

B. EQUITABLE TREATMENT OF SHAREHOLDERS

B.1 Shares and Voting Rights		Guiding Reference	Yes/No	MPI Remarks
B.1.1	Does the company's ordinary or common shares have one vote for one share?	<p>OECD Principle II E. All shareholders of the same series of a class should be treated equally. Capital structures and arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership should be disclosed.</p> <p>1. Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected.</p> <p>ICGN Principle 9.1 Share classes Sufficient information about the material attributes of all of the company's classes and series of shares should be disclosed on a timely basis. Ordinary or common shares should feature one vote for each share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power disproportionate to their economic interests should be disclosed and explained. Dual class share structures should be kept under review and should be accompanied by commensurate extra protections for minority shareholders, particularly in the event of a takeover</p>	Yes	<p>Common shares have one vote for one share.</p> <p>Amended Articles of Incorporation (Seventh Article) https://www.mpic.com.ph/wp-content/uploads/2021/02/MPIC-Amended-AOI-2-Jul-2019.pdf</p> <p>Definitive Information Statement (page 40) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</p> <p>Integrated Annual Corporate Governance Report (page 133) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the		Yes	The Company has three (3) classes of shares: Common, Class A Preferred Shares and Class B Preferred Shares. Currently, only the Common and Preferred A Shares are issued and outstanding. The voting rights of each

	<p>company website / reports/ the stock exchange/ the regulator's website)?</p>	<p>bid.</p> <p>3.4 Appointment process</p> <p>The process for director nomination and election/re- election should be disclosed, along with information about board candidates which includes:</p> <ul style="list-style-type: none"> a) board member identities and rationale for appointment; b) core competencies, qualifications, and professional background; c) recent and current board and management mandates at other companies, as well as significant roles on non-profit/charitable organisations; d) factors affecting independence, including relationship(s) with controlling shareholders; e) length of tenure; <p>9.2 Major decisions</p> <p>Shareholders should have the right to vote on major decisions which may change the nature of the company in which they have invested.</p>		<p>class are stated in the Company's Articles of Incorporation. The rights are also indicated in its Definitive Information Statement.</p> <p>Amended Articles of Incorporation (Seventh Article) https://www.mpic.com.ph/wp-content/uploads/2021/02/MPIC-Amended-AOI-2-Jul-2019.pdf</p> <p>Definitive Information Statement (page 10) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</p>
<p>Does the notice of AGM/circulars have the following details:</p>				
<p>B.2.3</p>	<p>Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience,</p>		<p>Yes</p>	<p>The profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) who are seeking election/re-election are included in the</p>

	<p>and directorships in other listed companies) in seeking election/re-election included?</p>			<p>Company's Definitive Information Statement that forms part of the Notice of Annual Stockholders' Meeting. The profiles and background of the directors can also be found in the Company's website for the information of investors:</p> <p>Definitive Information Statement (pages 14-30) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</p> <p>Board of Directors https://www.mpic.com.ph/about-us/leadership/board-of-directors/</p> <p>Revised Manual on Corporate Governance (Article 13, Section 1) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p>
B.2.4	<p>Are the auditors seeking appointment/re-appointment clearly identified?</p>		<p>Yes</p>	<p>The external auditor seeking appointment/re-appointment is clearly identified in the Company's Definitive Information Statement that forms part of the Notice of Annual Stockholders' Meeting.</p>

				<p>Definitive Information Statement (pages 5 and 38) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</p>
B.2.5	Were the proxy documents made easily available?		Yes	<p>The proxy form is included in the Company's Definitive Information Statement that forms part of the Notice of Annual Stockholders' Meeting.</p> <p>Definitive Information Statement (page 6) https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</p>

B.3	Insider trading and abusive self-dealing should be prohibited.	Guiding Reference	Yes/No	MPI Remarks
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<p>OECD Principle III E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN Principle 4. Corporate Culture 4.5 Employee share dealing There should be clear rules regarding any trading by directors and employees in the company’s own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p>	Yes	<p>The Company has policies regarding insider trading which prohibit directors and employees to benefit from knowledge not generally available to the market.</p> <p>Insider Trading Policy (Section 2) https://www.mpic.com.ph/wp-content/uploads/2019/06/Insider-Trading-Policy.pdf</p> <p>Code of Business Conduct and Ethics (Part A.1 and Part D. 2) https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</p> <p>Conflict of Interest Policy https://www.mpic.com.ph/wp-content/uploads/2019/06/Conflict-of-Interest-Policy.pdf</p> <p>Integrated Annual Corporate Governance Report (page 63) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>

B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?		Yes	<p>Directors are required to report their dealings in Company shares within 3 business days. In fact, under the Company’s Insider Trading Policy, directors are required to make the necessary report within 2 trading days after the disclosure of structured reports or of any material information other than the structured reports.</p> <p>Insider Trading Policy https://www.mpic.com.ph/wp-content/uploads/2019/06/Insider-Trading-Policy.pdf</p> <p>Revised Manual on Corporate Governance (Article 8, Section 8) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p> <p>Integrated Annual Corporate Governance Report (page 106) 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.4	Related party transactions by directors and key executives.	Guiding Reference	Yes/No	MPI Remarks
B.4.1	Does the company have a policy requiring directors/commissioners to disclose their interest in transactions and any other conflicts of interest?	<p>OECD Principle II</p> <p>F. Related-party transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protects the interest of the company and its shareholders.</p> <ol style="list-style-type: none"> Conflicts of interest inherent in related-party transactions should be addressed. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation. <p>ICGN Principle</p> <p>9.3 Conflicts of interest</p> <p>Policies and procedures on conflicts of interest should be established, understood and implemented by directors, management, employees and other relevant parties. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence.</p> <p>9.4 Related party transactions</p> <p>The process for reviewing and monitoring related party transactions should be disclosed. For significant transactions, a committee of independent directors</p>	Yes	<p>The Company has policies requiring directors to disclose their interest in transactions and any other conflicts of interest.</p> <p>Furthermore, in order to protect the interest of the Company, Article III, Sec. 2 of the Company’s Amended By-Laws provides that the Board of the Company may disqualify a person from being elected as a director of the Company in case of a conflict of interest on account of an interest in a competitive business.</p> <p>Conflict of Interest Policy (Section 6) https://www.mpic.com.ph/wp-content/uploads/2019/06/Conflict-of-Interest-Policy.pdf</p> <p>Code of Business Conduct and Ethics (Part D) https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</p> <p>Related Party Transactions Policy (Section 5.2) https://www.mpic.com.ph/wp-</p>

		<p>should be established to vet and approve the transaction.</p>		<p>content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf Integrated Annual Corporate Governance Report (pages 111 to 112) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p> <p>Amended By-Laws (Article III, Section 2) https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</p>
<p>B.4.2</p>	<p>Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?</p>		<p>Yes</p>	<p>The Company's Related Party Transactions Policy requires the Related Party Transactions Committee (in the absence of which, the functions of the Related Party Transactions Committee is assumed by the Audit Committee) to review material related party transactions to determine whether they are in the best interests of the Company and shareholders.</p> <p>Related Party Transactions Policy (Section 3) https://www.mpic.com.ph/wp-content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf</p>

				<p>Audit Committee Charter https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</p> <p>Revised Manual on Corporate Governance (Article 3: Establishing Board Committees, Section 2(xiii)) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p> <p>Integrated Annual Corporate Governance Report (pages 56 to 57) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?		Yes	<p>The Company has policies requiring directors to abstain from participating in the board discussion on a particular agenda when they are conflicted.</p> <p>Conflict of Interest Policy (Section 6) https://www.mpic.com.ph/wp-content/uploads/2019/06/Conflict-of-Interest-Policy.pdf</p> <p>Related Party Transactions Policy (Section 3)</p>

			<p>https://www.mpic.com.ph/wp-content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf</p> <p>Revised Manual on Corporate Governance (Article 5: Reinforcing Board Independence, Section 6) https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</p> <p>Integrated Annual Corporate Governance Report (pages 98 and 111) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?		<p>Yes</p> <p>The Company has policies that forbid loans to directors unless it is allowed under applicable laws and regulations, meaning it is at arm's length basis and at market rates.</p> <p>Conflict of Interest Policy (Section 5.g.2) https://www.mpic.com.ph/wp-content/uploads/2019/06/Conflict-of-Interest-Policy.pdf</p> <p>Code of Business Conduct and Ethics</p>

				<p>(Part D.5) https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</p> <p>Related Party Transactions Policy https://www.mpic.com.ph/wp-content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf</p> <p>Integrated Annual Corporate Governance Report (page 64) 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.5	Protecting minority shareholders from abusive actions	Guiding Reference	Yes/No	MPI Remarks
B.5.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	<p>OECD Principle II</p> <p>E. All shareholders of the same series of a class should be treated equally.</p> <p>F. Related-party transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protects the interest of the company and its shareholders.</p> <p>G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN Principle</p> <p>9.3 Conflicts of interest</p> <p>Policies and procedures on conflicts of interest should be established, understood and implemented by directors, management, employees and other relevant parties. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence.</p> <p>9.4 Related party transactions</p> <p>The process for reviewing and monitoring related party transactions should be disclosed. For significant transactions, a committee of independent directors</p>	Yes	<p>Under the Company's Related Party Transactions Policy, related party transactions are reviewed to determine whether the same meet the following Standards (a) the transaction is on arm's length terms; and (b) it is in the best interest of the Company and its shareholders as whole, considering the relevant circumstances. Further, material related party transactions are discussed in detail in our Independent Auditor's Report, which forms part of our Annual Report.</p> <p>Related Party Transactions Policy (Section 3) https://www.mpic.com.ph/wp-content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf</p> <p>Code of Business Conduct and Ethics (Part E.1) https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</p>

		<p>should be established to vet and approve the transaction.</p> <p>ICGN Principle 9.5 Shareholder approval Shareholders should have the right to approve significant related party transactions and this should be based on the approval of a majority of disinterested shareholders.</p> <p>ICGN Principle 9.10 Equality and redress Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p>		<p>Annual Report (pages 168-174): https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR2_0.pdf</p> <p>Integrated Annual Corporate Governance Report (pages 64 and 110-112) https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</p>
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	<p>OECD Principle II</p> <p>G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN Principle 9.5 Shareholder approval Shareholders should have the right to approve significant related party transactions and this should be based on the approval of a majority of disinterested shareholders.</p> <p>ICGN Principle 9.10 Equality and redress Minority shareholders should be protected from abusive actions by, or in the interest of, controlling</p>	Yes	<p>In case of related party transactions requiring shareholder approval, all shareholders are allowed and encouraged to participate in the approval process.</p> <p>Related Party Transactions Policy (Section 3.4) https://www.mpic.com.ph/wp-content/uploads/2019/10/MPIC-Revised-RPT-Policy-Approved-18-Oct-2019.pdf</p>

		shareholders acting either directly or indirectly, and should have effective means of redress.		
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