

OCEANAGOLD (PHILIPPINES), INC.
MANUAL ON CORPORATE GOVERNANCE

OceanaGold (Philippines), Inc. (the “**Company**”) believes that sound and effective corporate governance is fundamental to the Company’s continued success and long-term existence.

Through this Manual on Corporate Governance (hereinafter, “**CG Manual**”), the Company seeks to institutionalize the principles of good corporate governance (*i.e.*, fairness, accountability, and transparency) in the entire organization. The Board of Directors (the “**Board**”) of the Company believes that good corporate governance is a necessary component of what constitutes sound strategic business management.

ARTICLE I
BOARD OF DIRECTORS

1.1 General Responsibilities

1. The Board is primarily responsible for the governance of the Company. Thus, compliance with the principles of good corporate governance and this CG Manual shall start with the Board.
2. In conjunction with management, it shall be the Board’s responsibility to foster the long-term success of the Company in a manner consistent with its corporate objectives and the long-term best interests of its stockholders and other stakeholders.
3. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions, and responsibilities. The Board shall establish general policies and guidelines which will enable management to render effective management of the Company, and as part of which undertakes, in conjunction with management, as appropriate to:
 - a. Formulate the Company’s vision and mission;
 - b. Provide sound strategic polices and guidelines, approve and confirm management’s corporate strategies, major plan of actions, risk policy, annual budget and business plan, as recommended by management;
 - c. Monitor the implementation of approved strategies and the Company’s performance vis-à-vis targets and goals;
 - d. Adopt a succession plan, including the compensation, appointment and training of senior officers;
 - e. Review annually the Company’s compliance with this CG Manual;
 - f. Approve corporate policies on major areas of operations;

- g. Ensure that the Company complies with all relevant laws, regulations and best business practices; and
 - h. Ensure the adequacy and effectiveness of the Company's internal control and management information systems.
4. The Board shall always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities.
 5. The Board shall possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.
 6. The Board shall have relevant training for all directors, including an orientation program for first time-directors, to promote effective board performance and continuing qualification of the directors in carrying out their duties and responsibilities.
 7. The Board shall have a policy on board diversity, not limited to gender diversity but also diversity in age, ethnicity, culture, skills, competence and knowledge.
 8. The Board shall respect the rights of all the stockholders of the Company as provided for in the Revised Corporation Code.

1.2 Duties and Functions of the Board

To ensure a high standard of best practices for the Company, the Board shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interests of the Company and the stockholders, in the performance of its duties and functions, which may include:

1. Implement a process of selection to ensure a mix of competent directors and officers who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.
2. Appoint competent, professional, honest, and highly motivated management officers, and monitor and assess the performance of the management team based on established performance standards that are consistent with the Company's strategic objectives and conduct a regular review of the Company's policies with the management team.
3. Review and guide corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans; set performance objectives; monitor implementation and corporate performance; and oversee major capital expenditures, acquisitions and divestitures.
4. Adopt an effective succession planning program for directors, key officers, and management to ensure growth and a continued increase in the stockholders' value.

5. Align the remuneration of key officers and Board members with the long-term interests of the Company.
6. Provide sound strategic policies and guidelines to the Company on its corporate objectives, major capital expenditures, and other programs to sustain the Company's long-term viability and strength, and periodically evaluate and monitor the implementation of such policies and strategies.
7. Ensure the Company's faithful compliance with its By-Laws and all relevant laws, regulations, and sound business practices.
8. Identify the Company's stakeholders in the communities in which it operates or are directly affected by its operations, and formulate policies and procedures to ensure comprehensive, accurate, reliable, timely and effective communication with them, to ensure the integrity and transparency of the Company's affairs, and to ensure the fair treatment, protection, and enforcement of their rights. The Board shall also adopt a transparent framework and process that allow stakeholders to communicate with the Company.
9. Adopt a system of internal checks and balances, and to regularly review the effectiveness thereof.
10. Ensure that the Company shall be socially responsible in all its dealings with the communities where it operates and that its interactions serve its environment and stakeholders in a positive and progressive manner.
11. Establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and in its governance.
12. Oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential/actual conflicts of interest of management, Board members, and stockholders.
13. Identify key risk areas and performance indicators and monitor these factors with due diligence to enable the Company to anticipate and prepare for possible threats to its operational and financial viability.
14. Formulate and implement policies and procedures to ensure the integrity and transparency of related party transactions between and among the Company and a related party, and of interlocking director relationships by members of the Board.
15. Adopt standards for professional and ethical behavior, among others, which shall be properly disseminated to the Board, senior management and employees, and ensure the proper and efficient implementation and monitoring of compliance with such standards.

16. Provide stockholders and other stakeholders with access to a balanced and comprehensive assessment of the Company's performance, position, and prospects, including interim and other reports on all material information that could adversely affect its viability, as well as reports to regulators that are required by law.
17. Constitute an Audit and Board Risk Oversight Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
18. Establish 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.
19. Establish and maintain an alternative dispute resolution system in the Company that can amicably settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including the regulatory authorities.
20. Establish an effective performance management framework, which includes the standard or criteria for assessment.
21. Oversee that a sound enterprise risk management ("ERM") framework is in place to effectively identify, monitor, assess and manage key business risks.
22. Adopt a Board Charter that formalizes and clearly states its roles, responsibilities, and accountabilities in carrying out its fiduciary duties.
23. Establish an Investor Relations Office ("IRO") to ensure constant engagement with its stockholders. The IRO should be present at every stockholders' meeting.
24. Establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.
25. Properly discharge Board functions by meeting regularly or at such times and frequency as may be needed. The minutes of such meetings shall be duly recorded.
26. Ensure that the rights of the stakeholders established by law, by contractual relations and through voluntary commitments are respected.
27. Keep the activities and decisions of the Board within its authority under the Articles of Incorporation, By-Laws, and resolutions passed by the voting stockholders in a general or special meeting, in accordance with existing laws, rules and regulations.
28. Appoint a Compliance Officer as provided in this CG Manual.

1.3 Specific Duties and Responsibilities of a Director

A director shall have the following duties and responsibilities:

1. Conduct fair business transactions with the Company and ensure that his or her personal interest does not conflict with the interest of the Company;
2. Devote the time and attention necessary to perform duties and responsibilities properly and effectively;
3. Act judiciously;
4. Exercise independent judgment;
5. Have a working knowledge of the statutory and regulatory requirements that affect the Company, including its Articles of Incorporation and By-Laws, the rules, and regulations of the Securities and Exchange Commission (“SEC”) and, where applicable, the requirements of relevant regulatory agencies; and
6. Observe confidentiality.

1.4 Qualifications and Disqualifications (All Directors)

1. Qualifications (All Directors)

A director shall have the following qualifications:

- (a) Should be a holder of least one (1) share of the capital stock of the Company;
- (b) Should possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given his or her responsibilities to the Board and in light of the entity’s business and risk profile;
- (c) Has a record of integrity and good repute;
- (d) Has sufficient time to carry out his or her responsibilities; and
- (e) Has the ability to promote a smooth interaction between Board members.

2. Disqualifications (All Directors)

No person shall be qualified or eligible for nomination or election to the Board if he or she has any of the disqualifications provided under relevant laws, including but not limited to the Revised Code of Corporate Governance of the SEC, or any amendments thereto.

(a) Permanent Disqualification (All Directors)

- (1) Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that: (i) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (ii) 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 (iii) arises out of his or her fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;

- (2) Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, *Bangko Sentral ng Pilipinas* (“**BSP**”) or any court or administrative body of competent jurisdiction from: (i) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (ii) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (iii) engaging in or continuing any conduct or practice in any of the capacities mentioned in subparagraphs (i) and (ii) above, or willfully violating the laws that govern securities and banking activities, The disqualification should also apply if such person: (I) 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 or her under the Revised Corporation Code, Securities Regulation Code or any other law administered by the SEC or BSP, or under any rule or regulation issued by the SEC or BSP; (II) has otherwise been restrained to engage in any activity involving securities and banking; or (III) is the subject of an effective order or a self-regulatory organization suspending or expelling him or her from membership, participation or association with a member or participant of the organization;
- (3) 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;
- (4) Any person who has been adjudged by final judgment or order of the SEC, BSP, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Revised Corporation Code, Securities Regulation Code, or any other law administered by the SEC or the BSP, or any rule, regulation or order of the SEC or the BSP;
- (5) Any person judicially declared as insolvent;
- (6) 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;
- (7) Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years or a violation of the Revised Corporation Code committed within five (5) years prior to the date of his election or appointment; and
- (8) Other grounds as the SEC may provide.

(b) Temporary Disqualification (All Directors)

- (1) Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his or her incumbency, or any twelve (12)-month period during the said incumbency, unless the absence is due to illness, death in the immediate family, or serious accident. The disqualification should apply for purposes of the succeeding election;
- (2) Dismissal or termination for cause as director of any publicly listed corporation, public corporation, registered issuer of securities and holder of a secondary license from the SEC. The disqualification should be in effect until he or she has cleared himself or herself from any involvement in the cause that gave rise to his or her dismissal or termination; and
- (3) If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.

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

1.5 **Independent Directors**

(a) Qualifications and Disqualifications (Independent Directors)

An independent director shall mean a person who is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his or her exercise of independent judgment in carrying out his or her responsibilities as a director of the Company and includes, among others, a person who:

- (1) Is not, or has not been a senior officer or employee of the Company unless there has been a change in the controlling ownership of the Company;
- (2) Is not, and has not been in the three (3) years immediately preceding the election: a director of the Company; a director, officer, employee of the Company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the Company's substantial stockholders and its related companies;
- (3) Has not been appointed in the 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 (3) years immediately preceding his or her election;
- (4) Is not an owner of more than two percent (2%) of the outstanding shares of the Company, its subsidiaries (if any), associates, affiliates or related companies;

- (5) Is not a relative of a director, officer, or substantial stockholder of the Company or any of its related companies or of any of its substantial stockholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;
- (6) Is not acting as a nominee or representative of any director of the Company or any of its related companies;
- (7) Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- (8) Is not retained, either in his or her personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the Company, any of its related companies or substantial stockholder, or is otherwise independent of management and free from any business or other relationship within the three (3) years immediately preceding the date of his or her election;
- (9) Does not engage or has not engaged, whether independently or with other persons or through a firm of which he or she is a partner, director or substantial stockholder, in any transaction with the Company or any of its related companies or substantial stockholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his or her independent judgment;
- (10) Is not affiliated with any non-profit organization that receives significant funding from the Company or any of its related companies or substantial stockholders; and
- (11) Is not employed as an executive officer of another company where any of the 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.

(b) Term of Independent Directors

The Board's independent directors should serve for a maximum cumulative term of nine (9) years. After which, the independent director should be perpetually barred from re-election as such in the Company but may continue to qualify for nomination and election as a non-independent director. In the instance that a company wants to retain an independent director who has served for nine years, the Board should provide meritorious justification/s and seek stockholders' approval during the annual stockholders' meeting.

(c) Lead Director

The Board shall designate a lead director among the independent directors if the Chairperson of the Board is not independent, including if the positions of the Chairperson of the Board and the President or its equivalent are held by one person.

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

- (1) Serves as an intermediary between the Chairperson and the other directors when necessary;
- (2) Convenes and chairs meetings of the non-executive directors; and
- (3) Contributes to the performance evaluation of the Chairperson, as required.

1.6 Other Restrictions

The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations.

The non-executive directors of the Board shall not concurrently serve as directors to more than five (5) public companies and/or registered issuers to ensure that they have sufficient time to fully prepare for meetings, challenge management's proposals/views, and oversee the long-term strategy of the Company.

A director shall notify the Board where he or she is an incumbent director before accepting a directorship in another company.

1.7 Board Meetings and Quorum Requirement

The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the SEC and the Company's By-Laws, except when justifiable causes prevent them from doing so. They may not delegate their right to vote as directors by proxy. In Board meetings, directors should review meeting materials and, if called for, ask the necessary questions, or seek clarifications and explanations.

A director with a material interest in any transaction affecting the Company should disclose such material interest prior to the meeting discussing such transaction and should abstain from taking part in the deliberations for the same.

1.8 Monitoring and Assessment of Board Performance

The Board shall periodically carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

- (1) The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairperson, the President, individual members of the Board and Board committees. The assessment may (but only as may be determined by the Board to be necessary), from time to time, be supported by an external facilitator.

- (2) The Board's self-assessment system shall provide, at the minimum, the criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the stockholders.
- (3) The Compliance Officer shall establish an evaluation system to determine and measure compliance with this CG Manual.
- (4) The establishment of such evaluation system, including the features thereof, shall be disclosed in the Company's annual report or in such form of report that is applicable to the Company. The adoption of such performance evaluation system must be covered by a Board approval.
- (5) This CG Manual shall be subject to periodic review unless otherwise amended by the Board.

ARTICLE II BOARD COMMITTEES

2.1 Creation of Board Committees

To support the Board in the effective performance of its functions, the Board shall constitute the following committees or such other committees as it may deem necessary or desirable from time to time:

- (1) Corporate Governance, Nominations and Related Party Transactions Committee; and
- (2) Audit and Board Risk Oversight Committee.

As may be directed by the Board and, except if this CG Manual already serves as the committee charter, established committees shall have committee charters stating in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information. If promulgated, the charters shall likewise provide the standards for evaluating the performance of the committees and its members.

2.2 Corporate Governance, Nominations and Related Party Transactions Committee

The Corporate Governance, Nominations and Related Party Transactions Committee shall consist of at least three (3) directors, all of whom should be independent directors, including the Chairperson. For the avoidance of doubt, this committee may have more than three (3) directors.

- (a) Corporate Governance and Nominations

The Corporate Governance, Nominations and Related Party Transactions Committee shall have the following duties and functions in respect of ensuring compliance with and proper observance of corporate governance principles and practices:

- (1) Oversee the implementation of the corporate governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments;
 - (2) Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and periodically conduct a self-evaluation of its performance;
 - (3) Ensure that the results of the Board evaluation are shared and discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
 - (4) Recommend continuing education or training programs for directors, assignment of tasks and projects to Board committees, succession plan for Board members and senior officers, and remuneration packages for corporate and individual performance;
 - (5) Recommend to the Board the adoption of corporate governance policies and ensure that these are reviewed and updated periodically, and consistently implemented in form and substance;
 - (6) Recommend to the Board the nomination and election process for the Company's directors, define the general profile of Board members that the Company may need and ensure appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
 - (7) Recommend a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates.
- (b) Related Party Transactions

The Corporate Governance, Nominations and Related Party Transactions Committee is tasked with reviewing all material related party transactions (“**RPTs**”) of the Company and shall have the following duties and functions:

- (1) Evaluate, on an ongoing basis, existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors, as appropriate;
- (2) Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (*e.g.*, price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the 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 may take 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 Company 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;
- (3) Ensure that appropriate disclosure is made, and/or information is provided to regulatory 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;
 - (4) Report to the Board 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;
 - (5) Ensure that transactions with related parties, including write-off of exposures, are subject to a periodic independent review or audit process; and
 - (6) Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

In addition to the foregoing functions, the Corporate Governance, Nominations and Related Party Transactions Committee may have other duties and responsibilities as may be delegated to it by the Board.

2.3 Audit and Board Risk Oversight Committee

The Audit and Board Risk Oversight Committee shall be composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairperson, should be independent directors. For the avoidance of doubt, this committee may have more than three (3) directors.

Unless determined otherwise by the Board, all of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting,

auditing and finance, and at least one (1) member must have relevant thorough knowledge and experience on risk and risk management. The Chairperson of the Audit and Board Risk Oversight Committee should not be the Chairperson of the Board or of any other committees.

The Audit and Board Risk Oversight Committee shall meet at least once every calendar quarter or as often as it is called by its Chairperson. The Audit and Board Risk Oversight Committee may request access to any necessary data or records and order any investigation to be performed. The Audit and Board Risk Oversight Committee regularly reports to the Board. For efficiency, the following persons may be allowed to regularly attend the meetings of the Audit and Board Risk Oversight Committee: (a) the President or members of senior management; (b) the head of the internal audit department; and (c) the external auditor.

The Audit and Board Risk Oversight Committee shall have the following duties and functions:

- (1) Oversee senior management in establishing and maintaining an adequate, effective, and efficient internal control framework;
- (2) Recommend the approval of the internal audit charter (“**IA Charter**”), which formally defines the role of the internal audit function and the audit plan, as well as oversees the implementation of the IA Charter;
- (3) Through the internal audit function, monitor and evaluate the adequacy and effectiveness of the Company’s internal control systems integrity of financial reporting, and security of physical and information assets;
- (4) Oversee the internal audit function. The Audit and Board Risk Oversight Committee should also recommend to the Board the approval of the terms and conditions for outsourcing internal audit services, if applicable;
- (5) Recommend the establishment of a reporting line for the internal auditor to enable him or her to properly fulfill his or her duties and responsibilities;
- (6) Review and monitor management’s responsiveness to the internal auditor’s findings and recommendations;
- (7) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure the proper coordination if more than one (1) audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- (8) Assess the integrity and independence of the external auditor and exercise 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;
- (9) Review and monitor, on a periodic basis, the external auditor’s suitability and effectiveness;

- (10) Evaluate and determine the non-audit work, if any, of the external auditor, and periodically review the non-audit fees paid to the external auditor in relation to the total fees paid to it and to the Company's overall consultancy expenses. The committee shall recommend to the Board the disallowance of any non-audit work that will conflict with its duties as an external auditor or may pose a threat to its independence;
- (11) Review the interim and annual financial statements before submission to the Board for approval;
- (12) Review recommendations in the external auditor's management letter;
- (13) Perform oversight functions over the Company's internal and external auditors, and ensure their unrestricted access to all records, properties, and personnel to enable them to perform their respective audit functions, taking into consideration relevant Philippine professional and regulatory requirements;
- (14) Coordinate, monitor, and facilitate compliance with applicable laws, rules, and regulations;
- (15) Recommend to the Board the appointment, reappointment, removal, and fees of the external auditor, duly accredited by the SEC, who undertakes an independent audit of the Company, and provide an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders;
- (16) Meet internally and with the Board at least once every quarter without the presence of the President or other management team members, and meet periodically with the head of the internal audit function;
- (17) Develop a formal ERM plan, which shall be subject to approval of the Board, and oversee its implementation;
- (18) Evaluate the ERM plan to ensure its continued relevance, comprehensiveness and effectiveness;
- (19) Advise the Board on its risk appetite levels and risk tolerance limits; and
- (20) Oversee management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company. This function includes regularly receiving information on risk exposures and risk management activities from management.

In addition to the foregoing functions, the Audit and Board Risk Oversight Committee may have other duties and responsibilities as may be delegated to it by the Board.

ARTICLE III OFFICERS

3.1 The Chairperson and the President

The Board shall be headed by a competent and qualified Chairperson. The roles of the Chairperson and President should, as much as practicable, be separate. A clear delineation of functions should be made between the Chairperson and President.

Unless otherwise determined by the Board, the positions of Chairperson and President or equivalent position should, as much as practicable, be held by separate individuals and each should have clearly defined responsibilities.

If the positions of Chairperson and President are unified, proper checks and balances should be laid down to ensure that the Board gets the benefit of independent views and perspectives.

3.2 Duties and Responsibilities of the Chairperson

As set out in the By-Laws of the Company, as amended to date, the Chairperson of the Board, who shall be a member of the Board, shall preside at all meetings of the Board. However, in his or her absence or disability to do so, the President of the Company shall act as the Chairperson. He or she shall also have such other powers and duties as stated elsewhere in the By-Laws, as amended, and as the Board may assign to him or her, including as may be set forth in this CG Manual.

More particularly, the duties and responsibilities of the Chairperson in relation to the Board shall include, among others, the following:

- (a) Making certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the Company, considering the developments in the business and regulatory environment, key governance concerns, and contentious issues that will significantly affect operations;
- (b) Ensuring that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- (c) Facilitating discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
- (d) Ensuring that the Board sufficiently challenges and inquires on reports submitted and representations made by management;
- (e) Assuring the conduct of proper orientation for first-time directors and continuing training opportunities for all directors; and
- (f) Making sure that the performance of the Board is evaluated periodically and discussed or followed up on if necessary.

3.3 Duties and Responsibilities of the President

As set out in the By-Laws of the Company, as amended to date, the President of the Company elected by the Board from among its members, shall preside at all meetings of the stockholders. In his or her absence, the Board shall designate one of them to preside at the stockholders' meetings. He or she shall: have general supervision, management and control of all the affairs of the Company; sign the certificates of stock; make reports to the Board and stockholders; see to it that the resolutions of the Board are duly executed and carried out; and perform all such other duties as are incident to his or her office are properly required of him or her by the Board. The President of the Company may assign the exercise or performance of any of the foregoing powers, duties, and functions to any other officer(s).

In addition to the above, the duties and responsibilities of the President shall include, among others, the following:

- (a) Implementing the Company's strategic plan on the direction of the business;
- (b) Communicating and implementing the Company's vision, mission, values and overall strategy as formulated by the Board and promoting any organization or stakeholder change in accordance with the same;
- (c) Overseeing the operations of the Company and managing human and financial resources in accordance with the strategic plan;
- (d) Having a good working knowledge of the Company's industry and market and keeping up-to-date with its core business purpose;
- (e) Directing, evaluating, and guiding the work of the key officers of the Company;
- (f) Managing the Company's resources prudently and ensuring a proper balance of the same;
- (g) Providing the Board with timely information and interfaces between the Board and the employees;
- (h) Building the corporate culture and motivating the employees of the Company; and
- (i) Serving as the link between internal operations and external stakeholders.

3.4 The Corporate Secretary

The Corporate Secretary, who shall be a Filipino citizen and a resident of the Philippines, should be a separate individual from the Compliance Officer. The Corporate Secretary should not be a member of the Board and should periodically attend a training on corporate governance.

The Corporate Secretary's term of office will be co-terminus with that of the Board and if he or she is not a member of the Board, he or she is entitled to compensation to be fixed by the Board.

As set out in the By-Laws of the Company, as amended to date, the Corporate Secretary or the Assistant Corporate Secretary shall: issue all notices of all meetings; keep the minutes thereof; have charge of the seal and the corporate books; countersign the certificates of stocks and such other instruments requiring his or her signature; verify the correctness and validity of proxies and voting trust agreements; keep and preserve up- to-date specimen signature cards of all the stockholders of record; and make such reports and perform such other duties as are incident to this office conferred upon him or her by the Board.

In addition to the above, the Corporate Secretary is primarily responsible to the Company and its stockholders, and not to the Chairperson or President of the Company. The Corporate Secretary has, among others, the following duties and responsibilities:

- (a) Assisting the Board and the Board committees in the conduct of their meetings, including preparing a schedule of Board and committee meetings and Board calendar, and preparing the agenda for those meetings;
- (b) Safekeeping and preserving the integrity of the minutes of the meetings of the Board, Board committees and members, as well as other official records of the Company;
- (c) Keeping abreast on applicable laws, regulations, all governance issuances, industry developments and operations of the Company, and advises the Board and the Chairperson on all relevant issues as they arise;
- (d) Working fairly and objectively with the Board, management and members and contributing to the flow of information between the Board and management, the Board and its committees, and the Board and its members as well as other stakeholders;
- (e) Advising on the establishment of Board committees and their terms of reference;
- (f) Informing members of the Board, in accordance with the By-Laws, of the agenda of their meetings a suitable period of time before the date of the meeting, and ensuring that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- (g) Attending all Board meetings, except when justifiable causes prevent him or her from doing so;
- (h) Performing required administrative functions;
- (i) Overseeing the drafting of the By-Laws and ensuring that they conform with applicable regulatory requirements; and
- (j) Performing such other duties and responsibilities as may be provided by the Board and the SEC from time to time.

3.5 The Compliance Officer

To ensure adherence to corporate principles and best practices, the Board shall appoint a Compliance Officer, who shall not be a member of the Board and who shall have a position which the Board may determine as similar to the rank of Vice President or with adequate stature and authority in the Company. The Compliance Officer is a member of the Company's management team in charge of the compliance function, and is primarily liable to the Company and its stockholders, and not to the Chairperson or President of the Company.

The Compliance Officer shall perform the following duties and responsibilities, among others:

- (a) Ensuring proper onboarding of new directors (*i.e.*, orientation on the Company's business, charter, articles of incorporation and By-Laws, among others);
- (b) Monitoring, reviewing, evaluating and ensuring the compliance by the Company, its officers and directors with the applicable laws, rules and regulations and all applicable governance issuances of regulatory agencies;
- (c) Reporting the matter to the Board if violations are found and recommending the imposition of appropriate disciplinary action;
- (d) Ensuring the integrity and accuracy of all documentary submissions to regulators;
- (e) Collaborating with other departments to properly address compliance issues, which may be subject to investigation;
- (f) Identifying possible compliance issues and working towards the resolution of the same;
- (g) Ensuring the attendance of Board members and key officers to relevant trainings; and
- (h) Performing such other duties and responsibilities as may be provided by the SEC from time to time.

ARTICLE IV ACCOUNTABILITY AND AUDIT

4.1 Internal Audit Function

The Board should provide stockholders with a balanced and comprehensible assessment of the Company's performance, position, and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by applicable law.

It is essential for management to provide all members of the Board with accurate and timely information that enables the Board to comply with its responsibilities to the

stockholders. Management should formulate, under the supervision of the Audit and Board Risk Oversight Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines, among others:

- (a) The extent of management's responsibility in the preparation of the financial statements of the Company, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
- (b) An effective system of internal controls that will ensure the integrity of the financial reports and protection of the assets of the Company should be maintained for the benefit of all stockholders and other stakeholders;
- (c) On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the Company's governance, operations, and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with applicable contracts, laws, rules and regulations;
- (d) The Company should consistently comply with the applicable financial reporting requirements of the SEC;
- (e) The internal audit function should submit to (i) the Audit and Board Risk Oversight Committee and (ii) management an annual report on the internal audit function's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit and Board Risk Oversight Committee. The annual report should include significant risk exposures, control issues, and such other matters as may be needed or requested by the Board and management. The internal audit function should certify that it conducts activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If it does not, the internal audit function shall disclose to the Board and management the reasons why it has not fully complied with the said standards.

The Company's internal audit function shall be independent of the activities audited and must also be independent from the everyday internal control process. This means that the internal audit function shall be given an appropriate standing within the Company and shall be allowed to carry out its assignments with objectivity and impartiality.

Management shall ensure that the internal audit function is kept fully informed of new developments, initiatives, products, and operational changes to ensure that all associated risks are identified at an early stage.

4.2 Objectives and Scope of the Internal Audit Function

The objective of the internal audit function is to provide a standard of best practice to the Company for the implementation of an independent, effective and sound internal audit function.

The scope of an internal audit function includes, among others:

- (a) The examination and evaluation of the adequacy and effectiveness of the internal control systems;
- (b) The review of the application and effectiveness of risk management procedures and risk assessment methodologies;
- (c) The review of the management and financial information system, including the electronic information system and electronic banking services;
- (d) The review of the accuracy and reliability of the accounting records and financial reports;
- (e) The review of the means of safeguarding assets;
- (f) The review of the Company's system of assessing its capital in relation to its estimate of risk;
- (g) The appraisal of the economy and efficiency of the operations;
- (h) The testing of both transactions and the functioning of specific internal control procedures;
- (i) The review of the systems established to ensure compliance with applicable legal and regulatory requirements, codes of conduct and the implementation of policies and procedures;
- (j) The testing of the reliability and timeliness of the regulatory reporting; and
- (k) The carrying-out of special investigations.

4.3 Internal Auditor

- (a) The internal auditor or head of the internal audit department should be responsible for ensuring that the department complies with sound internal auditing principles.
- (b) The head of the internal audit department should ensure compliance with sound internal auditing standards, such as the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing.
- (c) The internal audit department should regularly report to and advise senior management and the Audit and Board Risk Oversight Committee on the performance of the internal control system and on the achievement of the internal audit department's objectives. In particular, it should inform senior management and/or the Audit and Board Risk Oversight Committee about the progress of the audit plan. As part of its supervisory tasks, the Audit and Board Risk Oversight Committee should periodically discuss the organization and resources (both in terms of personnel and otherwise) of the internal audit

department, the audit plan, activity reports, and a summary of internal audit's recommendations and the status of their implementations.

4.4 External Audit

The Board, after consultations with the Audit and Board Risk Oversight Committee, shall recommend to the stockholders an external auditor duly accredited by the SEC who shall undertake an independent audit of the Company, and shall provide an objective assurance on how the financial statements shall be prepared and presented to the stockholders. The external auditor shall not, at the same time, provide internal audit services to the Company. Non-audit work may be given to the external auditor, provided it does not conflict with its duties as an independent auditor or does not pose a threat to its independence. Non-audit services performed by the external auditor shall be disclosed in the annual report to deal with the potential conflict of interest.

If the external auditor resigns, is dismissed, or ceases to perform its services, the reasons therefor and the date of effectivity of such action shall be reported in the Company's annual and current reports. The report shall include a discussion of any disagreement between the external auditor and the Company on accounting principles or practices, financial disclosures, or audit procedures which the former auditor and the Company failed to resolve satisfactorily. A preliminary copy of the said report shall be given by the Company to the external auditor before its submission.

If the external auditor believes that any statement made in an annual report, information statement, or any report filed with the SEC or any regulatory body during the period of its engagement is incorrect or incomplete, the external auditor shall give its comments or views on the matter in the said reports.

4.5 Internal Control

The control environment of the Company shall consist of the following:

- (a) The Board, which ensures that the Company is properly and effectively managed and supervised;
- (b) Management that actively manages and operates the Company in a sound and prudent manner;
- (c) The organizational and procedural controls which are duly supported by effective management information and risk management reporting systems; and
- (d) An independent audit mechanism to monitor the adequacy and effectiveness of the Company's governance, operations, and information systems.

ARTICLE V STOCKHOLDERS' RIGHTS AND PROTECTION OF MINORITY STOCKHOLDERS' INTEREST

It shall be the duty of the Board to promote stockholder rights, remove impediments to the exercise of stockholders' rights, and provide an adequate venue for them to seek timely

redress for violation of their rights. The Board shall treat all stockholders fairly and equitably, and also recognize, protect, and facilitate the exercise of their rights.

The Board shall be transparent and fair in the conduct of the annual and special stockholders' meetings of the Company and should provide accurate and timely information to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. The Board shall encourage active stockholder participation by sending the Notice of Annual and Special Stockholders' Meeting with sufficient and relevant information (*e.g.*, date, location, meeting agenda and its rationale and explanation, and details of issues to be deliberated upon and approved or ratified at the meeting) within the period required under applicable law or regulations before the meeting. The stockholders shall be encouraged to personally attend such meetings.

The Board shall encourage active stockholder participation by making the results of the votes on matters taken during the most recent Annual or Special Stockholders' Meeting publicly available. The minutes of the meeting shall include the following matters: (1) a description of the voting and vote tabulation procedures used; (2) the opportunity given to stockholders to ask questions, as well as a record of the questions asked and the answers received; (3) the matters discussed and the resolutions reached; (4) a record of the voting results for each agenda item; (5) a list of the directors, officers and stockholders who attended the meeting; and (6) dissenting opinion on any agenda item that is considered significant in the discussion process.

The Board shall respect the following rights of the stockholders as provided for in the Revised Corporation Code, subject to such guidelines as set by the Board or its committees to prevent the abuse of rights, namely the right to:

- (a) Participate in the approval of material corporate acts;
- (b) Propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Stockholders' Meeting;
- (c) Nominate candidates to the Board;
- (d) Be informed of the nomination and removal process;
- (e) Be informed of the voting procedures that would govern the Annual and Special Stockholders' Meeting;
- (f) Inspect corporate books and records; and
- (g) Information.

Although all stockholders should be treated equally or without discrimination, the Board should give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the Company.

ARTICLE VI RESOLVING INTRA-CORPORATE DISPUTES

It shall be the policy of the Company to resolve disputes or differences with stockholders, if and when such disputes or differences arise, through mutual consultation or negotiation, mediation, or arbitration.

In doing so, the Company shall comply with, abide, and be guided by the policy set forth in Republic Act No. 9285, or the Alternative Dispute Resolution Act of 2004 and shall explore mutually acceptable alternative means or procedures in resolving disputes provided by applicable law prior to resorting to court action, to the extent that such is feasible and will not prejudice the rights of the Company.

Stockholders who have matters for discussion or concerns directly resulting to the business of the Company may initially elevate such matters or concerns to: (a) the Corporate Secretary; (b) the IRO; (c) management; or (d) the Board.

ARTICLE VII DISCLOSURE AND TRANSPARENCY

7.1 Company Disclosure Policies and Procedures

The Board shall establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable, and timely report to stockholders and other stakeholders that gives a fair and complete picture of the Company's financial condition, results, and business operations.

All material information about the Company which could adversely affect its viability or the interests of its stockholders and other stakeholders should be publicly and timely disclosed. Such information should include, among others:

- (a) Earnings results;
- (b) Acquisition or disposition of material assets;
- (c) Off balance sheet transactions;
- (d) Related party transactions; and
- (e) Direct and indirect remuneration of stockholders of the Board and management.

The Board shall likewise disclose material and reportable non-financial and sustainability issues.

The Board shall commit, at all times, to 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 stakeholders, as well as material non-financial and sustainability issues. All directors and By-Laws officers must disclose or report to the Company any dealings in the Company's shares

within three (3) business days. The Board should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.

The Board shall also cause the filing of all required information and submissions to the SEC for the interest of its stockholders and other stakeholders.

The Board shall fully disclose all relevant and material information on individual Board members and key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.

To enable the members of the Board to properly fulfill their duties and responsibilities, management shall provide the members of the Board with complete, adequate, and timely information about the matters to be taken in their meeting. The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

Further, the members of the Board shall be given independent access to management and the Corporate Secretary to enable him or her to properly perform his or her duties and responsibilities. The members of the Board, individually or as a body, and in furtherance of their duties and responsibilities, should have access to independent professional advice at the Company's expense.

7.2 Annual Corporate Governance Report

The Company shall disclose all relevant information on its corporate governance policies and practices in the Annual Corporate Governance Report (“ACGR”), which should be submitted to the SEC, and periodically updated and posted on the Company's website.

The ACGR should contain the following disclosures, among others:

1. A policy on disclosure of all relevant and material information on individual directors and key executives to evaluate their experience and qualifications, and assess any potential and/or actual conflicts of interest that might affect their judgment as prescribed under Rule 12 Annex C of the SRC;
2. Board and executive remuneration, as well as the level and mix of the same;
3. Full and accurate disclosure of every material fact or event that occurs in the Company, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its stockholders and other stakeholders, including, where required, policy on the appointment of an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets;
4. The non-audit work, if any, of the external auditor, the non-audit fees paid to the external auditor in relation to the total fees paid to it and to the Company's overall consultancy expenses;
5. The attendance record of the Company's directors for the previous year; and

6. Other information that the SEC or other applicable regulatory agencies, may, from time to time require disclosure of.

ARTICLE VIII MONITORING AND SELF-RATING SYSTEM

Each committee shall report regularly to the Board.

The Compliance Officer shall establish an evaluation system to determine and measure compliance with this CG Manual.

The Board may create an internal self-rating system that can measure the performance of the Board and management in accordance with the applicable criteria provided for in this CG Manual. The creation and implementation of such self-rating system, including its salient features, shall be conducted periodically, and shall be disclosed in the Company's ACGR.

This CG Manual shall be subject to review and may be amended or revised at any time at the discretion of the Board.

ARTICLE IX PENALTIES FOR NON-COMPLIANCE WITH THE MANUAL

To strictly observe and implement the provisions of this CG Manual, the Board may impose other penalties in addition to those provided in the applicable regulations of the SEC, after notice and hearing, on the individual directors, officers, and employees, such as censure, suspension and removal from office depending on the gravity of the offense as well as the frequency of the violation.

The commission of a grave violation of this CG Manual by any member of the Board shall be sufficient cause for removal from directorship.

ARTICLE X COMMUNICATIONS PROCESS

1. The Company shall maintain a comprehensive and cost-efficient communication channel for disseminating relevant information, which is crucial for informed decision-making by investors, stakeholders and other interested users;
2. The Company shall have a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public;
3. The Company shall include media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its stockholders and other stakeholders;
4. This CG Manual shall be available for inspection by any member of the Company at reasonable hours on business days;

5. All directors, executives, division, and department heads are tasked to ensure the dissemination of this CG Manual to all employees and related third parties, and to likewise enjoin compliance in the process;
6. An adequate number of printed copies of this CG Manual must be reproduced under the supervision of the Human Resources Department; and
7. The Company's corporate governance policies, programs, and procedures shall be contained in this CG Manual, which should be submitted to the SEC and posted on the Company's website.

Signed and Approved by the Board of Directors on 25 January 2024 in Makati City.

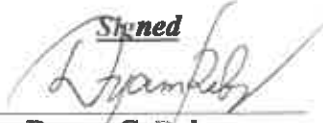
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Signed

A handwritten signature in black ink, appearing to read 'Peter John Sharpe', written over a horizontal line.

Peter John Sharpe
Chairman

Signed



Dyann C. Rabaya
Chief Compliance Officer