

COVER SHEET

for Applications at
COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application

SEC Registration Number

REVISED MANUAL ON CORPORATE
GOVERNANCE

C S 2 0 0 6 0 2 3 5 6

Company Name

G M A H O L D I N G S , I N C

Principal Office (No./Street/Barangay/City/Town)Province)

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

Company's Telephone Number/s

Contact Person

Contact Person's Telephone Number

ATTY. ANNA TERESA GOZON VALDES

Contact Person's Address

To be accomplished by CRMD Personnel

Assigned Processor :

Date

Signature

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GMA HOLDINGS, INC.
REVISED MANUAL ON CORPORATE GOVERNANCE

The Board of Directors and Management of GMA Holdings, Inc. (the "Company") hereby commit themselves to the principles and best practices contained in this Revised Manual on Corporate Governance ("Revised Manual" as of July 2020), and acknowledge that the same may guide the attainment of the Company's corporate goals.

OBJECTIVE

This Revised Manual which is adopted pursuant to Securities and Exchange Commission (SEC) Memorandum Circular No. 24, Series of 2019, subject to the modifications under the letter of explanation dated May 22, 2017 of the Chairman of the Board of Directors and Compliance Officer on the matter of compliance with SEC Memorandum Circular No. 19, Series of 2016 or the Code of Corporate Governance for Publicly-Listed Companies ("CG Code for PLCs"), shall institutionalize the principles of good corporate governance in the entire organization.

Corporate governance is the system of stewardship and control to guide organizations in fulfilling their long-term economic, moral, legal and social obligations towards their shareholders and other stakeholders. Corporate governance is a system of direction, feedback and control using regulations, performance, standard and ethical guidelines to hold the board of directors and senior management accountable for ensuring ethical behavior and reconciling long-term customer satisfaction with shareholders value to the benefit of all stakeholders and society. Its purpose is to maximize the organization's long-term success, thereby creating sustainable value for its shareholders, other stakeholders and the nation (as amended pursuant to SEC Memorandum Circular No. 24, Series of 2019).

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

COMPLIANCE SYSTEM

Compliance Officer

To insure adherence to corporate principles and best practices, the Board of Directors should ensure that it is assisted in its duties by a Compliance Officer who shall hold the position of a Vice President or its equivalent. The Compliance Officer should not be a member of the Board of Directors and should annually attend training on corporate governance. He is a member of the Company's Management team in charge of compliance function and is primarily liable to the Company and its shareholders, and not to the Chairperson or President of the Company (Reco.1.6).

The appointment of the Compliance Officer shall be immediately disclosed to the Securities and Exchange Commission ("SEC") on SEC Form 17-C. All correspondence relative to his functions as such shall be addressed to said Officer.

He shall perform the following duties:

1. Monitor, review, evaluate and ensure the compliance by the Company, its Management and Directors, with the provisions and requirements of this Revised Manual, rules and regulations and all governance issuances of regulatory agencies (Explan., Reco.1.6);
2. Ensure proper onboarding of new directors (i.e., orientation on the Company's business, charter, articles of incorporation and by-laws, among others) (Explan., Reco.1.6);
3. Ensure the integrity and accuracy of all documentary and electronic submissions as may be allowed under rules and regulations (Explan., Reco.1.6);
4. Appear before the SEC when summoned in relation to compliance with this Revised Manual and other relevant rules and regulations (Explan., Reco.1.6);

5. Collaborate with other departments within the Company to properly address compliance issues, which may be subject to investigation (Explan., Reco. 1.6);
6. Identify possible areas of compliance issues and work towards the resolution of the same (Explan., Reco.1.6);
7. Ensure the attendance of Board members and key officers to relevant trainings (Explan., Reco.1.6);
8. Perform such other duties and responsibilities as may be provided by the Board and the SEC (Explan., Reco.1.6);
9. Report to the Board if violations are found and recommend the imposition of appropriate disciplinary action, for further review and approval of the Board, and adopt measures to prevent a repetition of the violation (Explan., Reco.1.6);
10. Issue a certification every January 30th of the year on the extent of the Company's compliance with the Revised Manual for the completed year, explaining the reason/s of the latter's deviation from the same; and
11. Identify, monitor and control compliance risks.

PLAN OF COMPLIANCE

Board of Directors

The Company shall be headed by a competent, working Board of Directors which is the principal governing body of the Company, composed of members whose sound judgment is the basis of all corporate acts and businesses (Princ.1).

Compliance with the principles of good corporate governance shall start with the Board of Directors. Corollary to setting the policies for the

accomplishment of the corporate objectives, it shall provide an independent check on Management.

It shall be the Board's responsibility to foster the long-term success of the Company and secure its sustained growth in a manner consistent with its fiduciary responsibility, its corporate objectives and the long-term best interest of the Company, its stockholders and other stakeholders (Princ.1). It shall recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates (Reco.16.1).

The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities, and endeavor to exercise an objective and independent judgment on all corporate affairs to ensure a high standard of best practice for the Company, its stockholders and other stakeholders (Princ.5). It shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and all shareholders and all other stakeholders (Reco.2.1). The Board should be composed of five (5) directors with a collective working knowledge, experience or expertise that is relevant to the Company's business (Reco.1.1). The Board should have independent/non-executive directors who possess the necessary qualification to effectively participate and help secure objective, independent judgment on corporate affairs and to carry out proper checks and balances (Reco.5.1).

Composition of the Board

Nomination and Election

The Board shall be composed of five (5) directors who shall be elected annually by the stockholders entitled to vote and shall serve until the election and qualification of their successors (Reco.1.1). Through the Nomination Committee, the Board shall set qualification standards for its members to facilitate the selection of potential nominees for board seats, and to serve as a benchmark for the evaluation of its performance (Explan., Reco.1.1).

Executive and Non-Executive Directors

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

The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board (Reco.5.8).

Independent Directors

The Board shall have at least two (2) Independent Directors or should constitute at least 20% of the members of the Board, whichever is higher (Reco.5.2).

An Independent Director is a person who ideally;

1. Is not, or has not been a senior officer or employee of the Company unless there has been a change in the controlling ownership of the Company (Explan.(a), Reco.5.3);
2. Is not an owner of more than two percent (2%) of the outstanding shares of the Company, its subsidiaries, associates, affiliates or related companies (Explan.(d), Reco.5.3);
3. Is not a relative of a director, officer or substantial shareholder of the Company or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister (Explan.(e), Reco.5.3);
4. Is not acting as a nominee or representative of any director of the Company or any of its related companies (Explan.(f), Reco.5.3);
5. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal shareholder, nominee of the firm to the Exchange,

an associated person or salesman, and an authorized clerk of the broker or dealer (Explan.(g), Reco.5.3);

6. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship, except as Independent Director, within the two (2) years immediately preceding the date of his election (Explan.(h), Reco.5.3);

7. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the Company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment within the two (2) years immediately preceding the date of his election (Explan.(i), Reco.5.3);

8. Is not affiliated with any non-profit organization that receives significant funding from the Company or any of its related companies or substantial shareholders (Explan.(j), Reco.5.3); and

9. Is not employed as an executive officer of another company where any of the Company's executives is a director.

Related companies, as used in this section, refer to (a) the Company's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company (Explan.(k), Reco.5.3).

The Board's independent directors should serve for a maximum cumulative term of nine (9) years, starting from 2012. In the instance that a company wants to retain an independent director who has served for nine (9) consecutive years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.

The Independent Directors of the Board should not concurrently serve as directors to more than the maximum concurrent directorship in public companies and/or registered issuers and publicly-listed companies required by rules and regulations of the Securities and Exchange Commission (Reco.4.2).

The Chair and the Chief Executive Officer

The roles of Chair and CEO/President shall be separate. The functions of the Chair and CEO/President are delineated, as follows:

The Chairman of the Board shall preside at all the meetings of the directors and the stockholders. He shall also exercise such powers and perform such duties as the Board of Directors may assign him.

In addition to his/her responsibilities as Chair under the By-laws of the Company, the Chair is tasked with the following duties:

- 1) Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;
- 2) Make certain that the meeting's agenda focuses on strategic matters and contentious issues that will significantly affect the Company's operational and financial performance (Explan.(a), Reco. 1.2);
- 3) Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, to ensure that the Board will receive accurate, timely, relevant, insightful, concise and clear information to enable it to make sound decisions, taking into consideration the suggestions of the Management and the Directors (Explan.(b), Reco 1.2);
- 4) Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors (Explan.(c), Reco.1.2);

5) Provide opportunity for the Board to sufficiently challenge and inquire on reports submitted and representations made by Management (Explan. (d), Reco. 1.2);

6) Advise on the establishment of Board committees and their term of reference (Explan. (e), Reco. 1.2);

7) Through the Corporate Secretary, ensure that the performance of the Board is evaluated at least once a year and discussed or followed up on if necessary (Explan.(f), Reco. 1.2);
and

8) Maintain qualitative and timely lines of communication and information between the Board and Management.

The CEO/President of the Company shall also have administration and direction of the business affairs of the Company. He shall exercise the following functions:

1) To preside at the meetings of the Board of Directors and the stockholders in the absence of the Chairman of the Board of Directors;

2) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those for executive training and development;

3) To have general supervision and management of the business affairs and property of the Company;

4) To ensure that the administrative and operational policies of the Company are carried out under his supervision and control;

5) To oversee the preparation of the budgets and the statements of accounts of the Company;

6) To prepare such statements and reports of the Company as may be required of him by law;

- 7) To represent the Company at all functions and proceedings;
- 8) To execute on behalf of the Company all contracts, agreements and other instruments which require the approval of the Board of Directors, except as otherwise directed by the Board of Directors;
- 9) To make reports of the Board of Directors and stockholders;
- 10) To sign certificates of stock; and
- 11) To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors, the By-laws, the law and the rules and regulations of the SEC.

He may assign the exercise or performance of any of the foregoing powers, duties and functions to any other officer(s), subject always to his supervision and control.

Duties and Responsibilities of a Director

General Responsibility

A director's office is one of trust and confidence. He shall act in a manner characterized by transparency, accountability and fairness.

Roles and Responsibilities of the Board

The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the Company's articles of incorporation and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders and other stakeholders (Princ.2).

There are two key elements of the fiduciary duty of Board members: the duty of care and the duty of loyalty. The duty of care requires Board members to act on a fully informed basis, in good faith, and with due diligence and care. The duty of loyalty is also of central importance; the Board member should act in the interest of the Company and all its shareholders, and not those of the controlling group or any other stakeholder. The fiduciary duty of the Board is to promote the value of the Company. The Board members must exercise their business judgment in considering and reconciling the interest of various stakeholders, including the shareholders (Explan, Reco.2.1).

Specific Duties and Functions

To insure a high standard of best practice for the Company, its stockholders and other stakeholders, the Board shall:

1.) Implement a process of selection to ensure (a) an appropriate a mix of competent directors and officers, who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies; and (b) that its members 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 based on the evolving business environment and strategic direction (Reco.1.1);

2.) Appoint competent, professional, honest and highly-motivated management officers;

3.) Adopt a succession policy for directors and officers following the provisions of the Revised Corporation Code of the Philippines ("Revised Corporation Code"), the By-laws, the Revised Manual and the rules of the SEC on the qualification and election of directors and officers (Reco.2.3);

4.) Determine the Company's purpose, its vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance;

5.) Oversee the development of and approve the Company's business and strategy, and monitor its implementation, in order to sustain the Company's long-term viability and strength (Reco.2.2);

6.) Ensure that the Company complies with all relevant laws, regulations and codes of best business practices;

7.) Identify the Company's stakeholders in the community in which it operates or are directly affected by its operations, adhere to the relevant contract and civil laws on fair treatment, protection and enforcement of the rights of stakeholders, formulate a clear policy on communicating or relating with them for the redress of any violation of their rights through an effective investor relations program, and promote cooperation between them and the Company in creating wealth, growth, and sustainability (Princ.14, Reco.14.1 & 14.2);

8.) Adopt and oversee that an appropriate internal control system of internal check and balances is in place, including setting up a mechanism for monitoring and managing potential/actual conflicts of interest of Board members, management, and shareholders (Reco.2.9);

9.) Identify key risk areas and key performance indicators and monitor these factors with due diligence;

10.) Properly discharge Board functions by meeting regularly. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted; and

11.) Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation, By-Laws and in existing laws, rules and regulation;

12.) Provide sound strategic policies and guidelines to the Company on major capital expenditures. Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance;

13.) Formulate and implement policy and have the overall responsibility in ensuring that there is a policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transaction, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions between and among the Company and its affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board (Reco. 2.6);

14.) Require material RPTs to be approved by at least two-thirds (2/3) of the Board, with majority of the independent directors approving the transaction, in accordance with the provisions of the Revised Corporation Code of the Philippines, SEC issuances and other related laws. Other measures include ensuring that transactions occur at market prices at arm's-length basis and under conditions that protect the rights of all shareholders/members (Explan., Reco.2.6);

15.) Set the materiality threshold at a level where omission or misstatement of the transaction could pose a significant risk to the Company and influence its economic decision, which the SEC may reduce or revise if it shall deem necessary. In cases where the Board and/or shareholders' approval is required, interested directors and/or shareholders, respectively, shall abstain and let the disinterested parties decide (Explan., Reco.2.6);

16.) Establish Board Committees that focus on specific Board functions to aid in the optimal performance of its roles and responsibilities. The Board committees should be composed only of Board members (Reco.3.1);

17.) Establish an Audit and Risk Management 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 (Reco.3.2);

18.) Establish standards for the appropriate selection of an external auditor, and exercise effective oversight over the same to strengthen the external auditor's independence and enhance audit quality (Princ.9);

19.) Establish and maintain an alternative dispute resolution system in the Company in accordance with established and generally accepted Alternative Dispute Resolution procedures, which shall be available at the option of the shareholder. Such alternative dispute resolution system can amicably and effectively settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including regulatory authorities, when appropriate (Reco.13.4 and Explan., 13.4);

20.) Approve the selection and assess the performance of the Management led by the CEO/President and control functions led by the Company's officers (Reco.2.7);

21.) Establish an effective performance evaluation framework which shall be based on the Company's operational and financial performance as the standard or criteria for assessment. The performance evaluation should ensure that Management performance is at par with the standards set by the Board (Reco.2.8);

22.) Ensure that its independent directors possess the necessary qualification and none of the disqualifications for an independent director to hold the position (Reco.5.3);

23.) Have in place a self-assessment system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors and committees. The Board shall allow shareholders to provide feedback on the Board's performance (Reco.6.2);

24.) Adopt the Code of Business Conduct and Ethics of the Company, which provides standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of Board members. The Code should be properly disseminated to all

members of the Board. It should also be disclosed and made available to the public through the Company website (Reco.7.1);

25.) Ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. (Reco.7.2);

26.) Establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholder and other stakeholders that gives a fair and complete picture of the Company's financial condition, results and business operations (Reco. 8.1);

27.) Adopt a policy requiring all directors and officers to disclose/report to the Company any dealings in the Company's shares by the said directors and officers within five (5) business days (Reco.8.2);

28.) Adopt a strong and effective control system and enterprise risk management system (Princ.12; Reco.12.1);

29.) Adopt a policy informing the shareholders of all their rights. It should ensure that basic shareholder rights are disclosed in the Manual on Corporate Governance (Reco.13.1);

30.) Set the tone and make a stand against corrupt practices by adopting an anti-corruption policy. Further, it should disseminate the policy to the members of the Board and the Management to embed them in the Company's culture (Reco.15.2);

31.) Adopt a suitable framework for whistleblowing that allows Management to freely communicate legitimate concerns about about illegal or unethical practices, without fear of retaliation (Reco.15.3);

32.) Adopt a Board nomination and election guidelines that include how the Board accepts nominations from its shareholders and reviews the qualifications of nominated candidates. The performance appraisal report of each of the members of the Board of Directors should include an evaluation the effectiveness of the

processes and procedures in the nomination, election, replacement/removal of a director. The process of identifying the quality of directors should be aligned with the strategic direction of the Company (Reco.2.5); and

33.) Review the Company's internal control system in order to maintain its adequacy and effectiveness. A regular review of the effectiveness of such system will be conducted to ensure the integrity of the decision-making and reporting process at all times.

Duties and Responsibilities of a Director

A director shall have the following duties and responsibilities:

1. To conduct fair business transactions with the Company and to ensure that personal interest does not bias Board decisions. A director with a material or potential interest in any transaction affecting the Company should fully disclose his adverse interest, abstain from taking part in the deliberations for the same and recuse from voting on the approval of the transaction (Reco.5.7) Moreover, no director should participate in the determination of his own per diem or compensation (Reco.2.4);

2. To devote time and attention necessary to properly discharge his/her duties and responsibilities, including sufficient time to be familiar with the Company's business by (a) attending and actively participating in all meetings of the Board, Committees, and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the SEC, except when justifiable causes prevent them from doing so; and (b) reviewing Board and Committee meeting materials and if called for, ask the necessary questions or seek clarifications and explanations (Princ.4 & Reco.4.1);

3. To notify the Board before accepting a directorship in another company (Reco.4.3);

4. To devote time and attention necessary to properly discharge his duties and responsibilities;

5. To act judiciously;
6. To exercise independent judgment;
7. To have a working knowledge of the statutory and regulatory requirements affecting the Company, including the contents of its Articles of Incorporation and By-Laws, the requirements of the SEC, and where applicable, the requirements of other regulatory agencies;
8. To observe confidentiality; and
9. To ensure the continuing soundness, effectiveness and adequacy of the Company's control environment.

Board Meetings and Quorum Requirement

The members of the Board should attend its regular and special meetings of the Board in person or through teleconferencing conducted in accordance with the rules and regulations of the SEC.

Independent directors should always attend Board meetings. Unless otherwise provided in the by-laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one independent director in all its meetings.

To monitor the directors' compliance with the attendance requirements, the Company shall submit to the SEC, on or before January 30 of the following year, a sworn certification about the directors' record of attendance in Board meetings.

Board Committees

To aid in complying with the principles of good corporate governance, the Board shall constitute Committees.

Nomination Committee

The Board shall create a Nomination Committee which shall have at least three (3) members (one of whom must be independent).

Responsibility:

1. Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the following qualifications and disqualifications;

2. Recommend guidelines in the selection and election process of nominees for directorships, determine the nomination and election process and define the general profile of Board members which may include the following based on the perceived needs of the Board of Directors at a certain point in time:

- a. The nature of the business of the corporations in which he is a director;
- b. Age of the director;
- c. Number of directorships/active memberships and officerships in other corporations or organizations; and
- d. Possible conflict of interest (Explan. (g), Reco.3.3);

3. Ensure that appropriate knowledge, competencies and expertise that complement the existing skills of the Board are adopted as standards and criteria for nomination and election and that the nomination and election process includes monitoring of the qualifications of the directors (Explan.(g),Reco.3.3 and Explan., Reco.2.5);

4. Recommend guidelines in the determination of the optimum number of directorships/active memberships and officerships in other corporations allowable for members of the Board of Directors. The capacity of directors to serve with diligence shall not be compromised. The optimum number shall

be related to the capacity of a director to perform his duties diligently in general;

5. Recommend to the Board of Directors regarding the size and composition of the Board in view of long-term business plans, and the needed appropriate skills and characteristics of the Board members; and

6. In consultation with the executive or management committee/s, redefine the role, duties and responsibilities of the Chief Executive Officer by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times.

Qualifications of a Member of the Board of Directors:

1. Holder of at least one (1) share of stock of the Company;

2. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;

3. He shall be at least twenty one (21) years old;

4. He shall have proven to possess integrity and probity;

5. He shall have membership in good standing in relevant industry, business or professional organizations;

6. He shall be assiduous;

7. He shall possess the knowledge, skills, experience, and particularly in the case of non-executive directors (NEDs), the independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile (Explan.(1), Reco.2.5);

8. He shall have a record of integrity and good reputation (Explan. (2), Reco.2.5);

9. He shall have sufficient time to carry out his responsibilities (Explan. (3), Reco.2.5); and

10. He shall have the ability to promote a smooth interaction between Board members (Explan.(4), Reco.2.5).

Permanent Disqualifications:

The following shall be grounds for the permanent disqualification of a director:

1. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;

2. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, Bangko Sentral ng Pilipinas (BSP) or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;

3. The disqualification shall apply if such person is currently the subject of an order of the SEC, BSP or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Revised

Corporation Code, Securities Regulation Code or any other law administered by the SEC or BSP, or under any rule or regulation issued by the SEC or BSP; (b) such person has otherwise been restrained to engage in any activity involving securities and banking; or (c) such person is the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;

4. Any person convicted by final judgment or order by a court, or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;

5. Any person who has been adjudged by final judgement or order of the SEC, BSP, court or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Revised Corporation Code, or any other law, rule, regulation or order administered by the SEC or BSP;

6. Any person judicially declared to be insolvent;

7. Any person finally found guilty by final judgment or order by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and

8. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Revised Corporation Code and Securities Regulation Code, committed within five (5) years prior to the date of his election or appointment.

Other grounds as the SEC may provide pursuant to the provision of the Revised Corporation Code of the Philippines, Securities Regulation Code and other related laws (Explan., Reco. 2.5).

Temporary Disqualifications:

1. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;

2. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family, serious accident or other unforeseen or fortuitous event (Explan., Reco.4.1). This disqualification applies for purposes of the succeeding election;

3. Dismissal/termination or removal for cause from directorship in any publicly-listed company, public company, registered issuer of securities and holder of secondary license from the SEC. This disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal, termination or removal;

4. Being under preventive suspension by the Company;

5. If the Independent Director becomes an officer or employee of the Company, he shall be automatically disqualified from being an independent director;

6. If the beneficial equity ownership of an independent director (ID) in the Company or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification from being elected as an ID is lifted if the limit is later complied with; and

7. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final (Explan., Reco. 2.5).

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

Compensation and Remuneration Committee

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

Duties and Responsibilities

1. 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, when applicable;

2. Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Company successfully, when applicable;

3. 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, when applicable;

4. Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired, when applicable;

5. Disallow any director to decide his or her own remuneration;

6. Provide in the Company's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year, if applicable; and

7. Review adopted policies, to strengthen provisions on conflict of interest, salaries and benefits, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

In the absence of such Personnel Handbook, cause the development of such, covering the same parameters of governance stated above.

Audit and Risk Management Committee

The Audit and Risk Management Committee shall be composed of at least three (3) members of the Board, one (1) of whom shall be an independent director. Each member shall have adequate understanding at least or competence at most of the Company's financial management systems and environment.

The Board of Directors shall appoint an Independent Director as Committee Chairman. The Chairman of the Audit and Risk Management Committee should not be the Chairperson of the Board or of any other committees (Reco. 3.2).

Duties and Responsibilities

1. Check all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements;

2. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;

3. Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity,

operational, legal and other risks of the Company, and crisis management;

4. Pre-approve all audit plans, scope and frequency one (1) month before the conduct of external audit;

5. Perform direct interface functions with the internal and external auditors;

6. Elevate to international standards the accounting and auditing processes, practices and methodologies;

7. Ensure the compliance of the Company with acceptable auditing and accounting standards and regulations;

8. An accountability statement that will specifically identify officers and/or personnel directly responsible for the accomplishment of such task;

9. Develop a transparent financial management system that will ensure the integrity of internal control activities throughout the Company through a step-by-step procedures and policies handbook that will be used by the entire organization;

10. Review the annual internal audit plan to ensure its conformity with the objectives of the Company. The plan shall include the audit scope, resources and budget necessary to implement it;

11. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;

12. Monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security;

13. Review the reports submitted by the internal and external auditors;

14. Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:

- Any change/s in accounting policies and practices
- Major judgmental areas
- Significant adjustments resulting from the audit
- Going concern assumptions
- Compliance with accounting standards
- Compliance with tax, legal and regulatory requirements;

15. Coordinate, monitor and facilitate compliance with laws, rules and regulations;

16. Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Company's overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Company's annual report;

17. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities;

18. The Audit and Risk Management Committee shall ensure that, in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties;

19. Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting Related Party Transactions (RPTs) including a periodic review of RPT policies and procedures (Explan. (n) Reco.3.2).

The content of the RPT Policy shall be as follows:

- Identification of related parties;
 - Coverage of RPT policy;
 - Guidelines in ensuring arm's-length terms;
 - Identification and prevention or management of potential or actual conflicts of interest which may arise;
 - Adoption of materiality thresholds, as well as internal limits for individual and aggregate exposures;
 - Approval of material RPTs based on the Company's materiality threshold;
 - Disclosure requirement of material RPTs;
 - Self-assessment and periodic review of policy;
- complied A & B of RPT Policy
- Whistle-blowing mechanisms; and
 - Restitution of losses and other remedies for abusive RPTs (Explan., Reco. 2.6); and

20. Adopt a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objective and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures (Explan.(a), Reco. 3.4).

The Corporate Secretary

The Corporate Secretary is an officer of the Company. Likewise, her loyalty to the mission, vision and specific business objectives of the corporate entity come with her duties. The Corporate Secretary is primarily responsible to the Company and its shareholders, and not to the Chairperson or President of the Company (Explan., Reco. 1.5).

The Corporate Secretary shall be a Filipino citizen. She should not be a member of the Board of Directors (Reco.1.5).

Considering her varied functions and duties, she must possess administrative and interpersonal skills. He must also have some financial and accounting skills. If she is not at the same time the Company's legal counsel, she must keep abreast of relevant regulations, all governance issuances, industry developments and operations of the Company, and advises the Board and the Chairperson on all relevant issues as they arise (Explan. (c), Reco. 1.5). Further, she must have a working knowledge of the operations of the Company.

Duties and Responsibilities

1. Gather and analyze all documents, records and other information essential to the conduct of her duties and responsibilities to the Company;
2. Safekeep and preserve the integrity of the minutes of the meetings of the Board and shareholders, as well as other official records of the Company (Explan.(b), Reco.1.5);
3. Assist the Board and the Board Committees in the conduct of their meetings (i.e. agenda setting, preparation of annual schedule of meetings and Board calendar) (Explan.(a), Reco.1.5);
4. As to agenda, get a complete schedule thereof at least for the current year and inform members of the Board, in accordance with the by-laws, of the agenda of the Board meetings at least five (5) working days before the date of the meeting, and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval (Explan. (f), Reco.1.5);

5. Assist the Board in making business judgment in good faith and in the performance of their responsibilities and obligations;

6. Attend all Board meetings, except when justifiable causes prevent him from doing so (Explan. (g), Reco 1.5) and maintain record of the same;

7. Work fairly and objectively with the Board, Management, stockholders and contribute to the flow of information between the Board and Management, the Board and its Committees, and the Board and its shareholders as well as other stakeholders (Explan.(d), Reco.1.5);

8. Perform all required administrative functions pertaining to her position (Explan. (h), Reco.1.5);

9. Oversee the drafting of the by-laws and ensure that they conform with regulatory requirements (Explan. (i), Reco. 1.5);

10. Annually attend a training on corporate governance (Reco. 1.5);

11. Be loyal to the mission, vision, and objectives of the Company;

12. Have a working knowledge of the operations of the Company;

13. Ensure that all Board procedures, rules and regulations are strictly followed by the members;

14. Assist the Board in making business judgment in good faith and in the performance of their responsibilities and obligations;

15. Submit to the Commission, at the end of every fiscal year, an annual certification as to the attendance of the directors during Board meetings;

16. If she is also the Compliance Officer, perform all the duties and responsibilities of the said officer provided for under this Revised Manual; and

17. Perform such other duties and responsibilities as may be provided by the Board and the SEC (Explan.(j), Reco.1.5).

External Auditor

The appointment of the external auditor shall be recommended by the Audit and Risk Management Committee and approved by the Board of Directors and the shareholders (Reco.9.1). The external auditor duly accredited by the SEC shall undertake an independent audit of the Company, and shall provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. The external auditor shall enable an environment of good corporate governance as reflected in the financial records and reports of the company.

The reason/s for the resignation, dismissal or cessation from service and the date thereof of an external auditor shall be reported in the Company's annual and current reports. Said report shall include a discussion of any disagreement with said former external auditor on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure which the former auditor and the Company failed to resolve satisfactorily. A preliminary copy of the said report shall be given by the Company to the external auditor before its submission.

The external auditor of the Company shall not at the same time provide the services of an internal auditor to the same client. The Company shall ensure that other non-audit work shall not be in conflict with the functions of the external auditor nor pose a threat to its independence.

The Company's external auditor shall be rotated or the handling partner shall be changed every five (5) years or earlier.

If an external auditor believes that the statements made in the Company's annual report, information statement or proxy statement filed during his engagement is incorrect or incomplete, he shall present his views in said reports.

Internal Auditor

The Company shall have in place an independent internal audit function which shall be performed by an Internal Auditor or a group of Internal Auditors, through which its Board, senior management, and stockholders shall be provided with reasonable assurance that its key organizational and procedural controls are effective, appropriate, and complied with.

The Internal Auditor shall report to the Audit and Risk Management Committee an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee. The annual report should include significant risk exposures, control issues and other matters as may be needed or requested by the Board and Management. The internal auditors should certify that he conducts his activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If he does not, he shall disclose to the Board and Management the reasons why he has not fully complied with the said standards.

The minimum internal control mechanisms for management's operational responsibility shall center on the CEO, being ultimately accountable for the Company's organizational and procedural controls.

The scope and particulars of a system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance.

NON-FINANCIAL AND SUSTAINABILITY REPORTING

The Company should be socially responsible in all its dealings with the communities in which 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 (Princ.16).

Sustainable development means that the Company not only complies with existing regulations, but also voluntarily employs value chain processes which take into consideration economic, environmental, social and governance issues and concerns. In considering sustainability concerns, the Company plays a role alongside the government and civil society in contributing solutions to complex global challenges like poverty, inequality, unemployment and climate change (Explan., Reco.16.1).

The Company shall have a clear and focused strategy on the disclosure of reportable non-financial and sustainability issues (Princ.10).

The Company should disclose to all shareholders and other stakeholders the Company's strategic and operation objectives as well as impacts of a wide range of sustainability issues, with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability (Reco.10.1).

ADEQUATE AND TIMELY INFORMATION

To enable the members of the Board to properly fulfill their duties and responsibilities, Management should provide them with complete, adequate and timely information about the matters to be taken in their meetings.

Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a member of the Board to enable him to properly perform his duties and responsibilities. Hence, the members should be given independent access to Management and the Corporate Secretary.

The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

The members, either individually or as a Board, and in furtherance of their duties and responsibilities, should have access to independent professional advice at the Company's expense.

ACCOUNTABILITY AND AUDIT

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

Thus, it is essential that Management provide all members of the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.

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

1. The extent of its responsibility in the preparation of the financial statements of the Company, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
2. An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Company for the benefit of all stockholders and other stakeholders (as amended pursuant to SEC Memorandum Circular No. 9, Series of 2014);
3. On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the Company's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations and
4. The Company should consistently comply with the financial reporting requirements of the Commission;

COMMUNICATION PROCESS

This Revised Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days upon written notice received by the Company at least five (5) days from the date of inspection.

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

An adequate number of printed copies of this Revised Manual must be reproduced and distributed to the members of the Company's Management.

The Company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users (Princ.11). The Company should provide a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public (Reco.11.1).

The following website: <https://www.gmanetwork.com/corporate/> contain relevant reports and disclosures as may be required by the SEC and the Philippine Stock Exchange.

The Company's Investor Relations Office (IRO) shall ensure constant engagement and communication with its shareholders (Reco.13.5). The IR Officer should be present at every shareholders' meeting and shall provide an email address and telephone number to set up an avenue to receive feedback, complaints and queries from shareholders/members (Reco. 13.5; Explan., Reco.13.5).

TRAINING PROCESS

If necessary, funds shall be allocated by the Chief Financial Officer (CFO) or its equivalent officer for the purpose of conducting an orientation program or workshop to operationalize this Revised Manual.

Every Director shall receive appropriate training (including his duties as a Director and how to discharge such duties) when he is first appointed to the Board of Directors. This would include an orientation-training program for first-time directors of at least eight (8) hours to ensure that incoming Directors are familiar with the Company's business and governance process. (Reco.1.3) The orientation program shall cover SEC-mandated topics on corporate governance and includes an introduction to the Company's business, Articles of Incorporation and By-laws, and Code of Business Conduct and Ethics (Explan., Reco.1.3).

If necessary, a new director may be required to attend a seminar on corporate governance that shall be conducted by a duly recognized private or governmental institute.

Directors shall receive annual continuing training of at least four (4) hours to ensure that the directors are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the company. The training can be on any matter relevant to the Company, which could include training on audit, internal controls, risk management, sustainability and strategy. For corporate governance trainings, the trainings can be conducted by SEC Accredited Institutional Training Providers (Explanation, Recommendation 1.3).

REPORTORIAL OR DISCLOSURE SYSTEM OF COMPANY'S CORPORATE GOVERNANCE POLICIES

The reports or disclosures required under this Revised Manual shall be prepared and submitted to the Commission by the responsible Committee or officer through the Company's Compliance Officer.

All material information, i.e., anything that could adversely affect the Company's viability or the interest of its stockholders and other stakeholders and potentially affect share price, shall be publicly

disclosed. Such information shall include earnings results, acquisition or disposal of assets, off balance sheet transactions, board changes, related party transactions, shareholdings of directors, changes to ownership, and direct and indirect remuneration of members of the Board and Management (as amended pursuant to SEC Memorandum Circular No. 9, Series of 2014).

Other information that shall always be disclosed includes remuneration (including stock options) of all directors and senior management corporate strategy, and off balance sheet transactions.

All disclosed information shall be released via the Philippine Stock Exchange procedure for Company announcements as well as through the annual report.

The Board shall commit at all times to fully disclose material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders (as amended pursuant to SEC Memorandum Circular No. 9, Series of 2014).

The Company's corporate governance policies, programs and procedures should be contained in its Manual on Corporate Governance, which should be submitted to the SEC and posted on the Company's website (Reco.8.3).

The Company should disclose all relevant information on its corporate governance policies and practices in the Annual Corporate Governance Report, which should be submitted to the SEC, and continuously updated and posted on the Company's website (Reco. 8.4).

COMMITMENT TO GOOD CORPORATE GOVERNANCE

This Revised Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.

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

An adequate number of printed copies of this Revised Manual must be reproduced under the supervision of the Corporate Secretary or the Compliance Officer, and distributed to the members of Management.

If necessary, funds shall be allocated by the CFO or its equivalent officer for the purpose of conducting an orientation program or workshop to operationalize this Revised Manual.

SHAREHOLDERS' BENEFIT

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

1. INVESTORS' RIGHTS AND PROTECTION

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

a. Voting Right

1. Shareholders shall have the right to elect, remove and replace directors and participate in the approval of corporate acts in accordance with the Revised Corporation Code (Explan. (i), Reco. 13.1);
2. Right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting (Explan. (ii), Reco. 13.1);
3. Right to nominate candidates to the Board of Directors (Explan.(iii), Reco. 13.1);
4. Right to be informed of the nomination and removal process (Explan. (iv), Reco.13.1); and

5. Right to be informed of the voting procedures that would govern the Annual and Special Shareholders' Meeting (Explan.(v), Reco. 13.1).

Cumulative voting shall be used in the election of directors.

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

b. Pre-emptive Right

All stockholders shall have pre-emptive rights, unless the same is denied in the articles of incorporation or an amendment thereto. They shall have the right to subscribe to the capital stock of the Company. The Articles of Incorporation shall lay down the specific rights and powers of shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Revised Corporation Code.

c. Power of Inspection

All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Revised Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions.

d. Right to Information

The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Company's shares, dealings with the company, relationships among directors and key officers, and the aggregate compensation of directors and officers.

The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.

The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

f. Right to Dividends

Shareholders shall have the right to receive dividends subject to the discretion of the Board.

The Company shall be compelled to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: a) when justified by definite corporate expansion projects or programs approved by the Board or b) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or c) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for special reserve for probable contingencies.

g. Appraisal Right

The shareholders' shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 80 & 81 of the Revised Corporation Code, under any of the following circumstances:

1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of

extending or shortening the term of corporate existence;

2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code; and

3. In case of merger or consolidation.

It shall be 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. They shall encourage active shareholder participation by sending the notice of annual and special shareholders' meetings with sufficient and relevant information at least 21 days before the meeting (Reco.13.2).

They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

The Board should take the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy. Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.

The Stockholders shall be granted a right to propose the holding of a meeting, as provided for under the Company's By-Laws, as well as the right to propose items for discussion in the agenda provided the items relate directly to the business of the Company, as determined by the Chairman of the Board or the Chief Executive Officer, and are in accordance with law,

jurisprudence and best practice. The Board should encourage active shareholder participation by making the result of the votes on matters taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting should be available on the Company website within five (5) business days from the date of the meeting (Reco. 13.3).

Voting results include a breakdown of the approving and dissenting votes on the matters raised during the Annual or Special Shareholders' Meeting. When a substantial number of votes have been cast against a proposal made by the Company, it may make an analysis of the reasons for the same and consider having a dialogue with its shareholders (Explan., Reco.13.3).

The minutes of the meeting includes the following matters: (1) A description of the voting and vote tabulation procedures used; (2) the opportunity given to shareholders to ask questions, as well as a record of the questions asked and the answers received; (3) the matters discussed and the resolutions reached; (4) a record of the voting results for each agenda item; (5) a list of the directors, officers and shareholders who attended the meeting; and (6) dissenting opinion on any agenda item that is considered significant in the discussion process (Explan., Reco.13.3).

MONITORING AND ASSESSMENT

Each Committee shall report regularly to the Board of Directors.

The Compliance Officer shall establish an evaluation system to determine and measure compliance with this Revised Manual. Any violation thereof shall subject the responsible officer or employee to the penalty provided under this Revised Manual.

The establishment of such evaluation system, including the features thereof, shall be disclosed in the Company's annual report (SEC Form 17-A) or in such form of report that is applicable to the Company. The adoption of such performance evaluation system must be covered by a Board approval and must be in accordance with the Revised Manual.

This Revised Manual shall be subject to quarterly review unless the same frequency is amended by the Board.

All business processes and practices being performed within any department or business unit of the Company that are not consistent with any portion of this Revised Manual shall be revoked unless upgraded to the compliant extent.

PENALTIES FOR NON-COMPLIANCE WITH THE REVISED MANUAL

To strictly observe and implement the provisions of this Revised Manual, the following penalties shall be imposed, after notice and hearing, on the Company's directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff in case of violation of any of the provision of this Revised Manual:

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

The commission of a third violation of this Revised Manual by any member of the Board of the Company or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.

The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.

Signed:

A handwritten signature in cursive script, appearing to read 'Felipe L. Gozon'.

FELIPE L. GOZON
CHAIRMAN

A handwritten signature in cursive script, appearing to read 'Roberto Rafael V. Lucila', with a long horizontal flourish extending to the right.

ROBERTO RAFAEL V. LUCILA
COMPLIANCE OFFICER

Certification

We Felipe L. Gozon and Roberto Rafael V. Lucila, the Chairman and Compliance Officer, respectively of GMA Holdings, Inc. with SEC Identification Number CS200602356 and with principal office at Unit 5D Tower One, One McKinley Place, New Bonifacio Global City, Fort Bonifacio, Taguig City, state:

- 1.) That on behalf of GMA Holdings, Inc. we have caused this **Revised Manual on Corporate Governance** to be prepared pursuant to SEC Memorandum Circular No. 24, Series of 2019 and SEC Memorandum Circular No. 19, Series of 2016;
- 2.) That we read and understood its contents which are based on personal knowledge or corporate records;
- 3.) That the GMA Holdings, Inc. will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or document through electronic mail; and
- 4.) That we are fully aware the documents filed online which require pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of such filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this JUL 10 2020 day of July, 2020.

FELIPE L. GOZON
Chairman

ROBERTO RAFAEL V. LUCILA
Compliance Officer

SUBSCRIBED AND SWORN to before me this 11 day of 0, 2020.

Affiants exhibited to me their Passport No. P3551628A valid until July 2, 2020 and SSS ID No. 03-6383452-8, respectively.

NOTARY PUBLIC

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