

LEVEL 2 – BONUS

(B)A. RIGHTS OF SHAREHOLDERS

(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.	Guiding Reference	Yes/No	MPI Remarks
(B)A.1.1	Does the company practice secure electronic voting in absentia at the general meetings of shareholders?	<p>OECD Principle II (C)</p> <p>(5) The objective of facilitating shareholder participation suggests that jurisdictions and/or companies promote the enlarged use of information technology in voting, including secure electronic voting in all listed companies. The principles recommend that voting by proxy be generally accepted. Indeed, it is important to the promotion and protection of shareholders rights that investors can place reliance upon directed proxy voting.</p>	Yes	<p>As a result of the various mobility restrictions imposed by the Philippine government because of the COVID-19 pandemic, the Company has conducted its Annual Stockholders’ Meetings virtually since 2020.</p> <p>To ensure the maximum participation of the shareholders, the Company disclosed in its Definitive Information Statement for the 2020 and 2021 Annual Stockholders’ Meeting, the following avenues where shareholders can participate:</p> <p>a. Shareholders may send their questions or comments prior to</p>

			<p>the meeting by email at compliance@mpic.com.ph.</p> <p>b. Shareholders may attend the meeting by registering through a dedicated website, https://mpivote-agm.com (the "Website"). Shareholders can also post questions live.</p> <p>c. Shareholders may vote through the Electronic Voting in Absentia System at the Website, and the results of the voting are included in the minutes of the Annual Stockholders' Meeting.</p> <p>All stockholders are informed of these options prior to the Annual Stockholders' Meeting through the Agenda Details and Rationale included in the Definitive Information Statement. The Chairman and the Corporate Secretary reiterated the procedures during the Annual Stockholders' Meeting.</p> <p>In addition, the Company disclosed the notice in newspapers of general circulation as well as in the official social media account of the Company.</p>
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				<p>Notice of the 2021 Annual Stockholders' Meeting https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-2021-Notice-1.pdf</p> <p>Notice of the 2020 Annual Stockholders' Meeting https://www.mpic.com.ph/wp-content/uploads/2020/04/Notice-of-2020-Annual-Stockholders-Meeting.pdf</p> <p>2021 Definitive Information Statement (pages 3, 41, and 42) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</p> <p>2020 Definitive Information Statement (pages 3, 39, and 40) https://www.mpic.com.ph/wp-content/uploads/2020/04/MPIC-Definitive-Information-Statement-2020.pdf</p> <p>2021 Integrated Annual Corporate Governance Report (page 141) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
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				<p>2020 Integrated Annual Corporate Governance Report (page 141) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p> <p>2021 Minutes of the Annual Stockholders' Meeting (page 2) https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf</p> <p>2020 Minutes of the Annual Stockholders' Meeting (page 2) https://www.mpic.com.ph/wp-content/uploads/2020/06/MPIC-AGM-Minutes-29-May-2020.pdf</p> <p>Additional Disclosure https://www.facebook.com/mpic.ph/posts/2895870263840489</p>
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(B)A. RIGHTS OF SHAREHOLDERS

(B)B.1	Notice of AGM	Guiding Reference	Yes/No	MPI Remarks
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to PSE, at least 28 days before the date of the meeting?	<p>OECD Principle II (C) (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting. (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated.</p> <p>OECD Principle III (A)</p> <p>ICGN 8.3.2 Shareholder participation in governance Shareholders should have the right to participate in key corporate governance decisions, such as the right to nominate, appoint and remove directors on an individual basis and also the right to appoint external auditors.</p> <p>ICGN 8.4.1 Shareholder ownership rights The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote.</p> <p>CLSA-ACGA (2010) CG Watch 2010 - Appendix 2. (I) CG rules and practices</p>	Yes	<p>The Company diligently observes the sending of notices of Annual Stockholders’ Meetings at least 28 days prior to the date of the actual meeting.</p> <p>For the 2021 Annual Stockholders’ Meeting held on May 28, 2021, the Company released its Notice and Agenda to PSE on April 29, 2021. On same date, the Company posted it in its website. The notice was likewise published in the print and online formats of Philippine Daily Inquirer on April 29, 2021 and The Philippine Star on April 30, 2021.</p> <p>For the 2020 Annual Stockholders’ Meeting held on May 29, 2020, the Company released its Notice and Agenda to PSE on April 15, 2020. On same date, the Company posted it in its website. The notice was likewise published: (i) in print format of the Philippine Star and Philippine Daily Inquirer on April 28 and April 29, 2020, respectively, and (ii) through a digital print copy of the Manila</p>

		<p>(25) Do company release their AGM notices (with detailed agendas and explanatory circulars) at least 28 days before the date of the meeting?</p>	<p>Standard on April 29, 2020.</p> <p>The Company also disclosed to PSE the Information Statements on the following dates:</p> <ol style="list-style-type: none"> 1. For the 2021 Annual Stockholders' Meeting, the Preliminary Information Statement was disclosed to the stockholders on April 13, 2021, while the Definitive Information Statement was disclosed on May 6, 2021. 2. For the 2020 Annual Stockholders' Meeting, the Preliminary Information Statement was disclosed to the stockholders on April 16, 2020, while the Definitive Information Statement was disclosed on April 27, 2020. <p>Notice of the 2021 Annual Stockholders' Meeting as disclosed to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=53507177f84b0be55d542af6f1e997b9</p> <p>Notice of the 2020 Annual</p>
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				<p>Stockholders' Meeting as disclosed to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=e58063bc2e1595980de8473cebbd6407</p> <p>2021 Minutes of the Annual Stockholders' Meeting (page 2) https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf</p> <p>2020 Minutes of the Annual Stockholders' Meeting (page 2) https://www.mpic.com.ph/wp-content/uploads/2020/06/MPIC-AGM-Minutes-29-May-2020.pdf</p> <p>2021 Preliminary Information Statement as disclosed to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=f00b2d366229d75c5d542af6f1e997b9</p> <p>2021 Definitive Information Statement as disclosed to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=b3fb003440c817085d542af6f1e997b9</p> <p>2020 Preliminary Information</p>
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				<p>Statement as disclosed to PSE https://edge.pse.com.ph/openDiscVier.do?edge_no=aac225c29a5972610de8473cebbd6407</p> <p>2020 Definitive Information Statement as disclosed to PSE https://edge.pse.com.ph/openDiscVier.do?edge_no=cb0f213ab6e3f8900de8473cebbd6407</p>
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(B)C. ROLE OF STAKEHOLDERS

(B)C.1	Guiding Reference	Yes/No	MPI Remarks	
(B)C.1.1	Does the company adopt an internationally recognized reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)?	OECD - IV. The role of Stakeholders	Yes	<p>The Company began reporting its sustainability impacts in 2016. For the 2021 Sustainability Report, aside from being guided by the principles of the Global Reporting Initiatives (GRI) Standards, the Company will also adhere to the Sustainability Accounting Standards Board (SASB) Framework. The 2021 Sustainability Report will also be aligned with the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures.</p> <p>The Company was, in fact, admitted as the first conglomerate SASB alliance member globally. Further, since 2017, DNV GL Business Assurance Philippines Branch (“DNV GL”), part of DNV GL Group, has provided an independent assurance statement for the sustainability and non-financial disclosures of the Company’s Sustainability Report.</p> <p>Sustainability Journey and Pillars https://www.mpic.com.ph/sustainability/</p>

				Sustainability Report (page 2) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-2020-sr.pdf
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(B)D. DISCLOSURE AND TRANSPARENCY

(B)D.1		Guiding Reference	Yes/No	MPI Remarks
(B)D.1.1	Are the audited annual financial report /statement released within 60 days from the financial year end?	OECD Principle V (A) (1) The financial and operating results of the company. Audited financial statements showing the financial performance and the financial situation of the company (most typically including the balance sheet, the profit and loss statement, the cash flow statement and notes to the financial statements) are the most widely used source of information on companies.	No	The Company’s Audited Financial Statements are released within 105 days from the end of the Company’s financial year, in accordance with the Philippine legal requirements. Nonetheless, the Company releases its earnings report ahead. For example, the Company disclosed on March 3, 2021 its earnings report for the financial year 2020. 2020 Earnings Release https://edge.pse.com.ph/openDiscVjewer.do?edge_no=86ee86625c8621d45d542af6f1e997b9
(B)D.1.2	Does the company disclose details of remuneration of the CEO?		Yes	The Company discloses the details of remuneration of its key executives, including the CEO. They are entitled to receive fixed and variable remuneration, in accordance with the compensation plans approved by the Board. Factors considered in fixing remuneration packages of key officers are salaries paid by comparable companies, time

			<p>commitment and responsibilities of corporate officers, and employment conditions elsewhere in the group. Further, the Company adopts incentive programs for its key executives that take into account the achievement of an approved target core income of the Company as a condition for the vesting of the incentive. Among such programs are the Long-Term Incentive Plan (LTIP) and the Restricted Stock Unit Plan (RSUP). Details of the LTIP and RSUP are likewise disclosed to the stockholders.</p> <p>Definitive Information Statement (page 35) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</p> <p>Integrated Annual Corporate Governance Report (pages 109-110) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
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(B)E. RESPONSIBILITIES OF THE BOARD

(B)E.1	Board Competencies and Diversity	Guiding Reference	Yes/No	MPI Remarks
(B)E.1.1	Does the company have at least one female independent director/commissioner?	OECD Principle VI (E) (4) Countries may wish to consider measures such as voluntary targets, disclosure requirements, boardroom quotas, and private initiatives that enhances gender diversity on boards and in senior management	No	The Company, however, has one female executive director. Director Page of Ms. June Cheryl Cabal-Revilla https://www.mpic.com.ph/about-us/leadership/board-of-directors/june-cheryl-cabal-revilla/
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	OECD Principle VI (E) (4) Countries may wish to consider measures such as voluntary targets, disclosure requirements, boardroom quotas, and private initiatives that enhances gender diversity on boards and in senior management	Yes	Consistent with the Company's commitment to the principles of good corporate governance, the Board Diversity Policy was approved on 7 November 2018 to ensure that the Board has suitable mix of expertise, experience and skills that would promote critical thinking and balanced decision-making that is in line with the Company's strategic goals and objectives. The Policy emphasizes that the primary consideration in the nomination and selection of directors shall always be merit, and that nominees shall not be discriminated against by reason of gender, religion, ethnicity, age and

			<p>other factors. Guidelines on the Search, Screening and Selection of Directors. The Company's Nominations Committee spearheads the implementation of this policy and reports to the Board the pertinent proceedings of the Committee, including any progress in achieving its objectives.</p> <p>Further, the Company discloses an analysis of the diversity of its Board in its Corporate Governance Report, and its gender pay gap and the breakdown of its employees, by gender, age group, and grade in its Sustainability Report.</p> <p>Board Diversity Policy: https://www.mpic.com.ph/wp-content/uploads/2019/06/Board-Diversity-Policy.pdf</p> <p>Corporate Governance Report (pages 10-11) https://www.mpic.com.ph/wp-content/uploads/2021/08/Corporate-Governance-in-MPIC-2021-1.pdf</p> <p>Sustainability Report (pages 58-59) https://www.mpic.com.ph/wp-</p>
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				<p>content/uploads/2021/04/mpic-2020-sr.pdf</p> <p>Integrated Annual Corporate Governance Report (pages 12 and 22) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-2020-sr.pdf</p>
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(B)E.2	Board Structure	Guiding Reference	Yes/No	MPI Remarks
(B)E.2.1	Is the Nominating Committee comprise entirely of independent directors/commissioners?	<p>ICGN 2.4.4 Composition of board committees</p> <p>The members of these key board committees should be solely non-executive directors, and in the case of the audit and remuneration committees, solely independent directors. All members of the nominations committee should be independent from management and at least a majority should be independent from dominant owners.</p>	No	<p>The Company’s Nomination Committee is composed of four (4) members, consisting of three non-executive directors (with one independent director) and one non-voting executive director.</p> <p>Nomination Committee Members: https://www.mpic.com.ph/corporate-governance/board-committees/</p>
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	<p>OECD Principle VI</p> <p>(5) Ensuring a formal and transparent board nomination and election process. While actual procedures for nomination may differ among countries, the board or a nomination committee has a special responsibility to make sure that established procedures are transparent and respected. The board or nominating committee has a key role in (but not limited to): (i) Defining the general or individual profile of board members that the company may need at any given time; (ii) Considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board; (iii) Identifying potential candidates to meet desired profiles and proposing them to shareholders, and/or (iv) Considering</p>	Yes	<p>The Company has Guidelines on the Search, Screening and Selection of Directors (the “Guidelines”), to help attain an effective and efficient search, screening and selection of candidates for election as members of the Board of Directors. The Guidelines set forth the procedures and safeguards in the director selection process which include, among others, the utilization of executive search firm (if necessary) to develop a list of nominees to the Board, ensuring thereby that: (i) the composition of the Board is an effective and balanced mix of knowledge, expertise, experience, complementary skills and</p>

		<p>those candidates advanced by shareholders with the right to make nominations.</p>	<p>talents that are mutually enforcing and promote diversity in terms of gender and ethnicity, among others; and (ii) the selection of directors and independent directors is aligned and consistent with the Company's Mission, Vision and strategic directions and the Board's duties and responsibilities.</p> <p>Guidelines on the Search, Screening, and Selection of Directors: https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Guidelines-on-Search-Screening-and-Selection-of-Directors.pdf</p>
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(B)E.3	Board Appointments and Re-Election	Guiding Reference	Yes/No	MPI Remarks
B)E.3.1	Does the company use 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/commissioners?	<p>OECD Principle VI (D) (5) The board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders with the right to make nominations. There are increasing calls for open search processes extending to a broad range of people.</p> <p>WORLD BANK PRINCIPLE 6 (VI.I.21) Are boards known to hire professional search firms when proposing candidates to the board?</p>	Yes	<p>The Company's Nomination Committee has the authority to avail of resources and authorities appropriate to discharge its functions, duties and responsibilities including the authority to obtain advice from external consultants and functional specialists within the Company.</p> <p>Nomination Committee Charter (page 4) https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised_May-2017.pdf</p> <p>Guidelines on the Search, Screening, and Selection of Directors (page 1) https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Guidelines-on-Search-Screening-and-Selection-of-Directors.pdf</p>

(B)E.4 Board Appointments and Re-Election	Guiding Reference	Yes/No	MPI Remarks
<p>(B)E.4.1 Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?</p>	<p>OECD Principle VI (E) (1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest.</p>	<p>No</p>	<p>The Company's Board of Directors is structured to provide an independent check on management. Each director has the duty to contribute independent judgment to the formulation of sound corporate strategies and policies.</p> <p>The Company's Board of Directors is composed of fifteen (15) members. It is composed of only three (3) executive directors. Of the twelve (12) non-executive directors, four (4) are independent directors.</p> <p>This is consistent with the Company's Revised Code of Corporate Governance, which mandates that the Board of Directors should be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.</p> <p>Revised Code of Corporate Governance (pages 1-2)</p>

				<p>https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p> <p>Board of Directors https://www.mpic.com.ph/about-us/leadership/board-of-directors/</p> <p>Governance Practices https://www.mpic.com.ph/corporate-governance/governance-practices/</p>
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(B)E.5	Risk Oversight	Guiding Reference	Yes/No	MPI Remarks
(B)E.5.1	Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	<p>King Code 2009</p> <p>5. The governance of information technology The board should be responsible for information technology (IT) governance</p> <p>5.1.1. The board should assume the responsibility for the governance of IT and place it on the board agenda.</p> <p>5.1.2. The board should ensure that an IT charter and policies are established and implemented.</p>	Yes	<p>The Board of Directors of the Company, through the Risk Management Committee (“RMC”), oversees and monitors the management’s adoption of a risk management system. The Company’s management is primarily responsible for the design, implementation, and maintenance of risk management procedures and their continuous improvement.</p> <p>The Chief Risk Officer leads the implementation of the Enterprise Risk Management Policy (“ERM Policy”).</p> <p>The current ERM Policy is disclosed in the Company’s website and discussed in detail in its Annual Report. The Company categorizes its risks into two: (1) the risks it faces as an investment and management company; and (2) the risks its operating companies are faced. Key risks identified and managed are: regulatory and political risk, competition and market risk, supply risk, safety and security risk, climate</p>

			<p>change risk, and cybersecurity risk including increasing data privacy protection needs.</p> <p>Recognizing the importance of cybersecurity, key subsidiaries and investee companies of the Company joined the MVP Group Cybersecurity Council.</p> <p>Enterprise Risk Management https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/</p> <p>Annual Report (pages 36-40) https://www.mpic.com.ph/wp-content/uploads/2021/04/Metro-Pacific-Investments-Corporation_SEC-Form-17-A_with-SEC-AR.pdf</p> <p>Announcement on MVP Group Cybersecurity Council https://cms.pldt.com/drupal/article/mvp-group-launches-group-wide-cybersecurity-council</p>
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(B)E.6	Board Performance	Guiding Reference	Yes/No	MPI Remarks
(B)E.6.1	Does the company have a separate board level Risk Committee?	<p>ICGN 5.5 Risk Committee</p> <p>While ultimate responsibility for a company's risk management approach rests with the full board, having a risk committee (be it a stand-alone risk committee, a combined risk committee with nomination and governance, strategy, audit or other) can be an effective mechanism to bring the transparency, focus and independent judgement needed to oversee the Company's risk management approach.</p>	Yes	<p>The Company has a Risk Management Committee (“RMC”), which assists the Board of Directors in fulfilling its oversight responsibilities over the Company’s Enterprise Risk Management Policy and execution of risk management strategies and practices including regulatory and ethical compliance monitoring. The RMC investigates the risk exposures of the Company and evaluates the steps the management is taking in managing and controlling such exposures.</p> <p>Risk Management Committee Charter https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf</p>