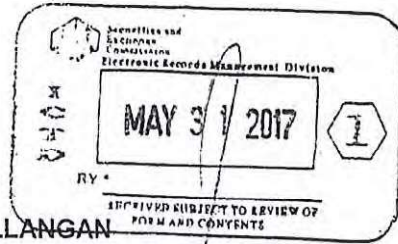


PACIFICA, INC.

31 May 2017

SECURITIES AND EXCHANGE COMMISSION

G/F Secretariat Building
PICC Complex, Roxas Boulevard
Manila



Attention: **DIRECTOR JUSTINA F. CALLANGAN**
Corporate Governance and Finance Department

Re: Pacifica, Inc. – Revised Manual on Corporate Governance

Gentlemen:

We write on behalf of our client, Pacifica, Inc. (the "Company"), in relation to the filing of its Revised Manual on Corporate Governance (MCG) with the Securities and Exchange Commission (SEC).

We understand that SEC Memorandum Circular No. 8, series of 2017, requires that the Chairman of the Board and the Compliance Officer be the signatories to the Revised MCG.

We wish to advise you, however, that the Chairman of the Board is currently out of the country and is unable to sign the said Revised MCG. In this regard, we undertake to submit his signature page as soon as he arrives so we can attach the same to the Revised MCG of the Company.

Thank you very much.

Very truly yours,

PACIFICA, INC.

By:


CRISTINA S. PALMA GIL-FERNANDEZ
Corporate Secretary

COVER SHEET

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P A C I F I C A , I N C .

(Company's Full Name)

c / o M A N I L A H A R B O R C E N T R E ,
R - 1 0 , V I T A S , T O N D O ,
M A N I L A 1 0 1 3 , M E T R O M A N I L A
P H I L I P P I N E S

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

CRISTINA S. PALMA-GIL FERNANDEZ
Contact Person

8880999
Company Telephone Number

Month Day
Fiscal Year

**Revised Manual on
Corporate Governance**
FORM TYPE

Month Day
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

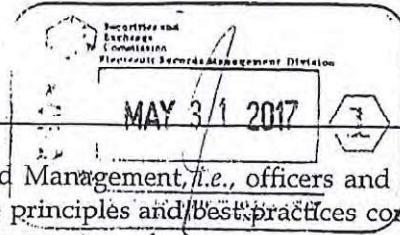
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REVISED MANUAL ON CORPORATE GOVERNANCE

of

PACIFICA, INC.
(as of 29 May 2017)



The Board of Directors (also referred to as the "Board") and Management, *i.e.*, officers and staff of Pacifica, Inc. (the "Corporation"), commit themselves to the principles and best practices contained in this Manual, purposely established for the attainment of corporate goals.

Section 1. Objective

This Manual shall institutionalize the principles of good corporate governance in the Corporation.

The Board, Management, employees, and shareholders consider corporate governance an essential component of what constitutes sound strategic business management and will therefore pursue and implement the necessary actions and measures to educate and create awareness within the organization within a reasonable period from the date hereof.

Section 2. Definition of Terms

- (a) "Affiliates" means, in relation to any person, a person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the first person; and "Affiliate" means any one of them.
- (b) "Board of Directors" means the governing body elected by the stockholders that exercises the corporate powers of the Corporation, conducts all its business, and controls its properties.
- (c) "Corporate governance" means the system of stewardship and control to guide the Corporation in fulfilling their long-term economic, moral, legal, and social obligations towards their stakeholders. It is a system of direction, feedback, and control using regulations, performance standards, and ethical guidelines to hold the Board and senior management accountable for ensuring ethical behavior - reconciling long-term customer satisfaction with shareholder value - to the benefit of all stakeholders and society. Its purpose is to maximize the Corporation's long-term success, creating sustainable value for its shareholders, stakeholders, and the nation.
- (d) "Enterprise risk management" means a process, effected by an entity's Board of Directors, management, and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risks to be within its risk appetite, and provide reasonable assurance regarding the achievement of entity objectives.
- (e) "Exchange" means an organized market place or facility that brings together buyers and sellers, and executes trades of securities and/or commodities.

- (f) "Executive director" means a director who has executive responsibility of day-to-day operations of a part or the whole of the organization.
- (g) "Immediate family member" means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any individual (other than a tenant or employee) sharing the household of such person.
- (h) "Independent director" means a person who is independent of management and the controlling shareholder, and is free from any business or other relationship which could, or could reasonable be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.
- (i) "Internal audit" means an independent and objective assurance activity designed to add value to and improve the Corporation's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control, and governance processes.
- (j) "Internal audit department" means a department or unit of the Corporation and its consultants, if any, that provide independent and objective assurance services in order to add value to and improve the Corporation's operations.
- (k) "Internal auditor" means the highest position in the Corporation responsible for internal audit activities. If internal audit activities are performed by outside service providers, he is the person responsible for overseeing the service contract, the overall quality of these activities, and following-up of engagement results.
- (l) "Internal control" means a process designed and effected by the Board of Directors, senior management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through efficient and effective operations, reliable, complete, and timely financial and management information, and compliance with applicable laws, regulations, and the Corporation's policies and procedures.
- (m) "Internal control system" means the framework under which internal controls are developed and implemented (alone or in concert with other policies or procedures) to manage and control a particular risk or business activity, or combination of risks or business activities, to which the Corporation is exposed.
- (n) "Management" means a group of executives given the authority by the Board of Directors to implement the policies it has laid down in the conduct of the business of the Corporation.
- (o) "Non-executive director" means a director who has no executive responsibility and does not perform any work related to the operations of the Corporation.
- (p) "Non-audit work" means the other services offered by an external auditor to a Corporation that are not directly related and relevant to its statutory audit functions such as accounting, payroll, bookkeeping, reconciliation, computer project management, data processing or information technology outsourcing services, internal audit, and other services that may compromise the independence and objectivity of an external auditor.

- (q) "Related party" shall cover the Corporation's subsidiaries, as well as Affiliates, and any party (including their subsidiaries, Affiliates, and special purpose entities) that the Corporation exerts direct or indirect control over or that exerts direct or indirect control over the Corporation; the Corporation's directors, officers, shareholders, and related interests (DOSRI), and their Immediate Family Members, as well as corresponding persons in affiliated companies. This shall also include such other person or juridical entity whose interest may pose a potential conflict with the interest of the Corporation.
- (r) "Related party transactions" means a transfer of resources, services, or obligations between the Corporation and a Related Party, regardless of whether a price is charged. These also include outstanding transactions that are entered into with an unrelated party that subsequently becomes a Related Party.
- (s) "Stakeholder" means any individual, organization, or society at large that can either affect and/or be affected by the Corporation's strategies, policies, business decisions, and operations in general. The term includes, among others, customers, creditors, employees, suppliers, investors, as well as the government and community in which the Corporation operates.

Section 3. Rules of Interpretation

- (a) All references to the masculine gender in the salient provisions of this Manual shall likewise cover the feminine gender.
- (b) All doubts that may arise in the interpretation or application of this Manual shall be resolved in favor of promoting transparency, accountability, and fairness to the stockholders and investors of the Corporation.

Section 4. Board of Directors

(a) Board Governance

The Board is primarily responsible for the governance of the Corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide an independent check on Management. The Board shall also be responsible for fostering the long-term success of the Corporation and sustaining its competitiveness and profitability in a manner consistent with corporate objectives and the long-term best interests of its shareholders and other stakeholders.

(b) Composition of the Board

The amended By-Laws of the Corporation provides that the Board shall consist of nine (9) members who must be from among the stockholders and who shall be nominated and elected by the stockholders.

There shall be at least two (2) independent directors or such number of independent directors that constitutes twenty percent (20%) of the members of the Board, whichever is lesser, but in no case less than two (2) to be nominated and elected to the Board.

The membership of the Board may be a combination of executive and non-executive directors (which include independent directors) in order that no director or small group of directors can dominate the decision-making process.

Non-executive directors who possess the necessary qualifications and stature that would enable them to effectively participate in the deliberations of the Board, help secure objective, independent judgment on corporate affairs, and substantiate proper checks and balances.

(c) **Training**

The Corporation shall adopt a policy on the training of directors, including an orientation program for first-time directors, and relevant annual continuing training for all directors.

The orientation program shall cover SEC-mandated topics on corporate governance and an introduction to the Corporation's business, Articles of Incorporation, and Code of Conduct.

The annual continuing training program shall involve courses on corporate governance matters relevant to the Corporation, including audit, internal controls, risk management, sustainability, and strategy.

(d) **Board Diversity**

The Board shall set a policy on board diversity in order to avoid groupthink and to ensure that optimal decision-making is achieved.

(e) **Multiple Board Seats**

The Board shall consider the following guidelines in the determination of the number of directorships for the Board:

(i) The nature of the business of the corporations of which he is a director;

(ii) Age of the director;

(iii) Number of directorships/active memberships and officerships in other corporations or organizations;

(iv) Possible conflict of interest; and

(v) The Chief Executive Officer (CEO) and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent or non-executive directors who serve as full-time executives on other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The optimum number that its members can hold shall be related to the capacity of a director to diligently and efficiently perform his duties and responsibilities.

(f) **Responsibilities, Duties, and Functions of the Board**

1. *General Responsibilities*

It shall be the Board's responsibility to foster the long-term success of the Corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders. Members of the Board shall likewise act on a fully informed basis, in good faith, and with due diligence and care.

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

The Board must likewise oversee the development of and approve the Corporation's business objectives and strategy and monitor their implementation in order to sustain the Corporation's long-term viability and strength.

2. *Duties and Functions*

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

- (i) Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies; appoint competent, professional, honest and highly motivated management officers; and adopt an effective succession planning program for Management;
- (ii) Provide sound strategic policies and guidelines to the Corporation on major capital expenditures; establish programs that can sustain its long-term viability and strength; periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets, and Management's overall performance;
- (iii) Ensure that the Corporation complies with all relevant laws, regulations, and codes of best business practices;
- (iv) Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the Corporation. If feasible, the Corporation's Chief Executive Officer ("CEO") or Chief Financial Officer shall exercise oversight responsibility over this program;
- (v) Adopt a system for identification of the Corporation's major and other stakeholders and formulate a clear policy on communicating or relating with them;
- (vi) Adopt a system of internal checks and balances within the Board. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing

review of the Corporation's internal control system in order to maintain its adequacy and effectiveness;

- (vii) Identify key risk areas and key performance indicators and monitor these factors with due diligence;
- (viii) Adopt a system that ensures the integrity and transparency of related party transactions ("RPTs") between the Corporation and its joint ventures, subsidiaries, associates, affiliates, major stockholders, officers, and directors, including their spouses, children, and dependent siblings and parents, and of interlocking director relationships by members of the Board;
- (ix) Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities;
- (x) Establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities;
- (xi) Properly discharge Board functions by meeting regularly. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted;
- (xii) Keep Board authority within the powers of the institution, as prescribed in the Articles of Incorporation, By-Laws, and in existing laws, rules, and regulation;
- (xiii) Appoint a Compliance Officer who shall have the rank of at least senior vice president or an equivalent position with adequate stature and authority in the Corporation and who should not be a member of the Board of Directors;
- (xiv) 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 shareholder 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;
- (xv) Align the remuneration of key officers and Board members with the long-term interests of the Corporation. 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;
- (xvi) Have overall responsibility in ensuring that there is a group-wide policy and system governing 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 shall encompass

all entities within the group, taking into account their size, structure, risk profile, and complexity of operations;

- (xvii) Be primarily responsible for approving the selection and assessing the performance of Management led by the CEO, and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive);
- (xviii) Establish an effective performance management framework that will ensure that Management, including the CEO, and personnel's performance are at par with the standards set by the Board and Senior Management;
- (xix) 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;
- (xx) 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;
- (xxi) 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 Corporation's website; and
- (xxii) Periodically evaluate and monitor the implementation of the above stated policies and strategies, including business plans, operating budgets, and Management's overall performance.

(g) Nomination and Election of Directors

In the nomination and election of directors, the following rules shall apply:

- (i) The Nomination Committee shall be composed of at least three (3) members, one of whom shall be an independent director.
- (ii) The Nomination Committee shall review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval.
- (iii) The Nomination Committee shall likewise assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

(h) Qualifications of Directors

In addition to the qualifications for membership in the Board provided for in the Corporation Code, Securities Regulation Code, and other relevant laws, a director of the Corporation must have the following minimum qualifications:

- (i) College graduate with a bachelor's degree (or equivalent academic degree following a four-year college education);
- (ii) Practical understanding of the business of the Corporation; and
- (iii) Previous business experience.

(i) Disqualification of Directors

1. *Permanent Disqualification*

The following shall be 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 or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director 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 subparagraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.

The disqualification shall also apply if such person is currently the subject of an order of the SEC 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 the *Bangko Sentral ng Pilipinas* ("BSP"), or under any rule or regulation issued by the SEC or the BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order or 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, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, inducted, or procured the violation of any provision of the Corporation Code, Securities Regulation Code, or any other law administered by the SEC or the BSP, or any of their respective rules, regulations, or orders.
- (v) Any person earlier elected as independent director, who becomes an officer, employee, or consultant of the Corporation.
- (vi) Any person judicially declared as insolvent.
- (vii) 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 in sub-paragraphs (i) to (v) above.
- (viii) Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.
- (ix) Other grounds as the SEC may provide.

2. *Temporary Disqualification*

The Board may provide for the temporary disqualification of a director for any of the following reasons:

- (i) Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.
- (ii) Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any twelve (12)-month period during the said incumbency, unless the absence is due to illness, death in the immediate family, or serious accident. The disqualification shall apply for purposes of the succeeding election.
- (iii) Dismissal or termination for cause as director of any corporation covered by the Revised Code of Corporate Governance. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.
- (iv) 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 shall be lifted if the limit is later complied with.

- (v) 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 fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

(j) Specific Duties and Responsibilities of a Director

A director's office is one of trust and confidence. He shall act in a manner characterized by transparency, accountability, and fairness. He shall also exercise leadership, prudence, and integrity in directing the Corporation's affairs.

A director shall observe the following norms of conduct:

- (i) Conduct fair business transactions with the Corporation and ensure that personal interest does not conflict with the interests of the Corporation;
- (ii) Devote time and attention necessary to properly discharge his duties and responsibilities;
- (iii) Act judiciously;
- (iv) Exercise independent judgment;
- (v) Have a working knowledge of the statutory and regulatory requirements affecting the Corporation, including the contents of its Articles of Incorporation and By-Laws, the rules and regulations of the Securities and Exchange Commission ("SEC"), and where applicable, the requirements of other regulatory agencies; and
- (vi) Observe confidentiality.

(k) The Chairman and the Chief Executive Officer

The positions of Chairman of the Board ("Chair") and CEO should be held by separate individuals and each should have clearly defined responsibilities in order to avoid conflict or a split board and to foster an appropriate balance of power, increased accountability, and better capacity for independent decision-making.

The Board should be headed by a competent and qualified Chair. The duties and responsibilities of the Chair in relation to the Board may include, among others, the following:

- (i) Ensure that the meetings of the Board are held in accordance with the By-Laws or as the Chair may deem necessary;
- (ii) Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the CEO, Management, and the directors;

- (iii) Maintain qualitative and timely lines of communication and information between the Board and Management;
- (iv) Make certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the Corporation, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;
- (v) Guarantee that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- (vi) Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
- (vii) Ensure that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- (viii) Assure the availability of proper orientation for first-time directors and continuing training opportunities for all directors; and
- (ix) Make sure that performance of the Board is evaluated at least once a year and discussed/followed up on.

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

- (i) Determines the Corporation's strategic direction and formulate 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 promote 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.

(I) Internal Control Responsibilities of the Board

The control environment of the Corporation consists of (1) the Board, which ensures that the Corporation is properly and affectively managed and supervised; (2) a Management that actively manages and operates the Corporation in a sound and prudent manner; (3) the organizational and procedural controls, supported by effective management information and risk management reporting systems; and (4) an independent audit mechanism to monitor the adequacy and effectiveness and efficiency of the Corporation's governance, operations, and information systems, including the reliability and integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets, and compliance with laws, rules, regulations, and contracts.

- (i) The minimum internal control mechanism for the performance of the Board's oversight responsibility may include:
 - (a) Definition of the duties and responsibilities of the CEO, who is ultimately accountable for the Corporation's organizational and operational controls;
 - (b) Selection of the person who possesses the ability, integrity, and expertise essential for the position of CEO;
 - (c) Evaluation of proposed senior management appointments;
 - (d) Selection and appointment of qualified and competent management officers; and
 - (e) Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees, and management succession plan.
- (ii) The scope and particulars of the systems of effective organizational and operational controls of the Corporation depend on the following factors: nature and complexity of the business and the business culture; volume, size, and complexity of transactions; degree of risks involved; degree of centralization and delegation of authority; extent and effectiveness of information technology; and extent of regulatory compliance.
- (iii) The Corporation may establish an internal audit system that can reasonably assure the Board, Management, and stockholders that its key organizational and operational controls are faithfully complied with. The Board may appoint an Internal Auditor to perform the audit function, and may require him to report to a level in the organization that allows the internal audit activity to fulfill its mandate. The Internal Auditor shall be guided by the International Standards on Professional Practice of Internal Auditing.

(m) Board Meetings and Quorum Requirement

To show full commitment to the Corporation, 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. 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 SEC, 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 directors should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.

Independent directors should always attend Board meetings. Their absence, however, shall not affect the quorum requirement.

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

The absence of a director in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency is a ground for disqualification in the succeeding election, unless the absence is due to illness, death in the immediate family, serious accident or other unforeseen or fortuitous events.

(n) Remuneration of Directors and Officers

The Corporation may establish formal and transparent procedures for the development of a policy on executive remuneration or determination of remuneration levels for individual directors and officers depending on its particular needs. The Board should align the remuneration of key officers and Board members with the long-term interests of the Corporation. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director should participate on deciding on his remuneration.

Key considerations in determining proper compensation include the following: (i) the level of remuneration is commensurate to the responsibilities of the role; (ii) no director should participate in deciding on his remuneration; and (iii) remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon.

For employees in control functions (e.g., risk, compliance and internal audit), their remuneration shall be determined independently of any business line being overseen, and performance measures shall be based principally on the achievement of their objectives so as not to compromise their independence.

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

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

Section 4. Board Committees

The Board may create such committees as it may deem necessary and beneficial to the internal regulation of the Corporation, in accordance with the Corporation's By-Laws as well as in accordance with good governance. The Board shall constitute the following committees with the following principal duties and responsibilities:

1. *Nomination Committee*

The Board shall create a Nomination Committee which shall be composed of at least three (3) members and one of whom should be an independent director, to review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

2. *Compensation or Remuneration Committee*

The Compensation or Remuneration Committee shall be composed of at least three (3) members, one of whom should be an independent director, to establish 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.

More particularly, the Compensation or Remuneration Committee shall, among others:

- (a) Assist the Board in establishing a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors;
- (b) Provide oversight over remuneration of senior management and other key personnel and ensure that compensation is consistent with the Corporation's culture, strategy, and control environment;
- (c) Ascertain that the remuneration shall be of a sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully;
- (d) Develop a form of Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers which, among others, compels all officers to declare, under the penalty of perjury, all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;
- (e) Disallow any director to decide his or her own remuneration;

- (f) Review the existing Human Resources Development or Personnel Handbook, if any, to strengthen provisions on conflict of interest, salaries and benefits, policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts; and
- (g) Cause the development of such, covering the same parameters of governance stand above in the absence of a Personnel Handbook.

3. *Audit Committee*

The Board shall establish an Audit Committee to enhance its oversight capability over the Corporation's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The Audit Committee shall consist of at least three (3) directors who shall preferably have accounting and finance background. Of the three (3) members, one must be an independent director and another with audit experience. Each member shall have at least an adequate understanding of most of the Corporation's financial management systems and environment. The committee shall have the following functions:

- (a) Recommend the approval 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;
- (b) Through the Internal Audit (IA) 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. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (i) safeguard the Corporation's resources and ensure their effective utilization, (ii) prevent occurrence of fraud and other irregularities, (iii) protect the accuracy and reliability of the Corporation's financial data, and (iv) ensure compliance with applicable laws and regulations;
- (c) Oversee the IA Department, and recommend 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;
- (d) Establish and identify 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;
- (e) Review and monitor Management's responsiveness to the Internal Auditor's findings and recommendations;
- (f) 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 audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

- (g) 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 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;
- (h) Review and approve 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;
- (i) Review the disposition of the recommendations in the External Auditor's management letter;
- (j) Perform 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;
- (k) Coordinate, monitor, and facilitate compliance with laws, rules and regulations;
- (l) 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 Corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders; and
- (m) Meet with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meet with the head of the internal audit.

4. *Other Committees*

The Board may also establish a Corporate Governance Committee, Board Risk Oversight Committee, and Related Party Transaction Committee, as necessary, to support the Board in the effective performance of its functions.

Section 5. The Corporate Secretary

The Corporate Secretary, who should be a Filipino citizen and a resident of the Philippines, is an officer of the Corporation. Considering his varied functions and duties, he must possess administrative and interpersonal skills, and if he is not the general counsel, then he must have some legal skills. He must have working knowledge of the operations of the Corporation and he must also have some financial and accounting skills. Among his duties and responsibilities are:

- (a) 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;
- (b) Safekeeps and preserves the integrity of the minutes of the meetings of the Board and its committees, as well as other official records of the Corporation;
- (c) Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry developments, and operations of the Corporation, and advises the Board and the Chairperson on all relevant issues as they arise;
- (d) 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;
- (e) Advises on the establishment of Board committees and their terms of reference;
- (f) Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five (5) 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;
- (g) Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so;
- (h) Performs required administrative functions;
- (i) Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and
- (j) Performs such other duties and responsibilities as may be provided by the SEC.

Section 6. The Compliance Officer

The Board shall appoint a Compliance Officer who shall report directly to the Chairman of the Board. The Compliance Officer shall have a rank of Vice President or an equivalent position with adequate stature and authority in the Corporation. He should not be a member of the Board of Directors and is required to annually attend a training on corporate governance. He shall perform the following duties:

- (a) Ensure proper onboarding of new directors (*i.e.*, orientation on the Corporation's business, charter, articles of incorporation and by-laws, among others);
- (b) Monitor, review, evaluate, and ensure the compliance by the Corporation, its officers, and directors with the relevant laws, the Code of Corporate Governance, rules and regulations and all governance issuances of regulatory agencies;
- (c) Report the matter to the Board if violations are found and recommend the imposition of appropriate disciplinary action;
- (d) Ensure the integrity and accuracy of all documentary submissions to regulators;
- (e) Appear before the SEC when summoned in relation to compliance with the Code of Corporate Governance;
- (f) Collaborate with other departments to properly address compliance issues, which may be subject to investigation;
- (g) Identify possible areas of compliance issues and work towards the resolution of the same;
- (h) Ensure the attendance of Board members and key officers to relevant trainings; and
- (i) Perform such other duties and responsibilities as may be provided by the SEC.

The appointment of the Compliance Officer shall be immediately disclosed to the SEC on SEC Form 17-C. All correspondence relative to his functions as such shall be addressed to the said Officer.

Section 7. Reinforcing Board Independence

The Board should endeavor to exercise an objective and independent judgment on all corporate affairs. 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.

1. Qualifications of an Independent Director

An Independent Director refers to a person who, ideally:

- (i) Is not, or has not been a senior officer or employee of the Corporation, unless there has been a change in the controlling ownership of the Corporation;
- (ii) Is not, and has not been, in the three (3) years immediately preceding the election, a director of the Corporation; a director, officer, employee, of the Corporation's subsidiaries, associates, affiliates, or related companies; or a director, officer, or employee of the Corporation's substantial shareholders and its related companies;
- (iii) Has not been appointed in the Corporation, 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 election;

- (iv) Is not an owner of more than two percent (2%) of the outstanding shares of the Corporation, its subsidiaries, associates, affiliates, or related companies;
- (v) Is not a relative of a director, officer, or substantial shareholder of the Corporation 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 Corporation 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 Corporation, any of its related companies or substantial shareholders, 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 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 Corporation 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 Corporation 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 Corporation's executives serve as directors.

Related companies, as used in this article, refer to (i) the Corporation's holding/parent company; (ii) its subsidiaries; and (iii) subsidiaries of its holding/parent company.

2. *Term*

The independent directors should shall 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 Corporation, but may continue to qualify for nomination and election as a non-independent director. In the instance that the Corporation would want to retain an

independent director who has served for 9 years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.

The reckoning of the cumulative 9-year term is from 2012, in connection with SEC Memorandum Circular No. 9, Series of 2011.

Section 8. Assessing Board Performance

The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairperson, individual members, and committees.

The Board shall have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system should allow for a feedback mechanism from the shareholders. In establishing the criteria, attention is given to the values, principles and skills required for the Corporation.

Section 9. Accountability and Audit

The Board shall primarily be accountable to the shareholders and shall thus provide the shareholders with a balanced and understandable assessment of the Corporation's performance, position, and prospects on a quarterly basis. The Management shall primarily be accountable to the Board and shall thus provide all members of the Board with a balanced and understandable account of the Corporation's performance, position, and prospects on a monthly basis. Further, Management, under the supervision of the Audit Committee, shall primarily be responsible in making financial reporting and internal control in accordance with the following guidelines:

- (a) Present a balanced and understandable assessment of the Corporation's position and prospects. The Board's responsibility to present a balanced and understandable assessment shall be extended to interim and other price sensitive public reports and reports to regulators as well as to information required to be presented by statutory requirements;
- (b) Report that the business is a going concern, with supporting assumption or qualifications, if necessary;
- (c) Maintain a sound system of internal control to safeguard stakeholders' investment and the Corporation's assets;
- (d) Based on the approved audit plans, scope, and frequency of audits, ensure that internal audit examinations cover, at least, the evaluation of adequacy and effectiveness of controls encompassing the organization's governance, operations, information systems, to include reliability and integrity of financial and operational information systems, to include reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets, and compliance with laws, rules, regulations and contracts;
- (e) The Corporation shall consistently comply with the financial reporting requirements of the Commission auditing. The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the corporation should be changed with the same frequency. The Internal Auditor should submit to the Audit Committee and Management an annual report on the internal audit department's activities, responsibilities, and performance relative to the audit plans and strategies as approved by the Audit Committee. The annual report should include significant risk exposure, control issues, and such other matters as may be needed or requested by the Board and Management. The Internal Auditor should certify that he conducts his activities in accordance with the International Standards on

the Professional Practice of Internal Auditing. If he does not, he shall disclose to the Board and Management the reasons why he has not fully complied with the said standards

Section 10. Strengthening the External Auditor's Independence and Improving Audit Quality

The Corporation shall 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.

The Audit Committee shall 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.

The Audit Committee Charter shall 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 shall also contain the Audit Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.

The Corporation shall 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.

Section 11. Comprehensive and Cost-Efficient Access to Relevant Information

The Corporation shall 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. The Corporation 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 shareholders and other investors.

Section 12. Stockholders' Rights and Protection of Minority Stockholders' Interest

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. Therefore, the following provisions are issued for the guidance of all internal and external parties concerned, as governance covenant between the Corporation and all its investors:

- (a) 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. The Board shall be committed to respect the following rights of the stockholders:

- Right to vote on all matters that require their consent or approval;
- Pre-emptive right to all stock issuances of the Corporation;
- Right to inspect corporate books and records;
- Right to information;
- Right to dividends; and
- Appraisal Right

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

It is the duty of the Board to promote the rights of the stockholders, remove impediments to the exercise of those rights, and provide an adequate avenue for them to seek timely redress for breach of their rights. 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.

The Board should take the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy. Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. The Board should encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information in accordance with the By-Laws of the Corporation and the Securities Regulation Code.

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 Corporation.

The Board shall encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be available on the Corporation's website as soon as available.

Section 13. Rights of Stakeholders and Effective Redress for Violation of Stakeholders' Rights

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

The Board shall identify the Corporation's various stakeholders and promote cooperation between them and the Corporation in creating wealth, growth and sustainability.

The Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

The Board shall adopt a transparent framework and process that allows stakeholders to communicate with the Corporation and to obtain redress for the violation of their rights. This can be done through stakeholder engagement touchpoints in the Corporation such as the Investor Relations Office, Office of the Corporate Secretary, Customer Relations Office, and Corporate Communications Group.

Section 14. Disclosure and Transparency

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

The Board shall 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 Corporation's financial condition, results, and business operations.

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.

The Corporation shall 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. The Corporation shall also disclose the remuneration on an individual basis, including termination and retirement provisions.

The Corporation shall further disclose its policies governing RPTs and other unusual or infrequently occurring transactions in its Manual on Corporate Governance. The material or significant RPTs reviewed and approved during the year should be disclosed in its Annual Corporate Governance Report.

The Corporation shall 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 Corporation shall appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.

The Corporation's corporate governance policies, programs, and procedures shall be submitted to the regulators and posted on the Corporation's website.

Section 15. Commitment to Good Corporate Governance

The Corporation adheres to the principles of transparency, accountability, and fairness, and aims for the highest standards of business ethics. Promotion of a culture of good governance is always on top of the Corporation's agenda.

In its commitment to abide by the highest forms of integrity and transparency in all its dealings – both internally, among its stakeholders, staff, and employees, and externally, among its customers, suppliers, partners, competitors, regulators, and the general public, the Board shall see to it that:

- (a) All material information shall be timely and fully disclosed to the public in accordance with the Securities Regulation Code and the rules and regulations of the SEC and Philippine Stock Exchange, Inc. (“PSE”). Such information shall include Board changes, earnings results, related party transactions, and shareholdings of directors and changes to ownership and reorganization of the Corporation.
- (b) Annual and quarterly reportorial requirements of the SEC and PSE must be complied with.
- (c) Disclosure of all information should be made via recognized and approved procedures by the PSE for company announcements and public releases.

Section 16. Confidentiality and Use of Material Inside Information

The directors, officers and consultants of the Corporation shall observe confidentiality of material inside, non-public information acquired by reason of their office and will not use and/or disclose any information to any other person with the authority of the Board.

Section 17. Regular Review of the Manual and the Scorecard

The Committees, as well as Management, if applicable, shall report to the Board in such manner as the Board may require.

The Compliance Officer shall establish an internal self-rating system to determine and measure performance of the Board and Management in compliance with this Manual. Any violation thereof shall subject the responsible officer or employee to the penalty provided under Section 18 of this Manual. The establishment of such evaluation system, including the features thereof, shall be disclosed in the Corporation’s annual report or in such form of report that is applicable to the Corporation. The adoption of such performance evaluation system must be covered by a Board approval.

This Manual shall be subject to a regular review annually or at such frequency as may be determined by the Board. A scorecard shall be accomplished annually on the scope, nature, and extent of the Corporation’s actions that were taken to meet the objectives of the Revised Code of Corporate Governance, as required by the SEC.

Section 18. Administrative Sanctions

To avoid non-compliance and to strictly observe the provisions of this Manual, the Board may impose appropriate sanctions, penalties, or corrective measures, after due notice and hearing, on erring directors, officers, and employees.

Sanctions or penalties may include censure, suspension, and removal from office, depending on the gravity of the offense, the resulting damage, as well as the frequency of the violation.

- In case of first violation, the subject person shall be reprimanded.
- Suspension from office shall be imposed in case of second violation. The duration of suspension shall depend on the gravity of the violation.
- For third violation, the maximum penalty of removal from office may be imposed depending on the gravity of the violation.

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

Section 19. Communications Process

Subject to existing rules, this Manual shall be available for inspection by any stockholder of the Corporation at reasonable hours on business days.

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

Section 20. Effectivity

This Manual has been revised as of 29 May 2017, pursuant to the requirement of SEC Memorandum Circular No. 19, series of 2016, and shall be effective upon its approval by the SEC.

[Signature pages follow.]

Cristina S. Palma Gil
CRISTINA S. PALMA GIL-FERNANDEZ
Compliance Officer