



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

1. For the fiscal year ended **31 December 2023**
2. SEC Identification Number **51048** 3. BIR Tax Identification No. **000-053-167-000**
4. Exact name of issuer as specified in its charter **FILINVEST DEVELOPMENT CORPORATION**
5. **National Capital Region**
Province, country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **The Beaufort, 5th Avenue corner 23rd Street**
Bonifacio Global City, Taguig City
Address of principal office
8. **1634**
Postal Code
8. **(02) 7918 8188**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																
The Board's Governance Responsibilities																			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.																			
Recommendation 1.1																			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The full profiles including professional qualifications and technical expertise of the Company's board of directors are discussed in detail on Pages 7 to 9 of the Definitive Information Statement (SEC Form 20-IS) (hereinafter, the "Information Statement"), accessible at 2024 DIS .	-																
2. Board has an appropriate mix of competence and expertise.	Compliant		-																
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		-																
Recommendation 1.2																			
1. Board is composed of a majority of non-executive directors.	Compliant	<p>For the year/term 2023-2024 and at any point, only two (2) out of seven (7) directors perform executive roles or functions.</p> <table border="1" data-bbox="1003 1034 1594 1385"> <thead> <tr> <th data-bbox="1003 1034 1341 1098">Name</th> <th data-bbox="1341 1034 1594 1098">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td data-bbox="1003 1098 1341 1129">Jonathan T. Gotianun</td> <td data-bbox="1341 1098 1594 1129">NED</td> </tr> <tr> <td data-bbox="1003 1129 1341 1161">L. Josephine Gotianun-Yap</td> <td data-bbox="1341 1129 1594 1161">NED</td> </tr> <tr> <td data-bbox="1003 1161 1341 1225">Francis Nathaniel C. Gotianun</td> <td data-bbox="1341 1161 1594 1225">ED</td> </tr> <tr> <td data-bbox="1003 1225 1341 1289">Michael Edward T. Gotianun</td> <td data-bbox="1341 1225 1594 1289">ED</td> </tr> <tr> <td data-bbox="1003 1289 1341 1321">Rhoda A Huang</td> <td data-bbox="1341 1289 1594 1321">ED</td> </tr> <tr> <td data-bbox="1003 1321 1341 1353">Virginia T. Obcena</td> <td data-bbox="1341 1321 1594 1353">ID</td> </tr> <tr> <td data-bbox="1003 1353 1341 1385">Val Antonio B. Suarez</td> <td data-bbox="1341 1353 1594 1385">ID</td> </tr> </tbody> </table> <p data-bbox="1003 1391 1646 1444">* ED – Executive Director; NED – Non-executive Director; ID – Independent Director.</p>	Name	Type of Directorship	Jonathan T. Gotianun	NED	L. Josephine Gotianun-Yap	NED	Francis Nathaniel C. Gotianun	ED	Michael Edward T. Gotianun	ED	Rhoda A Huang	ED	Virginia T. Obcena	ID	Val Antonio B. Suarez	ID	-
Name	Type of Directorship																		
Jonathan T. Gotianun	NED																		
L. Josephine Gotianun-Yap	NED																		
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Rhoda A Huang	ED																		
Virginia T. Obcena	ID																		
Val Antonio B. Suarez	ID																		

Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Part V of the Company’s Revised Manual on Corporate Governance (the “Revised Manual”) requires the Chief Financial Officer (“CFO”) to allocate funds for the orientation program as well as the annual continuing training workshop for new and current directors.	-
2. Company has an orientation program for first time directors.	Compliant	<p>None of the members of the Board of Director for the year 2022-2023 are first-time directors as even if Ms. Huang is a new director for FDC, she previously sat as a Director of BPI Capital.</p> <p>A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual</p>	-
3. Company has relevant annual continuing training for all directors.	Compliant	<p>As disclosed in the Company’s Annual Report, the Company’s board of directors, together with its key officers and members of senior management, attended the annual corporate governance training conducted by the Institute of Corporate Directors (ICD) on 6 December 2023.</p> <p>A list of governance trainings sponsored by the company can be found in this link Corporate Governance Training.</p>	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The Company’s Revised Manual provides that the Board shall have a balance of EDs and NEDs (including independent non-executives), having a clear division of responsibilities such that no individual or small group of individuals can dominate the Board’s decision-making. It further requires the Board’s Corporate Governance Committee which functions as the Nominations Committee to ensure that the members of the Board shall be diverse in terms of age, culture, gender and expertise. Moreover, the Company considers it appropriate that the directors are composed of competent, ethical and professional individuals who are knowledgeable, experienced and skillful in diverse fields relevant to the conduct of business.	-

		<p>For the year 2023, the Company’s Board of Directors consists of three (3) female and four (4) male members.</p> <p>Please refer to Pages 3 and 4 of the Company’s 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual</p>	
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Optional: Recommendation 1.4

1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.			
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Recommendation 1.5

1. Board is assisted by a Corporate Secretary.	Compliant	<p>Lindeza Rogero-Gavino and Ma. Ruiza R. Hernane are the Company’s Corporate Secretary and Asst. Corporate Secretary, respectively. Their professional qualifications are discussed on Page 12-13 of the Company’s Information Statement, accessible at the Company’s website through 2024 DIS.</p> <p>The duties and functions of the Corporate Secretary are further discussed in the Company’s By-Laws and Part III E of the 2022 Revised Manual on Corporate Governance also accessible at the Company’s website through 2022 Revised Corporate Governance Manual.</p>	-
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	The role of Compliance Officer is not occupied by Atty Gavino or Atty Hernane. See Recommendation 1.6 below. A copy of the Company’s Information Statement where relevant officers of the company are all stated is accessible at the Company’s website through 2024 DIS .	-
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Atty Gavino is not a member of the Company’s Board.	-
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Both Attys. Gavino and Hernane participated in the corporate governance training conducted by ICD on 6 December 2023 as disclosed in the Company’s Annual Report. Summary of corporate governance training	-

		organized by the company can be found in this link Corporate Governance Training .	
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Optional: Recommendation 1.5

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	It is a standard and usual practice for the office of the Corporate Secretary of the Company to distribute pre-reads to the members of the Board of Directors prior to the scheduled meetings of the Board.	
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Recommendation 1.6

1. Board is assisted by a Compliance Officer.	Compliant	Atty. Millette A. Arnedo, Senior Vice President and General Counsel of the Company served as its Compliance Officer for 2023. She is not a member of the Company’s Board. Her professional qualifications are discussed on Page 9 of the Company’s Information Statement, accessible at the Company’s website through 2024 DIS . The duties and functions as the Compliance Officer are discussed in Part III F of the Company’s 2022 Revised Manual on Corporate Governance also accessible at the Company’s website through 2022 Revised Corporate Governance Manual .	-
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		-
3. Compliance Officer is not a member of the board.	Compliant		-
4. Compliance Officer attends training/s on corporate governance.	Compliant	Atty. Millette A. Arnedo participated in the corporate governance training conducted by ICD on 6 December 2023 as disclosed in the Company’s Annual Report. Summary of corporate governance training organized by the company can be found in this link Corporate Governance Training .	-

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	The 2022 Revised Manual requires the members of the Board to conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.	-
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		Please refer to Page 3 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Part III A (2) of the 2022 Revised Manual provides that it is the Board's responsibility to foster long-term success of the Company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders. The Board shall also formulate the Corporation's vision, mission, strategic objectives, policies and procedures, annual budgets and business plans, that shall guide its activities, including the means to effectively monitor management's performance. The Company's business objectives and strategies are being evaluated on an annual basis. Please refer to Page 4 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	-
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		-
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	The Company's mission, objectives, and shared values are accessible at Our Company Filinvest Development Corporation (filinvestgroup.com) These overarching principles and corporate values are regularly reviewed at such frequency as may be determined by the Board of Directors.	-
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	The Company's business strategies are discussed in detail in its Annual Report, which may be accessed at 2023 Annual Report . Moreover, Part III A (5) of the 2022 Revised Manual provides that there shall be organizational and procedural controls supported by an effective management information system and risk management reporting system. For this reason, the Company's Management regularly conducts meetings with key personnel and senior officers overseeing	-

		the business operations of various project groups. Various management information systems are also in place to facilitate automated report generation on the current status of various projects. Please refer to Page 6 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	The Board is headed by Mr. Jonathan T. Gotianun. He was first elected as a director of the Company on 09 July 1993. His professional qualifications are discussed in further detail on Page 7 of the Company's Information Statement, which is accessible at the Company's website through 2024 DIS .	-
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Among the internal control responsibilities of the Board under Part III A (5) of the Revised Manual is the review of management succession plan. In this regard, the Board discusses and deliberates on succession plans for the President and Chief Executive Office and top key management positions to ensure continuity and consistency with the Company's strategic plans as well as to accommodate its growth. Please refer to Page 6 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	-
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	The Company has a private retirement plan for the benefit of all its regular employees and key officers.	-
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Part III A (7) of the 2022 Revised Manual on Corporate Governance provides that levels of remuneration shall be sufficient to attract and retain the directors, if any, and officers needed to run the Corporation successfully. A proportion of executive directors' remuneration may be structured so as to link rewards to corporate and individual performance.	-
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		-
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		-

	<p>The Company has a Compensation Committee composed of four (4) directors, two (2) of whom are independent directors.</p> <p>At the organizational meeting of the Board of Directors held on 28 April 2023, the Board appointed the four (4) members of the Compensation Committee of which two (2) are Independent Directors, including the Chairman.</p> <p>The Compensation Committee shall have the following duties and responsibilities, among others:</p> <ul style="list-style-type: none"> • Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors; and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company’s culture, strategy and control environment; • Disallow any director to decide on his/her own remuneration; and • Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any and officers. <p>Additional information on the Compensation Committee may be found on Page 104 of the 2023 Annual Report, accessible at 2023 Annual Report,</p> <p>Article IV Section 13 of the Company’s By-Laws provided that directors shall receive the compensation previously determined by the Board with the approval of the stockholders, unless hereafter reduced or increased with the approval of the stockholders. As disclosed on Pages 20 to 22 of the Company’s Information Statement, except for per diems of Php50,000.00 (committee meetings) and Php100,000 (board meetings) being paid to each independent director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.</p>	
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		Copy of the Company’s 2023 Information Statement may be accessed at 2024 DIS .	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.			
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.			
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Under Part III A (8) of the 2022 Revised Manual on Corporate Governance, the Board shall promulgate the guidelines and criteria for the nomination and disclose the same in the Company’s information or proxy statement or such other reports required to be submitted to the Securities and Exchange Commission (“SEC”). The guidelines shall contain the procedure for the acceptance of nominations from all stockholders of the Corporation. In accordance with the Company’s 2022 Revised Manual, the Company’s Corporate Governance Committee also serves as its Nomination Committee. The functions of the Corporate Governance Committee are discussed in pages 11 to 12 of the manual. The Company’s 2022 Revised Manual also sets forth the guidelines in the determination of directorship limit for the directors as well as the criteria for selection of new directors. A copy of which may be accessed at 2022 Revised Corporate Governance Manual . The nomination process, which includes the right of minority shareholders to nominate candidates to the Board, is described in further detail on Pages 14-20 of the Company’s Information Statement, which is accessible at the Company’s website through 2024 DIS .	-
2. Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance.	Compliant		-
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		-
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		-
5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.	Compliant		-
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		-

		Immediately upon the approval by the Board of Directors of the date and agenda of the meeting, the Corporate Secretary issues the notice and agenda of the stockholders' meeting, which includes the process and timeline for submission of nominations for the Board. All stockholders, including the minority stockholders, are given ample time to submit their nominations. A copy of the notice of meeting for the 2023 Annual Stockholders' Meeting may be accessed at Notice and Agenda of the 2023 ASM .	
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related-party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	On 04 May 2018, the Board established the Related-Party Transaction & Corporate Governance Committee. Subsequently, this was split into separate committees, i.e., Related Party Transaction (RPT) Committee and Corporate Governance Committee. The key functions of the RPT Committee include continuous evaluation and monitoring of existing relations among counterparties as well as evaluation of all material RPTs to ensure that these are transacted on an arm's length basis. The Company's RPT Committee Charter and Policy may be accessed at RPT Committee Charter and RPT Policy .	-
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		-
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		-
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	In light of SEC Memorandum Circular No. 10 Series of 2019, the Board has updated the Company's RPT policy and submitted the same on 25 October 2019. It was posted on its website and can be accessed at RPT Policy .	

<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related-party transactions during shareholders' meetings.</p>	<p>Non-Compliant</p>	<p>-</p>	<p>Pursuant to the Company's RPT Policy, which is in compliance with SEC Memorandum Circular No. 10 Series of 2019, the RPT Committee reviews RPTs which are significant (but are not considered Material RPTs) as may be reasonably determined by Management, and reviews Material RPTs before the same is presented to the Board of Directors for approval. On the other hand, all Material RPTs shall be approved by a majority of the Board, including the unanimous vote of the independent directors. In case that a majority of the independent directors vote is not secured, the Material RPT may be ratified by the vote of the Stockholders representing at least 2/3 of the outstanding capital stock.</p> <p>In view of the foregoing policy of related-party transactions, there is a real and clear mechanism to protect the interest of all non-related party shareholders.</p>
Recommendation 2.8			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>The Company's By-Laws and Part III A (5) of the Revised Manual empower the Board to select and appoint individuals with appropriate ability, integrity, and experience to fill the roles of the CEO, Chief Risk Officer ("CRO"), Chief Compliance Officer ("CCO"), and Chief Audit Executive ("CAE").</p> <p>The results of the Board's organizational meeting held last 26 April 2024 wherein the Board appointed the CEO, CCO and other key corporate officers is accessible at Results of 2024 Organizational Meeting.</p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by the CEO and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>The Board's appointment of the CRO and the CAE is accessible at Results of 2023 Organizational Meeting.</p> <p>The appointment is valid until revoked.</p>	<p>-</p>

		<p>The composition of the Company’s senior management team may be accessed at Our Leaders Filinvest Development Corporation (filinvestgroup.com)</p> <p>The profiles of the principal officers and members of senior management are disclosed on Pages 7 to 13 of the Company’s Information Statement accessible at the website.</p> <p>2024 DIS</p> <p>The Board assesses the performance of management on an annual basis. The evaluation is based on their performance of such duties and responsibilities set forth in the By-Laws and the Company’s Revised Manual.</p>	
Recommendation 2.9			
<p>1. Board establishes an effective performance management framework that ensures that Management’s performance is at par with the standards set by the Board and Senior Management.</p>	Compliant	<p>Part III A (3) of the 2022 Revised Manual on Corporate Governance discusses the Board’s specific duty to identify key risk areas and key performance indicators and monitor these actors with due diligence.</p> <p>2022 Revised Corporate Governance Manual.</p>	-
Recommendation 2.10			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	Compliant	<p>Part III D of the 2022 Revised Manual states that the Board shall maintain a sound and effective system of internal control to safeguard stakeholders’ investment and the Company’s assets for the benefit of all stockholders and other stakeholders. The Company further recognizes that the minimum internal control mechanisms for Management’s operational responsibility would center on the CEO, being ultimately accountable for the Company’s organizational and procedural controls.</p>	-
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>	Compliant	<p>A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual.</p> <p>The internal control system is defined through the formulation of Operating Manual Systems (“OMS”) for the various operating sections of the Company. OMS for a particular section is formulated through the review of the</p>	-

		<p>business processes within the section by a team normally comprised of the Systems Department, the personnel operating within the section and representatives from all other affected units. A draft of the OMS is prepared by the System Department, who then secures the concurrence of all team members before submission to the President for final approval.</p> <p>The Company's policy on conflict of interest is accessible at 2022 Revised Corporate Governance Manual and Code of Business Conduct.</p>	
3. Board approves the Internal Audit Charter.	Compliant	A copy of the Company's Audit Committee Charter is accessible at Audit Committee Charter .	-
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p>The Board expanded the roles and functions of its Audit Committee to include Risk Management Oversight.</p> <p>Under Part III B (2) of the Company's 2022 Revised Manual on Corporate Governance, the Audit and Risk Management Oversight Committee shall have the following duties and responsibilities, among others:</p> <ul style="list-style-type: none"> • Develop and oversee the Corporation's risk management program; • Oversee the system of limits to discretionary authority that the Board delegates to the Management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached; • Advise the Board on its risk appetite levels and risk tolerance limits; and • Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. <p>See link 2022 Revised Corporate Governance Manual</p>	-
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		-

Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The roles, responsibilities and accountabilities of the Board of Directors are set forth in the Company's 2022 Revised Manual on Corporate Governance, which is accessible at 2022 Revised Corporate Governance Manual .	-
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	Furthermore, the respective charters of the Board committees are accessible at Corporate Governance Filinvest Development Corporation (filinvestgroup.com)	-
3. Board Charter is publicly available and posted on the company's website.	Compliant		-
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	The Company's policy on insider trading may be accessed at Code of Business Conduct .	-
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	The Company's RPT policy sets out the approval process in related-party transactions, including a policy that all RPTs must be conducted at arms-length basis. The RPT Committee Charter that serves as the Company's guide in dealing with RPTs can be accessed at RPT Committee Charter RPT Policy (filinvestgroup.com)	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	The Company complies with existing laws, rules and regulations on the disclosure of material information approved by the Board.	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	In 2023, the Company had the following committees: 1. Executive Committee; 2. Audit and Risk Management Oversight Committee; 3. Compensation Committee; 4. Related-Party Transactions Committee 5. Corporate Governance Committee (which includes the functions of the Nominations Committee); and	-

Recommendation 3.2																							
		6. Digital Committee.																					
1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Part III B (2) of the Revised Manual mandates the Board to constitute an Audit and Risk Management Oversight Committee (“ARMOC”). Its duties and key functions are discussed in further detail on Page 12 of the Company’s 2022 Revised Manual.</p> <p>Furthermore, the ARMOC Charter provides for its responsibility to assess the integrity and independence of external auditors 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.</p> <p>A copy of the Company’s 2022 Revised Manual can be accessed at 2022 Revised Corporate Governance Manual .</p>	-																				
2. Audit Committee is composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-Compliant	<p>In 2023, the ARMOC is composed of the following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>ED (up to July 2023), Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Val Antonio B. Suarez	ID, Member	Lourdes Josephine Gotianun-Yap	ED (up to July 2023), Member	Jonathan T. Gotianun	NED, Member	<p>In the recent Organizational Meeting of the Board, the following were appointed in the ARMOC:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Mina C. Figueroa</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>NED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Mina C. Figueroa	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	NED, Member
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3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website. 2024 DIS</p>	<p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website accessible at 2024 DIS.</p>																				

			We will be electing another Independent Director as member of the ARMOC in the next meeting of the Board of Directors.
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Ms. Obcena, who is the Chairperson of the ARMOC, is not the Chairperson of the Board or of any other committee.	-
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Under Part III B (2) of the 2022 Revised Manual on Corporate Governance, the ARMOC shall evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Company's total expenditure on consultancy. A copy of the Company's 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	-
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	The Chairperson of the ARMOC meets with the external audit committee on tax and current financial reporting standards and its possible impact on the Company's financials.	
Optional: Recommendation 3.2			
1. Audit Committee meets at least four (4) times during the year.	Compliant	The Audit and Risk Management Oversight Committee was able to meet for three (3) times in 2023. Please refer to the Company's 2023 Annual Report accessible at 2023 Annual Report .	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	Section 3.3.4 of the ARMOC Charter provides that the ARMOC shall recommend the appointment and/or grounds for approval of an Internal Audit Head or Chief Audit Executive or approve the terms and conditions for outsourcing internal audit services. A copy of the Company's Internal Audit Charter is accessible at Audit Committee Charter .	

Recommendation 3.3													
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Part III B (1) of the Revised Manual mandates the Board to constitute a Corporate Governance Committee, which will also serve as the Nominations Committee. Its duties and key functions are discussed in further detail on Page 11 of the Company's Revised Manual.</p> <p>A copy of the Company's 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual.</p>	-										
2. Corporate Governance Committee is composed of at least three (3) members, all of whom should be independent directors.	Non-compliant	<p>In 2023, the composition of the Corporate Governance Committee is as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Chairman</td> </tr> <tr> <td>Virginia T. Obcena</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company's Information Statement, which is accessible at the Company's website. 2024 DIS</p> <p>While not all of the members of the Corporate Governance Committee are independent directors in 2023, two (2) out of the three (3) members of the committee are independent directors including the Chairman (Atty. Suarez), and the fourth member is a non-executive director.</p>	Name	Type of Directorship	Val Antonio B. Suarez	ID, Chairman	Virginia T. Obcena	ID, Member	Jonathan T. Gotianun	NED, Member			<p>In the recent organizational meeting of the Board of Directors of the Company, the directors who had been appointed to the Corporate Governance Committee are all independent directors. A copy of the results of the organizational meeting held on 26 April 2024 may be accessible at Results of the 2024 Organizational Meeting.</p>
Name	Type of Directorship												
Val Antonio B. Suarez	ID, Chairman												
Virginia T. Obcena	ID, Member												
Jonathan T. Gotianun	NED, Member												
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>Atty. Suarez, the Chairman of the Corporate Governance Committee for 2023, is an independent director.</p>	-										

Optional: Recommendation 3.3.																							
1. Corporate Governance Committee meets at least twice during the year.	Compliant	The Corporate Governance Committee met three times (3x) in 2023. Please refer to the Company’s 2023 Annual Report accessible at 2023 Annual Report .																					
Recommendation 3.4																							
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	Part III B (2) of the 2022 Revised Manual mandates the Board to constitute an Audit and Risk Management Oversight Committee (“ARMOC”). The ARMOC performs the functions of BROC. Its duties and key functions are discussed in further detail on Page 12 of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	-																				
2. BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant	In 2023, the composition of the ARMOC is as follows: <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>ED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Val Antonio B. Suarez	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	ED, Member	In the recent Organizational Meeting of the Board, the following were appointed in the ARMOC: <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Mina C. Figueroa</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>NED, Member</td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website accessible at 2024 DIS.</p> <p>We will be electing another Independent Director as member of the ARMOC in the next meeting of the Board of Directors.</p>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Mina C. Figueroa	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	NED, Member
Name	Type of Directorship																						
Virginia T. Obcena	ID, Chairman																						
Val Antonio B. Suarez	ID, Member																						
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Jonathan T. Gotianun	NED, Member																						
Lourdes Josephine Gotianun-Yap	NED, Member																						

3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	Ms. Obcena, who is the Chairperson of the ARMOC which performs the functions of the BROC, is not the Chairman of the Board or of any other committee.	-								
4. At least one (1) member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>All four (4) members of the ARMOC, which performs the functions of BROC, have relevant knowledge and experience on risk and risk management.</p> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website. 2024 DIS</p>	-								
Recommendation 3.5											
1. Board establishes a RPT Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Part III B (3) of the Revised Manual mandates the Board to constitute an RPT Committee. Its duties and key functions are discussed in further detail on Page 14 of the Company’s Revised Manual on Corporate Governance which is accessible through 2022 Revised Corporate Governance Manual .	-								
2. RPT Committee is composed of at least three (3) non-executive directors, two (2) of whom should be independent, including the Chairman.	Compliant	<p>The composition of the RPT Committee in 2023 is as follows:</p> <table border="1" data-bbox="981 938 1617 1098"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Chairman</td> </tr> <tr> <td>Virginia T. Obcena</td> <td>ID, Member</td> </tr> <tr> <td>Claire L. Huang (up to July 2023)</td> <td>ID, Member</td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website through 2024 DIS.</p>	Name	Type of Directorship	Val Antonio B. Suarez	ID, Chairman	Virginia T. Obcena	ID, Member	Claire L. Huang (up to July 2023)	ID, Member	-
Name	Type of Directorship										
Val Antonio B. Suarez	ID, Chairman										
Virginia T. Obcena	ID, Member										
Claire L. Huang (up to July 2023)	ID, Member										

Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	The mandates of the Board Committees are set forth in detail in the Company’s Revised Manual on Corporate Governance. A copy of the said 2022 Revised Manual is accessible through 2022 Revised Corporate Governance Manual .	-
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	Furthermore, the respective charters of the Board committees are accessible at Corporate Governance Filinvest Development Corporation (filinvestgroup.com)	-
3. Committee Charters were fully disclosed on the company’s website.	Compliant	In order to measure the performance of the Board of Directors, on an annual basis, the Board and all Board Committees of the Company shall accomplish the Self-Assessment Sheets. The results shall be consolidated and presented by the Compliance Officer to the Board through the Corporate Governance Committee.	-
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation’s business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Part III A (6) of the Revised Manual provides that 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. A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible through 2022 Revised Corporate Governance Manual . The attendance of the board members for the meetings held in 2023 is summarized in the Company’s 2023 Annual Report, which is accessible at the Company’s website through 2023 Annual Report .	-
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Directors are furnished with materials for meetings of the Board and the committees for their review prior to the date of the meeting.	-

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	The discussions, clarifications and explanations that take place during board meetings are sufficiently covered by minutes.	-
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five (5) publicly-listed companies 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.	Compliant	<p>Part III A (1) of the 2022 Revised Manual on Corporate Governance provides that the non-executive directors may concurrently serve as director in up to a maximum of five (5) publicly-listed companies. A copy of which is accessible through 2022 Revised Corporate Governance Manual.</p> <p>The disclosures on the directorships of the Company’s directors in both listed and non-listed companies may be found in the Company’s 2023 Annual Report and the Information Statement. Both documents are accessible at the Company’s website through the following links: 2023 Annual Report 2024 DIS</p>	-
Recommendation 4.3			
1. The directors notify the company’s board before accepting a directorship in another company.	Compliant	For the year 2023, no member of the Board accepted new directorships in any company outside the group. 2023 Annual Report 2024 DIS	-
Optional: Principle 4			
1. Company does not have any executive director who serves in more than two (2) boards of listed companies outside of the group.	Compliant	<p>The three (3) executive directors of the Company, namely: (i) Lourdes Josephine Gotianun-Yap, (ii) Francis Nathaniel C. Gotianun and (iii) Rhoda A. Huang do not serve in the boards of any listed companies outside of the Filinvest Group.</p> <p>2023 Annual Report 2024 DIS</p>	
2. Company schedules board of directors’ meetings before the start of the financial year.	Compliant	The proposed calendar of meetings for 2024 was presented to the Board of Directors on December 11, 2023.	
3. Board of directors meet at least six (6) times during the year.	Compliant	The Board conducted seven (7) meetings in 2023, as reported in the Annual Report, which can be accessed at: 2023 Annual Report	

4. Company requires a minimum quorum of at least 2/3 for board decisions.	Non-compliant		The Company's By-Laws follows the provision of the Revised Corporation Code of the Philippines which provides that a majority of the number of directors fixed in the Articles of Incorporation shall constitute a quorum for the transaction of business at any meeting (Article IV, Section 5 of the By-Laws), except for those matters requiring the vote of more than majority of the Board.
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least three (3) independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	From January thru July 2023, the Company has three (3) independent directors, namely: (i) Atty. Val Antonio B. Suarez; (ii) Ms. Virginia T. Obcena; and (iii) Ms. Claire L. Huang. In August 2023, Claire Huang stepped down leaving two (2) independent directors, which is 1/3 of the total 7 Board seats. 2023 Annual Report	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	The full profiles of the three (3) above-named independent directors, as well as their professional qualifications and technical expertise, are disclosed in the Company's Information Statement, which is accessible at the Company's website. 2024 DIS	-
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	Part III A of the 2022 Revised Manual on Corporate Governance provides that the Board shall act as an independent check on management. 2022 Revised Corporate Governance Manual	-

Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine (9) years (reckoned from 2012).	Compliant	<p>Part III A (9) of the 2022 Revised Manual on Corporate Governance provides that ID may serve for a maximum cumulative term of nine (9) years, save for certain exceptions for which procedure for extension of terms shall be followed.</p> <p>Ms. Virginia T. Obcena was first elected as ID on 29 April 2016. Ms. Claire L. Huang was first elected as ID on 26 April 2019.</p> <p>Atty. Val Antonio B. Suarez was first elected as ID on 30 May 2014. Having reached the 9 year-term, his nomination was subjected to scrutiny and approval by the Corporate Governance Committee, acting as Nominations Committee. The recommendation of the Corporate Governance Committee was further vetted by the Board and thereafter, his election for another year was presented to the shareholders, who approved the same. Atty Suarez stepped down as director of the Company this year.</p>	-
2. The company bars an independent director from serving in such capacity after the term limit of nine (9) years.	Compliant	<p>Part III A (9) of the 2022 Revised Manual on Corporate Governance states that after the term limit of nine (9) years, the IDs shall be perpetually disqualified from being reelected as an ID in the Company. The exception is likewise provided as the manual states that “[t]he Board may nonetheless retain an independent director who has served for nine (9) years provided that, the reelection is supported by meritorious justification and that the shareholders have given their approval during the annual shareholders’ meeting.”</p> <p>2022 Revised Corporate Governance Manual</p>	-
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders’ approval during the annual shareholders’ meeting.	Compliant	<p>Current Independent Directors of the Company’s Board has less than 9 years tenure. See names of elected Directors during the Company’s 2024 Annual Stockholders’ Meeting.</p> <p>2024 ASM Minutes</p>	-

Recommendation 5.4			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Compliant</p>	<p>Part III A (10) of the 2022 Revised Manual on Corporate Governance provides that the roles of the Chairman and the CEO shall as far as practicable be separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.</p> <p>In compliance with this directive, Mr. Jonathan T. Gotianun serves as the Chairman of the Board; while Mrs. Lourdes Josephine Gotianun-Yap is the President and CEO up to July 2023 and thereafter replaced by Ms. Rhoda A. Huang beginning August 2023.</p>	<p>-</p>
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Compliant</p>	<p>The roles and responsibilities of the Chairman of the Board are discussed in detail in Article VI, Section 6 of the Company’s By-Laws and further expounded on Part III A (10) of the Revised Manual. Meanwhile, the roles and responsibilities of the President and CEO are set forth under Article VI, Section 7 of the Company’s By-Laws.</p> <p>Both documents are accessible at the Company’s website through 2022 Revised Corporate Governance Manual.</p>	<p>-</p>
Recommendation 5.5			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p>Compliant</p>	<p>Part III A (9) of the 2022 Revised Manual provides that in case the Chairman of the Board is not independent or the position of Chairman and Chief Executive Officer is held by one person, the Board shall designate a lead director among the independent directors.</p> <p>Ms. Obcena has been designated as the Company’s lead independent director.</p> <p>A copy of the relevant disclosure on the appointment of the lead independent director is posted in the Company’s website through this link -</p> <p>Notice and Agenda of 2023 ASM</p>	<p>-</p>

Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>There has not been any instance for this principle to be invoked.</p> <p>Part III Section B of the Company’s Related Party Transactions Policy states that “Directors or Officers with personal interest shall abstain from the discussion and approval of such Material RPT. In case of refusal to abstain, their attendance shall not be counted for purposes of assessing the quorum and their votes shall not be counted for purposes of determining majority approval.”</p> <p>A copy of the Related Party Transactions Policy may be accessed at RPT Policy.</p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present.	Compliant	The NEDs and/or IDs of the Company meet with the internal audit head, external auditors, and/or compliance officer separately without the presence of EDs on as-needed basis, usually prior to and in preparation for audit committee meetings.	
2. The meetings are chaired by the lead independent director.	Compliant	Discussions with the external auditor are usually conducted with the ARMOC, also chaired by Ms. Obcena, the Company’s lead independent director.	-
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.			
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant		

2. The Chairman conducts a self-assessment of his performance.	Compliant	The Board launched a self-assessment in 2023. Results of the same had been discussed with the Board's Corporate Governance Committee.	
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three (3) years, the assessments are supported by an external facilitator.	Non-Compliant		The engagement of the services of an external facilitator to support the conduct of the assessments shall be further discussed with the Corporate Governance Committee.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	The self-assessment survey that had been launched to the Board sets forth the criteria that will enable them to assess how well they are performing individually and as a collective body.	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	The Company has an Investor Relations Officer tasked to handle inquiries and manage relations with analysts, shareholders, investors, and the general public. The name and contact information of the Investor Relations Officer is posted on the Company website. https://www.filinvestgroup.com/investor-relations/investor-relations-program/	-
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	The Company's Code of Business Conduct and Ethics may be accessed at Code of Business Conduct .	-

2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>The Code of Business Conduct and Ethics is made available to the Board and senior management.</p> <p>Each new employee is provided a copy of the Code of Business Conduct and Ethics and the contents thereof are discussed at the orientation.</p> <p>The Company implements and monitors compliance with the Code of Business Conduct and Ethics through its Human Relations and Administrative Services Department with assistance from the Compliance Officer, Internal Audit, business and support units.</p>	-
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Company's Code of Business Conduct and Ethics may be accessed at Code of Business Conduct .	-

Supplement to Recommendation 7.1

1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	The Employee Manual provides that no employee shall accept gifts or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commissions from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-
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Recommendation 7.2

1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	All members of senior management and employees are provided with copies of the Code of Business Conduct and Ethics and internal policies, and are notified if there are any updates or revisions thereto.	-
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		-

Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company’s financial condition, results and business operations.</p>	<p>Compliant</p>	<p>Part VI of the 2022 Revised Manual on Corporate Governance provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE. Such information shall include, among others, earnings results, acquisition or disposition of significant assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board, Management and key officers, including termination and retirement.</p> <p>In this regard, the Company observes the reportorial requirements set by its regulatory agencies, such as the SEC and the PSE.</p>	<p>-</p>
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Supplement to Recommendations 8.1

<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p>For the year 2023, the Company submitted its financial reports as follows:</p> <table border="1" data-bbox="981 821 1467 1082"> <thead> <tr> <th>Report</th> <th>Date of Filing</th> <th>No. of Days</th> </tr> </thead> <tbody> <tr> <td>First Quarter</td> <td>May 16, 2023</td> <td>45 days</td> </tr> <tr> <td>Second Quarter</td> <td>August 14, 2023</td> <td>45 days</td> </tr> <tr> <td>Third Quarter</td> <td>November 14, 2023</td> <td>45 days</td> </tr> </tbody> </table> <p>The filing of the Company’s financial reports were compliant with the deadlines set by the Securities and Exchange Commission, including any extensions declared.</p>	Report	Date of Filing	No. of Days	First Quarter	May 16, 2023	45 days	Second Quarter	August 14, 2023	45 days	Third Quarter	November 14, 2023	45 days	<p>All reports were filed within the period required by law.</p>
Report	Date of Filing	No. of Days													
First Quarter	May 16, 2023	45 days													
Second Quarter	August 14, 2023	45 days													
Third Quarter	November 14, 2023	45 days													

<p>2. Company discloses in its annual report the principal risks associated with the identity of the company’s controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>The Company’s 2023 Annual Report may be accessed at 2023 Annual Report.</p> <p>The security ownership of directors, officers and beneficial owners of at least five percent (5%) security interest are likewise disclosed in the Company’s Information Statement, accessible at the Company’s website: 2024 DIS</p>	
Recommendation 8.2			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three (3) business days.</p>	<p>Compliant</p>	<p>Part VI of the 2022 Revised Manual on Corporate Governance requires all directors and officers to report any dealings in the Company’s shares within three (3) business days.</p> <p>In this regard, the Company makes timely disclosures and/or submissions of reportorial requirements to the regulatory agencies, such as the SEC and the PSE.</p>	<p>-</p>
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company’s shares within three (3) business days.</p>	<p>Compliant</p>		<p>-</p>
Supplement to Recommendation 8.2			
<p>1. Company discloses the trading of the corporation’s shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company’s purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>The security ownership of directors, officers and beneficial owners of at least five percent (5%) security interest are likewise disclosed in the Company’s Information Statement, accessible at the Company’s website. 2024 DIS</p> <p>Also, the Company makes timely disclosures and/or submissions of reportorial requirements, such as the Public Ownership Report, to the regulatory agencies, such as the SEC and the PSE, in case of trading by the Company’s directors, officers and controlling shareholders. These disclosures may be accessed in the Disclosures section of the Company website at: Investor Relations Filinvest Development Corporation (filinvestgroup.com)</p>	<p>-</p>
Recommendation 8.3			
<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>The full profiles of the Company’s board of directors including their professional qualifications, technical expertise, membership in other boards, and other executive positions, are discussed in detail on Pages 7 to 9 of the Information Statement, accessible at 2024 DIS.</p>	<p>-</p>

2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant		-
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p>Under Article IV Section 13 of the Company’s By-Laws, directors shall receive the compensation previously determined by the Board with the approval of the stockholders, unless hereafter reduced or increased with the approval of the stockholders. As disclosed on Pages 20 to 22 of the Company’s Information Statement and on Pages 95 to 96 of the 2023 Annual Report, except for a per diem of Php100,000.00 (for Board meetings) and Php50,000.00 (for Board committees) being paid to each independent director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.</p> <p>The compensations for the CEO and top four (4) highest compensated officers are likewise reported in the Information Statement and the 2023 Annual Report.</p> <p>The total compensation of each director are likewise reported in the information statement.</p> <p>2023 Annual Report 2024 DIS</p>	-
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant		-
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant		-
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>The Company’s RPT Policy may be accessed at RPT Policy. 2022 Revised Corporate Governance Manual.</p>	-
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Material or significant RPTs are disclosed in the Company’s Audited Financial Statements for the year ended 31 December 2023, a copy of which is accessible at 2023 Annual Report.</p>	-

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Section III(B) of the RPT Policy of the Company requires disclosure by the directors of any conflict of interest. The policy may be accessed at RPT Policy .	-
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	Please refer to Note 26, page 92 to 94 of the Company's Audited Financial Statements for the year ended 31 December 2022, a copy of which is accessible at 2024 DIS .	-
Recommendation 8.6			
1. Company makes 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.	Compliant	Part VI of the Revised Manual provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE.	-
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	The Related Party Transactions Policy of the Company mandates that, prior to the execution of a material RPT, "the Board shall appoint an independent party to evaluate the fairness of the terms of the Material RPTs. An external independent party may include, but is not limited to, auditing/accounting firms and third-party consultants and appraisers." The Related Party Transactions Policy of the Company may be found at RPT Policy .	-
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Part VI of the 2022 Revised Manual on Corporate Governance provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE. For the reporting period, there had been no incidents or transactions that may materially affect the control, ownership or strategic direction of the Company.	-

		A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 8.7			
1. Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (“MCG”).	Compliant	Copies of the Company’s various manuals on Corporate Governance, the latest version being 2022, is accessible at 2022 Revised Corporate Governance Manual .	-
2. Company’s MCG is submitted to the SEC and PSE.	Compliant		-
3. Company’s MCG is posted on its company website.	Compliant		-
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	The Company duly reports to the SEC and the PSE an updated MCG whenever there are changes in the Company’s corporate governance practices.	-
Optional: Principle 8			
1. Does the company’s Annual Report disclose the following information:		The Company’s 2023 Annual Report may be accessed at 2023 Annual Report .	-
a. Corporate Objectives	Compliant		-
b. Financial performance indicators	Compliant		-
c. Non-financial performance indicators	Compliant		-
d. Dividend Policy	Compliant		-
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		-
f. Attendance details of each director in all directors meetings held during the year	Compliant		-

g. Total remuneration of each member of the board of directors	Compliant		-
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	The Company's 2023 Annual Report may be accessed at 2023 Annual Report .	-
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant		-
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant		-
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant		-

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Part III D (2) of the 2022 Revised Manual on Corporate Governance (Page 16) contains information on the process for approving and recommending the appointment, reappointment, removal and fees of the Company's external auditor. 2022 Revised Corporate Governance Manual	-
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<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p>The re-appointment of the Company’s independent external auditor was recommended by the Company’s Audit and Risk Management Oversight Committee, confirmed by the Board of Directors, and approved by the stockholders during the 2023 Annual Stockholders’ Meeting held on 28 April 2023. A copy of the minutes of the meeting is uploaded to the Company’s website which can be accessed at 2023 Minutes of ASM.</p>	
<p>3. For the removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p>There has not been any instance for this principle to be invoked.</p>	<p>-</p>
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five (5) years.</p>	<p>Compliant</p>	<p>Part III D of the 2022 Revised Manual on Corporate Governance provides that 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 Company, should be changed with the same frequency.</p> <p>Beginning fiscal year 2018 and to date, Mr. Michael C. Sabado serves as the lead audit partner of SGV for the Company.</p>	<p>-</p>
<p>Recommendation 9.2</p>			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	<p>Compliant</p>	<p>The Company’s ARMOC Charter may be accessed at Audit Committee Charter.</p>	<p>-</p>

2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.	Compliant		-
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	The Company’s ARMOC Charter may be accessed at Audit Committee Charter .	-
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The audit and non-audit services, if any, performed by the external auditor are disclosed in the Company’s annual report and information statement. 2023 Annual Report 2024 DIS	-
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.	Compliant	The Company’s ARMOC Charter may be accessed at Audit Committee Charter .	-
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	The services rendered by SGV and the fees paid for such services are disclosed in the company’s Information Statement accessible at 2024 DIS .	
Additional Recommendation to Principle 9			
1. Company’s external auditor is duly accredited by the SEC under Group A category.	Compliant	SGV is duly accredited by the SEC under Group A category with BOA/PRC Reg. No. 0001, accredited on 16 April 2024, expiring on 23 August 2026. Its address and contact details are as follows: 6760 Ayala Avenue 1226 Makati City, Philippines Tel: (632) 8891 0307	

		Fax: (632) 8819 0872 Mr. Michael C. Sabado is the Company's appointed audit engagement partner.	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	SGV & Co. was subjected to SOAR inspection on 1-12 August 2022. The names of the members of the engagement team were provided to the SEC OGA during the SOAR Inspection.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	The Company follows a policy of environmental conservation, in parallel with economic and social efforts, in line with its management strategy. The main focus is to reduce operating expenses through energy conservation and paper recycling. These are discussed in detail in the Company's Sustainability Report which forms part of the Annual Report accessible at 2023 Annual Report .	-
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant		-
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Non-compliant	-	While the Company does not hold analysts' briefings, the Company has a website and Investor Relations Officer for all analyst and investor queries. Furthermore, the Company releases press statements on quarterly performance and major developments in the Company.

			The Company held an analyst briefing on April 3, 2024 which focused on its 2023 net income growth.
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:		Please refer to http://www.filinvestgroup.com .	-
a. Financial statements/reports (latest quarterly)	Compliant	Please refer to Investor Relations Filinvest Development Corporation (filinvestgroup.com)	-
b. Materials provided in briefings to analysts and media	Compliant	Please refer to Investor Relations Filinvest Development Corporation (filinvestgroup.com)	-
c. Downloadable annual report	Compliant	Please refer to 2023 Annual Report	-
d. Notice of ASM and/or SSM	Compliant	Please refer to Notice and Agenda of the 2024 ASM	-
e. Minutes of ASM and/or SSM	Compliant	Please refer to Minutes of the 2024 ASM	-
f. Company's Articles of Incorporation and By-Laws	Compliant	Please refer to AOI and By Laws .	-
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	Please refer to https://www.filinvestgroup.com/	
Internal Control System and Risk Management Framework			
Principle 12: To ensure integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			

Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	The Company’s enterprise risk management framework may be accessed at Sustainability Framework Filinvest Development Corporation (filinvestgroup.com)	-
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant		-
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	Part III F of the 2022 Revised Manual on Corporate Governance mandates the Compliance Officer to identify and monitor compliance with the rules and regulations of regulatory agencies, and take appropriate corrective measures to address all regulatory issues and concerns in collaboration with other departments. 2022 Revised Corporate Governance Manual	-
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	Daily monitoring and escalation of IT infrastructure performance and information security incidents are in place. The same shall be part of the regular agenda of the IT Function Council. Updates to the Board are done regularly as well. In addition, the Company is looking at engaging a Managed Security Operations Center (MSOC) provider to augment its information security capability.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company’s operations.	Compliant	The Company has an independent Internal Audit Department.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Mr. Michael Louie T. Garado is the Company’s Chief Audit Executive. His professional qualifications are discussed in the Company’s Information Statement, accessible at the Company’s website through 2024 DIS .	-
2. CAE oversees and is responsible for the internal audit activity of the organization, including that	Compliant	A copy of the Company’s Internal Audit Charter is accessible at Audit Committee Charter .	-

portion that is outsourced to a third party service provider.			
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Not applicable		The recommendation does not apply as the Company has appointed a Chief Audit Executive.
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p>The Company’s Board created the ARMOC which is primarily responsible for developing and overseeing the Company’s risk management program.</p> <p>In addition, the Company has appointed an Enterprise Risk Management head.</p> <p>See link: https://www.filinvestgroup.com/our-company/our-leaders/</p>	-
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The Company engages third-party consultants for risk appraisals and insurance advisory services.	-
Recommendation 12.5			
1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	Mr. Mark Tom Mulingbayan had been appointed as Head for Enterprise Risk Management.	-
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		-

Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	The Company's Internal Control Attestation for the year 2023 can be found in 2023 CEO and CAE Attestation .	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	The shareholders' rights are disclosed on Pages 20-22 of the 2022 Revised Manual on Corporate Governance which may be accessed through 2022 Revised Corporate Governance Manual .	-
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	A copy of the 2022 Revised Manual on Corporate Governance may be accessed at 2022 Revised Corporate Governance Manual .	-
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	The Company's Amended Articles of Incorporation provides that each common share shall be entitled to one vote. See link to AOI .	-
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The Company issued two (2) classes of shares. The common shares shall be entitled to one vote. Meanwhile, the preferred shares shall have the following features: <ul style="list-style-type: none"> not be entitled to any voting right or privilege, except in those cases expressly provided by laws; redeemable, subject to terms and conditions as the Board may fix. 	-
3. Board has an effective, secure and efficient voting system.	Compliant	The voting procedures are set in the notice of the Annual Stockholders' Meeting, which was distributed to the stockholders. Notice of the Annual Stockholders' Meeting is included in the Definitive Information Statement 2024 DIS .	

		The Notice of the ASM and the Definitive Information Statements provide for the voting procedures, including the nomination and election of directors.	
4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>The Company ensures the protection of minority shareholders.</p> <p>See pages 20 to 21 of the Revised Corporate Governance Manual 2022 Revised Corporate Governance Manual.</p> <p>Minority shareholders are likewise given the opportunity to propose or nominate qualified persons for selection as directors. The Company has also formed a strong and focused Investor Relations Unit which provides a transparent and open line of communication with all its shareholders.</p>	
5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>Article III Section 3 of the Company’s By-Laws allows for the holding of a special meeting of stockholders’ upon the written request of stockholders representing a majority of the outstanding capital stock. A copy of the latest Amended By-Laws may be accessed at By Laws.</p> <p>Stockholders also have the right to propose items for the agenda of shareholders’ meeting, as provided under the Revised Corporation Code and SEC Memorandum Circular No. 14, series of 2020.</p>	-
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Part VII of the 2022 Revised Manual on Corporate Governance lays down the rights of minority shareholders. A copy of the Company’s Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
7. Company has a transparent and specific dividend policy.	Compliant	<p>The Company’s 2023 Annual Report provides a discussion on the dividend policy and payment schedule of the dividends declared for the year 2023. A copy of the 2023 Annual Report may be accessed through 2023 Annual Report.</p>	-

Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	In the last stockholders' meeting, the company's stock transfer agent, STSI was asked to validated the votes as tabulated by the Office of the Corporate Secretary.	-
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least twenty-eight (28) days before the meeting.	Compliant	Notice of meeting with agenda included has been uploaded for shareholders reference on March 26, 2024. Notice and Agenda of 2024 ASM	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Notice and agenda of the Annual Shareholders' Meeting for the year 2023 and 2024 may be accessed at Notice and Agenda of 2023 ASM Notice and Agenda of 2024 ASM	-
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	The profiles of directors elected during the 2023 Annual Shareholders' Meeting are disclosed in the Information Statement. A copy of the 2023 Definitive Information Statement may be accessed at 2024 DIS .	-
b. Auditors seeking appointment/re-appointment	Compliant	Notice and agenda of the Annual Shareholders' Meeting for the years 2023 and 2024 may be accessed at Notice and Agenda of 2023 ASM Notice and Agenda of 2024 ASM Copies of the 2023 and 2024 Definitive Information Statements may be accessed at 2023 DIS and 2024 DIS .	-
c. Proxy documents	Compliant	The notice of meeting states that the Company is not soliciting proxies.	-

Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	The agenda items were discussed in detail on pages 32-34 of the Information Statement which may be accessed at 2024 DIS .	-
Recommendation 13.3			
1. Board encourages 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.	Compliant	Results of the votes taken during the 2023 Annual Shareholders' Meeting were incorporated in the minutes of the meeting, a copy of which is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS .	-
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five (5) business days from the end of the meeting.	Compliant	A copy of the minutes of the 2023 Annual Shareholders' Meeting, indicating the voting results for all agenda items, including the approving, dissenting and abstaining votes, is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS .	-
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Mr. Michael Sabado, SGV's Partner-in-Charge, together with his audit team, was present to answer shareholders questions during the 2023 ASM of the Company. A copy of the minutes is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS . Likewise, some of the senior management of the Company attended the ASM.	-
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Part VII of the Revised Manual provides that it is the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights.	-
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	The Company encourages and promotes the amicable settlement of disputes or difference between the Company and stockholders, third parties and regulatory authorities. If the conflict is material or substantial in nature, it is referred by the Corporate Secretary to the Board of Directors.	-

Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	The Company's Head- Group Investor Relations is Ms. Patricia Carmen Pineda. Her contact details are as follows: Tel. No. +63 2 7798 3951 Email: patricia.pineda@filinvestgroup.com	-
2. IRO is present at every shareholder's meeting.	Compliant	Ms. Pineda was present during the Company's 2023 and 2024 Annual Shareholders' Meetings.	-
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	The Company has no anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	-
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-compliant	-	The company's public float as of 31 December 2023 is 10.73%. While it is the intention of the Company to spread the distribution of its shares and increase its public ownership, it remains compliant with the prevailing minimum public ownership requirement and undertakes to comply with any revisions or amendments thereto.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	The Company maintains a website and an Investor Relations Officer for all stockholders' queries.	-
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	Voting <i>in absentia</i> was implemented in its 2023 and 2024 Annual Shareholders' Meetings as disclosed in its Information Statement.	-
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Part II A of the Revised Manual requires the Board to identify the Corporation's stakeholders in the community in which it operates or are directly affected by its operations	-

		<p>and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>The Company's 2022 Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p> <p>The Company's approach to sustainability is discussed in detail in its Sustainability Report which forms part of its Annual Report accessible at 2023 Annual Report.</p>	
Recommendation 14.2			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	Compliant	<p>Part II A of the 2022 Revised Manual on Corporate Governance requires the Board to identify the Corporation's stakeholders in the community in which it operates or are directly affected by its operations and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>The Company's 2022 Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
Recommendation 14.3			
<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	Compliant	<p>Part VII of the 2022 Revised Manual on Corporate Governance provides that it is the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights.</p> <p>The Company's policy on whistleblowing may be accessed at Code of Business Conduct.</p>	-
Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	Compliant	<p>Part II A (3) of the 2022 Revised Manual on Corporate Governance mandates the board to 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 the regulatory authorities.</p> <p>The Company's Revised Manual may be accessed at</p>	-

		2022 Revised Corporate Governance Manual.	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p>The Company faithfully adheres to the applicable law, rules or regulations in all of its corporate dealings. As embodied in Part III (A) of its Revised Manual on Corporate Governance, the Board is responsible for fostering the long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.</p> <p>The Board shall likewise provide an independent check on management. As such, it is vitally important that a number of board members be independent from management.</p> <p>The Company's 2022 Revised Manual on Corporate Governance may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
2. Company respects intellectual property rights.	Compliant	The Company registers its intellectual property rights, including trademarks and trade names, with the Intellectual Property Office. The intellectual property rights of the Filinvest Group are discussed in the Company's Annual Report accessible at 2023 Annual Report.	-
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	The Company's operating subsidiaries have established a Customer Care Unit tasked to address customer complaints or suggestions, conduct customer satisfaction surveys and communicate with customers via effective channels.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	The suppliers and contractors are required to undergo an accreditation and bidding process.	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			

Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The Company's employees may avail of external training programs or seminars relevant to the performance of their duties. The employees may also participate in various trainings and programs arranged by the relevant subsidiaries' Human Resources Department.	-
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	The Company conducts a yearly performance appraisal of its employees and grants merit increases depending on the results of their performance appraisal.	-
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	The Company's employee's safety, health and welfare policies are embodied in a Safety Manual which is made available to all employees. This Manual includes policies on occupational, safety, and health programs, safety & discipline, drugs and alcohol-free workplace and sexual harassment as well as emergency action plan, fire safety and prevention and incident reporting and investigation mechanisms.	-
3. Company has policies and practices on training and development of its employees.	Compliant	The Company's employees may avail of external training programs or seminars relevant to the performance of their duties. The employees may also participate in various trainings and programs arranged by the Human Resources Department.	-
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	The Employee Manual provides that no employee shall accept gift or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commission from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-

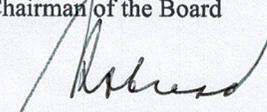
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	All members of senior management and employees are provided with copies of the Employee Manual, and are notified if there are any updates or revisions thereto. These HR rules are likewise accessible through the OMS via local network.	-
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	The Company's Code of Business Conduct provides that no employee shall accept gift or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commission from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	The Company's policy on whistle-blowing may be accessed at Code of Business Conduct . Any illegal or unethical behavior may be reported to the Company's Human Resources Department or Legal Department.	-
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant		-
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant		-
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			

Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	The Company’s corporate social responsibility activities are discussed the 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	-
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	The Company’s approach to sustainability is discussed in detail in the 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	The Company’s corporate social responsibility activities are discussed 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	-

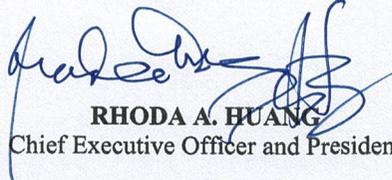
Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Mandaluyong on MAY 29 2024.

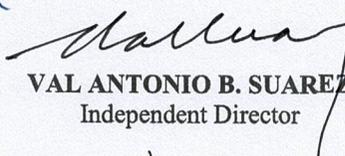
SIGNATURES

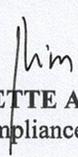
JONATHAN T. GOTIANUN
Chairman of the Board


VIRGINIA T. OBCENA
Lead Independent Director


LINDEZA ROGERO-GAVINO
Corporate Secretary


RHODA A. HUANG
Chief Executive Officer and President


VAL ANTONIO B. SUAREZ
Independent Director


MILLETTE A. ARNEDEO
Compliance Officer

SUBSCRIBED AND SWORN to before me this **MAY 29 2024** in Mandaluyong City, affiants exhibiting to me their competent evidence of identities, as follows:

NAME	GOVERNMENT-ISSUED I.D.	DATE AND PLACE OF ISSUE
Jonathan T. Gotianun	Philippine Passport No. P5509919A	03 January 2018 / DFA Manila
Rhoda A. Huang	Philippine Passport No. P8984518A	02 October 2018 / DFA NCR East
Virginia T. Obcena	Philippine Passport No. P7582624A	19 June 2018 / DFA NCR South
Val Antonio B. Suarez	IBP Lifetime Member No. 01967	IBP Pasig City
Millette A. Arnedo	Philippine Passport No. P9582894A	16 November 2018/ DFA NCR East
Lindeza Rogero-Gavino	Philippine Passport No. P2326165C	10 November 2022 / Department of Foreign Affairs-Manila

Doc. No.: 437;
Page No.: 89
Book No.: 19;
Series of 2024.

JOVEN G. SIVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-23 UNTIL DECEMBER 31, 2024
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 5420812; 1-3-24; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

REPUBLIC OF THE PHILIPPINES)
CITY OF **MANDALUYONG CITY**) S.S.

CERTIFICATION

I, **LINDEZA R. ROGERO-GAVINO**, of legal age, Filipino, with office address at 14th Floor, San Miguel Properties Centre, St. Francis Avenue, Ortigas Center, Mandaluyong City, after being duly sworn in accordance with law, certify as follows:

1. I am the duly elected and qualified Corporate Secretary of **FILINVEST DEVELOPMENT CORPORATION** (“**Corporation**”), a corporation organized and existing under the laws of the Republic of the Philippines, with principal office at The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, 1634, Metro Manila.
2. Anent the Corporation’s 2023 Integrated Annual Corporate Governance Report (the “**I-ACGR**”) which needs to be filed by 30 May 2024, I certify that Mr. Jonathan T. Gotianun, the Corporation’s Non-Executive Director & Chairman of the Board, was unable to sign the Report manually when it was routed to him for signature because he is currently abroad. However, he has approved the Report by signing the same via PandaDoc, which will be kept in the Corporation's file as part of this year's I-ACGR filing.
3. This certification is being issued in line with the Corporation’s submission of its Annual Corporate Governance Report covering Year 2023 with the Securities and Exchange Commission and other relevant entities.

MAY 29 2024
IN WITNESS WHEREOF, I have hereunto set my hand this _____ in Mandaluyong City, Metro Manila.


LINDEZA R. ROGERO-GAVINO
Corporate Secretary

MAY 29 2024
SUBSCRIBED AND SWORN to before me this _____ in Mandaluyong City, Metro Manila, affiant exhibiting to me her Passport ID No. P2326165C, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs-Manila and valid until 09 November 2032.

Doc. No. 435 ;
Page No. 88 ;
Book No. 19 ;
Series of 2024.


JOVEN G. SEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-23 UNTIL DECEMBER 31, 2024
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 5420812; 1-3-24; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY



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

1. For the fiscal year ended **31 December 2023**
2. SEC Identification Number **51048** 3. BIR Tax Identification No. **000-053-167-000**
4. Exact name of issuer as specified in its charter **FILINVEST DEVELOPMENT CORPORATION**
5. **National Capital Region**
Province, country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **The Beaufort, 5th Avenue corner 23rd Street**
Bonifacio Global City, Taguig City
Address of principal office
8. **1634**
Postal Code
8. **(02) 7918 8188**
Issuer's telephone number, including area code
9. **Not Applicable**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT																			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																
The Board's Governance Responsibilities																			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.																			
Recommendation 1.1																			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The full profiles including professional qualifications and technical expertise of the Company's board of directors are discussed in detail on Pages 7 to 9 of the Definitive Information Statement (SEC Form 20-IS) (hereinafter, the "Information Statement"), accessible at 2024 DIS .	-																
2. Board has an appropriate mix of competence and expertise.	Compliant		-																
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		-																
Recommendation 1.2																			
1. Board is composed of a majority of non-executive directors.	Compliant	<p>For the year/term 2023-2024 and at any point, only two (2) out of seven (7) directors perform executive roles or functions.</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Jonathan T. Gotianun</td> <td>NED</td> </tr> <tr> <td>L. Josephine Gotianun-Yap</td> <td>NED</td> </tr> <tr> <td>Francis Nathaniel C. Gotianun</td> <td>ED</td> </tr> <tr> <td>Michael Edward T. Gotianun</td> <td>ED</td> </tr> <tr> <td>Rhoda A Huang</td> <td>ED</td> </tr> <tr> <td>Virginia T. Obcena</td> <td>ID</td> </tr> <tr> <td>Val Antonio B. Suarez</td> <td>ID</td> </tr> </tbody> </table> <p>* ED – Executive Director; NED – Non-executive Director; ID – Independent Director.</p>	Name	Type of Directorship	Jonathan T. Gotianun	NED	L. Josephine Gotianun-Yap	NED	Francis Nathaniel C. Gotianun	ED	Michael Edward T. Gotianun	ED	Rhoda A Huang	ED	Virginia T. Obcena	ID	Val Antonio B. Suarez	ID	-
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Rhoda A Huang	ED																		
Virginia T. Obcena	ID																		
Val Antonio B. Suarez	ID																		

Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Part V of the Company’s Revised Manual on Corporate Governance (the “Revised Manual”) requires the Chief Financial Officer (“CFO”) to allocate funds for the orientation program as well as the annual continuing training workshop for new and current directors.	-
2. Company has an orientation program for first time directors.	Compliant	<p>None of the members of the Board of Director for the year 2022-2023 are first-time directors as even if Ms. Huang is a new director for FDC, she previously sat as a Director of BPI Capital.</p> <p>A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual</p>	-
3. Company has relevant annual continuing training for all directors.	Compliant	<p>As disclosed in the Company’s Annual Report, the Company’s board of directors, together with its key officers and members of senior management, attended the annual corporate governance training conducted by the Institute of Corporate Directors (ICD) on 6 December 2023.</p> <p>A list of governance trainings sponsored by the company can be found in this link Corporate Governance Training.</p>	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The Company’s Revised Manual provides that the Board shall have a balance of EDs and NEDs (including independent non-executives), having a clear division of responsibilities such that no individual or small group of individuals can dominate the Board’s decision-making. It further requires the Board’s Corporate Governance Committee which functions as the Nominations Committee to ensure that the members of the Board shall be diverse in terms of age, culture, gender and expertise. Moreover, the Company considers it appropriate that the directors are composed of competent, ethical and professional individuals who are knowledgeable, experienced and skillful in diverse fields relevant to the conduct of business.	-

		<p>For the year 2023, the Company’s Board of Directors consists of three (3) female and four (4) male members.</p> <p>Please refer to Pages 3 and 4 of the Company’s 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual</p>	
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Optional: Recommendation 1.4

1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.			
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Recommendation 1.5

1. Board is assisted by a Corporate Secretary.	Compliant	<p>Lindeza Rogero-Gavino and Ma. Ruiza R. Hernane are the Company’s Corporate Secretary and Asst. Corporate Secretary, respectively. Their professional qualifications are discussed on Page 12-13 of the Company’s Information Statement, accessible at the Company’s website through 2024 DIS.</p> <p>The duties and functions of the Corporate Secretary are further discussed in the Company’s By-Laws and Part III E of the 2022 Revised Manual on Corporate Governance also accessible at the Company’s website through 2022 Revised Corporate Governance Manual.</p>	-
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	The role of Compliance Officer is not occupied by Atty Gavino or Atty Hernane. See Recommendation 1.6 below. A copy of the Company’s Information Statement where relevant officers of the company are all stated is accessible at the Company’s website through 2024 DIS .	-
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Atty Gavino is not a member of the Company’s Board.	-
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Both Attys. Gavino and Hernane participated in the corporate governance training conducted by ICD on 6 December 2023 as disclosed in the Company’s Annual Report. Summary of corporate governance training	-

		organized by the company can be found in this link Corporate Governance Training .	
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Optional: Recommendation 1.5

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	It is a standard and usual practice for the office of the Corporate Secretary of the Company to distribute pre-reads to the members of the Board of Directors prior to the scheduled meetings of the Board.	
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Recommendation 1.6

1. Board is assisted by a Compliance Officer.	Compliant	Atty. Millette A. Arnedo, Senior Vice President and General Counsel of the Company served as its Compliance Officer for 2023. She is not a member of the Company's Board. Her professional qualifications are discussed on Page 9 of the Company's Information Statement, accessible at the Company's website through 2024 DIS . The duties and functions as the Compliance Officer are discussed in Part III F of the Company's 2022 Revised Manual on Corporate Governance also accessible at the Company's website through 2022 Revised Corporate Governance Manual .	-
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		-
3. Compliance Officer is not a member of the board.	Compliant		-
4. Compliance Officer attends training/s on corporate governance.	Compliant		Atty. Millette A. Arnedo participated in the corporate governance training conducted by ICD on 6 December 2023 as disclosed in the Company's Annual Report. Summary of corporate governance training organized by the company can be found in this link Corporate Governance Training .

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	The 2022 Revised Manual requires the members of the Board to conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.	-
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		Please refer to Page 3 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Part III A (2) of the 2022 Revised Manual provides that it is the Board's responsibility to foster long-term success of the Company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders. The Board shall also formulate the Corporation's vision, mission, strategic objectives, policies and procedures, annual budgets and business plans, that shall guide its activities, including the means to effectively monitor management's performance. The Company's business objectives and strategies are being evaluated on an annual basis. Please refer to Page 4 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	-
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		-
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	The Company's mission, objectives, and shared values are accessible at Our Company Filinvest Development Corporation (filinvestgroup.com) These overarching principles and corporate values are regularly reviewed at such frequency as may be determined by the Board of Directors.	-
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	The Company's business strategies are discussed in detail in its Annual Report, which may be accessed at 2023 Annual Report . Moreover, Part III A (5) of the 2022 Revised Manual provides that there shall be organizational and procedural controls supported by an effective management information system and risk management reporting system. For this reason, the Company's Management regularly conducts meetings with key personnel and senior officers overseeing	-

		the business operations of various project groups. Various management information systems are also in place to facilitate automated report generation on the current status of various projects. Please refer to Page 6 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	The Board is headed by Mr. Jonathan T. Gotianun. He was first elected as a director of the Company on 09 July 1993. His professional qualifications are discussed in further detail on Page 7 of the Company's Information Statement, which is accessible at the Company's website through 2024 DIS .	-
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Among the internal control responsibilities of the Board under Part III A (5) of the Revised Manual is the review of management succession plan. In this regard, the Board discusses and deliberates on succession plans for the President and Chief Executive Office and top key management positions to ensure continuity and consistency with the Company's strategic plans as well as to accommodate its growth. Please refer to Page 6 of the Company's 2022 Revised Manual on Corporate Governance, accessible at 2022 Revised Corporate Governance Manual .	-
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	The Company has a private retirement plan for the benefit of all its regular employees and key officers.	-
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Part III A (7) of the 2022 Revised Manual on Corporate Governance provides that levels of remuneration shall be sufficient to attract and retain the directors, if any, and officers needed to run the Corporation successfully. A proportion of executive directors' remuneration may be structured so as to link rewards to corporate and individual performance.	-
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		-
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		-

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	<p>The Company has a Compensation Committee composed of four (4) directors, two (2) of whom are independent directors.</p> <p>At the organizational meeting of the Board of Directors held on 28 April 2023, the Board appointed the four (4) members of the Compensation Committee of which two (2) are Independent Directors, including the Chairman.</p> <p>The Compensation Committee shall have the following duties and responsibilities, among others:</p> <ul style="list-style-type: none"> • Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors; and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Company’s culture, strategy and control environment; • Disallow any director to decide on his/her own remuneration; and • Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any and officers. <p>Additional information on the Compensation Committee may be found on Page 104 of the 2023 Annual Report, accessible at 2023 Annual Report,</p> <p>Article IV Section 13 of the Company’s By-Laws provided that directors shall receive the compensation previously determined by the Board with the approval of the stockholders, unless hereafter reduced or increased with the approval of the stockholders. As disclosed on Pages 20 to 22 of the Company’s Information Statement, except for per diems of Php50,000.00 (committee meetings) and Php100,000 (board meetings) being paid to each independent director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.</p>	
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		Copy of the Company’s 2023 Information Statement may be accessed at 2024 DIS .	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.			
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.			
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Under Part III A (8) of the 2022 Revised Manual on Corporate Governance, the Board shall promulgate the guidelines and criteria for the nomination and disclose the same in the Company’s information or proxy statement or such other reports required to be submitted to the Securities and Exchange Commission (“SEC”). The guidelines shall contain the procedure for the acceptance of nominations from all stockholders of the Corporation. In accordance with the Company’s 2022 Revised Manual, the Company’s Corporate Governance Committee also serves as its Nomination Committee. The functions of the Corporate Governance Committee are discussed in pages 11 to 12 of the manual. The Company’s 2022 Revised Manual also sets forth the guidelines in the determination of directorship limit for the directors as well as the criteria for selection of new directors. A copy of which may be accessed at 2022 Revised Corporate Governance Manual . The nomination process, which includes the right of minority shareholders to nominate candidates to the Board, is described in further detail on Pages 14-20 of the Company’s Information Statement, which is accessible at the Company’s website through 2024 DIS .	-
2. Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance.	Compliant		-
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		-
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		-
5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.	Compliant		-
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		-

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		Immediately upon the approval by the Board of Directors of the date and agenda of the meeting, the Corporate Secretary issues the notice and agenda of the stockholders' meeting, which includes the process and timeline for submission of nominations for the Board. All stockholders, including the minority stockholders, are given ample time to submit their nominations. A copy of the notice of meeting for the 2023 Annual Stockholders' Meeting may be accessed at Notice and Agenda of the 2023 ASM .	
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related-party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	On 04 May 2018, the Board established the Related-Party Transaction & Corporate Governance Committee. Subsequently, this was split into separate committees, i.e., Related Party Transaction (RPT) Committee and Corporate Governance Committee. The key functions of the RPT Committee include continuous evaluation and monitoring of existing relations among counterparties as well as evaluation of all material RPTs to ensure that these are transacted on an arm's length basis. The Company's RPT Committee Charter and Policy may be accessed at RPT Committee Charter and RPT Policy .	-
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		-
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		-
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	In light of SEC Memorandum Circular No. 10 Series of 2019, the Board has updated the Company's RPT policy and submitted the same on 25 October 2019. It was posted on its website and can be accessed at RPT Policy .	

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<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related-party transactions during shareholders' meetings.</p>	<p>Non-Compliant</p>	<p>-</p>	<p>Pursuant to the Company's RPT Policy, which is in compliance with SEC Memorandum Circular No. 10 Series of 2019, the RPT Committee reviews RPTs which are significant (but are not considered Material RPTs) as may be reasonably determined by Management, and reviews Material RPTs before the same is presented to the Board of Directors for approval. On the other hand, all Material RPTs shall be approved by a majority of the Board, including the unanimous vote of the independent directors. In case that a majority of the independent directors vote is not secured, the Material RPT may be ratified by the vote of the Stockholders representing at least 2/3 of the outstanding capital stock.</p> <p>In view of the foregoing policy of related-party transactions, there is a real and clear mechanism to protect the interest of all non-related party shareholders.</p>
Recommendation 2.8			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>The Company's By-Laws and Part III A (5) of the Revised Manual empower the Board to select and appoint individuals with appropriate ability, integrity, and experience to fill the roles of the CEO, Chief Risk Officer ("CRO"), Chief Compliance Officer ("CCO"), and Chief Audit Executive ("CAE").</p> <p>The results of the Board's organizational meeting held last 26 April 2024 wherein the Board appointed the CEO, CCO and other key corporate officers is accessible at Results of 2024 Organizational Meeting.</p>	<p>-</p>
<p>2. Board is primarily responsible for assessing the performance of Management led by the CEO and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>The Board's appointment of the CRO and the CAE is accessible at Results of 2023 Organizational Meeting.</p> <p>The appointment is valid until revoked.</p>	<p>-</p>

		<p>The composition of the Company’s senior management team may be accessed at Our Leaders Filinvest Development Corporation (filinvestgroup.com)</p> <p>The profiles of the principal officers and members of senior management are disclosed on Pages 7 to 13 of the Company’s Information Statement accessible at the website.</p> <p>2024 DIS</p> <p>The Board assesses the performance of management on an annual basis. The evaluation is based on their performance of such duties and responsibilities set forth in the By-Laws and the Company’s Revised Manual.</p>	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management’s performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>Part III A (3) of the 2022 Revised Manual on Corporate Governance discusses the Board’s specific duty to identify key risk areas and key performance indicators and monitor these actors with due diligence.</p> <p>2022 Revised Corporate Governance Manual.</p>	-
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<p>Part III D of the 2022 Revised Manual states that the Board shall maintain a sound and effective system of internal control to safeguard stakeholders’ investment and the Company’s assets for the benefit of all stockholders and other stakeholders. The Company further recognizes that the minimum internal control mechanisms for Management’s operational responsibility would center on the CEO, being ultimately accountable for the Company’s organizational and procedural controls.</p> <p>A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual.</p> <p>The internal control system is defined through the formulation of Operating Manual Systems (“OMS”) for the various operating sections of the Company. OMS for a particular section is formulated through the review of the</p>	-
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		-

		<p>business processes within the section by a team normally comprised of the Systems Department, the personnel operating within the section and representatives from all other affected units. A draft of the OMS is prepared by the System Department, who then secures the concurrence of all team members before submission to the President for final approval.</p> <p>The Company's policy on conflict of interest is accessible at 2022 Revised Corporate Governance Manual and Code of Business Conduct.</p>	
3. Board approves the Internal Audit Charter.	Compliant	A copy of the Company's Audit Committee Charter is accessible at Audit Committee Charter .	-
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p>The Board expanded the roles and functions of its Audit Committee to include Risk Management Oversight.</p> <p>Under Part III B (2) of the Company's 2022 Revised Manual on Corporate Governance, the Audit and Risk Management Oversight Committee shall have the following duties and responsibilities, among others:</p> <ul style="list-style-type: none"> • Develop and oversee the Corporation's risk management program; • Oversee the system of limits to discretionary authority that the Board delegates to the Management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached; • Advise the Board on its risk appetite levels and risk tolerance limits; and • Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. <p>See link 2022 Revised Corporate Governance Manual</p>	-
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		-

Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The roles, responsibilities and accountabilities of the Board of Directors are set forth in the Company's 2022 Revised Manual on Corporate Governance, which is accessible at 2022 Revised Corporate Governance Manual . Furthermore, the respective charters of the Board committees are accessible at Corporate Governance Filinvest Development Corporation (filinvestgroup.com)	-
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		-
3. Board Charter is publicly available and posted on the company's website.	Compliant		-
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	The Company's policy on insider trading may be accessed at Code of Business Conduct .	-
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	The Company's RPT policy sets out the approval process in related-party transactions, including a policy that all RPTs must be conducted at arms-length basis. The RPT Committee Charter that serves as the Company's guide in dealing with RPTs can be accessed at RPT Committee Charter RPT Policy (filinvestgroup.com)	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	The Company complies with existing laws, rules and regulations on the disclosure of material information approved by the Board.	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	In 2023, the Company had the following committees: 1. Executive Committee; 2. Audit and Risk Management Oversight Committee; 3. Compensation Committee; 4. Related-Party Transactions Committee 5. Corporate Governance Committee (which includes the functions of the Nominations Committee); and	-

Recommendation 3.2																							
		6. Digital Committee.																					
1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Part III B (2) of the Revised Manual mandates the Board to constitute an Audit and Risk Management Oversight Committee (“ARMOC”). Its duties and key functions are discussed in further detail on Page 12 of the Company’s 2022 Revised Manual.</p> <p>Furthermore, the ARMOC Charter provides for its responsibility to assess the integrity and independence of external auditors 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.</p> <p>A copy of the Company’s 2022 Revised Manual can be accessed at 2022 Revised Corporate Governance Manual .</p>	-																				
2. Audit Committee is composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-Compliant	<p>In 2023, the ARMOC is composed of the following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>ED (up to July 2023), Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Val Antonio B. Suarez	ID, Member	Lourdes Josephine Gotianun-Yap	ED (up to July 2023), Member	Jonathan T. Gotianun	NED, Member	<p>In the recent Organizational Meeting of the Board, the following were appointed in the ARMOC:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Mina C. Figueroa</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>NED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Mina C. Figueroa	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	NED, Member
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3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website. 2024 DIS</p>	<p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website accessible at 2024 DIS.</p>																				

			We will be electing another Independent Director as member of the ARMOC in the next meeting of the Board of Directors.
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Ms. Obcena, who is the Chairperson of the ARMOC, is not the Chairperson of the Board or of any other committee.	-
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Under Part III B (2) of the 2022 Revised Manual on Corporate Governance, the ARMOC shall evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Company's total expenditure on consultancy. A copy of the Company's 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	-
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	The Chairperson of the ARMOC meets with the external audit committee on tax and current financial reporting standards and its possible impact on the Company's financials.	
Optional: Recommendation 3.2			
1. Audit Committee meets at least four (4) times during the year.	Compliant	The Audit and Risk Management Oversight Committee was able to meet for three (3) times in 2023. Please refer to the Company's 2023 Annual Report accessible at 2023 Annual Report .	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	Section 3.3.4 of the ARMOC Charter provides that the ARMOC shall recommend the appointment and/or grounds for approval of an Internal Audit Head or Chief Audit Executive or approve the terms and conditions for outsourcing internal audit services. A copy of the Company's Internal Audit Charter is accessible at Audit Committee Charter .	

Recommendation 3.3													
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Part III B (1) of the Revised Manual mandates the Board to constitute a Corporate Governance Committee, which will also serve as the Nominations Committee. Its duties and key functions are discussed in further detail on Page 11 of the Company's Revised Manual.</p> <p>A copy of the Company's 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual.</p>	-										
2. Corporate Governance Committee is composed of at least three (3) members, all of whom should be independent directors.	Non-compliant	<p>In 2023, the composition of the Corporate Governance Committee is as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Chairman</td> </tr> <tr> <td>Virginia T. Obcena</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company's Information Statement, which is accessible at the Company's website. 2024 DIS</p> <p>While not all of the members of the Corporate Governance Committee are independent directors in 2023, two (2) out of the three (3) members of the committee are independent directors including the Chairman (Atty. Suarez), and the fourth member is a non-executive director.</p>	Name	Type of Directorship	Val Antonio B. Suarez	ID, Chairman	Virginia T. Obcena	ID, Member	Jonathan T. Gotianun	NED, Member			<p>In the recent organizational meeting of the Board of Directors of the Company, the directors who had been appointed to the Corporate Governance Committee are all independent directors. A copy of the results of the organizational meeting held on 26 April 2024 may be accessible at Results of the 2024 Organizational Meeting.</p>
Name	Type of Directorship												
Val Antonio B. Suarez	ID, Chairman												
Virginia T. Obcena	ID, Member												
Jonathan T. Gotianun	NED, Member												
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Atty. Suarez, the Chairman of the Corporate Governance Committee for 2023, is an independent director.	-										

Optional: Recommendation 3.3.																							
1. Corporate Governance Committee meets at least twice during the year.	Compliant	The Corporate Governance Committee met three times (3x) in 2023. Please refer to the Company’s 2023 Annual Report accessible at 2023 Annual Report .																					
Recommendation 3.4																							
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	Part III B (2) of the 2022 Revised Manual mandates the Board to constitute an Audit and Risk Management Oversight Committee (“ARMOC”). The ARMOC performs the functions of BROC. Its duties and key functions are discussed in further detail on Page 12 of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	-																				
2. BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant	In 2023, the composition of the ARMOC is as follows: <table border="1" data-bbox="981 754 1469 978" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Name</th> <th>Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Val Antonio B. Suarez</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>ED, Member</td> </tr> </tbody> </table>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Val Antonio B. Suarez	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	ED, Member	In the recent Organizational Meeting of the Board, the following were appointed in the ARMOC: <table border="1" data-bbox="1659 815 2152 1038" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Name</th> <th>Type of Directorship</th> </tr> </thead> <tbody> <tr> <td>Virginia T. Obcena</td> <td>ID, Chairman</td> </tr> <tr> <td>Mina C. Figueroa</td> <td>ID, Member</td> </tr> <tr> <td>Jonathan T. Gotianun</td> <td>NED, Member</td> </tr> <tr> <td>Lourdes Josephine Gotianun-Yap</td> <td>NED, Member</td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website accessible at 2024 DIS.</p> <p>We will be electing another Independent Director as member of the ARMOC in the next meeting of the Board of Directors.</p>	Name	Type of Directorship	Virginia T. Obcena	ID, Chairman	Mina C. Figueroa	ID, Member	Jonathan T. Gotianun	NED, Member	Lourdes Josephine Gotianun-Yap	NED, Member
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3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	Ms. Obcena, who is the Chairperson of the ARMOC which performs the functions of the BROC, is not the Chairman of the Board or of any other committee.	-								
4. At least one (1) member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>All four (4) members of the ARMOC, which performs the functions of BROC, have relevant knowledge and experience on risk and risk management.</p> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website. 2024 DIS</p>	-								
Recommendation 3.5											
1. Board establishes a RPT Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Part III B (3) of the Revised Manual mandates the Board to constitute an RPT Committee. Its duties and key functions are discussed in further detail on Page 14 of the Company’s Revised Manual on Corporate Governance which is accessible through 2022 Revised Corporate Governance Manual .	-								
2. RPT Committee is composed of at least three (3) non-executive directors, two (2) of whom should be independent, including the Chairman.	Compliant	<p>The composition of the RPT Committee in 2023 is as follows:</p> <table border="1" data-bbox="981 938 1621 1098"> <thead> <tr> <th data-bbox="981 938 1301 970">Name</th> <th data-bbox="1301 938 1621 970">Type of Directorship</th> </tr> </thead> <tbody> <tr> <td data-bbox="981 970 1301 1002">Val Antonio B. Suarez</td> <td data-bbox="1301 970 1621 1002">ID, Chairman</td> </tr> <tr> <td data-bbox="981 1002 1301 1034">Virginia T. Obcena</td> <td data-bbox="1301 1002 1621 1034">ID, Member</td> </tr> <tr> <td data-bbox="981 1034 1301 1098">Claire L. Huang (up to July 2023)</td> <td data-bbox="1301 1034 1621 1098">ID, Member</td> </tr> </tbody> </table> <p>The full profiles of the above-mentioned directors, including their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website through 2024 DIS.</p>	Name	Type of Directorship	Val Antonio B. Suarez	ID, Chairman	Virginia T. Obcena	ID, Member	Claire L. Huang (up to July 2023)	ID, Member	-
Name	Type of Directorship										
Val Antonio B. Suarez	ID, Chairman										
Virginia T. Obcena	ID, Member										
Claire L. Huang (up to July 2023)	ID, Member										

Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	The mandates of the Board Committees are set forth in detail in the Company's Revised Manual on Corporate Governance. A copy of the said 2022 Revised Manual is accessible through 2022 Revised Corporate Governance Manual .	-
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	Furthermore, the respective charters of the Board committees are accessible at Corporate Governance Filinvest Development Corporation (filinvestgroup.com)	-
3. Committee Charters were fully disclosed on the company's website.	Compliant	In order to measure the performance of the Board of Directors, on an annual basis, the Board and all Board Committees of the Company shall accomplish the Self-Assessment Sheets. The results shall be consolidated and presented by the Compliance Officer to the Board through the Corporate Governance Committee.	-

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Part III A (6) of the Revised Manual provides that 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. A copy of the Company's 2022 Revised Manual on Corporate Governance is accessible through 2022 Revised Corporate Governance Manual . The attendance of the board members for the meetings held in 2023 is summarized in the Company's 2023 Annual Report, which is accessible at the Company's website through 2023 Annual Report .	-
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Directors are furnished with materials for meetings of the Board and the committees for their review prior to the date of the meeting.	-

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	The discussions, clarifications and explanations that take place during board meetings are sufficiently covered by minutes.	-
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five (5) publicly-listed companies 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.	Compliant	<p>Part III A (1) of the 2022 Revised Manual on Corporate Governance provides that the non-executive directors may concurrently serve as director in up to a maximum of five (5) publicly-listed companies. A copy of which is accessible through 2022 Revised Corporate Governance Manual.</p> <p>The disclosures on the directorships of the Company’s directors in both listed and non-listed companies may be found in the Company’s 2023 Annual Report and the Information Statement. Both documents are accessible at the Company’s website through the following links: 2023 Annual Report 2024 DIS</p>	-
Recommendation 4.3			
1. The directors notify the company’s board before accepting a directorship in another company.	Compliant	For the year 2023, no member of the Board accepted new directorships in any company outside the group. 2023 Annual Report 2024 DIS	-
Optional: Principle 4			
1. Company does not have any executive director who serves in more than two (2) boards of listed companies outside of the group.	Compliant	<p>The three (3) executive directors of the Company, namely: (i) Lourdes Josephine Gotianun-Yap, (ii) Francis Nathaniel C. Gotianun and (iii) Rhoda A. Huang do not serve in the boards of any listed companies outside of the Filinvest Group.</p> <p>2023 Annual Report 2024 DIS</p>	
2. Company schedules board of directors’ meetings before the start of the financial year.	Compliant	The proposed calendar of meetings for 2024 was presented to the Board of Directors on December 11, 2023.	
3. Board of directors meet at least six (6) times during the year.	Compliant	The Board conducted seven (7) meetings in 2023, as reported in the Annual Report, which can be accessed at: 2023 Annual Report	

4. Company requires a minimum quorum of at least 2/3 for board decisions.	Non-compliant		The Company’s By-Laws follows the provision of the Revised Corporation Code of the Philippines which provides that a majority of the number of directors fixed in the Articles of Incorporation shall constitute a quorum for the transaction of business at any meeting (Article IV, Section 5 of the By-Laws), except for those matters requiring the vote of more than majority of the Board.
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least three (3) independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>From January thru July 2023, the Company has three (3) independent directors, namely: (i) Atty. Val Antonio B. Suarez; (ii) Ms. Virginia T. Obcena; and (iii) Ms. Claire L. Huang.</p> <p>In August 2023, Claire Huang stepped down leaving two (2) independent directors, which is 1/3 of the total 7 Board seats. 2023 Annual Report</p>	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	The full profiles of the three (3) above-named independent directors, as well as their professional qualifications and technical expertise, are disclosed in the Company’s Information Statement, which is accessible at the Company’s website. 2024 DIS	-
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.	Compliant	<p>Part III A of the 2022 Revised Manual on Corporate Governance provides that the Board shall act as an independent check on management.</p> <p>2022 Revised Corporate Governance Manual</p>	-

Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine (9) years (reckoned from 2012).</p>	<p>Compliant</p>	<p>Part III A (9) of the 2022 Revised Manual on Corporate Governance provides that ID may serve for a maximum cumulative term of nine (9) years, save for certain exceptions for which procedure for extension of terms shall be followed.</p> <p>Ms. Virginia T. Obcena was first elected as ID on 29 April 2016. Ms. Claire L. Huang was first elected as ID on 26 April 2019.</p> <p>Atty. Val Antonio B. Suarez was first elected as ID on 30 May 2014. Having reached the 9 year-term, his nomination was subjected to scrutiny and approval by the Corporate Governance Committee, acting as Nominations Committee. The recommendation of the Corporate Governance Committee was further vetted by the Board and thereafter, his election for another year was presented to the shareholders, who approved the same. Atty Suarez stepped down as director of the Company this year.</p>	<p>-</p>
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine (9) years.</p>	<p>Compliant</p>	<p>Part III A (9) of the 2022 Revised Manual on Corporate Governance states that after the term limit of nine (9) years, the IDs shall be perpetually disqualified from being reelected as an ID in the Company. The exception is likewise provided as the manual states that “[t]he Board may nonetheless retain an independent director who has served for nine (9) years provided that, the reelection is supported by meritorious justification and that the shareholders have given their approval during the annual shareholders’ meeting.”</p> <p>2022 Revised Corporate Governance Manual</p>	<p>-</p>
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders’ approval during the annual shareholders’ meeting.</p>	<p>Compliant</p>	<p>Current Independent Directors of the Company’s Board has less than 9 years tenure. See names of elected Directors during the Company’s 2024 Annual Stockholders’ Meeting.</p> <p>2024 ASM Minutes</p>	<p>-</p>

Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<p>Part III A (10) of the 2022 Revised Manual on Corporate Governance provides that the roles of the Chairman and the CEO shall as far as practicable be separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.</p> <p>In compliance with this directive, Mr. Jonathan T. Gotianun serves as the Chairman of the Board; while Mrs. Lourdes Josephine Gotianun-Yap is the President and CEO up to July 2023 and thereafter replaced by Ms. Rhoda A. Huang beginning August 2023.</p>	-
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>The roles and responsibilities of the Chairman of the Board are discussed in detail in Article VI, Section 6 of the Company's By-Laws and further expounded on Part III A (10) of the Revised Manual. Meanwhile, the roles and responsibilities of the President and CEO are set forth under Article VI, Section 7 of the Company's By-Laws.</p> <p>Both documents are accessible at the Company's website through 2022 Revised Corporate Governance Manual.</p>	-
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	<p>Part III A (9) of the 2022 Revised Manual provides that in case the Chairman of the Board is not independent or the position of Chairman and Chief Executive Officer is held by one person, the Board shall designate a lead director among the independent directors.</p> <p>Ms. Obcena has been designated as the Company's lead independent director.</p> <p>A copy of the relevant disclosure on the appointment of the lead independent director is posted in the Company's website through this link -</p> <p>Notice and Agenda of 2023 ASM</p>	

Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>There has not been any instance for this principle to be invoked.</p> <p>Part III Section B of the Company’s Related Party Transactions Policy states that “Directors or Officers with personal interest shall abstain from the discussion and approval of such Material RPT. In case of refusal to abstain, their attendance shall not be counted for purposes of assessing the quorum and their votes shall not be counted for purposes of determining majority approval.”</p> <p>A copy of the Related Party Transactions Policy may be accessed at RPT Policy.</p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present.	Compliant	The NEDs and/or IDs of the Company meet with the internal audit head, external auditors, and/or compliance officer separately without the presence of EDs on as-needed basis, usually prior to and in preparation for audit committee meetings.	
2. The meetings are chaired by the lead independent director.	Compliant	Discussions with the external auditor are usually conducted with the ARMOC, also chaired by Ms. Obcena, the Company’s lead independent director.	-
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.			
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant		

2. The Chairman conducts a self-assessment of his performance.	Compliant	The Board launched a self-assessment in 2023. Results of the same had been discussed with the Board's Corporate Governance Committee.	
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three (3) years, the assessments are supported by an external facilitator.	Non-Compliant		The engagement of the services of an external facilitator to support the conduct of the assessments shall be further discussed with the Corporate Governance Committee.

Recommendation 6.2

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	The self-assessment survey that had been launched to the Board sets forth the criteria that will enable them to assess how well they are performing individually and as a collective body.	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	The Company has an Investor Relations Officer tasked to handle inquiries and manage relations with analysts, shareholders, investors, and the general public. The name and contact information of the Investor Relations Officer is posted on the Company website. https://www.filinvestgroup.com/investor-relations/investor-relations-program/	-

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	The Company's Code of Business Conduct and Ethics may be accessed at Code of Business Conduct .	-
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2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>The Code of Business Conduct and Ethics is made available to the Board and senior management.</p> <p>Each new employee is provided a copy of the Code of Business Conduct and Ethics and the contents thereof are discussed at the orientation.</p> <p>The Company implements and monitors compliance with the Code of Business Conduct and Ethics through its Human Relations and Administrative Services Department with assistance from the Compliance Officer, Internal Audit, business and support units.</p>	-
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Company's Code of Business Conduct and Ethics may be accessed at Code of Business Conduct .	-
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	The Employee Manual provides that no employee shall accept gifts or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commissions from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	All members of senior management and employees are provided with copies of the Code of Business Conduct and Ethics and internal policies, and are notified if there are any updates or revisions thereto.	-
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		-
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p>Compliant</p>	<p>Part VI of the 2022 Revised Manual on Corporate Governance provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE. Such information shall include, among others, earnings results, acquisition or disposition of significant assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board, Management and key officers, including termination and retirement.</p> <p>In this regard, the Company observes the reportorial requirements set by its regulatory agencies, such as the SEC and the PSE.</p>	<p>-</p>
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Supplement to Recommendations 8.1

<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p>For the year 2023, the Company submitted its financial reports as follows:</p> <table border="1" data-bbox="981 821 1467 1082"> <thead> <tr> <th>Report</th> <th>Date of Filing</th> <th>No. of Days</th> </tr> </thead> <tbody> <tr> <td>First Quarter</td> <td>May 16, 2023</td> <td>45 days</td> </tr> <tr> <td>Second Quarter</td> <td>August 14, 2023</td> <td>45 days</td> </tr> <tr> <td>Third Quarter</td> <td>November 14, 2023</td> <td>45 days</td> </tr> </tbody> </table> <p>The filing of the Company's financial reports were compliant with the deadlines set by the Securities and Exchange Commission, including any extensions declared.</p>	Report	Date of Filing	No. of Days	First Quarter	May 16, 2023	45 days	Second Quarter	August 14, 2023	45 days	Third Quarter	November 14, 2023	45 days	<p>All reports were filed within the period required by law.</p>
Report	Date of Filing	No. of Days													
First Quarter	May 16, 2023	45 days													
Second Quarter	August 14, 2023	45 days													
Third Quarter	November 14, 2023	45 days													

<p>2. Company discloses in its annual report the principal risks associated with the identity of the company’s controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>The Company’s 2023 Annual Report may be accessed at 2023 Annual Report.</p> <p>The security ownership of directors, officers and beneficial owners of at least five percent (5%) security interest are likewise disclosed in the Company’s Information Statement, accessible at the Company’s website: 2024 DIS</p>	
<p>Recommendation 8.2</p>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three (3) business days.</p>	<p>Compliant</p>	<p>Part VI of the 2022 Revised Manual on Corporate Governance requires all directors and officers to report any dealings in the Company’s shares within three (3) business days.</p> <p>In this regard, the Company makes timely disclosures and/or submissions of reportorial requirements to the regulatory agencies, such as the SEC and the PSE.</p>	<p>-</p>
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company’s shares within three (3) business days.</p>	<p>Compliant</p>		<p>-</p>
<p>Supplement to Recommendation 8.2</p>			
<p>1. Company discloses the trading of the corporation’s shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company’s purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>The security ownership of directors, officers and beneficial owners of at least five percent (5%) security interest are likewise disclosed in the Company’s Information Statement, accessible at the Company’s website. 2024 DIS</p> <p>Also, the Company makes timely disclosures and/or submissions of reportorial requirements, such as the Public Ownership Report, to the regulatory agencies, such as the SEC and the PSE, in case of trading by the Company’s directors, officers and controlling shareholders. These disclosures may be accessed in the Disclosures section of the Company website at: Investor Relations Filinvest Development Corporation (filinvestgroup.com)</p>	<p>-</p>
<p>Recommendation 8.3</p>			
<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>The full profiles of the Company’s board of directors including their professional qualifications, technical expertise, membership in other boards, and other executive positions, are discussed in detail on Pages 7 to 9 of the Information Statement, accessible at 2024 DIS.</p>	<p>-</p>

2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant		-
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p>Under Article IV Section 13 of the Company’s By-Laws, directors shall receive the compensation previously determined by the Board with the approval of the stockholders, unless hereafter reduced or increased with the approval of the stockholders. As disclosed on Pages 20 to 22 of the Company’s Information Statement and on Pages 95 to 96 of the 2023 Annual Report, except for a per diem of Php100,000.00 (for Board meetings) and Php50,000.00 (for Board committees) being paid to each independent director for every meeting attended, there are no other arrangements for the payment of compensation or remuneration to the directors in their capacity as such.</p> <p>The compensations for the CEO and top four (4) highest compensated officers are likewise reported in the Information Statement and the 2023 Annual Report.</p> <p>The total compensation of each director are likewise reported in the information statement.</p> <p>2023 Annual Report 2024 DIS</p>	-
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant		-
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant		-
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>The Company’s RPT Policy may be accessed at RPT Policy. 2022 Revised Corporate Governance Manual.</p>	-
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Material or significant RPTs are disclosed in the Company’s Audited Financial Statements for the year ended 31 December 2023, a copy of which is accessible at 2023 Annual Report.</p>	-

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Section III(B) of the RPT Policy of the Company requires disclosure by the directors of any conflict of interest. The policy may be accessed at RPT Policy .	-
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	Please refer to Note 26, page 92 to 94 of the Company's Audited Financial Statements for the year ended 31 December 2022, a copy of which is accessible at 2024 DIS .	-
Recommendation 8.6			
1. Company makes 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.	Compliant	Part VI of the Revised Manual provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE.	-
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	The Related Party Transactions Policy of the Company mandates that, prior to the execution of a material RPT, "the Board shall appoint an independent party to evaluate the fairness of the terms of the Material RPTs. An external independent party may include, but is not limited to, auditing/accounting firms and third-party consultants and appraisers." The Related Party Transactions Policy of the Company may be found at RPT Policy .	-
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Part VI of the 2022 Revised Manual on Corporate Governance provides that all material information about the Corporation which could adversely affect its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in accordance with the rules and regulations of the SEC and the PSE. For the reporting period, there had been no incidents or transactions that may materially affect the control, ownership or strategic direction of the Company.	-

		A copy of the Company’s 2022 Revised Manual on Corporate Governance is accessible at 2022 Revised Corporate Governance Manual .	
Recommendation 8.7			
1. Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (“MCG”).	Compliant	Copies of the Company’s various manuals on Corporate Governance, the latest version being 2022, is accessible at 2022 Revised Corporate Governance Manual .	-
2. Company’s MCG is submitted to the SEC and PSE.	Compliant		-
3. Company’s MCG is posted on its company website.	Compliant		-
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	The Company duly reports to the SEC and the PSE an updated MCG whenever there are changes in the Company’s corporate governance practices.	-
Optional: Principle 8			
1. Does the company’s Annual Report disclose the following information:		The Company’s 2023 Annual Report may be accessed at 2023 Annual Report .	-
a. Corporate Objectives	Compliant		-
b. Financial performance indicators	Compliant		-
c. Non-financial performance indicators	Compliant		-
d. Dividend Policy	Compliant		-
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		-
f. Attendance details of each director in all directors meetings held during the year	Compliant		-

g. Total remuneration of each member of the board of directors	Compliant		-
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	The Company's 2023 Annual Report may be accessed at 2023 Annual Report .	-
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant		-
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant		-
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant		-

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Part III D (2) of the 2022 Revised Manual on Corporate Governance (Page 16) contains information on the process for approving and recommending the appointment, reappointment, removal and fees of the Company's external auditor. 2022 Revised Corporate Governance Manual	-
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<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p>The re-appointment of the Company’s independent external auditor was recommended by the Company’s Audit and Risk Management Oversight Committee, confirmed by the Board of Directors, and approved by the stockholders during the 2023 Annual Stockholders’ Meeting held on 28 April 2023. A copy of the minutes of the meeting is uploaded to the Company’s website which can be accessed at 2023 Minutes of ASM.</p>	
<p>3. For the removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p>There has not been any instance for this principle to be invoked.</p>	<p>-</p>
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five (5) years.</p>	<p>Compliant</p>	<p>Part III D of the 2022 Revised Manual on Corporate Governance provides that 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 Company, should be changed with the same frequency.</p> <p>Beginning fiscal year 2018 and to date, Mr. Michael C. Sabado serves as the lead audit partner of SGV for the Company.</p>	<p>-</p>
<p>Recommendation 9.2</p>			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	<p>Compliant</p>	<p>The Company’s ARMOC Charter may be accessed at Audit Committee Charter.</p>	<p>-</p>

2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.	Compliant		-
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	The Company’s ARMOC Charter may be accessed at Audit Committee Charter .	-
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The audit and non-audit services, if any, performed by the external auditor are disclosed in the Company’s annual report and information statement. 2023 Annual Report 2024 DIS	-
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.	Compliant	The Company’s ARMOC Charter may be accessed at Audit Committee Charter .	-
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	The services rendered by SGV and the fees paid for such services are disclosed in the company’s Information Statement accessible at 2024 DIS .	
Additional Recommendation to Principle 9			
1. Company’s external auditor is duly accredited by the SEC under Group A category.	Compliant	SGV is duly accredited by the SEC under Group A category with BOA/PRC Reg. No. 0001, accredited on 16 April 2024, expiring on 23 August 2026. Its address and contact details are as follows: 6760 Ayala Avenue 1226 Makati City, Philippines Tel: (632) 8891 0307	

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		Fax: (632) 8819 0872 Mr. Michael C. Sabado is the Company's appointed audit engagement partner.	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	SGV & Co. was subjected to SOAR inspection on 1-12 August 2022. The names of the members of the engagement team were provided to the SEC OGA during the SOAR Inspection.	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	The Company follows a policy of environmental conservation, in parallel with economic and social efforts, in line with its management strategy. The main focus is to reduce operating expenses through energy conservation and paper recycling. These are discussed in detail in the Company's Sustainability Report which forms part of the Annual Report accessible at 2023 Annual Report .	-
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant		-

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Non-compliant	-	While the Company does not hold analysts' briefings, the Company has a website and Investor Relations Officer for all analyst and investor queries. Furthermore, the Company releases press statements on quarterly performance and major developments in the Company.
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			The Company held an analyst briefing on April 3, 2024 which focused on its 2023 net income growth.
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:		Please refer to http://www.filinvestgroup.com .	-
a. Financial statements/reports (latest quarterly)	Compliant	Please refer to Investor Relations Filinvest Development Corporation (filinvestgroup.com)	-
b. Materials provided in briefings to analysts and media	Compliant	Please refer to Investor Relations Filinvest Development Corporation (filinvestgroup.com)	-
c. Downloadable annual report	Compliant	Please refer to 2023 Annual Report	-
d. Notice of ASM and/or SSM	Compliant	Please refer to Notice and Agenda of the 2024 ASM	-
e. Minutes of ASM and/or SSM	Compliant	Please refer to Minutes of the 2024 ASM	-
f. Company's Articles of Incorporation and By-Laws	Compliant	Please refer to AOI and By Laws .	-
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	Please refer to https://www.filinvestgroup.com/	
Internal Control System and Risk Management Framework			
Principle 12: To ensure integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			

Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	The Company's enterprise risk management framework may be accessed at Sustainability Framework Filinvest Development Corporation (filinvestgroup.com)	-
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant		-
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	Part III F of the 2022 Revised Manual on Corporate Governance mandates the Compliance Officer to identify and monitor compliance with the rules and regulations of regulatory agencies, and take appropriate corrective measures to address all regulatory issues and concerns in collaboration with other departments. 2022 Revised Corporate Governance Manual	-
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	Daily monitoring and escalation of IT infrastructure performance and information security incidents are in place. The same shall be part of the regular agenda of the IT Function Council. Updates to the Board are done regularly as well. In addition, the Company is looking at engaging a Managed Security Operations Center (MSOC) provider to augment its information security capability.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	The Company has an independent Internal Audit Department.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Mr. Michael Louie T. Garado is the Company's Chief Audit Executive. His professional qualifications are discussed in the Company's Information Statement, accessible at the Company's website through 2024 DIS .	-
2. CAE oversees and is responsible for the internal audit activity of the organization, including that	Compliant	A copy of the Company's Internal Audit Charter is accessible at Audit Committee Charter .	-

portion that is outsourced to a third party service provider.			
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Not applicable		The recommendation does not apply as the Company has appointed a Chief Audit Executive.
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The Company's Board created the ARMOC which is primarily responsible for developing and overseeing the Company's risk management program. In addition, the Company has appointed an Enterprise Risk Management head. See link: https://www.filinvestgroup.com/our-company/our-leaders/	-
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The Company engages third-party consultants for risk appraisals and insurance advisory services.	-
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	Mr. Mark Tom Mulingbayan had been appointed as Head for Enterprise Risk Management.	-
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		-

Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	The Company's Internal Control Attestation for the year 2023 can be found in 2023 CEO and CAE Attestation .	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	The shareholders' rights are disclosed on Pages 20-22 of the 2022 Revised Manual on Corporate Governance which may be accessed through 2022 Revised Corporate Governance Manual .	-
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	A copy of the 2022 Revised Manual on Corporate Governance may be accessed at 2022 Revised Corporate Governance Manual .	-
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	The Company's Amended Articles of Incorporation provides that each common share shall be entitled to one vote. See link to AOI .	-
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The Company issued two (2) classes of shares. The common shares shall be entitled to one vote. Meanwhile, the preferred shares shall have the following features: <ul style="list-style-type: none"> not be entitled to any voting right or privilege, except in those cases expressly provided by laws; redeemable, subject to terms and conditions as the Board may fix. 	-
3. Board has an effective, secure and efficient voting system.	Compliant	The voting procedures are set in the notice of the Annual Stockholders' Meeting, which was distributed to the stockholders. Notice of the Annual Stockholders' Meeting is included in the Definitive Information Statement 2024 DIS .	

		The Notice of the ASM and the Definitive Information Statements provide for the voting procedures, including the nomination and election of directors.	
4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>The Company ensures the protection of minority shareholders.</p> <p>See pages 20 to 21 of the Revised Corporate Governance Manual 2022 Revised Corporate Governance Manual.</p> <p>Minority shareholders are likewise given the opportunity to propose or nominate qualified persons for selection as directors. The Company has also formed a strong and focused Investor Relations Unit which provides a transparent and open line of communication with all its shareholders.</p>	
5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>Article III Section 3 of the Company’s By-Laws allows for the holding of a special meeting of stockholders’ upon the written request of stockholders representing a majority of the outstanding capital stock. A copy of the latest Amended By-Laws may be accessed at By Laws.</p> <p>Stockholders also have the right to propose items for the agenda of shareholders’ meeting, as provided under the Revised Corporation Code and SEC Memorandum Circular No. 14, series of 2020.</p>	-
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Part VII of the 2022 Revised Manual on Corporate Governance lays down the rights of minority shareholders. A copy of the Company’s Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
7. Company has a transparent and specific dividend policy.	Compliant	<p>The Company’s 2023 Annual Report provides a discussion on the dividend policy and payment schedule of the dividends declared for the year 2023. A copy of the 2023 Annual Report may be accessed through 2023 Annual Report.</p>	-

Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	In the last stockholders' meeting, the company's stock transfer agent, STSI was asked to validated the votes as tabulated by the Office of the Corporate Secretary.	-
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least twenty-eight (28) days before the meeting.	Compliant	Notice of meeting with agenda included has been uploaded for shareholders reference on March 26, 2024. Notice and Agenda of 2024 ASM	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Notice and agenda of the Annual Shareholders' Meeting for the year 2023 and 2024 may be accessed at Notice and Agenda of 2023 ASM Notice and Agenda of 2024 ASM	-
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	The profiles of directors elected during the 2023 Annual Shareholders' Meeting are disclosed in the Information Statement. A copy of the 2023 Definitive Information Statement may be accessed at 2024 DIS .	-
b. Auditors seeking appointment/re-appointment	Compliant	Notice and agenda of the Annual Shareholders' Meeting for the years 2023 and 2024 may be accessed at Notice and Agenda of 2023 ASM Notice and Agenda of 2024 ASM Copies of the 2023 and 2024 Definitive Information Statements may be accessed at 2023 DIS and 2024 DIS .	-
c. Proxy documents	Compliant	The notice of meeting states that the Company is not soliciting proxies.	-

Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	The agenda items were discussed in detail on pages 32-34 of the Information Statement which may be accessed at 2024 DIS .	-
Recommendation 13.3			
1. Board encourages 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.	Compliant	Results of the votes taken during the 2023 Annual Shareholders' Meeting were incorporated in the minutes of the meeting, a copy of which is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS .	-
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five (5) business days from the end of the meeting.	Compliant	A copy of the minutes of the 2023 Annual Shareholders' Meeting, indicating the voting results for all agenda items, including the approving, dissenting and abstaining votes, is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS .	-
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Mr. Michael Sabado, SGV's Partner-in-Charge, together with his audit team, was present to answer shareholders questions during the 2023 ASM of the Company. A copy of the minutes is attached as Annex "E" of the 2024 Information Statement accessible at 2024 DIS . Likewise, some of the senior management of the Company attended the ASM.	-
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Part VII of the Revised Manual provides that it is the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights.	-
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	The Company encourages and promotes the amicable settlement of disputes or difference between the Company and stockholders, third parties and regulatory authorities. If the conflict is material or substantial in nature, it is referred by the Corporate Secretary to the Board of Directors.	-

Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	The Company's Head- Group Investor Relations is Ms. Patricia Carmen Pineda. Her contact details are as follows: Tel. No. +63 2 7798 3951 Email: patricia.pineda@filinvestgroup.com	-
2. IRO is present at every shareholder's meeting.	Compliant	Ms. Pineda was present during the Company's 2023 and 2024 Annual Shareholders' Meetings.	-
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	The Company has no anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	-
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-compliant	-	The company's public float as of 31 December 2023 is 10.73%. While it is the intention of the Company to spread the distribution of its shares and increase its public ownership, it remains compliant with the prevailing minimum public ownership requirement and undertakes to comply with any revisions or amendments thereto.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	The Company maintains a website and an Investor Relations Officer for all stockholders' queries.	-
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	Voting <i>in absentia</i> was implemented in its 2023 and 2024 Annual Shareholders' Meetings as disclosed in its Information Statement.	-
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Part II A of the Revised Manual requires the Board to identify the Corporation's stakeholders in the community in which it operates or are directly affected by its operations	-

		<p>and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>The Company's 2022 Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p> <p>The Company's approach to sustainability is discussed in detail in its Sustainability Report which forms part of its Annual Report accessible at 2023 Annual Report.</p>	
Recommendation 14.2			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	Compliant	<p>Part II A of the 2022 Revised Manual on Corporate Governance requires the Board to identify the Corporation's stakeholders in the community in which it operates or are directly affected by its operations and formulate a clear policy of accurate, timely and effective communication with them.</p> <p>The Company's 2022 Revised Manual may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
Recommendation 14.3			
<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	Compliant	<p>Part VII of the 2022 Revised Manual on Corporate Governance provides that it is the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights.</p> <p>The Company's policy on whistleblowing may be accessed at Code of Business Conduct.</p>	-
Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	Compliant	<p>Part II A (3) of the 2022 Revised Manual on Corporate Governance mandates the board to 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 the regulatory authorities.</p> <p>The Company's Revised Manual may be accessed at</p>	-

		2022 Revised Corporate Governance Manual.	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p>The Company faithfully adheres to the applicable law, rules or regulations in all of its corporate dealings. As embodied in Part III (A) of its Revised Manual on Corporate Governance, the Board is responsible for fostering the long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.</p> <p>The Board shall likewise provide an independent check on management. As such, it is vitally important that a number of board members be independent from management.</p> <p>The Company's 2022 Revised Manual on Corporate Governance may be accessed at 2022 Revised Corporate Governance Manual.</p>	-
2. Company respects intellectual property rights.	Compliant	The Company registers its intellectual property rights, including trademarks and trade names, with the Intellectual Property Office. The intellectual property rights of the Filinvest Group are discussed in the Company's Annual Report accessible at 2023 Annual Report.	-
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	The Company's operating subsidiaries have established a Customer Care Unit tasked to address customer complaints or suggestions, conduct customer satisfaction surveys and communicate with customers via effective channels.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	The suppliers and contractors are required to undergo an accreditation and bidding process.	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			

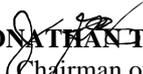
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The Company's employees may avail of external training programs or seminars relevant to the performance of their duties. The employees may also participate in various trainings and programs arranged by the relevant subsidiaries' Human Resources Department.	-
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	The Company conducts a yearly performance appraisal of its employees and grants merit increases depending on the results of their performance appraisal.	-
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	The Company's employee's safety, health and welfare policies are embodied in a Safety Manual which is made available to all employees. This Manual includes policies on occupational, safety, and health programs, safety & discipline, drugs and alcohol-free workplace and sexual harassment as well as emergency action plan, fire safety and prevention and incident reporting and investigation mechanisms.	-
3. Company has policies and practices on training and development of its employees.	Compliant	The Company's employees may avail of external training programs or seminars relevant to the performance of their duties. The employees may also participate in various trainings and programs arranged by the Human Resources Department.	-
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	The Employee Manual provides that no employee shall accept gift or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commission from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-

2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	All members of senior management and employees are provided with copies of the Employee Manual, and are notified if there are any updates or revisions thereto. These HR rules are likewise accessible through the OMS via local network.	-
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	The Company's Code of Business Conduct provides that no employee shall accept gift or lavish entertainment from customers or suppliers either for himself or his family. It further prohibits employees from soliciting or accepting personal benefits such as fees or commission from any customer of the Company or any individual or organization doing or seeking business with the company. For this reason, bribery, accepting bribes, or unofficial solicitation of gifts and loans from customers, contractors and suppliers are considered serious offenses under the company's Code of Discipline.	-
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	The Company's policy on whistle-blowing may be accessed at Code of Business Conduct . Any illegal or unethical behavior may be reported to the Company's Human Resources Department or Legal Department.	-
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant		-
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant		-
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			

Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	The Company's corporate social responsibility activities are discussed the 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	-
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	The Company's approach to sustainability is discussed in detail in the 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	The Company's corporate social responsibility activities are discussed 2023 Sustainability Report, which is attached to the Annual Report and may be accessed at 2023 Annual Report .	-

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

SIGNATURES


JONATHAN T. GOTIANUN
Chairman of the Board

RHODA A. HUANG
Chief Executive Officer and President

VIRGINIA T. OBCENA
Lead Independent Director

VAL ANTONIO B. SUAREZ
Independent Director


LINDEZA ROGERO-GAVINO
Corporate Secretary


MILLETTE A. ARNEDO
Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ in Mandaluyong City, affiants exhibiting to me their competent evidence of identities, as follows:

NAME	GOVERNMENT-ISSUED I.D.	DATE AND PLACE OF ISSUE
Jonathan T. Gotianun	Philippine Passport No. P5509919A	03 January 2018 / DFA Manila
Rhoda A. Huang	Philippine Passport No. P8984518A	02 October 2018 / DFA NCR East
Virginia T. Obcena	Philippine Passport No. P7582624A	19 June 2018 / DFA NCR South
Val Antonio B. Suarez	IBP Lifetime Member No. 01967	IBP Pasig City
Millette A. Arnedo	Philippine Passport No. P9582894A	16 November 2018/ DFA NCR East
Lindeza Rogero-Gavino	Philippine Passport No. P2326165C	10 November 2022 / Department of Foreign Affairs-Manila

Doc. No.: ____;
Page No.: ____;
Book No.: ____;
Series of 2024.

Signature Certificate

Reference number: FPQWS-DHGCY-9PDYN-TYNRV

Signer

Email: jtgotianun@eastwestbanker.com

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Signed:

Timestamp

27 May 2024 06:02:23 UTC

27 May 2024 07:12:52 UTC

27 May 2024 07:13:38 UTC

Signature



Recipient Verification:

✓Email verified

27 May 2024 07:12:52 UTC

IP address: 31.44.174.238

Location: Casalmaggiore, Italy

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