCG) is the foundation of MPIC’s governance policies, which provides the responsibilities of the Board, Management and the Company to stockholders and all other stakeholders.</p> <p>In compliance with the SEC Code of Corporate Governance under SEC Memorandum Circulars No. 2 Series of 2002, No. 6 Series of 2009, No. 9 Series of 2014, and No. 19 Series of 2016, the Company’s Manual of Corporate Governance was amended and submitted to the SEC on May 30, 2017. Further amendments to the MOCG were made and approved by the Company’s Board on March 3, 2021. A copy of the revised MOCG was filed with the SEC and PSE and uploaded in the Company’s website.</p> <p>MPIC Website:</p>

			https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 136)
2. Company's MCG is submitted to the SEC and PSE.	Compliant		The Manual of Corporate Governance (MOCG) is the foundation of MPIC's governance policies, which provides the responsibilities of the Board, Management and the Company to stockholders and all other stakeholders.
3. Company's MCG is posted on its company website.	Compliant		<p>In compliance with the SEC Code of Corporate Governance under SEC Memorandum Circulars No. 2 Series of 2002, No. 6 Series of 2009, No. 9 Series of 2014, and No. 19 Series of 2016, the Company's Manual of Corporate Governance was amended and submitted to the SEC on May 30, 2017. Further amendments to the MOCG were made and approved by the Company's Board on March 3, 2021. A copy of the revised MOCG was filed with the SEC and PSE and uploaded in the Company's website.</p> <p>All relevant Company policies and committee charters are annexed to the MOCG.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf </p>
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its	Compliant	The Company submits with the SEC and the PSE an updated MOCG whenever there are	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf

corporate governance practices.		changes in the Company's corporate governance practices.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	Compliant	The Company's Annual Report Discloses the following information: Corporate Objectives, Financial performance indicators, Non-financial performance indicators, Dividend Policy and Attendance Details.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		
g. Total remuneration of each member of the board of directors	Compliant	The total remuneration of the members of the board of directors is disclosed in aggregate in order to	The total remuneration of each of the member of the board of directors, including their entitlement to the long-term incentive plan and stock grant of the Company, is disclosed in the Company's Annual Report.

		protect the privacy, confidentiality and safety of the directors.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf (pages 122)
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	A confirmation of the Company's compliance with its Code of Corporate Governance is provided in its Annual Report and Integrated Report. https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf (page 128) https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 133) https://www.mpic.com.ph/wp-content/uploads/2022/01/MPIC-Certificate-of-Compliance-with-MOCG-filed-07-January-2022.pdf
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf (page 126-128)
4. The Annual Report/Annual CG Report	Compliant	The Annual Report/Annual CG Report	MPIC Website:

contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.		contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf (pages 36-47)</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 133 to 145)</p> <p>https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/</p>
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	<p><i>Article 9, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Audit Committee should have a robust</p>	<p>Relevant procedure may be found in the Company's Audit Committee Charter and in the Corporate Governance Report, both published in the Company's website.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf</p>

<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p>process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external</p>	<p>https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p>auditor should be recommended by the Audit Committee, approved by the Board and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures.”</p>	
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Compliant</p>	<p><i>Section 4.1(f) of MPIC Audit Committee Charter provides:</i></p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>

		<p>“[The Audit Committee should] ensure that the external auditor or the lead, engagement, or handling partner having primary responsibility for the audit or review of the Corporation is rotated at least once every five (5) years.”</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the 	<p>Compliant</p>	<p><i>Section 4.1(a to c) of the MPIC Audit Committee Charter provides:</i></p> <p>“[The Audit Committee shall:]</p> <ul style="list-style-type: none"> a. Review and evaluate the qualifications, performance and independence of the external auditors and the lead partner by obtaining statements from the auditors on relationships between the auditors and the company, including 	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>

<p>audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>		<p>non-audit services, and discussing the relationships with the auditors.</p> <p>b. Select and appoint the external auditors and remove or replace the external auditors as it may deem necessary.</p> <p>c. Review the external auditors' opposed fees, audit scope and approach, including coordination of audit effort with Internal Audit and their compliance with auditing standards."</p>	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	<p>Compliant</p>	<p><i>Section 4.1(d) of the MPIC Audit Committee Charter provides in part:</i></p> <p>"[The Audit Committee shall:]</p> <p>d. Review and approve, in consultation with the Chief Finance</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>

		Officer and Chief Audit Executive, all audit and non-audit work services, if any, to be performed by the external auditor and the related fees to be paid for such services.”	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p><i>Article 9, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>”The Audit Committee Charter should include the Audit Committee’s responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process, taking into consideration relevant</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf</p>

		Philippine professional and regulatory requirements. The Charter should also contain the Audit Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.”	
Recommendation 9.3			
1. Company discloses the nature of non- audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<i>Article 9, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i> “The Company should disclose the nature of non-audit services performed	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page134)
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non- audit services, which could be viewed as impairing the external auditor’s objectivity.	Compliant	by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee should be alert for any potential conflict of interest situations, given the guidelines or policies on	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Audit-Committee-Charter-2022.pdf

		non-audit services, which could be viewed as impairing the external auditor's objectivity.”	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	For 2022, the following are the fees paid to the external auditors: Audit Fees – 10.5 Million Non-Audit Fees – nil.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/Corporate-Governance-Write-up-2022.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 134)
Additional Recommendation to Principle 9			
1. Company’s external auditor is duly accredited by the SEC under Group A category.	Compliant	The external auditor of the Company, SGV & Company, is duly accredited by the SEC under Group A category.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf
2. Company’s external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC’s Office of the General Accountant (OGA).	Compliant	The external auditor of the Company, SGV & Company, agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC’s Office of the General Accountant (OGA).	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2023/04/MPI_17A_DEC2022_Final.pdf
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			

Recommendation 10.1			
<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	Compliant	<p><i>Article 10, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. Companies should adopt a globally recognized standard/framework in reporting sustainability and non-financial issues.”</p> <p>MPIC adopted its Sustainability Framework which articulates its strategic path and approach to doing business in a sustainable</p>	<p>The Company published its 2022 Integrated Report which includes both financial and non-financial disclosures relating to its business.</p> <p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 19 to 28)</p>
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	Compliant		

		manner. The framework may be found in the Company's website.	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	<p><i>Article 11, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>"The Company should include media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors."</p>	<p>The Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors. Details of the media and analysts' briefings are published in the PSE website.</p> <p>PSE Website: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=604</p> <p>MPIC Website: https://www.mpic.com.ph/investor-relations/quarterly-analyst-briefing-presentation/</p>
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	Compliant	The Company's website discloses up-to-date information on matters specified.	
a. Financial	Compliant		MPIC Website:

statements/reports (latest quarterly)			https://www.mpic.com.ph/investor-relations/financial-performance/
b. Materials provided in briefings to analysts and media	Compliant		MPIC Website: https://www.mpic.com.ph/investor-relations/quarterly-analyst-briefing-presentation/
c. Downloadable annual report	Compliant		MPIC Website: https://www.mpic.com.ph/wp-content/uploads/MPI_17A_DEC2021-FINAL.pdf
d. Notice of ASM and/or SSM	Compliant		MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf
e. Minutes of ASM and/or SSM	Compliant		MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf
f. Company's Articles of Incorporation and By-Laws	Compliant		MPIC Website: https://www.mpic.com.ph/about-us/articles-of-incorporation-by-laws-and-all-amendments/
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant		https://www.mpic.com.ph
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			

1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<i>Article 12, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i>	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 132 to 145)
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	The Company should have an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of operations.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 132 to 145)
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and	Compliant	The Company has adopted an Enterprise Risk Management System, in recognition of the fact that risk is a factor in optimizing shareholder value. The Company implements a group-wide enterprise risk management system designed to provide the Risk Management Committee and the Board a comprehensive review of	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 139-145)

<p>compliance with the said issuances.</p>		<p>the commercial, technical, legal and other risks in the business of the group and formulate risk management strategies to protect its investment. In order to implement its Enterprise Risk Management System, the Company appointed a Chief Risk Officer who oversees the risk management framework and related policies, and advocates for the adoption of these policies by the Company's investee-companies.</p>	
Optional: Recommendation 12.1			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	<p>Compliant</p>	<p>The Company has put in place a Business Continuity Plan to ensure its ability to continue operations during disruptive events. It also adopted policies to increase the level of security of its IT system.</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 92 to 101)</p> <p>The Board also established the Data Privacy and Information Security Committee to assist the Board in fulfilling its functions to perform oversight and give strategic direction to the governance functions relating to data privacy and information security matters.</p>

			https://www.mpic.com.ph/wp-content/uploads/2022/11/MPIC-Data-Privacy-and-Information-Security-Committee-Charter.pdf
Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	Compliant	<p><i>Article 12, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should 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 company's operations.”</p> <p>The Company appointed an Internal Auditor whose responsibility is to provide independent, objective assurance and consulting services designed to add value and improve the Company's operations; by among others,</p>	<p>MPIC Website:</p> <p>https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p> <p>https://www.mpic.com.ph/wp-content/uploads/2022/03/MPIC-Internal-Audit-Charter-2022.pdf</p>

		determining whether the Company's network of risk management, control and governance, as designed and represented by management, is adequate and functioning.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<i>Article 12, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i>	The Company's Internal Auditor, Ms. Ma. Joanna Carmela P. Sanalila, acts as its Chief Audit Executive. Her background and experience is provided in the Company's Information Statement. https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (page 35)
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	"The Company should have a qualified Chief Audit Executive (CAE) appointed by the Board. The CAE shall oversee and be responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel should be	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant		

		assigned the responsibility for managing the fully outsourced internal audit activity.”	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p><i>Article 12, Section 4 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should have a separate risk management function to identify, assess and monitor key risk exposures.”</p> <p>The Company appointed a Chief Risk Officer who is tasked with overseeing its Enterprise Risk Management system.</p>	<p>Please see attached MPIC Risk Management Committee Charter.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 132 to 145)</p>
Recommendation 12.5			
1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of	Compliant	<p><i>Article 12, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i></p>	The Company’s Chief Risk Officer is Ms. June Cheryl A. Cabal-Revilla, a member of Senior Management and also the Company’s Chief Financial Officer and Chief Sustainability Officer, Director and Finance Committee Member (alternate).



Enterprise Risk Management (ERM).		“In managing the company’s Risk Management System, the company should have a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources and support to fulfill his/her responsibilities, subject to a company’s size, risk profile and complexity of operations.”	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		
Additional Recommendation to Principle 12			
1. Company’s Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant		In lieu of a written certification from the Chief Executive Officer and the Internal Auditor, the Audit Committee, after discussions with the Management and together with the Internal Auditor, issues a certification in writing, on a semi-annual basis, that a sound internal audit, control and compliance system is in place and working effectively. Attached as Schedule III is a certification executed by the MPIC Corporate Secretary attesting to the execution of the said certification. The certification is issued on the basis of reports received from the management of the Company as well as certifications issued by the Audit Committees of the material operating companies.
Cultivating a Synergic Relationship with Shareholders			

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<i>Article 13, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i>	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	"The Board should ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance and on the company's website."	

Supplement to Recommendation 13.1

1. Company's common share has one vote for one share.	Compliant	The Company's Amended Articles of Incorporation provides that each common and preferred share shall be entitled to one vote.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/8-Articles-of-Incorporation.pdf
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The Company's Amended Articles of Incorporation provides that each common and preferred share shall be entitled to one vote and shall have	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/8-Articles-of-Incorporation.pdf



		the rights provided therein.	
3. Board has an effective, secure, and efficient voting system.	Compliant	No particular voting system is in place for matters requiring board approval but the individual director is given one vote each and every director is free and encouraged to exercise independent judgment, consistent with the relevant provisions of the Revised Corporation Code.	
4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	Non-Compliant		The Company’s By-Laws currently does not provide for a majority of the minority voting requirement on matters submitted for the approval of the shareholders. However, the Company has put in place other mechanisms to ensure that the minority shareholders' interests are protected, including putting in place a dedicated Investor Relations Team to ensure a transparent and open line of communication with its shareholders. Furthermore, the company enforces a policy of requiring conflicted / interlocking directors to abstain from voting in transactions involving related parties in addition to the fact that material related party transactions are reviewed by the Audit Committee (acting as the Related Party Transactions Committee) consisting of independent and non-executive directors.
5. Board allows shareholders to call a special shareholders’ meeting and submit a	Compliant	Article II, Section 2 of the Company’s By-laws provides that special meetings of the	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/9-BY-LAWS.pdf SEC Website:

<p>proposal for consideration or agenda item at the AGM or special meeting.</p>		<p>stockholders may be called by the Board at the written request of stockholders representing at least 2/3 of the subscribed capital entitled to vote of the Company.</p> <p>SEC Memorandum Circular No. 7, series of 2021 allows shareholders who hold at least ten percent (10%) of a Publicly Listed Company shall have the right to call for a Special Stockholders' Meeting and propose agenda items in such meeting.</p>	<p>https://www.sec.gov.ph/wp-content/uploads/2021/04/2021MCNo07 .pdf</p>
<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	<p>Compliant</p>	<p>The Board safeguards the rights of the minority shareholders.</p>	<p>MPIC keeps an open two-way dialogue with shareholders. The Company informs everyone, including minority shareholders, of any development or change in our strategy. MPIC regularly conducts meetings to aggregate their concerns and bring them up to senior management and the Board of Directors when necessary. These concerns are also taken into consideration when the Company implements its strategy.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/05/9-BY-LAWS.pdf</p>



			https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 133, 137)
7. Company has a transparent and specific dividend policy.	Compliant	MPIC and its subsidiaries' ability to pay dividends is subject to applicable laws and other restrictions contained in financing agreements, shareholders' agreements and other agreements that prohibit or limit the payment of dividends.	<p>MPIC's current dividend policy calls for the payment of regular cash dividends in an amount of up to 25% of the audited consolidated core net income for the year, subject to approval of the Board of Directors, taking into consideration the interest of the shareholders, the Company's debt covenants, and the requirements dictated by working capital, expansion plans, capital expenditures and debt servicing.</p> <p>Payment of dividends shall always be subject to the availability of unrestricted retained earnings in accordance with the guidelines of the Securities and Exchange Commission.</p> <p>Further, the Company commits to pay dividends to its shareholders within 30 days from the date of its declaration.</p> <p>The Company's Dividend Policy¹¹ was approved by the Board on November 7, 2018.</p>
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	In 2022, SGV & Company was appointed as the independent party that tabulated the votes at the Annual Shareholders' Meeting.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf
Recommendation 13.2			
1. Board encourages	Compliant	<i>Article 13, Section 2 of the</i>	MPIC Website:

¹¹ Attached herewith as Annex "G" is a copy of the Company's Dividend Policy which was approved by the Board on November 7, 2019.

<p>active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>		<p><i>MPIC Revised Code of Corporate Governance provides:</i></p> <p>"The Board should encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting."</p>	<p>https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf</p>
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>			<p>MPIC Website:</p> <p>https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf</p>
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	Compliant	<p>The profiles of directors are contained in the Definitive Information Statement which is distributed to the shareholders along with the Notice of Annual Stockholders' Meeting.</p>	

b. Auditors seeking appointment/re-appointment	Compliant	The auditors seeking appointment/re-appointment are contained in the Definitive Information Statement which is distributed to the shareholders along with the Notice of Annual Stockholders' Meeting.	
c. Proxy documents	Compliant	The proxy documents are contained in the Definitive Information Statement which is distributed to the shareholders along with the Notice of Annual Stockholders' Meeting.	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	The rationale for each of the agenda item is contained in the Definitive Information Statement which is distributed to the shareholders along with the Notice of Annual Stockholders' Meeting.	The agenda details and rationale are provided in the Company's Definitive Information Statement that is provided to all shareholders of record, within the period provided by law. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf (pages 3 to 5)
Recommendation 13.3			
1. Board encourages active shareholder	Compliant	<i>Article 13, Section 3 of the MPIC Revised Code of</i>	The minutes of the AGM are uploaded in the Company's website the next day following the conduct of the shareholders' meeting.



<p>participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.</p>		<p><i>Corporate Governance provides:</i></p> <p>"The Board should 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 should be available on the company website within five business days from the end of the meeting."</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf</p>
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.</p>	<p>Compliant</p>		
<p>Supplement to Recommendation 13.3</p>			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>Compliant</p>	<p>The external auditor and other relevant individuals were in attendance in the 2022 AGM to answer shareholders questions.</p>	<p>The Company's external auditor and other relevant individuals are present to answer shareholders questions during the ASM and SSM.</p> <p>MPIC Website: https://www.mpic.com.ph/company-disclosures/ https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf</p>
<p>Recommendation 13.4</p>			

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant		The Company's Corporate Governance Committee (now, Governance and Sustainability Committee) has approved the MPIC Alternative Dispute Resolution Policy on July 18, 2020.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant		
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<i>Article 13, Section 5 of the MPIC Revised Code of Corporate Governance provides:</i>	MPIC Website: https://www.mpic.com.ph/investor-relations/ https://www.mpic.com.ph/contact-us/
2. IRO is present at every shareholder's meeting.	Compliant	"The Board should establish an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. The IRO should be present at every shareholders' meeting."	The head of the Investor Relations Office is present at every shareholders' meeting.
Supplemental Recommendations to Principle 13			

1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	The Company does not have anti-takeover measures or similar devices such as poison pill provisions.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant		As of December 31, 2022, the Company's Public Float is at 36.51%. PSE Website: https://edge.pse.com.ph/openDiscViewer.do?edge_no=0bfe7ed90d39cb669e4dc6f6c9b65995
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	The 2022 Integrated Report provides: "MPIC maintains an open dialogue with all shareholders, informing everyone, including minority shareholders, about any changes to or developments in its business strategy, projects, and other essential matters. We have an ear for all concerns, consolidating all shareholder feedback during meetings and	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 133)

		<p>consultations and bringing them up to senior management or the Board as needed. We continue to look for ways to better share and collect information in keeping with current mobile technologies and online media. MPIC's periodic updates and information releases are always accessible to the public, with the latest and relevant data on finance and operations available on our website and other channels. Our shareholders may download this information from the Company's website anytime"</p>	
<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.</p>	<p>Compliant</p>		<p>The Company conducted its first virtual stockholders meeting on May 29, 2020, that allowed for electronic voting in <i>absentia</i>. The same procedure and processes were applied for the stockholders meeting on May 27, 2022, where shareholders were given the option to attend in person or virtually.</p>

			<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Definitive-Information-Statement-04-May-2022_with17Q.pdf https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-AGM-Minutes-May-27-2022.pdf</p>
Duties to Stakeholders			
<p>Principle 14: 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 should have the opportunity to obtain prompt effective redress for the violation of their rights.</p>			
Recommendation 14.1			
<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	Compliant	<p><i>Article 14, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>"The Board should identify the company's various stakeholders and promote cooperation between them and the company in creating wealth, growth and sustainability."</p>	<p>MPIC believes that stakeholder engagement is a critical part of its sustainability strategy and as such, endeavors to have constant dialogue with its stakeholders. The methods of engagement by the Company of its stakeholders are disclosed in the Company's Integrated Report.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 137 to 138)</p> <p>https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p>
Recommendation 14.2			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	Compliant	<p><i>Article 14, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 137 to 138)</p>

		“The Board should establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.”	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p><i>Article 14, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Board should adopt a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.”</p>	<p>The Company also has a Whistleblower Policy as an internal control mechanism and which provides an internal and confidential reporting channel to report any serious concerns about any suspected misconduct, malpractice or irregularity in the Company.</p> <p>MPIC Website: https://www.mpic.com.ph/contact-us/ https://www.mpic.com.ph/corporate-governance/company-policies/ https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Revised-Whistleblowing-Policy-approved-04-Aug-2021.pdf</p>
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant		<p>The Company’s Corporate Governance Committee (now, Governance and Sustainability Committee) has approved the MPIC Alternative Dispute Resolution Policy on July 18, 2020.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2022/05/MPIC-Alternative-Dispute-Resolution-Policy.pdf</p>

Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant		No incident was recorded in 2022 where the Company sought any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.
2. Company respects intellectual property rights.	Compliant		Company ensures that intellectual property rights of the Company and of third parties are recognized and respected thereby putting in provisions in applicable contracts for the protection of the same.
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	The Company discloses its policies and practices that address customers' welfare as embodied in the Company's Code of Business Conduct and Ethics as well as in the Company's Integrated Report.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 26 to 31)

2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	The Company discloses its policies and practices that address supplier/contractor selection as embodied in the Company's Code of Business Conduct and Ethics as well as in the Company' Conflict of Interest Policy.	The MPIC Supplier Code of Conduct was approved by the Board on November 7, 2018. It lays down the principles that the Company shall adhere to in its dealings with suppliers. MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Supplier-Code-of-Conduct.pdf
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	As disclosed in MPIC's Sustainability Framework, employees are one of the stakeholders of MPIC. The Company commits to provide an engaged and safe workplace that promotes employee relations and diversity, health and safety, competency and skills development, and equal opportunities.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 26)
Supplement to Recommendation 15.1			
1. Company has a	Compliant	The Company adopts	MPIC Website:

<p>reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>		<p>incentive programs for its key executives that take into account the achievement of an approved target core income of the Company as a condition for the vesting of the incentive.</p> <p>The Company likewise adopts policies relating to payment of bonuses to its employees the amount of which depends on the performance of the company as well as the individual employee as measured against the goals agreed upon between the employee and his/her superior prior to the start of the rating period. The performance appraisal is conducted on a semi-annual basis.</p> <p>Effective January 1, 2022, the Company introduced environmental, social, and governance (“ESG”)</p>	<p>https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 135)</p> <p>https://www.mpic.com.ph/sustainability/esg-linked-compensation/</p>
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		targets in its Short-Term Incentive Plan. Employees are expected to contribute to meet the Company's ESG targets.	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	As disclosed in MPIC's Sustainability Framework, Employee Welfare is one of the Core Drivers that are considered most material and significant for MPIC. The Company commits to provide an engaged and safe workplace that promotes employee relations and diversity, health and safety, competency and skills development, and equal opportunities.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 131)
3. Company has policies and practices on training and development of its employees.	Compliant	<i>Article 16, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i> "The Board should establish policies, programs and procedures that encourage employees	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 131)

		to actively participate in the realization of the company's goals and in its governance."	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p><i>Article 14, Section 2 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>"The Board should set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. Further, the Board should disseminate the policy and program to employees across the organization through trainings to embed them in the company's culture."</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 131) (page 111)</p> <p>https://www.mpic.com.ph/wp-content/uploads/2022/11/Code-of-Business-Conduct-and-Ethics-09-Nov-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Anti-Bribery-and-Anti-Corruption-Policy.pdf</p>
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>The Company's directors and key officers, attend on an annual basis, a seminar on various topics relating to, among others,</p>	

		<p>governance and ethics.</p> <p><i>Section 2 of MPIC Anti-Bribery and Anti-Corruption Policy provides:</i></p> <p>“The Company has a zero-tolerance approach to bribery and corruption. Common examples of corruption include the following: extortion, fraud, insider dealing, money laundering, kickbacks, and facilitation payments. All forms of bribery and corruption are unacceptable and will not be tolerated. The Company’s employees must not act corruptly in their dealings with any other person, and must ensure that any third party acting on its behalf complies with these standards.”</p>	
<p>Supplement to Recommendation 15.2</p>			

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>The Company adopted a Code of Business Conduct and Business Ethics pursuant to its dedication to doing business with the highest standard of ethics and to promote a culture of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness and transparency. The Company also adopted a Whistle-Blowing Policy at an internal control mechanism, to provide employees an internal and confidential reporting channel to report any serious concerns about any suspected misconduct or irregularity. Reports can be sent to the Chairman of the Corporate Governance Committee either in</p>	<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 131) https://www.mpic.com.ph/wp-content/uploads/2022/11/Code-of-Business-Conduct-and-Ethics-09-Nov-2022.pdf https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Anti-Bribery-and-Anti-Corruption-Policy.pdf https://www.mpic.com.ph/wp-content/uploads/2022/11/Policy-on-Gifts-Entertainment-and-Sponsored-Travel-09-Nov-2022.pdf v</p>
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		<p>writing or through a dedicated email address.</p> <p>The Company is committed to continuously improve its governance practices and for this purpose, adopted its Anti-Bribery and Anti-Corruption Policy. This Policy should be read in conjunction with the Company's Policy on Gifts, Entertainments and Sponsored Travel.</p>	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	<p><i>Article 14, Section 3 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>"The Board should establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices,</p>	<p>In recognition of the fact that employees may be discouraged to report irregularities for various reasons, the Company adopted a Whistle-blowing Policy ("Whistle-blowing Policy") as an internal control mechanism, consistent with the purpose of maintaining internal corporate justice. The Whistle-blowing Policy provides an internal and confidential reporting channel to report any serious concerns about any suspected misconduct, malpractice or irregularity in the Company.</p>
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an	Compliant		<p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Revised-Whistleblowing-Policy-approved-04-Aug-2021.pdf</p>

independent member of the Board or a unit created to handle whistleblowing concerns.		without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	The Board should be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.”	
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should 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.</p>			
<p>Recommendation 16.1</p>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p><i>Article 16, Section 1 of the MPIC Revised Code of Corporate Governance provides:</i></p> <p>“The Company should recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows</p>	<p>The Company recognizes the local communities where it operates as key stakeholders and engages with them on a regular basis.</p> <p>MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 26, 137)</p>

		the company to grow its business, while contributing to the advancement of the society where it operates.”	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Please see MPIC’s Sustainability Framework.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (page 26)
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	Please see MPIC’s Integrated Report and Corporate Social Responsibility portion of the Annual Report.	MPIC Website: https://www.mpic.com.ph/wp-content/uploads/IR/MPIC-IR-2022.pdf (pages 92 to 128)



Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Pasig on ~~MAY 12 2023~~, 2023.

SIGNATURES

MANUEL V. PANGILINAN
Chairman, President and CEO

RICARDO M. PILARES III
Corporate Secretary and Compliance Officer

ARTEMIO V. PANGANIBAN
Independent Director

ROBERTO C. YAP, S.J.
Independent Director

PEDRO O. ROXAS
Independent Director

OSCAR J. HILADO
Independent Director




MAY 12 2023

SUBSCRIBED AND SWORN before me this ____ day of May 2023, affiants exhibiting to me their valid government IDs as follows:

Name	Competent Evidence of Identity	Date and Place Issued
Manuel V. Pangilinan	Passport No. P9969361A	18 Dec 2018 / DFA NCR EAST
Ricardo M. Pilares III	Driver's License No. N02-98-389275	27 Apr 2024
Artemio V. Panganiban	Passport No. P0388884B	24 Jan 2019 / DFA MANILA
Roberto C. Yap, S.J.	Passport No. P4286273A	7 Sep 2017 / DFA CAGAYAN DE ORO
Pedro E. Roxas	Passport No. P0388893B	24 Jan 2019 / DFA Manila
Oscar J. Hilado	Passport No. P7959521A	16 Jul 2018 / DFA NCR East

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Page No. 49
Book No. 1
Series of 2023.


CAMILLE MARIE L. CASTOLO
Appointment No. 220
Notary Public for Pasig City
Until December 2023
9th Floor, Tower 1, Rockwell Business Center,
Ortigas Avenue, Pasig City
Roll of Attorneys No. 63466
PTR No. 0162244/06 Jan 2023/Pasig City
IBP No. 261392/03 Jan 2023/Makati City Chapter

COVER SHEET

C S 2 0 0 6 0 4 4 9 4

S.E.C. Registration Number

M E T R O P A C I F I C I N V E S T M E N T S
C O R P O R A T I O N

(Company's Full Name)

1 0 F M G O B L D G . , L E G A Z P I C O R .
D E L A R O S A S T S . M A K A T I C I T Y

(Business Address : No./ Street / City Town / Province)

RICARDO M. PILARES III

Contact Person

888-0888

Company Telephone Number

1 2

Month Day
Fiscal Year

3 1

Revised Manual on CG

FORM TYPE

Secondary License Type, If Applicable

0 5

Month Year
Annual Meeting

1 3

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

File Number

LCU

Document I.D.

Cashier

STAMPS



METRO PACIFIC INVESTMENTS CORPORATION

29 May 2017

PHILIPPINE STOCK EXCHANGE

Disclosure Department
3/F PSE Plaza
Ayala Triangle, Ayala Avenue
Makati City

SECURITIES & EXCHANGE COMMISSION

G/F Secretariat Building
PICC Complex, Roxas Boulevard
Manila, 1307


Attention: **MR. JOSE VALERIANO ZUNO III**
Head
Disclosure Department

DIR. JUSTINA F. CALLANGAN
Corporate Governance & Finance Department

**RE: REVISED MANUAL ON CORPORATE GOVERNANCE
METRO PACIFIC INVESTMENTS CORPORATION ("MPIC")
(PSE:MPI)**

Please find attached Revised Manual of Corporate Governance approved by the Board of Directors of the Company in compliance with the SEC Memorandum Circular No. 19, Series of 2016 (Code of Corporate Governance for Publicly Listed Companies). Thank you.

Very truly yours,


ATTY. RICARDO M. PILARES III
Assistant Vice President – Legal
And Compliance Officer





REVISED MANUAL ON CORPORATE GOVERNANCE

The Board's Governance Responsibilities

Article 1. Establishing a Competent Board¹

Sec. 1 - The Board should be composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector. The Board should 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 evolving business environment and strategic direction.

MPIC shall adopt applicable guidelines on the search, screening and selection of directors² which shall ensure that the composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary skills and talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others. It shall likewise ensure that the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures:

- i. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives.
- ii. Assessment of the existing board's composition which entails cataloging members' skills and experience;
- iii. Comparison of the existing board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications.
- iv. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.

Sec. 2. – The Board should, in general, be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and

¹ PRINCIPLE: The Company should be headed by a competent, working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.

² Attached herewith as Annex "A" is a copy of MPIC's Guidelines on the Search, Screening and Selection of Directors approved by the MPIC Nomination Committee and Corporate Governance Committee in a joint meeting held on April 19, 2016 and by the MPIC Board of Directors on May 4, 2016 (hereafter, "MPIC's Guidelines on the Search, Screening and Selection of Directors").

help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.

Sec. 3. – MPIC shall adopt a formal orientation program for first-time directors to ensure that new members are appropriately apprised of their duties and responsibilities, before carrying-out said duties and responsibilities. The orientation program shall include topics on corporate governance as mandated by the Philippine Securities and Exchange Commission (SEC), an introduction to the Company’s business, and relevant details on the Company’s Articles of Incorporation, By-laws, Code of Business Ethics and other relevant policies and charters. The orientation program shall be scheduled as soon as practicable and preferably within a month after the appointment of the new director.

Unless otherwise exempt by the SEC or such other competent regulatory agencies of the government, each MPIC director shall undergo a continuing training program for at least four (4) hours each year to promote board performance and continuing qualification in carrying out directors’ duties and responsibilities. This annual continuing training program shall ensure that directors are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Company. It may cover courses on corporate governance matters, including audit, internal controls, risk management, sustainability and strategy.

Sec. 4 – The Board should have a policy on board diversity.³

Sec. 5 – The Board should ensure that it is assisted in its duties by a Corporate Secretary, who should be a separate individual from the Compliance Officer. In general, the Corporate Secretary should not be a member of the Board of Directors and should annually attend a training on corporate governance.

The Corporate Secretary is primarily responsible to the Corporation and its shareholders, and not to the Chairman or President of the Company and has, among others, the following duties and responsibilities:

- i. 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;
- ii. Safe keeps 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;
- iii. Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;
- iv. 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;

³ MPIC’s Guidelines on the Search, Screening and Selection of Directors; Also, the relevant provision of said guidelines are provided herein as 2nd paragraph of Article 2, Sec. 6 of this Revised Corporate Governance Manual.

- v. Advises on the establishment of board committees and their terms of reference;
- vi. 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;
- vii. Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;
- viii. Performs required administrative functions;
- ix. Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and
- x. Performs such other duties and responsibilities as may be provided by the SEC.

Sec. 6 – The Board should ensure that it is assisted in its duties by a Compliance Officer, who should be someone with adequate stature and authority in the corporation. The Compliance Officer should not be a member of the Board of Directors and should attend a training on corporate governance.

The Compliance Officer is a member of the company's management team in charge of the compliance function. Similar to the Corporate Secretary, he/she is primarily liable to the corporation and its shareholders, and not to the Chairman or President of the company. He/she has, among others, the following duties and responsibilities:

- i. Ensures proper onboarding of new directors (i.e. orientation on the company's business, charter, articles of incorporation and by-laws, among others);
- ii. Monitors, reviews, evaluates and ensures the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
- iii. Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- iv. Ensures the integrity and accuracy of all documentary submissions to regulators;
- v. Appears before the SEC when summoned in relation to compliance with this Code;
- vi. Collaborates with other departments to properly address compliance issues, which may be subject to investigation;
- vii. Identifies possible areas of compliance issues and works towards the resolution of the same;

- viii. Ensures the attendance of board members and key officers to relevant trainings; and
- ix. Performs such other duties and responsibilities as may be provided by the SEC.

Article 2. Establishing Clear Roles and Responsibilities of the Board⁴

Sec. 1 – The Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and all shareholders.

Sec. 2 – The Board should oversee the development of and approve the company's business objectives and strategy, and monitor their implementation, in order to sustain the company's long-term viability and strength.

Sec. 3 – The Board should be headed by a competent and qualified Chairperson.

The roles and responsibilities of the Chairman include, among others, the following:

- i. 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;
- ii. Guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- iii. Facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
- iv. Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- v. Assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors; and
- vi. Makes sure that performance of the Board is evaluated at least once a year and discussed/followed up on.

Sec. 4 – The Board should 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 should include adopting a policy on the retirement age for directors and key officers as part of management succession and to promote dynamism in the corporation.

⁴ PRINCIPLE: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders and other stakeholders.

Sec. 5 – The Board should align the remuneration of key officers and board members with the long-term interests of the company. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director should participate in discussions or deliberations involving his own remuneration.

Sec. 6 – The Board should adopt a formal and transparent board nomination and election policy that should include how it accepts nominations from minority shareholders and reviews nominated candidates. The policy should 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 should be aligned with the strategic direction of the company.

In addition, the policy shall set forth the following procedures and safeguards in the director selection process:

- i. The MPIC Nominations Committee (the "Committee"), through its Secretariat, shall receive all letters nominating candidates for election as directors/independent directors from stockholders.
- ii. The Committee shall evaluate and screen nominees for directors *vis-à-vis* the applicable qualifications and disqualifications as set forth in the Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulations while ensuring that said qualifications are in line with the strategic objectives of the Company.
- iii. For nominees for independent directors, the Committee shall determine whether or not the nominees meet the independence criteria set forth in the Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulation.
- iv. The Committee shall also consider other relevant factors, such as any conflict of interest and directorships and/or positions in other corporations, which may compromise their capacity to diligently and effectively serve and perform their duties to the Board, the Company and its stakeholders, when elected.
- v. With the assistance of an executive search firm, if necessary, the Committee shall develop a list of nominees to be recommended to the Board, ensuring thereby that:
 - the composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary skills and talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others; and
 - the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures:

1. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives.
 2. Assessment of the existing board's composition which entails cataloging members' skills and experience;
 3. Comparison of the existing board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications.
 4. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.
- vi. Nominees for independent directors who accept the nomination are requested to submit to the Committee a Certification of Independent Director stating his/her qualification and a list of affiliations and positions that may directly or indirectly give rise to conflict of interest or may contravene applicable regulations.
 - vii. The Committee shall submit to the Board of Directors its recommended list of final nominees.
 - viii. The nominees approved by the Board are recommended for election as directors at the meeting of the stockholders or the Board, as the case may be.

In the search of potential nominees, the Committee may use external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the search for and widen the base of potential nominees.⁵

Grounds for Disqualification

The following may be considered as grounds for the permanent disqualification of a director:

- i. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that: (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- ii. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, Bangko Sentral ng Pilipinas (BSP) or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment

⁵ MPIC's Guidelines on the Search, Screening and Selection of Directors.

adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.

The disqualification should also apply if (a) 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 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; (b) such person has otherwise been restrained to engage in any activity involving securities and banking; or (c) 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;

- iii. 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;
- iv. 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 Corporation Code, Securities Regulation Code or any other law, rule, regulation or order administered by the SEC or BSP;
- v. Any person judicially declared as insolvent;
- vi. 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;
- vii. Conviction by final judgment of an offense punishable by imprisonment for more than six years, or a violation of the Corporation Code committed within five years prior to the date of his election or appointment; and
- viii. Other grounds as the SEC may provide.

In addition, the following may be grounds for temporary disqualification of a director:

- i. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any 12-month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification should apply for purposes of the succeeding election;
- ii. 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 should be

in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination;

- iii. 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
- iv. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.

Sec. 7 – The Board should have the overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.⁶

Sec. 8 – The Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the President and Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).

Sec. 9 – The Board should 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.

Sec. 10 – The Board should 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 should also approve the Internal Audit Charter.⁷

Sec. 11 – The Board should 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 should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.

Sec. 12 – The Board should have a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter should serve as a guide to the directors in the performance of their functions and should be publicly available and posted on the company's website.

Article 3. Establishing Board Committees⁸

⁶ A copy of MPIC's Related Party Transactions Policy is attached herewith as Annex "B".

⁷ A copy of MPIC's Internal Audit Charter is attached herewith as Annex "C".

⁸ PRINCIPLE: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Sec. 1 – The Board should establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.

Sec. 2 – The Board should establish an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The committee should be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees.

The Audit Committee is responsible for overseeing the senior management in establishing and maintaining an adequate, effective and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.

The Audit Committee has the following duties and responsibilities, among others:

- i. Recommends the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- ii. Through the Internal Audit (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 should be in place in order to (a) safeguard the company’s resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company’s financial data, and (d) ensure compliance with applicable laws and regulations;
- iii. 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 should also approve the terms and conditions for outsourcing internal audit services;
- iv. Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;
- v. Reviews and monitors Management’s responsiveness to the Internal Auditor’s findings and recommendations;
- vi. Prior to the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- vii. 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 should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;

- viii. Reviews and approves the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Areas where a significant amount of judgment has been exercised
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- ix. Reviews the disposition of the recommendations in the External Auditor's management letter;
- x. Performs oversight functions over the corporation's Internal and External Auditors. It ensures 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;
- xi. Coordinates, monitors and facilitates compliance with laws, rules and regulations;
- xii. Recommends 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 should be prepared and presented to the stockholders; and
- xiii. In case the company does not have a Board Risk Oversight Committee and/or Related Party Transactions Committee, performs the functions of said committees as provided under Recommendations 3.4 and 3.5.

The Audit Committee meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit.

Sec. 3 – The Board should establish a Corporate Governance Committee that should be tasked to assist the Board in the performance of its corporate governance responsibilities. It should be composed of at least three members, all of whom should be independent directors, including the Chairman.

The Corporate Governance (CG Committee) is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. It has the following duties and functions, among others:

- i. 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;

- ii. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- iii. 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;
- iv. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- v. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- vi. Proposes and plans relevant trainings for the members of the Board;
- vii. Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
- viii. 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.

Sec. 4 – The Board should establish a separate Board Risk Oversight Committee that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. The BROOC should be composed of at least three members, the majority of whom should be independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committees. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.

The BROOC has the following duties and responsibilities, among others:

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

- ii. Oversees the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The BROOC conducts regular discussions on the company'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;
- iii. Evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROOC 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;
- iv. Advises the Board on its risk appetite levels and risk tolerance limits;
- v. Reviews at least annually the company'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 company;
- vi. 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;
- vii. 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; and
- viii. Reports to the Board on a regular basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

Sec. 5 – The Board should establish a Related Party Transaction (RPT) Committee, which should be tasked with reviewing all material related party transactions of the company and should be composed of at least three non-executive directors, two of whom should be independent, including the Chairman.

The following are the functions of the RPT Committee, among others:

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

no corporate or business resources of the company 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:

- a. The related party's relationship to the company and interest in the transaction;
 - b. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 - c. The benefits to the corporation of the proposed RPT;
 - d. The availability of other sources of comparable products or services; and
 - e. 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 company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;
- iii. Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
 - iv. Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
 - v. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
 - vi. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

Sec. 6 – All established committees should 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 should provide the standards for evaluating the performance of the Committees. It should also be fully disclosed on the company's website.⁹

Article 4. Fostering Commitment¹⁰

Sec. 1 – The directors should 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

⁹ Copies of all relevant Committee Charters are attached in Schedule I hereof.

¹⁰ PRINCIPLE: To show full commitment to the company, the directors should 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.

immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director should ensure that they have sufficient time to fully prepare for meetings, discuss Management's proposals/views, and oversee the long-term strategy of the company.

Sec. 2 – The Board may consider the adoption of guidelines on the number of directorships that its members can hold in publicly listed corporations in the Philippines, always making sure however that the shareholders' legal right to vote and be voted as directors remains inviolable. The number should take into consideration the ability of the director to diligently and efficiently perform his duties and responsibilities and the nature and kind of corporations he may be director of, regardless of the number of directorships he may be holding.

Sec. 3 – A director should notify the Board where he/she is an incumbent director before accepting a directorship in another publicly-listed company in the Philippines.

Article 5. Reinforcing Board Independence¹¹

Sec. 1 – The board should, in accordance with law, have at least two (2) independent directors or such number as to constitute twenty percent (20%) of the entire membership, whichever is less. Nonetheless, it shall endeavor on best effort basis to have more such independent directors.

Sec. 2 – The Board should ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.

Independent directors need to possess a good general understanding of the industry they are in. Further, it is worthy to note that independence and competence should go hand-in-hand. It is therefore important that the non-executive directors, including independent directors, possess the qualifications and stature that would enable them to effectively and objectively participate in the deliberations of the Board.

An Independent Director refers to a person who, ideally:

- i. 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;
- ii. 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;
- iii. Has not been appointed in the covered company, 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 his election;

¹¹ PRINCIPLE: The board should endeavor to exercise an objective and independent judgment on all corporate affairs.

- iv. 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;
- v. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its 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;
- vi. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;
- vii. 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, an associated person or salesman, and an authorized clerk of the broker or dealer;
- viii. 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 three years immediately preceding the date of his election;
- ix. 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;
- x. 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
- xi. Is not employed as an executive officer of another company where any of the covered company's executives serve as directors.

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.

Sec. 3 – As a rule, independent directors may serve for a maximum of nine (9) consecutive years, starting in 2012, making sure however that the shareholders' legal right to vote and be voted directors remains inviolable. If the company wants to retain an independent director who has served for nine (9) consecutive years, the Board should provide meritorious justifications and sufficient reason to believe that the individual concerned remains to be independent and advise the shareholders of such justifications during the annual shareholders' meeting.

Sec. 4 – In general, the positions of Chairman of the Board and Chief Executive Officer should be held by separate individuals and each should have clearly defined responsibilities.

The CEO has the following roles and responsibilities, among others:

- i. Determines the corporation's strategic direction and formulates and implements its strategic plan on the direction of the business;
- ii. Communicates and implements the corporation's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same;
- iii. Oversees the operations of the corporation and manages human and financial resources in accordance with the strategic plan;
- iv. Has a good working knowledge of the corporation's industry and market and keeps up-to-date with its core business purpose;
- v. Directs, evaluates and guides the work of the key officers of the corporation;
- vi. Manages the corporation's resources prudently and ensures a proper balance of the same;
- vii. Provides the Board with timely information and interfaces between the Board and the employees;
- viii. Builds the corporate culture and motivates the employees of the corporation; and
- ix. Serves as the link between internal operations and external stakeholders.

Sec. 5 – The Board should 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 Chief Executive Officer are held by one person.

Sec. 6 – A director with a material interest in any transaction affecting the corporation should abstain from taking part in the deliberations for the same.

Sec. 7 - The non-executive directors (NEDs) should 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 should be chaired by the lead independent director.

Article 6. Assessing Board Performance¹²

Sec. 1 - The Board should conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.

¹² PRINCIPLE: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Sec. 2 – The Board should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees.

Article 7. Strengthening Board Ethics¹³

Sec. 1 - The Board should adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings. The Code should be properly disseminated to the Board, senior management and employees. It should also be disclosed and made available to the public through the company website.¹⁴

Sec. 2 - The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.

Disclosure and Transparency

Article 8. Enhancing Company Disclosure Policies and Procedures¹⁵

Sec. 1 - The Board should establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.

Sec. 2 - The Company should have a policy requiring all directors and officers to disclose/report to the company any dealings in the company's shares within three business days.¹⁶

Sec. 3 - The Board should 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.

Sec. 4 - The Company should provide a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. Also, the Company should disclose the remuneration of the Board on an individual basis and the executive remuneration in an aggregate basis, including termination and retirement provisions.

Sec. 5 - The Company should disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance. The material or significant RPTs

¹³ PRINCIPLE: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

¹⁴ A copy of MPIC's Code of Business Conduct and Ethics is attached herewith as Annex "D".

¹⁵ PRINCIPLE: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

¹⁶ This is embodied in the Company's Insider Trading Policy and Blackout Rule, a copy of which is attached hereto as Annex "E".

reviewed and approved during the year should be disclosed in its Annual Corporate Governance Report.

Sec. 6 – The Company should make a full, fair, accurate and timely disclosure 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 should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of significant assets that will breach the materiality threshold to be determined.

Sec. 7 - Transparency is one of the core principles of corporate governance. To ensure the better protection of shareholders and other stakeholders' rights, full disclosure of the company's corporate governance policies, programs and procedures is imperative. This is better done if the said policies, programs and procedures are contained in one reference document, which is the Manual on Corporate Governance. The submission of the Manual to regulators and posting it in companies' websites ensure easier access by any interested party.

Article 9. Strengthening the External Auditor's Independence and Improving Audit Quality¹⁷

Sec. 1 - The Audit Committee should have a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external auditor should be recommended by the Audit Committee, approved by the Board and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change should be disclosed to the regulators and the public through the company website and required disclosures.

Sec. 2 - The Audit Committee Charter should include the Audit Committee's responsibility on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter should also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.

Sec. 3 - The Company should disclose the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee should be alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.

Article 10. Increasing Focus on Non-Financial and Sustainability Reporting¹⁸

Sec. 1 - The Board should have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic,

¹⁷ PRINCIPLE: The Company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

¹⁸ PRINCIPLE: The Company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

environmental, social and governance (EESG) issues of its business, which underpin sustainability. Companies should adopt a globally recognized standard/framework in reporting sustainability and non-financial issues.

Article 11. Promoting a Comprehensive and Cost-Efficient Access to Relevant Information¹⁹

Sec. 1 - The Company should include media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.

Internal Control System and Risk Management Framework

Article 12. Strengthening the Internal Control System and Enterprise Risk Management Framework.²⁰

Sec. 1 - The Company should have an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of operations.

Sec. 2 - The Company should 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 company's operations.

A separate internal audit function is essential to monitor and guide the implementation of company policies. It helps the company accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of the company's governance, risk management and control functions. The following are the functions of the internal audit, among others:

- i. 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;
- ii. Performs regular and special audit as contained in the annual audit plan and/or based on the company's risk assessment;
- iii. Performs consulting and advisory services related to governance and control as appropriate for the organization;
- iv. Performs compliance audit of relevant laws, rules and regulations, contractual obligations and other commitments, which could have a significant impact on the organization;

¹⁹ PRINCIPLE: The Company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

²⁰ PRINCIPLE: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

- v. Reviews, audits and assesses the efficiency and effectiveness of the internal control system of all areas of the company;
- vi. 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;
- vii. Evaluates specific operations at the request of the Board or Management, as appropriate; and
- viii. Monitors and evaluates governance processes.

A company's internal audit activity may be a fully resourced activity housed within the organization or may be outsourced to qualified independent third party service providers.

Sec. 3 – The Company should have a qualified Chief Audit Executive (CAE) appointed by the Board. The CAE shall oversee and be responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel should be assigned the responsibility for managing the fully outsourced internal audit activity.

The CAE, in order to achieve the necessary independence to fulfill his/her responsibilities, directly reports functionally to the Audit Committee and administratively to the CEO. The following are the responsibilities of the CAE, among others:

- i. Periodically reviews the internal audit charter and presents it to senior management and the Board Audit Committee for approval;
- ii. 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;
- iii. 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;
- iv. Spearheads the performance of the internal audit activity to ensure it adds value to the organization;
- v. Reports periodically to the Audit Committee on the internal audit activity's performance relative to its plan; and
- vi. Presents findings and recommendations to the Audit Committee and gives advice to senior management and the Board on how to improve internal processes.

Sec. 4 - The Company should have a separate risk management function to identify, assess and monitor key risk exposures.

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

- i. Defining a risk management strategy;
- ii. Identifying and analyzing key risks exposure relating to economic, environmental, social and governance (EESG) factors and the achievement of the organization's strategic objectives;
- iii. Evaluating and categorizing each identified risk using the company's predefined risk categories and parameters;
- iv. Establishing a risk register with clearly defined, prioritized and residual risks;
- v. Developing a risk mitigation plan for the most important risks to the company, as defined by the risk management strategy;
- vi. 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 Board Risk Oversight Committee; and;
- vii. Monitoring and evaluating the effectiveness of the organization's risk management processes.

Sec. 5 - In managing the company's Risk Management System, the company should have a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources and support to fulfill his/her responsibilities, subject to a company's size, risk profile and complexity of operations.

The CRO has the following functions, among others:

- i. Supervises the entire ERM process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;
- ii. Communicates the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee;
- iii. Collaborates with the CEO in updating and making recommendations to the Board Risk Oversight Committee;
- iv. Suggests ERM policies and related guidance, as may be needed; and
- v. Provides insights on the following:
 - Risk management processes are performing as intended;
 - Risk measures reported are continuously reviewed by risk owners for effectiveness; and
 - Established risk policies and procedures are being complied with

There should be clear communication between the Board Risk Oversight Committee and the CRO.

Article 13. Promoting Shareholder Rights²¹

Sec. 1 - The Board should ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance and on the company's website.

It is the responsibility of the Board to adopt a policy informing the shareholders of all their rights. Shareholders are encouraged to exercise their rights by providing clear-cut processes and procedures for them to follow.

Shareholders' rights relate to the following, among others:

- Pre-emptive rights;
- Dividend policies;
- Right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting;
- Right to nominate candidates to the Board of Directors;
- Nomination process; and
- Voting procedures that would govern the Annual and Special Shareholders' Meeting.

The right to propose the holding of meetings and items for inclusion in the agenda is given to all shareholders, including minority and foreign shareholders. However, to prevent the abuse of this right, companies may require that the proposal be made by shareholders holding a specified percentage of shares or voting rights. On the other hand, to ensure that minority shareholders are not effectively prevented from exercising this right, the degree of ownership concentration is considered in determining the threshold.

Further, all shareholders must be given the opportunity to nominate candidates to the Board of Directors in accordance with the existing laws. The procedures of the nomination process are expected to be discussed clearly by the Board. The company is encouraged to fully and promptly disclose all information regarding the experience and background of the candidates to enable the shareholders to study and conduct their own background check as to the candidates' qualification and credibility.

Shareholders are also encouraged to participate when given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and By-Laws of the company; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that in effect result in the sale of the company. In addition, the disclosure and clear explanation of the voting procedures, as well as removal of excessive or unnecessary costs and other administrative impediments, allow for the effective exercise of the shareholders' voting rights. Poll voting is highly encouraged as opposed to the show of hands. Proxy voting is also a good practice, including the electronic distribution of proxy materials.

²¹ PRINCIPLE: The Company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Sec. 2 - The Board should encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.

Sec. 3 - The Board should 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 should be available on the company website within five business days from the end of the meeting.

Sec. 4 - The Board should make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This should be included in the company's Manual on Corporate Governance.

Sec. 5 - The Board should establish an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. The IRO should be present at every shareholders' meeting.

Duties to Stakeholders

Article 14. Respecting Rights of Stakeholders and Effective Redress for Violation of Stakeholders' Rights²²

Sec. 1 - The Board should identify the company's various stakeholders and promote cooperation between them and the company in creating wealth, growth and sustainability.

Sec. 2 - The Board should establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

Sec. 3 - The Board should adopt a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.

Article 15. Encouraging Employees' Participation²³

Sec. 1 - The Board should establish policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.

Sec. 2 - The Board should set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. Further, the Board should disseminate the policy and program to employees across the organization through trainings to embed them in the company's culture.

Sec. 3 - The Board should establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or

²² PRINCIPLE: 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 should have the opportunity to obtain prompt effective redress for the violation of their rights.

²³ PRINCIPLE: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

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 should be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.²⁴

Article 16. Encouraging Sustainability and Social Responsibility²⁵


Sec. 1 - The Company should recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.

(Signature page follows.)

²⁴ A copy of the MPIC Whistle Blowing Policy is attached herewith as Annex "E".


²⁵ PRINCIPLE: The Company should be socially responsible in all its dealings with the communities where it operates. It should 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

Reviewed by:



Atty. Ricardo M. Pilares III
AVP – Legal / Compliance Officer

Approved by:



Mr. Manuel V. Pangilinan
Chairman of the Board



METRO PACIFIC INVESTMENTS CORPORATION
Guidelines on the Search, Screening and Selection of Directors

1. Adoption of Policy

Metro Pacific Investments Corporation ("**MPIC**" or the "**Company**") adopts these Guidelines on the Search, Screening and Selection of Directors (the "**Guidelines**") to help ensure and guide the effective and efficient search, screening and selection of candidates for election as members of the MPIC Board of Directors.

2. Selection Process

The Guidelines set forth the following procedures and safeguards in the director selection process:

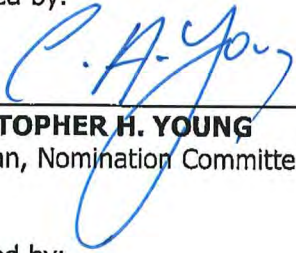
- 2.1. The MPIC Nominations Committee (the "**Committee**"), through its Secretariat, shall receive all letters from stockholders nominating candidates for election as directors/independent directors.
- 2.2. The Committee shall evaluate and screen nominees for directors *vis-à-vis* the applicable qualifications and disqualifications as set forth in the Company's Manual on Corporate Governance, By-Laws and other applicable policy, law or regulations while ensuring that said qualifications are in line with the strategic objectives of the Company.
- 2.3. For nominees for independent directors, the Committee shall determine whether or not the nominees meet the independence criteria set forth in the Company's Manual on Corporate Governance, By- Laws and other applicable policy, law or regulation.
- 2.4. The Committee shall consider the possibility of any conflict of interest and directorships and/or positions in other corporations, which may compromise their capacity to diligently and effectively serve and perform their duties to the Board, the Company and its stakeholders, when elected.
- 2.5. The Committee shall also consider the following factors in reviewing and evaluating nominations to the Board of Directors:
 - 2.5.1. Whether the nominee possesses the knowledge, skills, and experience necessary for the different industries in which MPIC operates;
 - 2.5.2. Whether the nominee possesses the knowledge, skills, experience and, particularly in the case of non-executive directors, the independence of mind to carry out their responsibilities to MPIC;
 - 2.5.3. Whether or not the nominee has a record of integrity and good repute;
 - 2.5.4. Whether or not the nominee has sufficient time to carry out his or her responsibilities to MPIC. In this regard, the Committee shall consider whether or not the nominee already occupies an excessive number of directorships which affects his/her ability to dedicate time to perform his/her duties as Director of the Company;
 - 2.5.5. Whether or not the nominee possesses the ability to promote smooth interaction among members of the Board; and

- 2.5.6. Whether or not the nominee bolsters the diversity of backgrounds in the Board of Directors, in accordance with the Company's Board Diversity Policy.
- 2.6. With the assistance of an executive search firm, if necessary, the Committee shall develop a list of nominees to be recommended to the Board, ensuring thereby that:
 - 2.6.1. The composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary skills and talents that are mutually enforcing and promotes diversity in terms of age, gender and ethnicity, among others; and
 - 2.6.2. The composition of the Board and the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities. Whenever applicable, the Committee shall undertake the following procedures:
 - 2.6.2.1. Identification of the necessary skills and qualifications that are aligned and will promote the achievement of the Company's Mission, Vision and strategic objectives.
 - 2.6.2.2. Assessment of the existing board's composition which entails cataloging member's skills and experience;
 - 2.6.2.3. Comparison of the existing board's inventory of qualifications with the list of desired skills and experience to develop a clear picture of gaps, if any. The Committee may also identify potential upcoming vacancies owing to retirement or resignation in order to account for potential required skills and qualifications.
 - 2.6.2.4. The gaps, if any, should function as the driving criteria for the specified qualifications which the Committee shall assemble upon which the nominees shall be measured against.
- 2.7. Nominees for independent directors who accept the nomination shall be requested to submit to the Committee a Certification of Independent Director stating his/her qualification and a list of affiliations and positions that may directly or indirectly give rise to conflict of interest or that may contravene applicable regulations.
- 2.8. After due consideration, the Committee shall submit to the Board of Directors its recommended list of final nominees.
- 2.9. The nominees approved by the Board shall be recommended for election as directors at the meeting of the stockholders or of the Board, as the case may be.
- 2.10. In the search of potential nominees, the Committee may use external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the search for and widen the base of potential nominees.

3. Review and Assessment

The Nomination Committee shall review these Guidelines every two years to assess their effectivity in finding directors who meet the criteria herein as well as the needs of the Company.

Reviewed by:



CHRISTOPHER H. YOUNG

Chairman, Nomination Committee

Approved by:



MANUEL V. PANGILINAN

Chairman of the Board of Directors



METRO PACIFIC INVESTMENTS CORPORATION
WORKPLACE GENDER, EQUALITY AND DIVERSITY POLICY

Section 1. Purpose. Metro Pacific Investments Corporation (the "Company") recognizes that a diverse workforce is important to achieving its commercial and social objectives. The Company recognizes that a plurality of perspectives and experiences will benefit the Company in the long term.

With this in mind, the Company adopts this Workplace Gender, Equality and Diversity Policy (the "Policy") in order to (a) provide a framework that will allow the Company to build a diverse workforce, (b) ensure that personnel are not discriminated against on the basis of their gender, sexual orientation, age, marital status, pregnancy, political beliefs, ethnicity, religious beliefs, disability or other distinguishing characteristics that are not relevant to their ability to work (hereinafter referred to as "Attributes").

Section 2. Statement of Principle. The Company shall ensure that its employees are treated fairly and shall not be discriminated against on the basis of their Attributes. The Company's employees must be able to work without fear of harassment and discrimination, and will be given the opportunity to reach their full potential.

Section 3. Scope of the Policy. The principles stated above shall apply to all facets of the Company's activities, including recruitment, determination of terms and conditions of employment, professional training and development, career advancement, working environment and termination of employment.

Recruitment: The Company shall implement a fair system of evaluating applicants. The Company shall ensure that no applicant shall be discriminated against on the basis of their Attributes. The Company will endeavor to have a gender-diverse slate of candidates for employment.

Terms and Conditions of Employment: The Company is an equal opportunities employer and is committed to the principle of equal pay and other contractual terms for its employees. Employees should receive equal pay for like work, and in order to achieve this objective, the Company will endeavor to maintain a pay system that is transparent, based on objective criteria and free from bias. The Attributes of an employee shall not be used as a factor to determine the terms and conditions of employment, and the Company shall provide training and guidance to those involved in determining the terms and conditions of employment in order to implement the foregoing. The Company will regularly review its practices in the determination of terms and conditions of employment.

Professional Training: All employees will be given a fair opportunity for professional development through trainings, mentorship and other avenues for career advancement, regardless of Attributes.

Career Advancement: No employee shall be discriminated against on the basis of his/her Attributes for purposes of promotions. The Company shall adopt an objective criteria in determining promotions, free from discrimination on the basis of Attributes.

Working Environment: All employees are entitled to be treated with dignity and respect. The Company shall provide a safe working environment free from harassment or bullying. Appropriate sanctions shall be imposed against employees who engage in harassment or bullying up to and including dismissal from employment.

Termination: No employee shall be terminated on the basis of his/her Attributes.

Section 4. Responsibility. The Company's senior management team, subject to the oversight of the Board, shall be primarily responsible in implementing this Policy.

The Company shall put in place an appropriate grievance mechanism that will allow employees to file a formal complaint in case of a violation of this Policy. The Company's Whistle-Blowing Policy shall apply to complaints under this Policy.

The Company shall protect employees from retaliation in case of complaints filed under this Policy.

Section 5. Conflict. In case of conflict between this Policy and applicable law, the latter shall prevail.

Reviewed by:



Retired Chief Justice Artemio V. Panganiban
Chairman, Governance and Sustainability Committee

Approved by:



Manuel V. Pangilinan
Chairman of the Board



METRO PACIFIC INVESTMENTS CORPORATION
Policy on Succession Planning

1. Adoption of Policy

Metro Pacific Investments Corporation ("**MPIC**" or the "**Company**") acknowledges that changes in management, which could be brought about by vacancies resulting from retirement, resignation, death, promotion or new business opportunities, are inevitable. Because of this, the Company has adopted this Policy on Succession Planning (the "**Policy**") to identify and prepare candidates for higher-level management positions that become vacant for any of the aforementioned reasons.

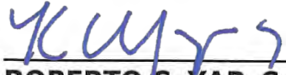
2. Scope and Coverage

This Policy shall apply to the members of the management team of the Company, including the Chairman of the Board of Directors, the President and Chief Executive Officer.

3. Guidelines

- 3.1. Succession planning shall be anchored on the Company's short- and long-term corporate goals and objectives, vis-à-vis the areas of competencies for key leadership positions, to ensure the continuity of an effective organizational performance and attainment of business objectives and targets.
- 3.2. The Company's Board of Directors, together with senior management, shall prepare the Company's succession plan. The President and CEO, with the assistance of the Vice President for Human Resources, shall be primarily responsible for the implementation of the Company's succession plan.
- 3.3. The Human Resources Department shall adopt programs to carry out the Company's succession plan. These programs shall include, but shall not be limited to, the following:
 - 3.3.1. Documenting roles and responsibilities required for each leadership position;
 - 3.3.2. Objectively identifying the key knowledge, skills, and abilities required for senior leadership positions;
 - 3.3.3. Identification of employees with potential to occupy leadership positions in the future;
 - 3.3.4. Undertaking training and mentoring programs either in house or through other institutions to develop current leaders and potential successors; and
 - 3.3.5. Implementing a performance appraisal system that measures performance, identify areas for improvement and provide feedback, geared towards developing necessary competencies and qualities necessary for candidates to undertake greater responsibilities within the Company.

Reviewed by:



ROBERTO C. YAP, S.J.

Chairman, Governance and Sustainability Committee

Approved by:



MANUEL V. PANGILINAN

Chairman of the Board of Directors



INSIDER TRADING POLICY

Section 1. Introduction

Metro Pacific Investments Corporation ("MPIC" of the "Company") is fully committed to comply with all the laws, rules and regulations related to its business operations including compliance with the Insider Trading rules prescribed under the Securities Regulation Code (SRC) of the Philippines or Republic Act No. 8799.

As part of its commitment to ensure proper compliance with regulations and to align the Blackout Period policy with the industry's best practices, this policy is hereby adopted to guide the Company and its subsidiaries' directors, officers' employees and their associates in the trading of MPIC shares.

Section 2. Policy Statement

It is the policy of the Company not to take undue advantage of material non-public information in dealing or trading Company shares while in possession of such information. Company **Insiders**, as defined in this policy, are persons who are considered to have knowledge of material facts or changes in the affairs of the Company which are not yet publicly disclosed. They shall abstain from disseminating such information or engaging in the trading (buying or selling) of the Company shares until clearance is given by the proper authority.

Section 3. Definition of Terms

- a. **Insider** - covers any of the following persons in the Company or its subsidiaries:
- i. All members of the Board of Directors;
 - ii. All Key Officers as specified in the and its subsidiaries By-Laws and other similar corporate documents.
 - iii. All Heads of Organizations and members of the Management Team.
 - iv. Consultants and Advisers of the Company.
 - v. All other employees of the Company or its subsidiaries with regular access to material information which are not yet publicly disclosed.
 - vi. All Secretaries and Executive Assistants of the above.
 - vii. Relatives of the above persons who are living in the same household with them.

- b. **Material non-public information¹** - refers to any information which (a) has not been generally disclosed to the public and would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the information; or (b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell or hold a security.

While it is not possible to define all categories of material information, there are various types of information that are particularly sensitive and, as a general rule, should always be considered material in nature unless properly cleared by concerned authority. Such material information include, but are not limited to:

- a. Financial results
- b. Projections of future earnings or losses
- c. News of a pending or proposed merger
- d. Change in the corporate structure such as a re-organization
- e. Acquisition/Divestitures/Joint venture
- f. Dividend declaration and changes in dividend policy
- g. Stock splits
- h. New significant equity investments or debt offerings
- i. Significant litigation exposure
- j. Major changes in key senior management positions
- k. Public or private sale of company securities

Note: Both positive or negative information may be considered material.

- c. **Relatives²** - relatives of up to the third degree, by consanguinity, affinity or legal adoption, including, spouse, parents, children (and their spouses), siblings (and their spouses), nieces and nephews (limited to children of brothers and sisters) [and their spouses], grandparents, and aunts and uncles (limited to brothers or sisters of parents); and a domestic partner and his relatives of up to third degree, by consanguinity, affinity or legal adoption.

- d. **Structured Disclosures³** - are the defined periodic reportorial requirements required by the Securities and Exchange Commission (SEC), Philippine Stock Exchange (PSE) and the Philippine Dealing Exchange Corporation (PDEX).

- d. **Unstructured Disclosures⁴** - any material fact or event that occurs, not covered by the structured reports, which would reasonably be expected to affect investors' decisions in relation to the trading of its securities.

¹ As defined in Section 27.2 of the Securities Regulation Code.

² As defined in MPIC's Conflict of Interest Policy.

³ Definition as provided in the PSE's Revised Disclosure Rules, Penalties and Fines Implementing Guidelines.

⁴ Definition as provided in the PSE's Revised Disclosure Rules, Penalties and Fines Implementing Guidelines.

Section 4. General Rules

(A) Blackout Period

- a. **Blackout Period** - the following shall be used as guide in determining the Blackout Period coverage:
 - Structured Disclosures - Ten (10) trading days before and two (2) trading days after the disclosure of structured reports.
 - Unstructured Disclosures - Two (2) trading days after the disclosure of any material information other than the structured reports.
- b. An **Insider** is enjoined from buying or selling, directly or indirectly, listed and publicly traded shares of Metro Pacific Investments Corporation (share code "MPI") within the Blackout Period.
- c. To avoid possible violation of the Blackout Period policy, an Insider may consult the Corporate Governance Office or the Legal Department prior to the trading of Company shares.
- d. The Company's Compliance Officer is tasked to announce or disseminate Blackout period at least one week prior to the release of structured reports or one trading day for the unstructured reports.
- e. The Company or its Subsidiaries Directors, Key Officers, Heads of Organizations, Consultants, Advisers, Secretaries, Assistants or any of their employees covered by this Policy shall be responsible for relaying the Blackout Period announcement to their Relatives for their guidance.
- f. **Exception Handling:**

In case of personal emergency or exceptional situation when a Participant is constrained to trade the Company shares while the Blackout Period is imposed, the following rules shall be observed:

 - (i) The concerned person shall ask permission in writing from the Company President/CEO, or in the case of the CEO, the Chairman of the Board of Directors, prior to the trading of the shares.
 - (ii) Written permission shall clearly state the date when trading is allowed.
 - (iii) In the absence of the specified trading days in the written permission, the trading of shares shall be within seven (7) working days from the date approval is granted.
 - (iv) The Corporate Secretary or Assistant Corporate Secretary shall keep the records of the decisions taken on exceptional cases for future reference.

(B) Trading of Directors and Key Officers of the Company (Excluding Subsidiaries)

Section 23 of the Securities Regulation Code prescribed that a director or an officer of the issuer of the security, shall file, at the time either such requirement is first satisfied or within ten (10) days after he becomes such a beneficial owner, director, or officer, a statement with the SEC and to the PSE and the PDEX (if the security is listed for trading) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten (10) days after the close of each calendar month thereafter, if there has been a change in such ownership during such month.

Likewise, Section 13 of the PSE's Revised Disclosure Guidelines, requires the disclosure of the direct and indirect ownership of its directors and principal officers of the Company securities (or shares) within two (2) trading days after in any of the following circumstances:

1. The Issuer's securities is first admitted in the Official Registry of the Exchange;
2. Director is first elected or an Officer is appointed; or
3. Any acquisition, disposal, or change in the shareholdings of the Directors and Officers.

All Directors and Key Officers of the Company shall submit their accomplished Statement of Changes in Beneficial Owners given the above mentioned circumstances not later than one (1) trading day after the occurrence of the event to the Compliance Officer.

In any of the above circumstances, the concerned Company Director or Key Officer shall immediately accomplish the Statement of Changes in Beneficial Ownership or SCBO and submit the same to the PR and Corporate Communications Department for review and validation. The validated SCBO shall be submitted to the Office of the Compliance Officer not later than one (1) trading day after the occurrence of the event. The Compliance Office shall ensure that the accomplished SCBO shall be submitted within two (2) trading days after the event occurrence.

(C) Consequences of Non-Compliance

Violation of this Policy shall be subject to disciplinary action under the Company's Code of Business Conduct and Ethics without prejudice to any civil or criminal proceedings which the Company or regulators may file for violation of existing laws. Insider trading under the law may be subject to penalty for damages or fine and/or imprisonment which includes the following:

1. Section 61 of the Securities Regulation Code (SRC) provides that, "any insider, who violates Section 27.1 (Insider's Duty to Disclose When Trading) and any person in the case of a tender offer who violates Subsection 27.4 (a)(i), or any rule or regulation thereunder, by purchasing or selling a security while in possession of

material information not generally available to the public, shall be liable in a suit brought by any investor who, contemporaneously with the purchase or sale of securities that is the subject of the violation, purchased or sold securities of the same class unless such insider, or such person in the case of a tender offer, proves that such investor knew the information or would have purchased or sold at the same price regardless of disclosure of the information to him.

2. Section 2 of the Revised PSE Disclosure Guidelines prescribes the penalty for non-compliance with the requirement for Non-Structured Disclosures to the Company (as the Listed Company), which include the submission of the Statement of Beneficial Ownership within a 12-month period, as follows:

- a. First violation - Php 50,000.00
- b. Second violation of a similar nature - Php 75,000.00
- c. Third violation - suspension of trading of the issuer for a period of one (1) month
- d. Fourth violation - ground for delisting.

An additional fine of Php 1,000.00 shall be imposed for each trading day during which the offense continues until and including the day on which the violation is rectified. Failure to pay within one (1) month from the imposition of the penalty and any additional fine imposed will result in the suspension of trading of the securities of the Listed Company.

The Company shall have recourse against the Insider for monetary penalties assessed by regulators for violation of insider trading rules.

Section 5. Effectivity

This policy will take effect immediately. All existing policies, systems, practices, and related implementing guidelines concerning the same matters covered by this Policy, including Blackout Period/Restriction on Trading of Shares, are deemed revoked and superseded by this Policy. In the event of any inconsistency between the Policy and guidelines contained in this document and the terms of other existing systems, practices, and related implementing guidelines, this Policy shall prevail.

Section 6. Amendment or Alteration of this Policy

This policy shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board of Directors.

Approved by:

JOSE MA. K. LIM

President & CEO



METRO PACIFIC INVESTMENTS CORPORATION
Code of Business Conduct and Ethics

1. Adoption of Policy

Metro Pacific Investments Corporation ("MPIC" or "the Company") is dedicated to doing business in accordance with the highest standards of ethics, in recognition that ethical business practices are an integral part of creating wealth in a sustainable manner. MPIC, its directors, officers, and employees endeavor to promote a culture of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness, and transparency in their relationships among themselves and with MPIC's customers, suppliers, competitors, business partners, governments, regulators and the public.

This Code of Business Conduct and Ethics (the "**Code**") sets forth MPIC's business principles and values which shall guide and govern all business relationships of MPIC, its directors, officers and employees, including their decisions and actions when performing their respective duties and responsibilities.

2. Standards of Business Conduct and Ethics

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 2.1. Engage in honest conduct and comply with all applicable laws, rules and regulations, including prohibitions on insider trading, both in letter and spirit. Demands brought on by prevailing business conditions or perceived pressures are not excuses for violating any law, rules or regulations;
- 2.2. Personally adhere to the standards and restrictions imposed by those laws, rules and regulations; and
- 2.3. Avoid the direct or indirect commission of bribery and corruption of representatives of governments or regulators to facilitate any transaction or gain any perceived or actual favor or advantage, excluding permissible additional payments for routine governmental actions allowed by all applicable laws and regulations.

3. Competition and Fair Dealing

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 3.1. Avoid taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing

practice;

- 3.2. Deal fairly with MPIC's customers, service providers, suppliers, competitors and employees; and
- 3.3. Engage in business activities that are consistent with fair and open competition and with honest, transparent, and accountable business practices, in accordance with applicable laws and regulations.

4. Confidentiality of Information and Proper Use of Property

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 4.1. Maintain and safeguard the confidentiality of information entrusted by MPIC, its subsidiaries, affiliates, customers, business partners, or such other parties with whom MPIC relates, except when disclosure is authorized or legally mandated. Confidential information includes any confidential, proprietary, non-public information relating to the Company, its affiliates and subsidiaries and other parties to which MPIC is bound by confidentiality, including but not limited to their data, reports, interpretations, forecasts, records, agreements, legal documents, studies, project pipelines, and other information, as well as any information or analysis derived from such information;
- 4.2. Follow Company policies and applicable laws regarding business records retention. Ensure that records are not altered, concealed, destroyed or falsified to impede, obstruct or influence any investigation by, or proceeding before any official Company committee or body, governmental, regulatory or judicial body having jurisdiction;
- 4.3. Comply with all applicable rules and regulations in transacting MPIC shares, and not to take advantage of material, non-public information acquired as an insider in transacting MPIC shares in violation of applicable laws and regulations;
- 4.4. Use Company property and resources, efficiently, responsibly and only for legitimate business purposes; and
- 4.5. Protect the assets of MPIC from loss, damage, misuse or theft.

5. Conflicts of Interest and Corporate Opportunities

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 5.1. Avoid any actual or apparent conflicts of interest between private interests, including the private interest of their family members, and the interests of MPIC, Any actual or apparent conflict of interest, and any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest,

should be properly disclosed and approved in accordance with Company policies;

- 5.2. Avoid activities and interests that could significantly affect the objective or effective performance of duties and responsibilities in MPIC, including business interests or unauthorized employment outside MPIC, the receipt from and giving of gifts to persons or entities with whom MPIC relates;
- 5.3. Be loyal to MPIC. As such, all business decisions and actions must be based on the best interest of MPIC and must not be motivated by personal considerations and other relationships, which may interfere with the exercise of independent judgment;
- 5.4. Advance MPIC's legitimate interests when the opportunity arises. Avoid competing with MPIC on a business opportunity or acquiring an interest adverse to that of MPIC's; and
- 5.5. Refrain from the direct or indirect grant of loans to any director or officer, including loans granted or arranged by MPIC's subsidiaries and affiliates, unless such grant or arrangement is allowed by Company policies (such as the grant of a salary loan to employees consistent with Company policies) and applicable laws and regulations.

6. Risk Management

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to assess and manage risks involved so as not to jeopardize shareholder value.

7. Disclosure

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 7.1. Publicly disclose all material information (*i.e.*, anything that could potentially affect share price, as well as other information), including earning results, corporate strategy, related party and off- balance sheet transactions, consistent with applicable laws, rules, and regulations;
- 7.2. Comply with MPIC's disclosure controls and procedures and internal controls to ensure that (i) financial and non-financial information is properly recorded, processed, summarized and reported and (ii) MPIC's public reports and documents, including the reports that MPIC files with the Philippine Stock Exchange and the Securities and Exchange Commission;
- 7.3. Properly review any proposed public disclosures regarding MPIC and its activities, to ensure their accuracy and compliance with applicable regulations and to consult with other Company officers, employees, and advisors, and take other appropriate steps to ensure full, fair, accurate, timely and understandable disclosure of MPIC's affairs

as may be required;

- 7.4. Be familiar with the disclosure requirements applicable to MPIC as well as the business and financial operations of MPIC;
- 7.5. Not knowingly misrepresent, or cause others to misrepresent, facts about MPIC, whether inside or outside MPIC, including to MPIC's independent auditors, governmental regulators and self-regulatory organizations;
- 7.6. Assess the effectiveness of the disclosure controls and procedures and internal controls and take corrective actions with regard to any identified weaknesses or deficiencies.

8. Relations with Stakeholders

In their behavior and various business dealings, MPIC, its directors, officers, and employees commit to:

- 8.1. Identify the Company's various stakeholders and promote cooperation between them and MPIC in creating wealth, growth, and sustainability;
- 8.2. Adopt strategies, actions, decisions, ethical standards, and transactions based on increasing long-term success and creating sustainable value for its shareholders and stakeholders;
- 8.3. Adopt international best practices of good corporate governance in the conduct of the business;
- 8.4. Ensure the protection and fair treatment of the Company's stakeholders;
- 8.5. Keep business and accounting records which accurately reflect the financial position of the business and issue financial statements to ensure transparency of information to stakeholders;
- 8.6. Ensure an independent audit of MPIC's financial statements by external auditors selected by MPIC's Audit Committee;
- 8.7. Ensure open channels for comprehensive and cost-efficient communication to stakeholders; and
- 8.8. Communicate truthfully and regularly to stakeholders regarding business policies, achievements and prospects as well as material and reportable non-financial and sustainability issues, with a focus on the management of environmental, economic, social, and governance issues.

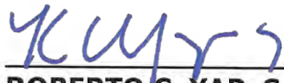
9. Implementation And Monitoring Of The Code

- 9.1. Directors, officers, and employees of MPIC commit to comply with both the letter and spirit of this Code and MPIC endeavors to obtain the same commitment from its business partners. In this connection, directors and officers should explain to employees and business partners MPIC's principles and values set forth in this Code, and emphasize the importance of conducting themselves in accordance with the standards set by this Code in order to attain financial rewards for MPIC and to deter wrongdoing.
- 9.2. The Corporate Governance Officer shall be responsible for applying the Code to specific situations in which questions or concerns may arise, and has the authority to interpret and decide on such issues arising from the implementation of the Code.
- 9.3. There shall be no waiver of any of the provisions of this Code in favor of any directors, officer, or employee, except when expressly authorized by the Board of Directors or the Governance and Sustainability Committee in the case of waivers for directors and officers or by the Corporate Governance Officer in the case of waivers for employees. Any such waiver for any director or executive officer or any material amendment to the Code must be promptly disclosed in accordance with applicable rules and regulations.
- 9.4. Any director, officer or employee is encouraged to contact the Corporate Governance Officer when in doubt about the best course of action in a particular situation relating to a subject matter of the Code.
- 9.5. Any director, officer or employee who is aware of any existing or potential violation of the Code is required to notify the Corporate Governance Officer promptly. The Corporate Governance Officer shall take all action it considers appropriate to investigate any violations reported to it. If a violation has occurred, MPIC shall take such disciplinary or preventive action as it deems appropriate.
- 9.6. Disciplinary actions against violators include measures such as reprimand, suspension, fine, or dismissal and/or the filing of appropriate civil and criminal actions. For purposes of this Code, "violators" are defined as a) persons who commit prohibited acts or who fail to implement prescribed acts when there is an obvious opportunity to do so; b) employees who knowingly abet such acts of commission or omission or who fail to report such acts that violate the Code; and c) persons of authority who fail to impose the necessary disciplinary measures against violators.
- 9.7. Retaliation or discrimination, whether direct or indirect and in any form, against any director, officer, or employee who reports, honestly and in good faith, any violation or perceived violation of this Code shall not be tolerated.
- 9.8. All policies, systems practice, orders, and similar official corporate issuances, whether existing or to be issued shall be revisited and revised as soon as practicable in order to be consistent with the letter and spirit of this Code. Pending the

finalization of such amendments, the provisions of this Code shall prevail over any policies, systems practice, orders, and similar official corporate issuances, inconsistent with this Code.

9.9. This Code shall be reviewed at least once every two (2) years or such other frequency as may be determined by the Board of Directors and/or the Governance and Sustainability Committee.

Reviewed by:



ROBERTO C. YAP, S.J.

Chairman, Governance and Sustainability Committee

Approved by:



MANUEL V. PANGILINAN

Chairman of the Board of Directors



DIVIDEND POLICY

"MPIC's current dividend policy calls for the payment of regular cash dividends in an amount of up to 25% of the audited consolidated core net income for the year, subject to approval of the **Board of Directors, taking into consideration the interest of the shareholders, the Company's debt covenants, and the requirements dictated by working capital, expansion plans, capital expenditures and debt servicing.**

Payment of dividends shall always be subject to the availability of unrestricted retained earnings in accordance with the guidelines of the Securities and Exchange Commission.

Further, the Company commits to pay dividends to its shareholders within 30 days from the date **of its declaration."**

REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S

CERTIFICATION

I, **RICARDO M. PILARES III**, Filipino, of legal age, with office address at the 9/F Rockwell Business Center Tower 1, Ortigas Ave., Pasig City, after having been duly sworn in accordance with law, hereby certify the following information in connection with the responses provided in the Company's Integrated Annual Corporate Governance Report (SEC Form I-ACGR) for the covered year 2022:

1. I am the incumbent Corporate Secretary of **METRO PACIFIC INVESTMENTS CORPORATION**, (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at 9/F Rockwell Business Center Tower 1, Ortigas Ave., Pasig City.
2. As Corporate Secretary, I caused the distribution of materials for the meetings of the Board of Directors or the Company ("**Board**") held in 2022 at least five business days before each of the scheduled meetings (Principle 1, Recommendation 1.5).
3. As Corporate Secretary, I prepared the minutes of the meetings of the Board held in 2022 ("**Board Minutes**") and have custody of the approved and signed Board Minutes.
 - 3.1 The Board Minutes reflect that the members of the Board act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company. (Principle 2, Recommendation 2.1)
 - 3.2 The Board Minutes reflect that the members of the Board attend and actively participate in all meetings of the Board and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Securities and Exchange Commission, review meeting materials for all Board meetings, and asked the necessary questions and sought clarifications and explanations during the respective meetings of the Board (Principle 4, Recommendations 4.1.1, 4.1.2 and 4.1.3).
 - 3.3 The relevant Board Minutes reflect that Director(s) who have a material interest in transactions affecting the Company abstained from taking part in the deliberations by the Board regarding such transactions (Principle 5, Recommendation 5.7).
 - 3.4 The relevant Board Minutes reflect that with respect to related party transactions, Director(s) with conflict interest disclosed his/her/their interest prior to Board discussion, and abstained from the Board discussion, on such transactions (Principle 8, Supplement to Recommendation 8.5).
4. In accordance with Section 2.1.8(b) of the Company's Manual on Corporate Governance, Director(s) who were invited or nominated for directorship in other

corporations disclosed or notified the Board, through the Chairman and the Governance and Nomination Committee, of such invitation/nomination before accepting the directorship in other corporations (Principle 4, Recommendation 4.3).


WITNESS my hand and seal of the Company this ____ day of MAY 11 2023 2023 in Pasig City.


RICARDO M. PILARES III
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

BEFORE ME, a notary public in and for PASIG CITY, personally appeared RICARDO M. PILARES on MAY 11 2023 with DL No. 02-98-389275 issued at LTO Pasig on 17 April 2019, who was identified by me through competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Doc. No.: 239 ;
Page No.: 49 ;
Book No.: 1 ;
Series of 2023.


CAMILLE MARIA E. CASTOLO
Appointment No. 220
Notary Public for Pasig City
Until December 2023
9th Floor, Tower 1, Rockwell Business Center,
Ortigas Avenue, Pasig City
Roll of Attorneys No. 63466
PTR No. 0162244/06 Jan 2023/Pasig City
IBP No. 261392/03 Jan 2023/Makati City Chapter



METRO PACIFIC INVESTMENTS CORPORATION
AUDIT COMMITTEE CHARTER

Section 1. Basis and Purpose

The Revised Manual on Corporate Governance (the "Governance Manual") of Metro Pacific Investments Corporation (the "Corporation") provides that its Board shall constitute, among others, an Audit Committee to assist it in good corporate governance.

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors in fulfilling its oversight responsibilities over the following:

- a. the Corporation's financial statements and reporting system;
- b. the Corporation's compliance to legal and regulatory requirements;
- c. the external auditor's qualifications, independence, and performance; and
- d. the performance of the Corporation's internal audit function and Internal Auditors.

Section 2. Structure and Membership

2.1 Composition. The members of the Committee shall be appointed by the Board of Directors. The Committee shall be composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. An independent director is one who is independent of management and who, apart from his fees and shareholdings, is free from any business or other relationship which could materially interfere with the exercise of his independent judgment.

The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees.

The Board may appoint one or more persons to serve as advisor(s) ("Advisor") to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee but shall have no right to vote on any action of the Committee.

2.2 Appointment. The Chairman and members of the Committee shall be appointed by, and removed from office, only by the Board. In case of vacancy in the Committee, the Board shall appoint a new Committee member from among the directors. The Board, through the Committee, shall ensure that there is an established training and succession plan which is regularly reviewed and updated.

2.3 Qualifications and Disqualifications. In addition to the qualifications required for election as director of the Corporation provided under the Corporation's By-Laws and Governance Manual, the Members of the Committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting and finance.

The Members shall be disqualified for any of the grounds for disqualification of a director provided under the Corporation's Governance Manual, the Corporation Code of the Philippines, Securities Regulation Code and its Implementing Rules and Regulations, and other relevant laws, rules and regulations of the Securities and Exchange Commission.

2.4 Committee Secretary. The Committee shall appoint a Committee Secretary who shall prepare the minutes of the meetings and keep the records of the Committee.

Section 3. Meetings and Procedures

3.1 Meetings Quorum and Voting. The Committee shall meet at least once every quarter or more frequently as circumstances require. During these meetings, the Committee may meet privately with senior management, the external auditors, or as a Committee to discuss any matters that need to be discussed.

The time and place of the meetings and procedures at such meetings shall be determined by the Committee. A majority of the members of the Committee shall constitute a quorum provided an Independent Director is present (unless he has been duly notified but deliberately and without justifiable cause fails to attend the meeting).

The Committee shall maintain minutes or other records of its meetings and activities.

3.2. Meeting through Teleconference, Video Conference or Similar Means. Members and Advisors may participate in any meetings of the Committee through teleconference, video conference or other similar means, provided that all persons participating in the meeting can hear each other.

3.3 Notices. Notices of the meetings of the Committee shall be sent to the Members and Advisors by personal delivery, mail, facsimile, electronic mail or other similar means at least two (2) days prior to the meeting and specifying the place, date and time of the meeting, as well as the matters to be discussed during the meeting. For this purpose, the Committee Secretary shall obtain the addresses, facsimile numbers and electronic mail addresses of each Member and Advisor where notices of meetings may be sent.

3.4 Minutes and Records. The Committee Secretary shall maintain minutes or other records of its meetings and activities.

3.5 Remuneration. No fees or other remuneration shall be payable to the members and advisors of the Committee for services provided or attendance to Committee meetings, except fees or remuneration authorized and approved by

the Board. No fees or compensation shall be paid directly or indirectly to any member of the committee as consultant or legal or financial Advisor or to such member's firm for such consulting or advisory services even if such member is not the actual service provider.

Section 4. Functions and Responsibilities

The Committee's specific duties and responsibilities are as follows:

4.1 On External Auditors:

- a) Review and evaluate the qualifications, performance and independence of the external auditors and the lead partner by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services, and discussing the relationships with the auditors.
- b) Select and appoint the external auditors and remove or replace the external auditors as it may deem necessary.
- c) Review the external auditors' proposed fees, audit scope and approach, including coordination of audit effort with Internal Audit, and their compliance with auditing standards.
- d) Review and approve, in consultation with the Chief Finance Officer and Chief Audit Executive, all audit and non-audit work services, if any, to be performed by the external auditor and the related fees to be paid for such services. Periodically review the non-audit fees paid to the external auditor in relation to the total fees paid to the auditor and to the Corporation's overall consultancy expenses. The Committee should disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report.
- e) Ensure that the external auditor has unrestricted access to all records, properties and personnel to enable performance of the required audit.
- f) Ensure that the external auditor or the lead, engagement, or handling partner having primary responsibility for the audit or review of the Corporation is rotated at least once every five (5) years.
- g) Review reports of the external auditors, where applicable, and ensure that management is taking appropriate corrective actions in a timely manner, including addressing control, governance and compliance issues.

4.2 On Financial Statements:

- a) Review and discuss with management and the external auditor the Corporation's quarterly, half-year, and annual financial statements

before submission to the Board, focusing particularly on the following:

- Critical accounting policies and practices to be used.
 - Major financial reporting issues and judgments made.
 - Significant adjustments resulting from the audit.
 - Unusual or complex transactions.
 - Going concern assumptions.
 - Compliance with accounting standards.
 - Compliance with tax, legal, and stock exchange requirements.
- b) Review interim and annual financial reports, with management and the external auditors, before filing with regulators and consider whether these are complete and consistent with the information known to the Committee.
- c) Evaluate relationship that senior management, financial management, external auditors, and internal auditors have to ensure accurate and timely financial reporting.
- d) Resolve any disagreement between management and the external auditors regarding financial reporting.
- e) Review and approve management representation letter before submission to external auditor, including disposition of the auditor's recommendations by the management thereafter.

4.3 On Internal Audit Function:

- a) Review with management and the Chief Audit Executive the charter, scope, plans, activities, staffing, and organizational structure of the internal audit activity.
- b) Through the Internal Audit Department, monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Ensure that a well-designed internal control procedures and processes that will provide a system of checks and balances are in place in order to (a) safeguard the Corporation's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the Corporation's financial data, and (d) ensure compliance with applicable laws and regulations.
- c) Oversee the Internal Audit Department, and ensure there are no unjustified restrictions or limitations, and review and concur in the qualification criteria, including the appointment, replacement, or dismissal of the Chief Audit Executive.
- d) Review the significant issues raised in internal audit reports to management and management's responses and ensure appropriate corrective actions are undertaken.

- e) Review the effectiveness of the internal audit function, its budget and staffing, and compliance with the International Standards for the Professional Practice of Internal Auditing ("ISPPIA").
- f) Ensure the Internal Audit team is given full and unrestricted access to all company records, properties and personnel relevant to and required by its function and that the internal audit activity shall be free from interference in determining its scope, performing its work and communicating its results subject to strict compliance with all the applicable policies of the Corporation and all applicable laws and regulations.
- g) Establish direct functional reporting of the Chief Audit Executive to the Audit Committee to allow it to effectively fulfill its responsibilities.
- h) Review and approve the terms and conditions for any outsourcing and co-sourcing agreements of the internal audit function. The Chief Audit Executive shall oversee and be responsible for the internal audit activity that is outsourced to a third-party service provider and co-sourced functions.
- i) On a regular basis, meet separately with the Chief Audit Executive to discuss any matters that the Committee or Internal Audit believes should be discussed privately.
- j) Require the Internal Audit to render to the Committee an annual report on Internal Audit's activities and performance relative to the audit plans and strategies approved by the Committee, including significant risk exposures and control issues, corporate governance issues, and other matters requested by the Committee or the Board.

4.4 On Risk Management and Internal Controls:

- a) Review with the Corporation's management and the auditors their findings on the adequacy and effectiveness of internal controls and their recommendations for improving the internal control environment, including financial, operational, compliance, information technology security and controls and suggested audit steps adopted considering the material control deficiencies noted.
- b) Coordinate with the Risk Management Committee for the review of financial statement, corporate governance, operational, legal and other related risks.
- c) For any awareness or knowledge of any suspected fraud or irregularity, or suspected infringement of any laws or regulations of any regulatory authority, which has or is likely to have a material impact on the Corporation's operating results or financial position, the Committee must discuss such matter with the external auditor, and, at an appropriate time, report the matter to the Board.

4.5 On Compliance.

- a) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- b) Review the findings of any examinations by regulatory agencies and any auditor observations.
- c) Review the Corporation's code of conduct and the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith.
- d) Obtain regular updates from management and company legal counsel regarding compliance matters.
- e) Establish and review procedures for receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.

4.6 On Reporting.

Report regularly to the Board of Directors about committee activities, issues, and any related recommendations. The Committee must submit and present an Annual Audit Committee Report to the full Board during its first meeting following the immediate calendar year which shall be included in the Corporation's Annual Report.

4.7 Other Responsibilities.

The Audit Committee shall likewise undertake such duties and responsibilities as may be provided by the Corporation's Articles of Incorporation, Bylaws and Revised Manual on Corporate Governance such as the following:

- a) Perform other activities related to this charter as requested by the Board of Directors, including review of all material related party transactions of the Corporation.
- b) Institute and oversee special investigations as needed.
- c) Review and assess the adequacy of the Committee charter annually, endorse to the Board for approval of proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- d) Confirm annually that all responsibilities outlined in this charter have been carried out.
- e) Evaluate the Committee's and individual members' performance on a regular basis.

Section 5. Powers of the Committee

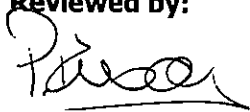
The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- a) Retain external legal counsel, accountants, or other advisors to advise the Committee or assist in the conduct of an investigation.
- b) Seek information it requires from employees – all of whom are directed to cooperate with the Committee's requests – or external parties.
- c) Appoint or replace the external auditors and pre-approve all auditing and non-auditing services (including the fees and terms thereof) to be provided by independent auditors.
- d) Meet with Company Officers, external auditors or outside counsel, as necessary.
- e) Obtain appropriate funding and resources necessary to carry out its duties and responsibilities.

Section 6. Review, Amendment, Repeal and Alteration

This Charter is interim and important provisions herein have been set to comply with SEC Memorandum Circular No. 19 on the Revised Code of Corporate Governance. This shall be periodically reviewed by the Audit Committee and amended as necessary subject to the approval of the Board of Directors.

Reviewed by:



Mr. Pedro E. Roxas
Chairman, Audit Committee

Approved by:



Mr. Manuel V. Pangilinan
Chairman of the Board



METRO PACIFIC INVESTMENTS CORPORATION COMPENSATION COMMITTEE CHARTER

Section 1. Functions

The Compensation Committee shall assist and advise the Board of Directors with respect to the establishment of a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Corporation's culture, strategy and the business environment in which it operates.

Section 2. Key Responsibilities

To perform these functions, the following are the specific responsibilities of the Committee:

1. Establish a formal and transparent procedure for developing policy 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.** To this end, the Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of corporate officers and directors and employment conditions elsewhere in the group.
2. Designate the amount of remuneration of directors and officers, which shall be in a sufficient level to attract and retain directors and officers, who are needed to run the Corporation successfully and to make recommendations to the Board of the remuneration of non-executive directors.
3. Exercise functional oversight on matters pertaining to the areas of Leadership Development and administration of Compensation Programs, including but not limited to:
 - a. Retirement Plan and long-term incentive plans to ensure alignment with over-all philosophy and strategy; and
 - b. Development and administration of Leadership Development/Succession.
4. Review and endorse for Board ratification all promotions to the rank of President/Chief Executive Officer, Chief Finance Officer, and other Senior Management positions requiring the approval of the Board.
5. Performs staff support functions as may be delegated by the Board in the performance evaluation, succession **planning and remuneration of the Corporation's executives.**

6. To review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is consistent with relevant contractual terms and such compensation is otherwise fair and not excessive for the Company.
7. To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are consistent with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate.
8. **To ensure that no director or any of his associates is involved in deciding his own remuneration.**
9. **To ensure that a significant proportion of executive directors' remuneration is structured so as to link rewards to corporate and individual performance.**
10. **Undertake such duties and responsibilities as may be provided by the Company's Articles of Incorporation, Bylaws and Revised Manual on Corporate Governance.**

Section 3. Composition

1. The Compensation Committee shall be composed of at least three (3) voting members, a majority of whom shall be independent directors. The members of the Committee including the Chairman, shall be appointed by the Board of Directors annually.
2. The President/CEO of the Corporation shall act as a non-voting member of the Committee who shall have the right to attend and speak at any meeting of the Committee.
3. The Board of Directors may appoint one or more persons to serve as advisor(s) to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee, but shall have no right to vote in respect of any action by the Committee.
4. The Chairman or any member or advisor of the Committee may be removed from office only by the Board of Directors.
5. The Head of Human Resources of the Corporation shall provide the necessary staff support to the Committee.

Section 4. Committee Procedures

a. Meetings

1. The Committee shall hold meetings at such times and places as it considers appropriate provided that not less than two (2) meetings shall be held each year.
2. Meetings of the Committee shall be convened by the Chairman of the Committee as and when he considers appropriate and the Chairman shall convene a meeting upon the request of a majority in number of the voting Members of the Committee.
3. **A Committee meeting shall be convened by not less than one (1) week's notice in writing, specifying the place, date and time for the meeting and the general nature of the businesses to be transacted at the meeting.** The Secretariat of the Committee shall ensure that pertinent materials for the meeting are properly and timely distributed to all Members.
4. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to **have been duly convened if it is so agreed by the Members' of the Committee** present in the meeting at which there is a quorum.
5. Notice of a meeting of the Committee shall be deemed to be duly given to a Member if it is given to him personally, in writing or orally, or sent to him by mail, e-mail or facsimile transmission to his address, e-mail address or facsimile number, as appropriate, given by him to the Secretariat of the Committee.
6. A majority of all the Members of the Committee shall constitute a quorum.
7. Members of the Committee may participate in a meeting of the Committee through teleconference or video conference conducted in accordance with the provisions of Securities and Exchange Commission (SEC) Memorandum Circular No. 15, Series of 2001 and by means of which all persons participating can hear each other.
8. Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the voting Members present at such meeting. Each Member, including the Chairman of the Committee, shall have one (1) vote. Whenever a Committee Member has a conflict of interest in a matter to be considered by the Committee which the Committee considers to be material, such interested Member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has

a material conflict of interest. In case of an equality of votes, the Chairman of the Committee shall not have a second or casting vote.

b. Minutes and Records

1. The Committee shall appoint the Human Resources Head as Secretariat who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of meetings of the Committee; and keep books and records of the Committee.
2. The Committee shall cause records to be kept for the following:
 - a. Appointments and resignations of Members of the Committee;
 - b. All agenda and other documents sent to the Members of the Committee; and
 - c. Minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Company.
4. The minutes of the meeting of the Committee, when signed by the Chairman of the Committee, shall be conclusive evidence of the proceedings and resolutions of such meeting.
5. The Secretariat shall ensure that the draft and final versions of the minutes of Committee meetings shall be sent to all Committee Members for their comment and records, within one (1) month after the meeting.

Section 5. Remuneration of Members

No fees or other remuneration shall be payable to the Members of the Committee in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, except the per diem or remuneration authorized and approved by the Board or any fees or remuneration to such Member/Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Corporation.

Section 6. Resources and Authorities

1. The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Corporation.
2. The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements.)

3. The Committee shall have the right to require management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.

Section 7. Committee Reports and Performance Evaluation

1. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.
2. The Committee shall prepare and review with the Board of Directors an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board of Directors on any improvement to the Charter deemed necessary or desirable by the Committee.

Section 8. Amendment or Alteration of this Charter

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board of Directors.



METRO PACIFIC INVESTMENTS CORPORATION
Data Privacy and Information Security Committee Charter

This Charter was approved and adopted on August 3, 2022 by the Board of Directors of Metro Pacific Investments Corporation pursuant to its By-Laws and Revised Manual on Corporate Governance.

SECTION 1. DEFINITIONS

1.1 Defined Terms

The following terms are used in this Charter with the respective meanings ascribed to such terms below, unless the context otherwise requires:

"Advisor"	shall have the meaning ascribed to such term in Section 3.1(b), and which shall include the Chief Information Security Advisor;
"Board"	means the Board of Directors of the Company, the governing body that exercises the corporate powers of the Company, conducts all its business, and controls its properties;
"By-Laws"	means the By-Laws of the Company and all amendments thereto;
"Chairman"	means the Chairman of the Data Privacy and Information Security Committee;
"Chief Information Security Advisor" or "CISA"	means the Chief Information Security Advisor that MPIC may engage from time to time, and who shall assist MPIC in (a) improving, developing and implementing Information Security and cyber security-related policies, processes and technologies; (b) ensuring the compliance of MPIC with all applicable laws, regulations, and standards; (c) managing cybercrime-related cases filed for and against MPIC; (d) developing and maintaining partnerships with the Government and other private entities for close collaboration in the campaign against cyber threats and/or cybercrimes foreign and domestic; and (e) ensuring alignment of all MPIC member companies on Information Security and cyber security-related practices;
"Committee"	means the Data Privacy and Information Security Committee of the Board, as constituted from time to time;

“Company” or “MPIC”	means Metro Pacific Investments Corporation;
“Data Privacy”	means the implementation of programs, policies, measures, methods, and procedures to safeguard personal data and to respect the right to privacy of a data subject;
“Data Privacy Officer” or “DPO”	means the Data Privacy Officer of MPIC, who is responsible for ensuring MPIC’s compliance with the Data Privacy Act of the Philippines and other Privacy Laws;
“Director”	means a member of the Board duly elected in accordance with law and the By-Laws;
“Employees”	means the employees of the Company including its Officers;
“Independent Director”	shall have the meaning ascribed to such term under the Revised Corporation Code and the Securities Regulation Code, as may be amended from time to time;
“Information Security”	means the implementation of proactive measures to safeguard the information assets of MPIC from unauthorized use, modification, and/or destruction by preserving the confidentiality, integrity, and availability of said information assets;
“Management”	means the body composed of the CEO and Officers given authority and responsibility by the Board to manage the day-to-day conduct of business of the Company and to implement the business strategies, plans and policies approved by the Board;
“Members”	means the members, including the Chairman, of the Committee, as appointed by the Board from time to time;
“Officers”	means the officers of the Company with the rank of Assistant Vice President and above or who are appointed as such by the Board;
“Revised Corporation Code”	means Republic Act No. 11232, known as the "Revised Corporation Code of the Philippines";
“Securities Regulation Code”	means Republic Act No. 8799, known as “The Securities Regulation Code”;

“this Charter” means this Data Privacy and Information Security Committee Charter, including its Schedule and Annexes, as the same may be amended from time to time; and

“year” means a calendar year.

1.2 Interpretation

- (a) Unless the context otherwise requires:
 - (i) words in the singular include the plural, and *vice versa*;
and
 - (ii) words importing any gender include all genders.
- (b) The word "writing", or any cognate expression, includes a reference to any communication effected by electronic message, facsimile transmission, or any mode of reproducing words in a legible and non-transitory form.
- (c) A reference to a statute or statutory provision shall be construed as a reference to that statute or statutory provision as from time to time amended, modified or reenacted, any repealed statute or statutory provision which it re-enacts, and any order, rule or regulation made under the relevant statute or statutory provision.
- (d) The headings in this Charter are inserted solely for convenience of reference and shall not limit or affect the interpretation of the provisions hereof.

SECTION 2. PURPOSES, DUTIES AND POWERS

- 2.1 The Committee shall have the purposes, duties and powers set out in the Schedule attached hereto and such other duties and powers as may be delegated to the Committee by the Board, subject to such limitations as the Board may determine and notify to the Committee.
- 2.2 The Committee shall have the resources and authority appropriate to discharge its responsibilities including the authority to engage and obtain advice from experts, counsel, or consultants as it deems appropriate and necessary to carry out its duties, without need for Board approval.
- 2.3 The Chairman of the Committee and/or any of its Members/Advisors may meet separately with any member of Management and/or the Data Privacy Officer and/or the Chief Information Security Advisor of MPIC or any of its subsidiaries and investee companies to discuss any matter that the Committee or any of the foregoing persons believe should be discussed privately. The Committee may also request or require any Employee or Officer of the Company; or the Company's outside counsel; or third-party consultants to attend a meeting of the Committee or to meet with any Member/Advisor/consultant of the Committee.

- 2.4 As may be requested by the Committee, the Data Privacy Officer and/or the Chief Information Security Advisor shall provide regulatory and technical support for data privacy or information security related matters and functions.

SECTION 3. COMMITTEE STRUCTURE

3.1 Composition

- (a) The Committee shall have a minimum of three (3) Members. All Members must be Directors and at least one (1) Member shall be an Independent Director. The Chairman of the Committee shall be chosen from among the Members. The Chairman of the Audit Committee shall not be eligible for election as chairman of this Committee. At least one (1) Member must also be a Member of the Risk Management Committee.
- (b) The Board may appoint one or more persons to serve as advisor(s) to the Committee (an "Advisor"). Advisors shall have the right to attend and speak at any meeting of the Committee, but they shall have no right to vote in respect of any action taken by the Committee.
- (c) The Chairman of the Committee or any of its Members may be removed from office only by the Board. The Board may delegate to the Committee the appointment, removal and replacements of Advisors.

3.2. Qualifications

- (a) Majority of the Members must possess adequate understanding of or experience in the fields of data privacy, information security and/or risk management, preferably in the same industry or of similar business operations as the Company.
- (b) The office of a Member shall *ipso facto* be vacated:
 - (i) if he resigns his office as a Member;
 - (ii) if he is removed by a resolution of the Board;
 - (iii) if he becomes of unsound mind;
 - (iv) if he is convicted of an indictable offense; or
 - (v) if he is subsequently disqualified under the terms of this Charter and other applicable laws, rules, and regulations from becoming a Member.

If upon determination by the Board or its Nomination Committee, a Member who is a Director ceases to possess any of the qualifications for directorship or becomes disqualified from directorship based on any grounds for disqualification set forth under applicable laws and regulations and the Company's By-Laws and relevant Policies, the Board shall make such

appointments in order to meet the required composition of the Committee as set forth in Section 3.1(a).

SECTION 4. COMMITTEE PROCEDURES

4.1 Meetings

- (a) The Committee shall hold meetings at such times and places as it considers appropriate provided that at least two (2) meetings shall be held each year.
- (b) Meetings of the Committee shall be convened by the Chairman of the Committee as and when he considers appropriate or upon the request of a majority of the Members.
- (c) A Committee meeting shall be convened upon notice in writing three (3) days prior to the meeting and specifying the place, date, and time for the meeting and the matters to be discussed at the meeting.
- (d) Subject to Section 4.1(i), notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members present in the meeting at which there is a quorum. A Member may consent to short notice and may waive notice of any meeting of the Committee and any such waiver may be retrospective.
- (e) Notice of a meeting of the Committee shall be deemed to be duly served upon a Member/Advisor if it is given to him personally, or sent to him by mail, electronic mail or facsimile transmission to his physical address, email address or facsimile number, as appropriate, given by him to the Secretariat of the Committee in accordance with Section 4.1(d) above.
- (f) The quorum for a meeting of the Committee shall be at least a majority of the Members present throughout the meeting.
- (g) Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the Members present at such meeting.
- (h) Each Member, including the Chairman of the Committee, shall have one (1) vote.
 - (i) In case of an equality of votes, the Chairman of the Committee shall not have a second or casting vote.
 - (ii) A resolution in writing signed by all Members shall be as valid and effective for all purposes as a resolution of the Committee passed at a meeting of the Committee duly convened, held and constituted. A written notification of confirmation of such resolution in writing sent by a Member shall be deemed to be his signature to such resolution in writing for such purpose. Such resolution in writing may consist of several documents, each signed by one or more Members.

- (i) If, within thirty (30) minutes from the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the Chairman of the meeting may determine.
- (j) Members and Advisors of the Committee may participate in a meeting of the Committee through teleconference or video conference by means of which all persons participating in the meeting can hear each other.

4.2 Minutes and Records

- (a) The Corporate Secretary or any person designated by him shall act as the Secretariat of the Committee. The Secretariat shall prepare the agenda of each Committee meeting in coordination with the Chairman, collate documents pertaining to the matters in the agenda, prepare minutes of the meetings of the Committee, and/or recall sheets of decisions made during meetings of the Committee, and keep records of the Committee.
- (b) The Committee shall cause records to be kept for the following:
 - (i) appointments and resignations of the Members/Advisors;
 - (ii) all agenda and other documents sent to the Members/Advisors; and
 - (iii) minutes of proceedings and meetings.
- (c) Any such records shall be open for inspection by any Member/Advisor upon reasonable prior notice during usual office hours of the Company.
- (d) Minutes of any meeting of the Committee, if purported to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence of the proceedings and resolutions of such meeting.


SECTION 5. REMUNERATION OF MEMBERS/ADVISORS

No fees or other remuneration shall be payable to the Members/Advisors of the Committee in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, save and except fees or remuneration authorized and approved by the Board for such purposes. In the case of a Member who is an Independent Director, no fees or compensation shall be paid directly or indirectly to such Member or his firm for consultancy or advisory services rendered directly by the Member or indirectly through his firm even if such Member is not the actual service provider. However, this prohibition shall not apply to ordinary compensation paid to such Member or his firm in respect of any other supplier or other business relationship or transaction that the Board has already determined to be at arm's length terms and immaterial for purposes of its basic Member's independence analysis.

SECTION 6. AMENDMENT

This Charter shall not be amended, altered, or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.

REVIEWED BY:



ARTEMIO V. PANGANIBAN

Chairman, Data Privacy and Information Security Committee

APPROVED BY:



MANUEL V. PANGILINAN

Chairman of the Board

SCHEDULE OF PURPOSES, FUNCTIONS AND DUTIES OF THE DATA PRIVACY AND INFORMATION SECURITY COMMITTEE

Purposes

The primary purpose of the Committee is to assist the Board in fulfilling its functions to perform oversight of and give strategic direction to the governance functions relating to data privacy and information security related matters. These functions include:

1. Promoting effective data privacy and information security governance within the Company and its subsidiaries and investee companies;
2. Reviewing and approving the Company's strategic plans on data privacy and information security to protect Company's assets commensurate with the risk appetite of the organization and to ensure that the strategic plans are aligned with overall business objectives of the Company;
3. Holding Management accountable for compliance with regulatory standards and best practices on data privacy and information security;
4. Fostering a company culture where privacy and information security is considered "the new normal" by all Employees, leading by example, and demonstrating the right aptitude and behavior; and
5. Overseeing Management's adoption and implementation of a system for identifying, assessing, monitoring and managing enterprise-wide data privacy and information security risk.

Functions and Duties

To carry out its purposes, the Committee shall have the following duties and powers:

1. Overseeing the compliance and adherence by the Company with all applicable laws and regulations on data privacy and information security pursuant to which the Company conducts its operations and business activities. In matters relating to interpretation of any law, issuance, or policy relating to Data Privacy and/or Information Security, the Committee shall ensure that the inputs of the Data Privacy Officer and/or the Chief Information Security Advisor, as appropriate, are solicited and considered;
2. In coordination with Management:
 - (a) Reviewing and discussing Management's reports, which shall contain the Company's management of enterprise-wide data privacy and information security risks, including frameworks, structures, policies, standards, and processes in identifying, assessing, monitoring, managing, reporting and

communicating and enforcing data privacy and information security risk management policies;

- (b) Reviewing and discussing Management's reports on the Company's data privacy and information security risk profile, with focus on known or emerging major risk exposures;
- (c) Reviewing and discussing the steps proposed to be taken by Management to monitor and manage data privacy and information security risks, including adequacy of resources; training of the workforce; administrative, physical, and technical safeguards; and an incident management framework;
- (d) Establishing and maintaining effective lines of accountability, responsibility, and authority for protecting information assets by reviewing and approving privacy and information security organizational changes, processes, and policies;
- (e) Overseeing the effectiveness and status of the Company's privacy and security programs and help balance conflicting priorities and resource demands;
- (f) Reviewing and approving at least annually the risk appetite and risk tolerance of the Company and the risk management objectives and strategies with respect to data privacy and information security to be recommended to the Board for approval;
- (g) Overseeing the coordination across the MPIC Group to ensure a coherent data privacy and information security strategy; and
- (h) Monitoring data privacy and/or cybersecurity risks and issues that may arise in the Company's subsidiaries and investee companies, and recommending actions to be taken to address the same.

3. Periodically obtaining reasonable assurance from Management that:

- (a) The Company's data privacy and information security risk management framework, processes and policies are comprehensive, updated and effective;
- (b) There are adequate plans in place to address data breaches and security incidents, including insurance and public relations plans;
- (c) The Company, as a publicly-listed company, complies with its unique disclosure requirements without overlooking its fiduciary privacy protection obligations; and
- (d) The Company's data privacy and information security posture is effective and sustainable in terms of, among others, enhancing opportunities,

creating business value, and managing threats, including issues that may arise from changing trends in regulatory landscape, developments in the industry and innovations in technology.

4. Periodically receiving reports from Management on the status of any regulatory actions against the Company, as well as pending cases filed by and against the Company arising from data privacy and/or information security issues;
5. Reporting to the Board, independent of Management, the Committee's views as to whether there are any significant gaps in Management's data protection and information security capabilities and the status of any initiatives to address those gaps;
6. In consultation with the President/Chief Executive Officer and the Chairman of the Data Privacy and Information Security Committee, reviewing the appointment/replacement and performance of the Data Privacy Officer and/or Chief Information Security Advisor;
7. Reporting the Committee's activities to the Board at least once each year and making such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate;
8. Conducting an annual evaluation of the Committee's performance, which evaluation must compare the performance of the Committee with the requirements of this Charter and the goals and objectives of the Committee for the relevant year, and reporting to the Board the results of such evaluation; provided that such report to the Board may take the form of an oral report by the Chairman of the Committee or any other Member designated by the Committee to make such report; and
9. Reviewing this Charter annually and recommending changes or improvements hereto that the Committee may deem necessary or desirable, including those that are necessary to respond to new risk-oversight needs and changes in regulatory and other requirements.



METRO PACIFIC INVESTMENTS CORPORATION FINANCE COMMITTEE CHARTER

I. OBJECTIVES

The Finance Committee (the "**Committee**") of Metro Pacific Investments Corporation (the "**Company**") is established to review the Company's key financial and investment decisions. The Committee's Scope of Work is set forth in Clause V below. The Committee shall report directly to the Company's Board of Directors.

II. MEMBERSHIP

A. Appointment of Members

All members of the Committee (the "**Members**") shall be appointed by the Board and can be removed by the Board at its sole discretion.

B. Composition

The Committee shall consist of five Members, consisting of three (3) non-executive directors, the Chairman of the Board and the Company's Chief Executive.

C. Committee Chairman

The Chairman of the Committee ("Chairman"), who shall be an independent director, shall be appointed by the Board. The Chairman shall preside over meetings of the Committee. In the absence of the Chairman, the Members present shall select among themselves who shall chair the meeting.

D. Committee Secretary

The Company Secretary shall act as the Secretary of the Committee. In the absence of the Secretary, his/her representative or any one of the Members shall act as the Secretary of the Committee.

III. MEETINGS OF THE COMMITTEE

A. Frequency of Meetings.

The Committee shall meet at least semi-annually. The Chairman may convene special meetings at his/her discretion, and at such other times as the Committee may determine appropriate to perform its responsibilities.

B. Notice of Meetings

Notice of the meetings of the Committee will be sent at least five (5) days prior to the relevant meeting to be held, unless all Members unanimously waive such notice. Irrespective

of the length of notice being given, attendance at a meeting by a Member shall be deemed a waiver of the requisite notice by the Member. The requisite notice period is not required if a Committee meeting is adjourned.

C. Quorum

In order to constitute a quorum of the meetings of the Committee, there should be present at least three (3) Members, two (2) of whom must be independent directors. A Member may attend in person or by means of telephone conference or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.

D. Attendance

1. The Committee may invite other Directors, members of management, external advisers and/or any other person who have specific responsibility for, or interest or expertise in, the subject under review to attend all or part of any meetings of the Committee.

2. Only Members may vote during Committee meetings.

3. The Chairman of the Committee, or in his absence, another Member, shall attend the annual meeting of shareholders of the Company and shall be prepared to respond to any questions from shareholders on the activities of the Committee and its responsibilities.

4. Resolutions

a. Resolutions of the Committee shall be passed by a majority of the Members present constituting a quorum.

b. A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

5. Minutes of the Meetings

The Secretary of the Committee shall keep full minutes of all Committee meetings. Draft minutes of the meetings of the Committee shall be sent to all Members for their comments within a reasonable time after each meeting. The final version of the minutes, signed by the Chairman, shall be sent to all the Members for their records. The Members shall keep in strict confidence the minutes of the meetings and all materials circulated to the Committee.

IV. AUTHORITY

A. Reports to the Board

The Committee shall report regularly and formally to the Board at the next meeting of the Board following a meeting of the Committee, on matters within its scope of work.

B. Committee Resources

The Committee shall be provided with sufficient resources to perform its duties. It may employ, instruct, appoint or retain any independent external professional advisors and secure assistance from external parties with relevant experience and expertise where it

considers necessary. The Committee shall have the sole authority to approve all reasonable related fees and terms of engagement, which fees shall be borne by the Company.

V. SCOPE OF WORK

The Scope of Work of the Committee shall include the following:

- a. Review the Company's investment strategies, including capital allocation strategies and monitoring investment performance.
- b. Review the Company's strategies on addressed the Net Asset Value ("**NAV**") discount to its share price.
- c. Review and advise the Board on the Company's and its subsidiaries, joint ventures and associates (the "**Group**") capital allocation, mergers and acquisitions and disposal proposals.
- d. Review any capital raising plans including the issuance of shares and/or debt securities.
- e. Review the liquidity, loan covenant compliance and liability management program of the Group.
- f. Address and deal with such other matters as may be delegated by the Board to the Committee.
- g. Identify any related matters for referral to the Board for review and further consideration.

VI. REPORTING PROCEDURES

The Committee shall report to the Board its recommendations, suggestions or proposals in writing, during regular meetings of the Board or more frequently if required, subject to compliance with legal or regulatory restrictions on disclosures.

As an exception, the Board may delegate certain approval powers for a stipulated maximum amount in Philippine Pesos (or if in foreign currency, the Peso equivalent reading on the date of the decision).

Date of Approval: February 4, 2020



MANUEL V. PANGILINAN
Chairman of the Board



JOSE MA. K. LIM
President and CEO



**METRO PACIFIC INVESTMENTS CORPORATION
GOVERNANCE AND SUSTAINABILITY COMMITTEE CHARTER**

Section 1. Functions

The Governance and Sustainability Committee (the "Committee") shall assist and advise the Board of Directors (the "Board") with respect to, among others: (a) the establishment and review of the sustainability goals, strategies and initiatives of Metro Pacific Investments Corporation (the "Company") and its subsidiaries (collectively, the "Group"); (b) the identification and management of the significant economic, environmental, social and governance issues of the Group's operations and their impact on relevant stakeholders; (c) the development and implementation of corporate governance principles and policies; (d) the review and monitoring of training and continuous professional development of directors and senior management; (e) the review and monitoring of the Group's policies and practices on compliance with legal and regulatory requirements; and (f) the development and implementation of the Board's performance evaluation process.

Section 2. Key Responsibilities

To perform these functions, the following are the specific responsibilities of the Committee:

Sustainability

1. Provide oversight in identifying the material economic, environmental, ethical and social impact of the Group's businesses and operations and determine their effect on its long-term objective to be recognized as a responsible and sustainable business and significant contributor to nation-building.
2. Oversee the development of the Group's sustainability framework and policies with a view of creating value not only for the Group but also for the nation at large.
3. Monitor overall Group support and alignment with globally- recognized sustainability standards and best practices.
4. Oversee the review and monitoring of: (a) new and innovative technologies; (b) current and proposed partnerships and collaborations with stakeholders, and (c) communication strategies that will support the Group's sustainability initiatives.
5. Oversee the Group's social investments and commitments to making a meaningful impact to various stakeholders, the communities in which the Group operates, and the environment in general.
6. Ensure the full alignment of the Group's sustainability policies and initiatives and lead the coordination of resources and efforts among the members of the Group as may be necessary.

7. Review and recommend to the Board for approval, the issuance and filing of the Company's Sustainability Report and other external sustainability reports to the Securities and Exchange Commission (the "SEC") and other government agencies.

Governance

1. Assist the Board in ensuring and overseeing the development of appropriate corporate governance principles, structures, and policies for the Group in order to establish and maintain good governance and high ethical standards in the Group.
2. Assist the Board in reviewing the effectiveness and appropriateness of the Company's Mission, Vision and Values and strategy at least every two (2) years or whenever necessary.
3. Oversee the annual review and assessment of the adequacy and effectiveness of the Corporation's corporate governance principles, structures and policies, including the Revised Manual of Corporate Governance and the Code of Ethics, and ensure their compliance with applicable laws and regulations, and recommend any desirable changes thereto for approval by the Board.
4. Specify annually the elements of the Board's corporate governance improvement program and recommend to the Board the development of corporate governance principles, structure, best practices and rules for adoption by the Group, and assist the Board in the implementation thereof.
5. Establish the appropriate evaluation system for purposes of monitoring and assessing compliance with the SEC Revised Manual of Corporate Governance and the applicable provisions of the Company's Manual on Corporate Governance by the Corporation, the Board, and Management. Such evaluation system should be approved by the Board.
6. Review and endorse to the Board recommendations of the Compliance Officer in relation to violations of provisions and requirements of the SEC Revised Manual of Corporate Governance and other corporate governance rules applicable to the Corporation, including the Corporation's Manual on Corporate Governance.
7. Review annually the Charters of all Board Committees and recommend to the Board any needed changes. In reviewing the Charters of the Board Committees, the Committee should consult with the members and the Secretariat of the concerned Board Committee. The Committee's recommendation on any change in any of the Charters shall be submitted to the Board for approval.
8. Assist the Board in the establishment and implementation of an appropriate performance evaluation/self-assessment process for the Board, the individual Board

members, the Board Committees, and the annual performance evaluation of the President and CEO.

9. Assist the Board in ensuring the conduct of an annual meeting of independent directors, independent of executive directors and Management and assist in the conduct of an annual meeting between non-executive directors (including the independent directors) and the Chairman of the Board, without the executive directors present.
10. Design an orientation program for new directors and related continuing education program for existing directors.
11. Oversee the continuing corporate governance communication and education programs for the Board members, officers and employees of the Company.
12. Review annually the prescribed Full Business Interest Disclosure of all incoming directors and officers.
13. Review the appointment and replacement of the Chief Governance Officer ("CGO"), who shall provide the Committee the summaries of and, as appropriate, the significant reports to Management prepared by the Corporate Governance Office and Management's responses thereto.
14. Ensure that the Chairman of the Committee or, in his absence, another Member of the Committee or his duly appointed delegate be available to answer questions at the Annual Stockholders' Meeting.
15. Whenever applicable, ensure that the Chairman of a meeting shall provide an explanation as to the detailed procedures for conducting a poll and then answer any question from shareholders regarding voting by way of a poll.
16. Ensure that all directors have access to the advice and services of the Corporate Secretary to ensure that Board procedures, and all applicable law, rules and regulations are followed.
17. Assist the Board in the adoption of guidelines on the number of directorships that its members can hold in publicly listed corporations in the Philippines, always making sure however that the shareholders' legal right to vote and be voted as directors remains inviolable. The number should take into consideration the ability of the director to diligently and efficiently perform his duties and responsibilities and the nature and kind of corporations he may be director of, regardless of the number of directorships he may be holding.

18. Assist the Board in designating 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 Chief Executive Officer are held by one person.
19. Undertake such duties and responsibilities as may be provided by the Company's Articles of Incorporation, Bylaws and Revised Manual on Corporate Governance.

Section 3. Composition

1. The Committee shall be composed of at least three (3) members (the "Members"), all of whom shall be independent directors, including the Chairman of the Committee (the "Chairman"). The Members of the Committee, including the Chairman, shall be appointed by the Board annually.
2. The Board may appoint one or more persons to serve as advisor(s) to the Committee (an "Advisor"). Advisors shall have the right to attend and speak at any meeting of the Committee, but shall have no right to vote in respect of any action by the Committee.
3. The Chairman or any Member or Advisor of the Committee may be removed from office only by the Board.
4. The CGO and the Chief Sustainability Officer ("CSO") of the Company shall provide the necessary staff support to the Committee.

Section 4. Committee Procedures

a. Meetings

1. The Committee shall hold meetings at such times and places as it considers appropriate provided that not less than two (2) meetings shall be held each year.
2. Meetings shall be convened by the Chairman as and when he considers appropriate and the Chairman shall convene a meeting upon the request of a majority in number of the Members of the Committee.
3. A Committee meeting shall be convened by not less than one (1) week's notice in writing, specifying the place, date and time for the meeting and the general nature of the businesses to be transacted at the meeting. The Secretariat of the Committee shall ensure that pertinent materials for the meeting are properly and timely distributed to all Members.
4. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members present in the meeting at which there is a quorum.

5. Notice of a meeting of the Committee shall be deemed to be duly given to a Member if it is given to him personally, in writing or orally, or sent to him by mail, e-mail or facsimile transmission to his address, e-mail address or facsimile number, as appropriate, given by him to the Secretariat of the Committee.
6. A majority of all the Members shall constitute a quorum.
7. Members may participate in a meeting of the Committee through remote communication such as teleconference or video conference conducted in accordance with the provisions of SEC Memorandum Circular No. 6, Series of 2020 and by means of which all persons participating can hear each other.
8. Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the Members present at such meeting. Each Member, including the Chairman, shall have one (1) vote. Whenever a Member has a conflict of interest in a matter to be considered by the Committee which the Committee considers to be material, such interested Member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest. In case of an equality of votes, the Chairman shall not have a second or casting vote.

b. Minutes and Records

1. The Committee shall appoint a Secretariat who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of meetings of the Committee and keep books and records of the Committee.
2. The Committee shall cause records to be kept for the following:
 - a. Appointments and resignations of Members of the Committee;
 - b. All agenda and other documents sent to the Members of the Committee; and
 - c. Minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Company.
4. The minutes of the meeting of the Committee, when signed by the Chairman of the Committee, shall be conclusive evidence of the proceedings and resolutions of such meeting.
5. The Secretariat shall ensure that the draft and final versions of the minutes of Committee meetings shall be sent to all Members for their comment and records, within one (1) month after the meeting.

Section 5. Remuneration of Members or Advisors

No fees or other remuneration shall be payable to the Members or Advisors in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, except the per diem or remuneration authorized and approved by the Board or any fees or remuneration to such Member or Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Company.

Section 6. Resources and Authorities

1. The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities, including the authority to obtain advice from external consultants and functional specialists within the Company.
2. The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
3. The Committee shall have the right to require Management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.

Section 7. Committee Reports and Performance Evaluation

1. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.
2. The Committee shall prepare and review with the Board an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board on any improvement to the Charter deemed necessary or desirable by the Committee.

Section 8. Sustainability Initiatives; Office of the CSO

The Board, as the Company's highest governing body, must consider sustainability concerns and issues as part of the Company's strategic formulation and direction. It must ensure that the Company's sustainability agenda is integrated into the Company's overall objectives.

The Board, together with Management, must also lead the development of a sustainability culture within the Company and its subsidiaries. This includes setting general goals and objectives, requiring reporting from the Committee, and committing resources to the accomplishment of the sustainability initiatives.

In order to implement the foregoing, the Company hereby creates the Office of the CSO, who shall be appointed by the Board upon the recommendation of the Committee. The CSO, who shall report to the Company's President and CEO, shall be responsible for:

1. Spearheading the development, establishment and regular review of the Group Sustainability Framework.
2. Leading and coordinating the Group Sustainability Council, composed of the CSOs and representatives of the various members of the Group.
3. Assessing and analyzing policies and processes to identify areas in which improvements can be made in accordance with the Group's commitment to sustainability.
4. Ensuring that the specific sustainability initiatives of the various members of the Group are aligned with the Group's framework.
5. Conducting research to identify sustainability concerns, interests, and issues.
6. Identifying and evaluating innovative and pilot sustainability projects or programs for the Group.
7. Initiating internal and external stakeholder engagement processes.
8. Preparing and presenting the Company's sustainability reports and accomplishment reports.

Section 9. Amendment or Alteration of this Charter

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board.

(Signature page follows.)

Reviewed by:



Retired Chief Justice Artemio V. Panganiban
Chairman, Governance and Sustainability Committee

Approved by:



Manuel V. Pangilinan
Chairman of the Board



METRO PACIFIC INVESTMENTS CORPORATION NOMINATION COMMITTEE CHARTER

Section 1. Functions

The Nomination Committee shall assist and advise the Board of Directors with respect to the review and evaluation of the qualifications of all persons nominated to the Board and other appointments that require Board approval; the assessment of **the effectiveness of the Board's** processes and procedures in the election or replacement of directors; and in the assessment of the Board's effectiveness in the process of replacing or appointing new members to the Board and/or Board Committee.

Section 2. Key Responsibilities

To perform these functions, the following are the specific responsibilities of the Committee:

1. Review and monitor the structure, size and composition of the Board and make recommendations to ensure that the Board has the required number of Independent Directors with the qualifications and none of the disqualifications as provided in applicable **laws, regulations, listing rules and the Corporation's policies.**
2. Pre-screen and shortlist candidates nominated to become a member of the Board in accordance with the qualifications and disqualification criteria as provided in applicable **laws, regulations, listing rules and the Corporation's policies, and such other factors which** the Committee may deem appropriate such as judgment, skill, experience with other business organizations of a size comparable to that of the Corporation, the integrity of the **candidate's experience with the experience of other Directors, and** possible conflict of interest. It shall likewise assess the independence of independent directors.
3. Identify and recommend qualified individuals for nomination and election as additional Directors or to fill Board vacancies as and when they arise. The election of such additional or replacement Directors shall be done in accordance with applicable laws and regulations.
4. Ensure that the Corporation shall have at least two (2) Independent Directors or such number of Independent Directors which constitute at least twenty percent (20%) of the members of the Board, whichever is lesser.

5. Review with the Board on an annual basis the appropriate skills and characteristics required on the Board in the context of the strategic direction of the Company.
6. Recommend Committee assignments, including Committee Chairmanships, to the full Board for approval after receiving advice from the Chairman of the Board and CEO and with consideration of the desires of individual Board members.
7. Assess the effectiveness **of the Board's processes and procedures in the election or replacement of Directors.**
8. Recommend to the Board and/or the Management that where the Board proposes a resolution to elect an individual as an independent director at the general meeting, the Management or the Board should set out in the circular to shareholders and/or the explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.
9. Recommend to the Board and/or the Management the conduct of a comprehensive, formal and tailored induction for every newly appointed director of the Company on the first occasion of his appointment.
10. Recommend to the Board and/or the Management the adoption of a policy requiring each director to disclose to the Company at the time of his appointment, and in a timely manner for any change, the number and nature of offices held in public companies or organizations and other significant commitments, with the identity of the public companies or organizations on an annual basis.
11. **Undertake such duties and responsibilities as may be provided by the Company's Articles of Incorporation, Bylaws and Revised Manual on Corporate Governance.**

Section 3. Composition

1. The Nomination Committee shall be composed of at least three (3) members, a majority of whom shall be independent directors. The members of the Committee including the Chairman, shall be appointed by the Board of Directors annually.
2. The Board of Directors may appoint one or more persons to serve as advisor(s) to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee, but shall have no right to vote in respect of any action by the Committee.
3. The Chairman or any member or advisor of the Committee may be removed from office only by the Board of Directors.

4. The Chief Governance Officer of the Corporation shall provide the necessary staff support to the Committee.

Section 4. Committee Procedures

a. Meetings

1. The Committee shall hold meetings at such times and places as it considers appropriate provided that not less than **two (2)** meetings shall be held each year.
2. Meetings of the Committee shall be convened by the Chairman of the Committee as and when he considers appropriate and the Chairman shall convene a meeting upon the request of a majority in number of the voting Members of the Committee.
3. A Committee meeting shall be convened by not less than one **(1) week's** notice in writing, specifying the place, date and time for the meeting and the general nature of the businesses to be transacted at the meeting. The Secretariat of the Committee shall ensure that pertinent materials for the meeting are properly and timely distributed to all Members.
4. Notwithstanding that a meeting is called by shorter notice, it shall be deemed to have been duly convened if it is so agreed by the Members of the Committee present in the meeting at which there is a quorum.
5. Notice of a meeting of the Committee shall be deemed to be duly given to a Member if it is given to him personally, in writing or orally, or sent to him by mail, e-mail or facsimile transmission to his address, e-mail address or facsimile number, as appropriate, given by him to the Secretariat of the Committee.
6. A majority of all the Members of the Committee shall constitute a quorum.
7. Members of the Committee may participate in a meeting of the Committee through teleconference or video conference conducted in accordance with the provisions of Securities and Exchange Commission (SEC) Memorandum Circular No. 15, Series of 2001 and by means of which all persons participating can hear each other.
8. Resolutions at a meeting of the Committee at which there is a quorum shall be passed by a simple majority of votes of the voting Members present at such meeting. Each Member, including the Chairman of the Committee, shall have one (1) vote. Whenever a Committee Member has a conflict of interest in a matter to be considered by the Committee which the Committee considers to be material, such

interested member shall abstain from voting on any Committee resolution in which they or any of their associates have a material interest. The Committee shall decide on the matter without taking into consideration the position of the Member who has a material conflict of interest. In case of an equality of votes, the Chairman of the Committee shall not have a second or casting vote.

b. Minutes and Records

1. The Committee shall appoint a Secretariat who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of meetings of the Committee and keep books and records of the Committee.
2. The Committee shall cause records to be kept for the following:
 - a. Appointments and resignations of Members of the Committee;
 - b. All agenda and other documents sent to the Members of the Committee; and
 - c. Minutes of proceedings and meetings of the Committee.
3. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during usual office hours of the Company.
4. The minutes of the meeting of the Committee, when signed by the Chairman of the Committee, shall be conclusive evidence of the proceedings and resolutions of such meeting.
5. The Secretariat shall ensure that the draft and final versions of the minutes of Committee meetings shall be sent to all Committee Members for their comment and records, within one (1) month after the meeting.

Section 5. Remuneration of Members

No fees or other remuneration shall be payable to the Members of the Committee in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, except the per diem or remuneration authorized and approved by the Board or any fees or remuneration to such Member/Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Corporation.

Section 6. Resources and Authorities

1. The Committee shall have the resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Corporation.

2. The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements.)
3. The Committee shall have the right to require management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.

Section 7. Committee Reports and Performance Evaluation

1. The Committee shall report its activities to the Board on a regular basis and make such recommendations with respect thereto and other matters as the Committee may deem necessary or appropriate.
2. The Committee shall prepare and review with the Board of Directors an annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of its Charter, set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board of Directors on any improvement to the Charter deemed necessary or desirable by the Committee.

Section 8. Amendment or Alteration of this Charter

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board of Directors.



METRO PACIFIC INVESTMENTS CORPORATION RISK MANAGEMENT COMMITTEE CHARTER

Section 1. Basis and Purpose

The Revised Manual on Corporate Governance (the "Governance Manual") of Metro Pacific Investments Corporation (the "Corporation") provides that its Board shall constitute, among others, a Risk Management Committee (the "Committee") to assist the Board in fulfilling its oversight responsibilities over the Company's enterprise risk management policy and execution of risk management strategies and practices, including regulatory and ethical compliance monitoring.

Section 2. Structure and Membership

2.1 Composition. The members of the Committee shall be appointed by the Board of Directors. The Committee shall be composed of at least three (3) Board members, majority of whom should be independent directors, including the Chairman. An independent director is one who is independent of management and who, apart from his fees and shareholdings, is free from any business or other relationship which could materially interfere with the exercise of his independent judgment. The Chairman should not be the Chairman of the Board or of any other committees. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.

The Board may appoint one or more persons to serve as advisor(s) ("Advisor") to the Committee. Advisors shall have the right to attend and speak at any meeting of the Committee but shall have no right to vote on any action of the Committee.

2.2 Appointment. The Chairman and members of the Committee shall be appointed by, and removed from office, only by the Board. In case of vacancy in the Committee, the Board shall appoint a new Committee member from among the directors.

2.3 Qualifications and Disqualifications. In addition to the qualifications required for election as director of the Corporation provided under the Corporation's By-Laws and Governance Manual, the Members of the Committee shall preferably have high level management backgrounds and general management skills.

The Members shall be disqualified for any of the grounds for disqualification of a director provided under the Corporation's Governance Manual, the Corporation Code of the Philippines, Securities Regulation Code and its Implementing Rules and Regulations, and other relevant laws, rules and regulations of the Securities and Exchange Commission.

2.4 Committee Secretary. The Committee shall appoint a Committee Secretary who shall prepare the minutes of the meetings and keep the records of the Committee.

Section 3. Meetings and Procedures

3.1 Meetings; Quorum and Voting. The Committee shall meet at least semi-annually or more frequently as circumstances require. During these meetings, the Committee may meet privately with senior management, the external auditors, or as a Committee to discuss any matters that need to be discussed.

The time and place of the meetings and procedures at such meetings shall be determined by the Committee. A majority of the members of the Committee shall constitute a quorum provided an Independent Director is present (unless he has been duly notified but deliberately and without justifiable cause fails to attend the meeting).

3.2 Meeting through Teleconference, Video Conference or Similar Means. Members and Advisors may participate in any meetings of the Committee through teleconference, video conference or other similar means, provided that all persons participating in the meeting can hear each other.

3.3 Notices. Notices of the meetings of the Committee shall be sent to the Members and Advisors by personal delivery, mail, facsimile, electronic mail or other similar means at least two (2) days prior to the meeting and specifying the place, date and time of the meeting, as well as the matters to be discussed during the meeting. For this purpose, the Committee Secretary shall obtain the addresses, facsimile numbers and electronic mail addresses of each Member and Advisor where notices of meetings may be sent.

3.4 Minutes and Records. The Committee Secretary shall maintain minutes or other records of its meetings and activities.

3.5 Remuneration. No fees or other remuneration shall be payable to the members and advisors of the Committee for services provided or attendance to Committee meetings, except fees or remuneration authorized and approved by the Board. No fees or compensation shall be paid directly or indirectly to any member of the Committee as consultant or legal or financial Advisor or to such member's firm for such consulting or advisory services even if such member is not the actual service provider.

Section 4. Functions and Responsibilities

The Committee's specific duties and responsibilities are as follows:

4.1 On Risk Management:

- a) In consultation with the president and Chief Executive Officer, review the appointment of the Chief Risk Officer.

- b) Discuss with management policies with respect to risk assessment and risk management.
- c) Enquire on major risk exposures and the steps management has taken to monitor and control such exposures.
- d) Review reports and enquire about risk management activities and key risk areas across the Group.
- e) Review reports from internal audit with regard to the independent validation of compliance with approved risk management policy.

4.2 On Reporting

Report at least annually to the Board of Directors about committee activities, issues, and any related recommendations.

The Risk Management Committee shall likewise undertake such duties and responsibilities **as may be provided by the Company's Articles of Incorporation, Bylaws and Revised Manual on Corporate Governance.**

Section 5. Powers of the Committee

The Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- a) Retain external legal counsel, accountants, or other advisors to advise the Committee or assist in the conduct of an investigation.
- b) Seek information it requires from employees – all of whom are directed to cooperate with the Committee's requests – or external parties.
- c) Meet with Company Officers, external auditors or outside counsel, as necessary.
- d) Obtain appropriate funding and resources necessary to carry out its duties and responsibilities.

Section 6. Review, Amendment, Repeal and Alteration

This Charter is interim and important provisions herein have been set to comply with SEC Memorandum Circular No. 2 on the Code of Corporate Governance. This shall be periodically reviewed by the Risk Management Committee and amended as necessary subject to the approval of the Board of Directors.


REPUBLIC OF THE PHILIPPINES)
PASIG CITY, METRO MANILA) S.S

CERTIFICATION

I, **RICARDO M. PILARES III**, Filipino, of legal age, with office address at the 9/F Rockwell Business Center Tower 1, Ortigas Ave., Pasig City, after having been duly sworn in accordance with law, hereby certify the following information in connection with the responses provided in the Company's Integrated Annual Corporate Governance Report (SEC Form I-ACGR) for the covered year 2022:

1. I am the incumbent Corporate Secretary of **METRO PACIFIC INVESTMENTS CORPORATION**, (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at 9/F Rockwell Business Center Tower 1, Ortigas Ave., Pasig City.
2. On August 30, 2022, all of the Independent Directors and several Non-Executive Directors of the Corporation (collectively, the "Relevant Directors") met to discuss matters and concerns involving the Corporation and several of its subsidiaries. The meeting of the Relevant Directors was held without the presence of members of management except for specific officers (particularly, the Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive) who report to the various Board committees, and whose presence were requested by the Relevant Directors to provide them the information that they needed for purposes of the discussion. The Relevant Directors had the opportunity to discuss amongst themselves (Principle 5, Recommendation 5.7).
3. As part of the Corporation's internal controls certification process, after review, the Corporation's Audit Committee issues on a semi-annual basis a Certification confirming among others that: (a) the internal controls, including financial, operational and compliance controls of the Corporation and its subsidiaries are adequate and effective, and (b) there have been no material deviations from Philippine compliance requirements. For 2022, the Audit Committee issued the Certification on August 2, 2022 (for the period covering the First Half of 2022) and March 6, 2023 (for the period covering the Second Half of 2022) (Principle 12, Additional Recommendation to Principle 12)
4. I am issuing this Certification in relation to the Corporation's Integrated Annual Corporate Governance Report for the Year 2022.

WITNESS my hand and seal of the Company this ___ day ~~MAY~~ 11 2023 in Pasig City.


RICARDO M. PILARES III
Corporate Secretary

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

BEFORE ME, a notary public in and for PASIG CITY, personally appeared RICARDO M. PILARES on MAY 11 2023 with DL No. 02-98-389275 issued at LTO Pasig on 17 April 2019, who was identified by me through competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Doc. No.: 238;
Page No.: 44 ;
Book No.: 1 ;
Series of 2023.


CAMILLE MARIA L. CASTOLO
Appointment No. 220
Notary Public for Pasig City
Until December 2023
9th Floor, Tower 1, Rockwell Business Center,
Ortigas Avenue, Pasig City
Roll of Attorneys No. 63466
PTR No. 0162244/06 Jan 2023/Pasig City
IBP No. 261392/03 Jan 2023/Makati City Chapter

MPIC Compliance

To: ICTD Submission
Subject: RE: CGFD_Metro Pacific Investments Corporation_Integrated Annual Corporate Governance Report_25 May 2023

From: ICTD Submission <ictdsubmission+canned.response@sec.gov.ph>
Sent: Thursday, May 25, 2023 2:31 PM
To: MPIC Compliance <compliance@mpic.com.ph>
Subject: Re: CGFD_Metro Pacific Investments Corporation_Integrated Annual Corporate Governance Report_25 May 2023

*****This is an External Email. Please be cautious in opening links even if it's from a trusted contact.*****

Thank you for reaching out to ictdsubmission@sec.gov.ph. Your submission is subject for Verification and Review of the Quality of the Attached Document only for **Secondary Reports**. Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order from receipt through the SEC Express System at <https://secexpress.ph/>. Or you may call 8737-8888 for further clarifications.

NOTICE

Please be informed that selected reports should be filed through **ELECTRONIC FILING AND SUBMISSION TOOL (EFAST)**. <https://cifss-ost.sec.gov.ph/user/login>

such as: **AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS** etc. **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)**

Further, 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, ICA-QR, ICA-AR, 23-A, 23-B, I-ACGR, ACGR, Monthly Reports, Quarterly Reports, Letters, OPC(ALTERNATE NOMINEE), GIS-G, 52-AR, IHAR, AMLA-CF, NPM, NPAM, BP-FCLC, CHINESEWALL, 39-AR, 36-AR, PNFS, MCG, S10/SEC-NTCE-EXEMPT, through email at

ictdsubmission@sec.gov.ph

FOR **MC28**, please go to SEC website:

<https://apps010.sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

From: MPIC Compliance

Sent: Thursday, May 25, 2023 2:31 PM

To: ictdsubmission@sec.gov.ph

Cc: Ricardo M. Pilares III rmpilares@mpic.com.ph; Mary Adelaine S. Reyes asreyes@mpic.com.ph; Viktor Andre A. Fumar vafumar@mpic.com.ph

Subject: CGFD_Metro Pacific Investments Corporation_Integrated Annual Corporate Governance Report_25 May 2023

Gentlemen:

We hereby submit Metro Pacific Investments Corporation's I-ACGR for fiscal year 2022. Please acknowledge receipt of this email submission.

Thank you!