

**E. RESPONSIBILITIES OF THE BOARD**

E.1	Board Duties and Responsibilities	Guiding Reference	Yes/No	MPI Remarks
<b>Clearly defined board responsibilities and corporate governance policy</b>				
E.1.1	Does the company disclose its corporate governance policy / board charter?	<p><b>G20/OECD PRINCIPLE V: Disclosure and Transparency</b>  <b>(A) Disclosure should include, but not be limited to, material information on:</b>            9. Governance structures and policies, in particular, the content of any corporate governance code or policy and the process by which it is implemented.</p>	Yes	<p>The corporate governance policies and board charters are disclosed and maybe found in the Company's website.</p> <p>Corporate Governance Policies  <a href="https://www.mpic.com.ph/corporate-governance/company-policies/">https://www.mpic.com.ph/corporate-governance/company-policies/</a></p> <p>Integrated Annual Corporate Governance Report (pages 158-206)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p> <p>Board Charters  <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p> <p>Amended By-Laws  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Revised Manual on Corporate Governance</p>

				<p><a href="https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/">https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/</a></p> <p>Integrated Annual Corporate Governance Report (pages 209-239) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p>
E.1.2	Are the types of decisions requiring board of directors/ commissioners' approval disclosed?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p><b>(D) The board should fulfil certain key functions, including:</b></p> <p>(1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.</p> <p>(2) Monitoring the effectiveness of the company's governance practices and making changes as needed.</p> <p>(3) Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.</p> <p>(4) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>(5) Ensuring a formal and transparent board</p>	Yes	<p>The types of decisions requiring board approval of the directors can be found in the Company's website.</p> <p>Amended By-laws (Article III, Section 1) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Revised Manual on Corporate Governance (Article 2: Establishing Clear Roles and Responsibilities of the Board) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p> <p>Board Committee Charters <a href="https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/">https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/</a></p>

		<p>nomination and election process.</p> <p>(6) Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.</p> <p>(7) Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>		<p><a href="#">e-governance/board-committees/</a></p> <p>Code of Business Conduct and Ethics <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</a></p>
E.1.3.	<p>Are the roles and responsibilities of the board of directors/commissioners clearly stated?</p>	<p>(8) Overseeing the process of disclosure and communications.</p>	<b>Yes</b>	<p>The roles and responsibilities of the Board of Directors of the Company are clearly stated in the Company's By-Laws and Manual on Corporate Governance.</p> <p>Amended By-laws (Article III, Section 1) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Revised Manual on Corporate Governance (Article 2: Establishing Clear Roles and Responsibilities of the Board) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p> <p>Board Committee Charters <a href="https://www.mpic.com.ph/corporat">https://www.mpic.com.ph/corporat</a></p>

				<a href="#">e-governance/board-committees/</a>  Code of Business Conduct and Ethics <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Code-of-Business-Conduct-and-Ethics.pdf</a>
<b>Corporate Vision/Mission</b>				
E.1.4	Does the company have an updated vision and mission statement?	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board ICGN (2014): 4.1 Codes of Conduct/Ethics</b>  The board should adopt high standards of business ethics through codes of conduct/ethics (or similar instrument) and oversee a culture of integrity, notwithstanding differing ethical norms and legal standards in various countries. This should permeate all aspects of the company’s operations, ensuring that its vision, mission and objectives are ethically sound and demonstrative of its values. Codes should be effectively communicated and integrated into the company’s strategy and operations, including risk management systems and remuneration structures.	<b>Yes</b>	The Company has a vision and mission statement.  Mission, Vision and Values <a href="https://www.mpic.com.ph/about-us/our-company/">https://www.mpic.com.ph/about-us/our-company/</a>  Annual Report (page 1) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a>
E.1.5	Does the board of directors play a leading role in the process of developing and reviewing the company’s strategy at least	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b>  D. The board should fulfil certain key functions, including: Reviewing and guiding corporate strategy, major plans of action, risk management policies and	<b>Yes</b>	The Board, together with the Management, assess annually the continuing appropriateness of the Company’s long-term vision, mission and strategic objectives. This assessment takes place during the

	annually?	procedures, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.		<p>last quarterly board meeting of the Company when the budget for the succeeding year is likewise submitted for approval. The Company's long-term targets, as well as the execution strategy for the same, are discussed with the key executives of each operating unit.</p> <p>Board Process  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p> <p>Amended By-laws (Article III, Section 1)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Corporate Governance Section  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/Corporate-Governance-in-MPIC-2021-1.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/Corporate-Governance-in-MPIC-2021-1.pdf</a></p>
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	<p><b>ICGN (2014): 4.1 Codes of Conduct/Ethics</b></p> <p>The board should adopt high standards of business ethics through codes of conduct/ ethics (or similar instrument) and oversee a culture of integrity, notwithstanding differing ethical norms and legal</p>	<b>Yes</b>	The Board exercises oversight on Management in the latter's execution of the strategic direction and implementation of the policies set by the Board through regular briefings on material events and

		<p>standards in various countries. This should permeate all aspects of the company’s operations, ensuring that its vision, mission and objectives are ethically sound and demonstrative of its values. Codes should be effectively communicated and integrated into the company’s strategy and operations, including risk management systems and remuneration structures.</p> <p>ICGN (2014): 1.2 Responsibilities The board is accountable to shareholders and relevant stakeholders and is responsible for protecting and generating sustainable value over the long term. In fulfilling their role effectively, board members should: a) guide, review and approve corporate strategy and financial planning, including major capital expenditures, acquisitions and divestments.</p>	<p>transactions from the Management. To monitor performance and ensure alignment with the changing business environments and culture, key executives from each operating unit report to the Board in its regular quarterly board meetings. Further, the Board reviews and guides major plans of action and oversees.</p> <p>Company Website (Board Process)  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p> <p>Amended By-laws (Article III, Section 1)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p>
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E.2 Board Structure		Guiding Reference	Yes/No	MPI Remarks
<b>Code of Ethics or Conduct</b>				
E.2.1	Are the details of the code of ethics or conduct disclosed?	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (C) The board should apply high ethical standards. It should take into account the interests of stakeholders.	Yes	The Company's Code Of Business Conduct And Ethics is disclosed and can be found in the Company's website.  Company Website <a href="https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>  Integrated Annual Corporate Governance Report (pages 201-205) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a>
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the code/s?		Yes	All directors, senior management and employees are required to comply with the Company's Code of Business Conduct and Ethics.  Company Website <a href="https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>

E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	<p>The board has a key role in setting the ethical tone of a company, not only by its own actions, but also in appointing and overseeing key executives and consequently the management in general. High ethical standards are in the long-term interests of the company as a means to make it credible and trustworthy, not only in day-to-day operations but also with respect to longer term commitments. To make the objectives of the board clear and operational, many companies have found it useful to develop company codes of conduct based on, inter alia, professional standards and sometimes broader codes of behaviour. The latter might include a voluntary commitment by the company (including its subsidiaries) to comply with the OECD Guidelines for Multinational Enterprises which reflect all four principles contained in the ILO Declaration on Fundamental Labour Rights. Company-wide codes serve as a standard for conduct by both the board and key executives, setting the framework for the exercise of judgement in dealing with varying and often conflicting constituencies. At a minimum, the ethical code should set clear limits on the pursuit of private interests, including dealings in the shares of the company. An overall framework for ethical conduct goes beyond compliance with the law, which should always be a fundamental requirement.</p>	<b>Yes</b>	<p>The Company has an established process to implement its Code of Business Conduct and Ethics through the enactment of various policies operationalizing key aspects of the Company's Code of Business Conduct and Ethics. These policies are implemented through the orientation of directors and employees and a regular monitoring process to ensure that there are no material violations of the Company's compliance and governance policies.</p> <p>Company Website  <a href="https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">https://www.mpic.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a></p> <p>Integrated Annual Corporate Governance Report (pages 201-205)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-Integrated-Annual-Corporate-Governance-Report-2021-1.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-Integrated-Annual-Corporate-Governance-Report-2021-1.pdf</a></p> <p>Corporate Governance Write-Up  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/Corporate-Governance-in-MPIC-2021-1.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/Corporate-Governance-in-MPIC-2021-1.pdf</a></p> <p>Revised Whistle Blowing Policy</p>
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			<p><a href="#">Supplier-Code-of-Conduct.pdf</a></p> <p>Policy on the Respect for and Protection of Rights of People <a href="https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Policy-on-the-Respect-for-and-Protection-of-the-Rights-of-People.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Policy-on-the-Respect-for-and-Protection-of-the-Rights-of-People.pdf</a></p> <p>Environmental and Social Impact Assessment Policy <a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/MPIC-ESIA-Policy.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/MPIC-ESIA-Policy.pdf</a></p> <p>Anti-Bribery and Anti-Corruption Policy <a href="https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Anti-Bribery-and-Anti-Corruption-Policy.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Anti-Bribery-and-Anti-Corruption-Policy.pdf</a></p> <p>Workplace Gender, Equality and Diversity Policy <a href="https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Workplace-Gender-Equality-and-Diversity-Policy.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Workplace-Gender-Equality-and-Diversity-Policy.pdf</a></p> <p>Environmental, Health and Safety Policy</p>
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<b>Board Structure &amp; Composition</b>				
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (E) The board should be able to exercise objective independent judgement on corporate affairs.	<b>No</b>	Majority of the members of the board of directors of the Company are non-executive directors and are able to exercise objective independent judgement on corporate affairs. The Company has four (4) independent directors and eight (8) non-executive directors out of fifteen (15) board members. Furthermore, directors are by law, required to exercise independent judgment in the exercise of their fiduciary duties.

				<p>Company Website <a href="https://www.mpic.com.ph/about-us/leadership/board-of-directors/">https://www.mpic.com.ph/about-us/leadership/board-of-directors/</a></p> <p>Definitive Information Statement (pages 14-26) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</a></p>
E.2.5	<p>Does the company have a term limit of nine years or less or 2 terms of five years<sup>1</sup> each for its independent directors/commissioners?</p> <p><sup>1</sup> The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011.</p>	<p><b>UK CODE (2016):</b> B.2.3 Non-executive directors should be appointed for specified terms subject to reelection and to statutory provisions relating to the removal of a director. Any term beyond six years for a non-executive director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board and to succession for appointments to the board and to senior management, so as to maintain an appropriate balance of skills and experience within the company and on the board.</p>	<b>Yes</b>	<p>The Company resolved to adopt the following as Article 5, Section 3 of its Revised Manual of Corporate Governance, consistent with the Advisory issued by the SEC in 2016:</p> <p>“As a rule, independent directors may serve for a maximum of nine (9) consecutive years, starting in 2012, making sure however that the shareholders’ legal right to vote and be voted directors remains inviolable. If the company wants to retain an independent director who has served for nine consecutive years, the Board should provide meritorious justifications and sufficient reason to believe that the</p>

			<p>individual concerned remains to be independent and advise the shareholders of such justifications during the annual shareholders' meeting.”</p> <p>New independent directors were elected by the Company's shareholders during the 2021 Annual Stockholders' Meeting. One independent director was retained after the 9-year limit, after taking into account the meritorious justifications disclosed in the Company's Definitive Information Statement and as discussed during the Annual Stockholders' Meeting.</p> <p>Definitive Information Statement (pages 28-29)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a></p> <p>Minutes of the 2021 Annual Stockholders' Meeting (page 8)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf</a></p>
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E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(E) The board should be able to exercise objective independent judgement on corporate affairs. 3. Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards can interfere with the performance of board members. Some countries have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Disclosure about other board memberships to shareholders is therefore a key instrument to improve board nominations. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.</p>	<b>No</b>	<p>The Company acknowledges that the shareholders’ right to vote and be voted as directors remains inviolable. However, directors are required to submit a disclosure to the Board before accepting any board position in other publicly-listed company, including a confirmation that such director will continue to be able to perform his/her function as independent director of the Company.</p> <p>Revised Manual on Corporate Governance (Article 4 Section 2)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p>
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?		<b>Yes</b>	<p>The directorships of Mr. Pangilinan, Mr. Lim and Ms. Cabal-Revilla are listed in the Information Statement.</p> <p>Definitive Information Statement (page 14-18)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</a></p>

<b>Nomination Committee (NC)</b>				
E.2.8.	Does the company have a Nominating Committee?	<b>G20/OECD PRINCIPLE II:</b> The Rights and Equitable Treatment of Shareholders and Key Ownership Functions	<b>Yes</b>	<p>The Company has a Nominations Committee.</p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p> <p>Nomination Committee Charter <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised-May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised May-2017.pdf</a></p> <p>Definitive Information Statement (page 34) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</a></p>
E.2.9	Is the Nominating Committee comprised of a majority of independent directors/commissioners?		<b>No</b>	<p>The following are the members of the Company's Nomination Committee:</p> <p>Chairman: Christopher H. Young – Non-Executive Director</p> <p>Members: Albert F. del Rosario – Non-Executive</p>

				<p>Director Roberto C. Yap, S.J. – Independent Director Jose Ma. K. Lim – Executive Director (non-voting member)</p> <p>Messrs. Young and del Rosario are non-executive directors while Fr. Yap is an independent director. As such, all members of the Nomination Committee are non-executive directors.</p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p>
E.2.10	Is the chairman of the Nominating Committee an independent director/commissioner?	<p><b>(C) Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings:</b></p> <p>With respect to nomination of candidates, boards in many companies have established Nominating Committees to ensure proper compliance with established nomination procedures and to facilitate and coordinate the search for a balanced and qualified board. It is increasingly regarded as good practice in many countries for independent board members to have a key role on this committee. To further improve the selection process, the Principles also call for full disclosure of the</p>	No	<p>The Chairman of the Nomination Committee is Mr. Christopher H. Young, a non-executive director.</p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p>



		<p>experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p> <p>The recognition of Independent Party in the composition of the Nomination Committee can be counted as committee members. However, to score “Y”, the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board. G20/OECD PRINCIPLE VI (E) 1. Boards should consider assigning a sufficient number of nonexecutive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.</p>		
E.2.11	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company’s size and risk profile, also in respect to risk management and remuneration. When committees of the board are</p>	<b>Yes</b>	<p>The Nomination Committee’s Charter, governance structure and terms of reference are disclosed.</p> <p>Company Website  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised-May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised-May-2017.pdf</a></p>

E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	established, their mandate, composition and working procedures should be well defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards have established independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system.	<b>Yes</b>	The attendance of all the committees is disclosed. The Nomination Committee met twice in 2020.  Annual Report (page 38) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a>
<b>Remuneration Committee (RC)/Compensation Committee</b>				
E.2.13	Does the company have a Remuneration Committee?	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including:</b> 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasize the longer run interests of the company over short term considerations. Policy statements generally tend to set conditions for payments to board members for extra-board	<b>Yes</b>	The Board of Directors of the Company has created a Compensation Committee.  Amended By-Laws (Article III, Section 11) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a>  Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a>

E.2.14	Is the Remuneration Committee comprised of a majority of independent directors/commissioners?	activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and repricing of options. In some countries, policy also covers the payments to be made when hiring and/or terminating the contract of an executive. In large companies, it is considered good practice that remuneration policy and contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors and excluding executives that serve on each other’s remuneration committees, which could lead to conflicts of interest. The introduction of malus and clawback provisions is considered good practice. They grant the company the right to withhold and recover compensation from executives in cases of managerial fraud and other circumstances, for example when the company is required to restate its financial statements due to material noncompliance with financial reporting requirements. The recognition of Independent Party in the composition of the Remuneration Committee can be counted as committee members. However, to score “Y”, the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board.	<b>No</b>	<p>The following are the members of the Compensation Committee:</p> <p>Chairman: Albert F. del Rosario – Non-Executive Director</p> <p>Members: Pedro E. Roxas – Independent Director Manuel V. Pangilinan – Executive Director</p> <p>Mr. del Rosario is a non-executive director while Mr. Roxas is an independent director. As such, majority of the members of the Compensation Committee are non-executive directors.</p>
E.2.15	Is the chairman of the Remuneration Committee an independent director/commissioner?		<b>No</b>	<p>The chairman of the Compensation Committee, Mr. Albert F. del Rosario, is a non-executive director.</p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p>

E.2.16	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?	G20/OECD PRINCIPLE VI: Responsibilities of the Board	<b>Yes</b>	<p>The Nomination Committee’s Charter, governance structure and terms of reference are disclosed.</p> <p>Company Website  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf</a></p> <p>Amended By-Laws (Article III Section 11)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p>
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	(E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company’s size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition.	<b>Yes</b>	<p>The attendance of all the committees is disclosed. The Compensation Committee met twice in 2020.</p> <p>Annual Report (pages 37-38)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>

		Such information is particularly important in the many jurisdictions where boards have established independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system. Other such committees include those dealing with nomination, compensation, and risk. The establishment of additional committees can sometimes help avoid audit committee overload and to allow more board time to be dedicated to those issues. Nevertheless, the accountability of the rest of the board and the board as a whole should be clear. Disclosure need not extend to committees set up to deal with, for example, confidential commercial transactions. Given the responsibilities of the Remuneration Committee (RC) which are spelt out in codes of corporate governance, the RC is unlikely to be fulfilling these responsibilities effectively if it only meets once a year. Globally, the RC of large companies would meet several times a year		
<b>Audit Committee</b>				
E.2.18	Does the company have an Audit Committee?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. (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. Examples of such key responsibilities are	<b>Yes</b>	The Board of Directors of the Company has created an Audit Committee.  Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a>

		ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.		<p>Audit Committee Charter <a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</a></p> <p>Revised Manual on Corporate Governance (Article 3 Section 2) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p>
E.2.19	Is the Audit Committee comprised entirely of nonexecutive directors/commissioners with a majority of independent directors/commissioners?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company's size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards have established	<b>Yes</b>	<p>Two (2) out of three (3) members of the Audit Committee are independent directors.</p> <p>Chairman: Pedro E. Roxas – Independent Director</p> <p>Members: Artemio V. Panganiban – Independent Director Francisco C. Sebastian – Non-Executive Director</p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a></p>

E.2.20	Is the chairman of the Audit Committee an independent director/commissioner?	independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system. Other such committees include those dealing with nomination, compensation, and risk. The establishment of additional committees can sometimes help avoid audit committee overload	<b>Yes</b>	The chairman of the Audit Committee is Mr. Pedro E. Roxas, an independent director.  Company Website <a href="https://www.mpic.com.ph/corporate-governance/board-committees/">https://www.mpic.com.ph/corporate-governance/board-committees/</a>
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	and to allow more board time to be dedicated to those issues. Nevertheless, the accountability of the rest of the board and the board as a whole should be clear. Disclosure need not extend to committees set up to deal with, for example, confidential commercial transactions. The recognition of Independent Party in the composition of the Remuneration Committee can be counted as committee members. However, to score “Y”, the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board.	<b>Yes</b>	The Nomination Committee’s Charter, governance structure and terms of reference are disclosed.  Company Website <a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</a>
E.2.22	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	UK CODE (2016) C.3.1 The board should satisfy itself that at least one member of the Audit Committee has recent and relevant financial experience. As many of the key responsibilities of the Audit Committee are accounting related, such as oversight of financial reporting and audits, it is important to have someone specifically with accounting expertise, not just general financial expertise.	<b>Yes</b>	Each member of the Audit Committee is financially literate and the Chairman has accounting or related financial management expertise. All of the members are Chairman or President of various companies, with over 10 years of experience in such capacities. The foregoing credentials of the Audit Committee is, collectively, at least

				<p>functionally equivalent, and may even be a higher standard, in terms of providing financial and accounting expertise, independence and integrity to the Audit Committee.</p> <p>Their educational background and memberships in the boards of other listed and non-listed companies are disclosed in the information statement.</p> <p>Definitive Information Statement (pages 21, 25, 30)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a></p>
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?		<b>Yes</b>	<p>The attendance of all the committees is disclosed. The Compensation Committee met four times in 2020.</p> <p>Annual Report (page 37)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>



E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	<p><b>UK CODE (2016)</b></p> <p>C.3.6 The Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment and removal of the external auditor. If the board does not accept the Audit Committee’s recommendation, it should include in the Annual Report, and in any papers recommending appointment or re-appointment, a statement from the Audit Committee explaining the recommendation and should set out reasons why the board has taken a different position</p>	Yes	<p>The Audit Committee has the duty and power to select and appoint the External Auditor and remove or replace the External Auditor as it may deem necessary or appropriate as indicated in Section 4 of the Audit Committee Charter.</p> <p>Audit Committee Charter (page 3)  <a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</a></p> <p>Revised Manual on Corporate Governance (Article 3 Section 2)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p>
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E.3 Board Processes		Guiding Reference	Yes/No	MPI Remarks
Board Meetings and Attendance				
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Scheduling board meetings before or at the beginning of the year would allow directors to plan ahead to attend such meetings, thereby helping to maximise participation, especially as non-executive directors often have other commitments. Additional ad hoc meetings can always be scheduled if and when necessary. It is common practice for boards in developed markets to schedule meetings in this way	Yes	Meetings of the Board of Directors are scheduled at the beginning of the year.  Schedule of Board Meetings <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a>
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	<b>WORLD BANK PRINCIPLE 6 (VI.I.24)</b> Does the board meet at least six times per year?	Yes	A total of 12 meetings were held last year. This is reflected in the directors' attendance in Board meetings in 2020 submitted to the SEC in 2020 and is posted in the Company's website.  Board Attendance <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf</a>  Company Website <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a>  Annual Report (page 36)

				<a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a>
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 3. Board members should be able to commit themselves effectively to their responsibilities Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.	<b>Yes</b>	<p>Each of the directors attended at least 75% of all the board meetings during 2020.</p> <p>SEC Submission <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf</a></p> <p>Company Website <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p> <p>Annual Report (page 36) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	<b>WORLD BANK PRINCIPLE 6 (VI.1.28)</b> Is there a minimum quorum of at least 2/3 for board decisions to be valid?	<b>No</b>	The Company adopts the applicable provision of the Revised Corporation Code which provides that a majority of the number of directors fixed in the articles of incorporation shall constitute a quorum for the transaction of corporate business.

			<p>Please note however, that for 2020, all meetings of the Board were attended by directors constituting more than 2/3 of the total number of directors.</p> <p>Annual Report (page 36)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p> <p>More than 75% of the directors are present in each board meetings of the Company as provided in the board attendance record submitted to the SEC and posted in the website.</p> <p>SEC Submission  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-17C-Board-Attendance-filed-22-Jan-2021.pdf</a></p> <p>Company Website  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p>
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E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	<p><b>WORLD BANK PRINCIPLE 6</b> (VI.E.1.6) Does the corporate governance framework require or encourage boards to conduct executive sessions?</p>	Yes	<p>Non-executive directors meet separately at least once during the year without any executives present.</p> <p>Governance and Sustainability Committee Charter (page 3) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Governance-and-Sustainability-Committee-Charter.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/03/MPIC-Governance-and-Sustainability-Committee-Charter.pdf</a></p>
Access to Information				
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information. Board members require relevant information on a timely basis in order to support their decision-making. Non-executive board members do not typically have the same access to information as key managers within the company. The contributions of non-executive board members to the company can be enhanced by providing access to certain key managers within the company such as, for example, the company secretary, the internal auditor, and the head of risk management or chief risk officer, and recourse to independent external advice at the expense of the company. In order to fulfil their responsibilities, board members should ensure that they obtain</p>	Yes	<p>Board papers are supplied at least five (5) business days in advance of the meeting.</p> <p>Integrated Annual Corporate Governance Report (page 83) and Certification from the Assistant Corporate Secretary (page 207) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p>

		<p>accurate, relevant and timely information. Where companies rely on complex risk management models, board members should be made aware of the possible shortcomings of such models.</p> <p><b>WORLD BANK PRINCIPLE 6 (VI.F.2)</b> Does such information need to be provided to the board at least five business days in advance of the board meeting?</p>		
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information.</p> <p><b>ICSA Guidance on the Corporate Governance Role of the Company Secretary</b></p>	<b>Yes</b>	<p>The Corporate Secretary plays a very significant role in supporting the Board in discharging its duties and responsibilities.</p> <p>Amended By-Laws (Article IV Section 7) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Revised Manual on Corporate Governance (page 4-5) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a></p>

E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	<p><b>WORLD BANK PRINCIPLE 6 (VI.D.2.12)</b> Do company boards have a professional and qualified company secretary?</p>	<b>Yes</b>	<p>The Corporate Secretary's functions includes planning of regular board meetings and overseeing the adequate flow of information to the Board prior to meetings, documenting the minutes of each meeting, maintaining the records and books of the Company, ensuring the proper conduct of the election of the members of the board during the stockholders' meeting, monitoring the fulfillment of disclosure requirements to the Securities and Exchange Commission and the Philippine Stock Exchange.</p> <p>He attends continuing education seminars where he receives regular updates of the laws, rules, and regulations relevant to his duties. Among the seminars attended are the following:</p> <ol style="list-style-type: none"> <li>1. September 07, 2017 Digital Transformation, Risk Management and Governance in the 21<sup>st</sup> Century (Speaker: Mr. Ralph Brunner)</li> <li>2. November 16, 2018 Corporate Governance Enhancement</li> </ol>
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Board Appointment and Re-election				
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	<p><b>G20/OECD PRINCIPLE II (C) (4):</b> To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p> <p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (D) The board should fulfil certain key functions, including: 5. Ensuring a formal and transparent board nomination and election process. These Principles promote an active role for shareholders in the nomination and election of board members. The board has an essential role to play in ensuring that this and other aspects of the nominations and election process are respected. First, 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. Second, the board has a key role in</p>	<b>Yes</b>	<p>The Company has an established criteria and procedure in selecting new directors.</p> <p>Nomination Committee Charter (Section 2) <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised-May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised-May-2017.pdf</a></p> <p>Amended By-Laws <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Definitive Information Statement (page 27-30; 40-41) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</a></p>
E.3.10	Did the company describe the process followed in appointing new directors/commissioners?	<p>defining the general or individual profile of board members that the company may need at any given time, considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board. Third, the board or nomination committee has the responsibility to identify potential candidates to meet desired</p>	<b>Yes</b>	<p>The Company has an established process in the nomination and election of new directors, in accordance with the Company's relevant policies.</p> <p>Nomination Committee Charter</p>

		<p>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>(Section 2)  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised_May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Nomination-Committee-Charter-revised_May-2017.pdf</a></p> <p>Amended By-Laws (Article III Section 3)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Board Diversity Policy  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/06/Board-Diversity-Policy.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/06/Board-Diversity-Policy.pdf</a></p> <p>Guidelines on the Search, Screening and Selection of Directors  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Guidelines-on-Search-Screening-and-Selection-of-Directors.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Guidelines-on-Search-Screening-and-Selection-of-Directors.pdf</a></p> <p>Definitive Information Statement (pages 27-28;40-41)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a></p>
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E.3.11	<p>Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years<sup>2</sup> each?</p> <p><sup>2</sup> The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011</p>	<p><b>CGN (2014): 3.6 Elections</b> Board members should be conscious of their accountability to shareholders. Accountability mechanisms may require directors to stand for election on an annual basis or to stand for election at least once every three years. Shareholders should have a separate vote on the election of each director, with each candidate approved by a simple majority of shares voted.</p> <p><b>WORLD BANK PRINCIPLE 6 (VI.I.18)</b> Can the re-election of board members be staggered over time? (Staggered boards are those where only a part of the board is re-elected at each election, e.g. only 1/3 of directors are re-elected every year.)</p>	<b>Yes</b>	<p>Directors are subject to re-election every year during the annual stockholders meeting of the Company. The stockholders meeting of the Company is held every last week of May.</p> <p>Amended By-Laws (Article III, Section 3) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>2021 Annual Stockholders Meeting Minutes <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC-AGM-Minutes-May-28-2021.pdf</a></p>
<b>Remuneration Matters</b>				
E.3.12	<p>Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures)</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between</p>	<b>Yes</b>	<p>Remuneration policy and practices, including the use of short term and long-term incentives and performance measures, for its executive directors and CEO are disclosed.</p> <p>Definitive Information Statement (page 35)</p>

	for its executive directors and CEO?	remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short term considerations. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and repricing of options. In some countries, policy also covers the payments to be made when hiring and/or terminating the contract of an executive.		<a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a>  Remuneration <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a>
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	UK CODE (2016) D.1.3 Levels of remuneration for non-executive directors should reflect the time commitment and responsibilities of the role. Disclosure of fee structure for non-executive directors allows shareholders to assess if these directors are remunerated in an appropriate manner, for example, whether they are paid for taking on additional responsibilities and contributions, such as chairing committees.	<b>Yes</b>	The fee structure for non-executive directors is disclosed.  Definitive Information Statement (pages 35-38) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a>  Remuneration <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a>

E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p><b>ICGN (2014): 6.1 Alignment</b> Remuneration should be designed to effectively align the interests of the CEO and senior management with those of the company and its shareholders. Remuneration should be reasonable and equitable and the quantum should be determined within the context</p>	Yes	<p>The Board of Directors, as assisted by its Compensation Committee, approves the remuneration of the executive directors and/or the senior executives. Equity-based plans and long-term incentive plans for Officers which the Compensation Committee may recommend are subject to the review and approval by the Board and, as applicable, by the stockholders.</p> <p>Compensation Committee Charter (Section 2)  <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Compensation-Committee-Charter-revised_May-2017.pdf</a></p> <p>Remuneration  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p>
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executive with long-term interests of the	<p><b>ASX CODE (2016) Recommendation 8.2:</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p> <p>The disclosures regarding the remuneration of</p>	Yes	<p>The Company has in place measurable standards to align the performance-based remuneration of executive directors and senior executives with the long-term interests of the company, particularly through a long-term</p>

	company, such as claw back provision and deferred bonuses?	<p>executive directors and other senior executives should include a summary of the entity’s policies and practices regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the entity’s financial statements.</p> <p><b>G20/OECD PRINCIPLE VI (D)</b></p> <p>4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short term considerations.</p>		<p>incentive plan.</p> <p>Integrated Annual Corporate Governance Report (page 46) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p> <p>Annual Report (page 120-121, 194) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR20.pdf</a></p>
<b>Internal Audit</b>				
E.3.16	Does the company have a separate internal audit function?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>	<b>Yes</b>	<p>The Company has a separate internal audit function.</p> <p>Integrated Annual Corporate Governance Report (page 129) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p> <p>Internal Audit Charter</p>

				<a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/Internal-Audit-Charter.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/Internal-Audit-Charter.pdf</a>
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Companies often disclose that they have an internal audit but, in practice, it is not uncommon for it to exist more in form than in substance. For example, the in-house internal audit may be assigned to someone with other operational responsibilities. As internal audit is unregulated, unlike external audit, there are firms providing outsourced internal audit services which are not properly qualified to do so. Making the identity of the head of internal audit or the external service provider public would provide some level of safeguard that the internal audit is substantive.	<b>Yes</b>	<p>The Company appointed Ms. Ma. Joanna Carmela P. Sanalila as the Company’s Internal Audit Head.</p> <p>PSE Disclosures (Result of the Organization Meeting)  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7f3d9535249123e15d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7f3d9535249123e15d542af6f1e997b9</a></p> <p>Definitive Information Statement (page 27)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a></p>
E.3 .18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>	<b>Yes</b>	<p>The MPIC Audit Committee approves the appointment and removal of the internal auditor.</p> <p>Audit Committee Charter  <a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</a></p>

		<p>In some jurisdictions it is considered good practice for the internal auditors to report to an independent Audit Committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board.</p> <p><b>WORLD BANK PRINCIPLE 6 (VI.D.7.9)</b> Does the internal auditors have direct and unfettered access to the board of directors and its independent Audit Committee?</p> <p><b>ASX (2016) Principle 4: Safeguard integrity in corporate reporting Recommendation 4.1</b> Commentary: if the entity has an internal audit function:</p> <ul style="list-style-type: none"> <li>• the appointment or removal of the head of internal audit;</li> <li>• the scope and adequacy of the internal audit work plan; and</li> <li>• the objectivity and performance of the internal audit function</li> </ul>		<p>Internal Audit Charter <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/Internal-Audit-Charter.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/Internal-Audit-Charter.pdf</a></p>
Risk Oversight				
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation’s accounting and financial reporting</p>	Yes	<p>The internal control procedures and risk management systems in place are disclosed.</p> <p>Audit Committee Charter</p>



	<p>the effectiveness of that framework?</p>	<p>systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p><b>G20/OECD PRINCIPLE VI (D)</b></p> <p>1. An area of increasing importance for boards and which is closely related to corporate strategy is oversight of the company’s risk management. Such risk management oversight will involve oversight of the accountabilities and responsibilities for managing risks, specifying the types and degree of risk that a company is willing to accept in pursuit of its goals, and how it will manage the risks it creates through its operations and relationships.</p> <p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation’s accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>		<p><a href="https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf">https://www.mpic.com.ph/wp-content/uploads/2020/02/Revised-Audit-Committee-Charter-Feb-2020.pdf</a></p> <p>Risk Management Committee Charter <a href="https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/05/MPIC-Risk-Management-Committee-Charter-revised_May-2017.pdf</a></p> <p>Enterprise Risk Management <a href="https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/">https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/</a></p>
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E.3.20	Does the Annual Report/Annual CG Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	UK CODE (2016) C.2.3 The board should monitor the company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness, and report on that review in the annual report. <sup>14</sup> The monitoring and review should cover all material controls, including financial, operational and compliance controls.	<b>Yes</b>	<p>The Annual Report of the Company disclose that the board of directors has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p> <p>Annual Report (Page 37 and 39) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	<p><b>G20/OECD PRINCIPLE V: Disclosure and Transparency</b></p> <p>(A) Disclosure should include, but not be limited to, material information on: 7. Foreseeable risk factors Disclosure of risk is most effective when it is tailored to the particular industry in question.</p> <p>Disclosure about the system for monitoring and managing risk is increasingly regarded as good practice</p>	<b>Yes</b>	<p>Key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic) are disclosed.</p> <p>Enterprise Risk Management <a href="https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/">https://www.mpic.com.ph/corporate-governance/enterprise-risk-management/</a></p> <p>Annual Report (Page 37 and 39) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>

E.3.22	Does the Annual Report/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards. In some jurisdictions it is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board. It should also be regarded as good practice for this committee, or equivalent body, to review and report to the board the most critical accounting policies which are the basis for financial reports. However, the board should retain final responsibility for ensuring the integrity of the reporting systems. Some countries have provided for the chair of the board to report on the internal control process	<b>Yes</b>	<p>The Annual Report contains a statement that the Company's Internal Auditor reports directly to the Audit Committee on the soundness and adequacy of the company's internal control process and procedures.</p> <p>Annual Report (page 37)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR_20.pdf</a></p>
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E.4 People on the Board		Guiding Reference	Yes/No	MPI Remarks
Board Chairman				
E.4.1	Do different persons assume the roles of chairman and CEO?	<b>G20/OECD PRINCIPLE VI:</b> Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. In a number of countries with single tier board systems, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and chairman, or, if these roles are combined, by designating a lead non-executive director to convene or chair sessions of the outside directors. Separation of the two posts may be regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability and improve the board’s capacity for decision making independent of management.	Yes	Different persons assume the roles of Chairman and President & CEO.  Chairman: Manuel V. Pangilinan President and CEO: Jose Ma. K. Lim  Company Website <a href="https://www.mpic.com.ph/about-us/leadership/board-of-directors/">https://www.mpic.com.ph/about-us/leadership/board-of-directors/</a>
E.4.2	Is the chairman an independent director/commissioner?	<b>UK Code (2016)</b>	No	The Chairman, Mr. Manuel V. Pangilinan, is not an independent director. However, the Company has a Lead Independent Director, Retired Chief Justice Artemio V. Panganiban.
E.4.3	Has the chairman been the company CEO in the last three years?	A.3.1 The chairman should on appointment meet the independence criteria set out in B.1.1 below. A chief executive should not go on to be chairman of the same company. If, exceptionally, a board decides that a chief executive should become chairman, the board should consult major shareholders in advance and should set out its reasons to shareholders at the time of the appointment and in the next Annual Report.  <b>ASX (2016) Recommendation 2.5</b> The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	The Chairman was not the CEO in the last three (3) years. Mr. Jose Ma. K. Lim is the CEO of the Company since March 2006.  Definitive Information Statement (page 27) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-information-statement.pdf</a>

E.4.4	Are the roles and responsibilities of the chairman disclosed?	<b>ICGN (2014): Leadership and Independence</b>	<b>Yes</b>	<p>The roles and responsibilities of the Chairman are publicly disclosed.</p> <p>Amended By-Laws (Article IV, Section 2)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/08/MPIC-Amended-By-Laws-Oct-2006.pdf</a></p> <p>Revised Manual on Corporate Governance (Article II, Section 3)  <a href="https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/">https://www.mpic.com.ph/corporate-governance/manual-on-corporate-governance/</a></p>
Lead Independent Director				
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	<p><b>King Code 2009</b>  <b>2. Boards and directors</b>            Role and function of the board - The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfill the role of the chairman of the board 2.16.3 A lead independent director should be appointed in the case where an executive chairman is appointed or where the chairman is not independent or conflicted.</p> <p><b>ICGN (2014): 2.2</b>  <b>Lead independent director</b>            The chair should be independent on the date of appointment. If the chair is not independent, the company should adopt an appropriate structure to mitigate any potential challenges arising from this,</p>	<b>Yes</b>	<p>The Lead Independent Director of the Company is Retired Chief Justice Artemio V. Panganiban.</p> <p>Company Website  <a href="https://www.mpic.com.ph/about-us/leadership/board-of-directors/">https://www.mpic.com.ph/about-us/leadership/board-of-directors/</a></p> <p>Integrated Annual Corporate Governance Report (page 76)  <a href="https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/07/MPIC-I-ACGR-2021-filed-29-June-2021.pdf</a></p> <p>Annual Report (page 43)</p>

		such as the appointment of a lead independent director. The board should explain the reasons why this leadership structure is appropriate and keep the structure under review. A lead independent director also provides shareholders and directors with a valuable channel of communication should they wish to discuss concerns relating to the chair		<a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR20.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/MPIC_AR20.pdf</a>
<b>Skills and Competencies</b>				
E.4.6	Does at least one nonexecutive director/commissioner have prior working experience in the major sector that the company is operating in?	ICGN (2014): 3.1 Composition The board should comprise a majority of non-executive directors, the majority of whom are independent, noting that practice may legitimately vary from this standard in controlled companies where a critical mass of the board is preferred to be independent. There should be a sufficient mix of individuals with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making.	<b>Yes</b>	The Company has non-executive directors who have prior experience and knowledge relevant to the infrastructure industry, the major sector in which the Company is operating in being directors and/or officers in various companies.  Definitive Information Statement (page 14-26) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/05/mpic-definitive-Information-statement.pdf</a>

E.5	Board Performance	Guiding Reference	Yes/No	MPI Remarks
Directors Development				
E.5.1	Does the company have orientation programmes for new directors/commissioners?	This item is in most codes of corporate governance.	Yes	<p>New members to the Board participate in a comprehensive orientation program and it is compulsory for all members to participate in on-going professional development training.</p> <p>In accordance with Company policy and practice, Ms. June Cheryl A. Cabal-Revilla, the Company’s new Chief Financial Officer and Chief Sustainability Officer, Director and Finance Committee Member (alternate), underwent an onboarding orientation on January 20, 2021 while the new independent directors, namely, Mr. Oscar J. Hilado, Mr. Pedro E. Roxas and Mr. Robert C. Yap S. J. attended the orientation program last May 18, 2021</p> <p>Orientation Programs  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p> <p>Revised Manual on MOCG (Article I Section 3)</p>

				<a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a>
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (E) The board should be able to exercise objective independent judgement on corporate affairs. 3. Board members should be able to commit themselves effectively to their responsibilities.</p> <p>In order to improve board practices and the performance of its members, an increasing number of jurisdictions are now encouraging companies to engage in board training and voluntary self-evaluation that meets the needs of the individual company. This might include that board members acquire appropriate skills upon appointment, and thereafter remain abreast of relevant new laws, regulations, and changing commercial risks through inhouse training and external courses.</p>	Yes	<p>The Company adopts a policy requiring each director to undergo a continuing training program for at least four (4) hours each year to promote board performance and continuing qualification in carrying out directors’ duties and responsibilities. This annual continuing training program shall ensure that directors are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Company. It may cover courses on corporate governance matters, including audit, internal controls, risk management, sustainability and strategy.</p> <p>Continuing Education Program <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p> <p>Revised Manual on MOCG (Article I,</p>



				Section 3) <a href="https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf">https://www.mpic.com.ph/wp-content/uploads/2021/04/mpic-revised-manual-on-corporate-governance.pdf</a>
E.5.3	Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 3. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning. In two tier board systems the supervisory board is also responsible for appointing the management board which will normally comprise most of the key executives.	<b>Yes</b>	MPIC discloses how its Board of Directors plans for the succession of the President & CEO and key management  Succession Policy <a href="https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Succession-Planning-Policy.pdf">https://www.mpic.com.ph/wp-content/uploads/2019/06/MPIC-Succession-Planning-Policy.pdf</a>
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	<b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b> (D) The board should fulfil certain key functions, including: 2. Monitoring the effectiveness of the company's governance practices and making changes as needed.  Monitoring of governance by the board also includes continuous review of the internal structure of the company to ensure that there are clear lines of accountability for management throughout the organisation. In addition to requiring the monitoring and disclosure of corporate governance practices on a regular basis, a number of countries have moved to recommend or indeed mandate self-assessment by boards of their performance as well	<b>Yes</b>	The Board evaluated their individual and collective performances regarding the Board and its committees' structures, processes and responsibilities. The Board also assessed the 2020 performance of the Company's President & CEO based on his leadership, working relations with the Board, Management, and communication. Four assessment instruments were accomplished by the directors: 1. Board Self-Assessment; 2. General Board Committee Performance Assessment;

		as performance reviews of individual board members and the CEO/Chairman.		<p>3. Board Committee Self-Assessment; and</p> <p>4. President &amp; CEO Performance Assessment</p> <p>Performance Assessment  <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p>
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 2. Monitoring the effectiveness of the company’s governance practices and making changes as needed.</p> <p><b>G20/OECD PRINCIPLE VI</b></p> <p>(E) 4. Boards should regularly carry out evaluations to appraise their performance and assess whether they possess the right mix of background and competences. In order to improve board practices and the performance of its members, an increasing number of jurisdictions now encourage companies to engage in board training and voluntary board evaluation that meet the needs of the individual company</p>	<b>Yes</b>	<p>The Board evaluated their individual and collective performances regarding the Board and its committees’ structures, processes and responsibilities. The Board also assessed the 2020 performance of the Company’s President &amp; CEO based on his leadership, working relations with the Board, Management, and communication. Four assessment instruments were accomplished by the directors:</p> <ol style="list-style-type: none"> <li>1. Board Self-Assessment;</li> <li>2. General Board Committee Performance Assessment;</li> <li>3. Board Committee Self-Assessment;</li> <li>4. President &amp; CEO Performance Assessment; and</li> <li>5. Individual Director Self-Rating</li> </ol>

				Performance Assessment <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a>
<b>Director Appraisal</b>				
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	<p><b>G20/OECD PRINCIPLE VI: Responsibilities of the Board</b></p> <p>(D) The board should fulfil certain key functions, including: 2. Monitoring the effectiveness of the company’s governance practices and making changes as needed. G20/OECD PRINCIPLE VI (E) 4. Boards should regularly carry out evaluations to appraise their performance and assess whether they possess the right mix of background and competences. In order to improve board practices and the performance of its members, an increasing number of jurisdictions now encourage companies to engage in board training and voluntary board evaluation that meet the needs of the individual company</p>	<b>Yes</b>	<p>The Board evaluated their individual and collective performances regarding the Board and its committees’ structures, processes and responsibilities. The Board also assessed the 2020 performance of the Company’s President &amp; CEO based on his leadership, working relations with the Board, Management, and communication. Four assessment instruments were accomplished by the directors:</p> <ol style="list-style-type: none"> <li>1. Board Self-Assessment;</li> <li>2. General Board Committee Performance Assessment;</li> <li>3. Board Committee Self-Assessment;</li> <li>4. President &amp; CEO Performance Assessment; and</li> <li>5. Individual Director Self-Rating</li> </ol> <p>Performance Assessment <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p>

				<a href="#">e-governance/governance-practices/</a>
<b>Committee Appraisal</b>				
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	<b>UK CODE (2016)</b> B.6 Evaluation: The board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.	<b>Yes</b>	<p>The Board evaluated their individual and collective performances regarding the Board and its committees' structures, processes and responsibilities. The Board also assessed the 2020 performance of the Company's President &amp; CEO based on his leadership, working relations with the Board, Management, and communication. Four assessment instruments were accomplished by the directors:</p> <ol style="list-style-type: none"> <li>1. Board Self-Assessment;</li> <li>2. General Board Committee Performance Assessment;</li> <li>3. Board Committee Self-Assessment;</li> <li>4. President &amp; CEO Performance Assessment; and</li> <li>5. Individual Director Self-Rating</li> </ol> <p>Performance Assessment <a href="https://www.mpic.com.ph/corporate-governance/governance-practices/">https://www.mpic.com.ph/corporate-governance/governance-practices/</a></p>