

1 1 6 0 3

SEC Registration Number

REPUBLIC GLASS HOLDINGS CORPORATION

(Company's Full Name)

6TH FLOOR, REPUBLIC GLASS BLDG. 196 SALCEDO ST. LEGASPI VILLAGE MAKATI CITY

(Business Address: No. Street City/Town/Province)

Florence Wong

(Contact Person)

817-5011 TO 13

(Company Telephone Number)

1 2 3 1

Month Day (Fiscal Year)

1 7 - C re: R e v C G M

(Form Type)

Month Day

(Period Ended)

N.A.

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

1,222

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER **Revised Manual of Corporate Governance**

1 May 31, 2017
Date of Report (Date of Earliest event reported)

2 11603 3 000-141-079-000
SEC Identification Number BIR Identification Number

4 REPUBLIC GLASS HOLDINGS CORPORATION
Exact name of registrant as specified in its charter

5 Makati City 6 _____
Province, country or other jurisdiction of Industry Classification Code
incorporation

7 6th Floor Republic Glass Bldg, 196 Salcedo St., Legaspi Village, Makati City
Address of principal office

8 (632)817-5011 to 13
Registrant's Telephone number, including area code

9 N.A.
Former name or former address, if changed since last report

10 Securities registered pursuant to Section 8 and 12 of SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	682,065,632



REPUBLIC GLASS HOLDINGS CORPORATION

May 30, 2017

Securities and Exchange Commission
Philippine International Convention Center (PICC) Complex
Pasay City

Attention: **Ms. Justina F. Callangan**
Director, Corporation & Finance Dept.

Philippine Stock Exchange, Inc.
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Mr. Jose Valeriano B. Zuno III**
OIC-Head, Disclosure Department

Gentlemen:

In compliance with SEC Memorandum Circular No. 19, Series of 2016, we are submitting the Revised Manual of Corporate Governance based on the Code of Corporate Governance for Publicly-Listed Companies ("CG for PLC's) of Republic Glass Holdings Corporation.

We trust that you find the attached report compliant with the Commission's requirements.

Thank you.

Very truly yours,

LEOPOLD C. TAN
Compliance Officer

REPUBLIC GLASS HOLDINGS CORPORATION

REVISED MANUAL OF CORPORATE GOVERNANCE

The Board of Directors and Management, i. e. officers and staff, of **REPUBLIC GLASS HOLDINGS CORPORATION** (“RGHC” or the “RGHC Group”) hereby commit themselves to the principles and best practices contained in this Manual, and acknowledge that the same shall guide the attainment of their corporate goals.

OBJECTIVE

This Manual shall institutionalize the principles of good corporate governance in the entire RGHC Group.

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

DEFINITION OF TERMS

1. Corporate Governance – the system of stewardship and control to guide organizations in fulfilling their long-term economic, moral, legal and social obligations towards their stakeholders.

It is a system of direction, feedback and control using regulations, performance standards and ethical guidelines to hold the Board and senior management accountable for ensuring ethical behavior – reconciling long-term customer satisfaction with shareholder value – to the benefit of all stakeholders and society.

Its purpose is to maximize the organization’s long-term success, creating sustainable value for its shareholders, stakeholders and the nation.

2. Board of Directors – the governing body elected by the stockholders that exercises the corporate powers of a corporation, conducts all its business and controls its properties.
3. Exchange – The Philippine Stock Exchange, or when the context dictates: an organized market place or facility that brings together buyers and sellers, and executes trades of securities and/or commodities;
4. Management – a group of executives given the authority by the Board of

Directors to implement the policies it has laid down in the conduct of the business of the RGHC Group.

5. Independent director – a person who is independent of management and the controlling shareholder, and is free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.
6. Executive director – a director who has executive responsibility of day-to-day operations of a part or the whole of the organization.
7. Non-executive director – a director who has no executive responsibility and does not perform any work related to the operations of the corporation.
8. Non-audit work – the other services offered by an external auditor to RGHC that are not directly related and relevant to its statutory audit functions, such as, accounting, payroll, bookkeeping, reconciliation, computer project management, data processing, or information technology outsourcing services, internal audit, and other services that may compromise the independence and objectivity of an external auditor;
9. Internal control – a process designed and effected by the board of directors, senior management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through efficient and effective operations; reliable, complete and timely financial and management information; and compliance with applicable laws, regulations, and the organization’s policies and procedures.
10. Internal control system – the framework under which internal controls are developed and implemented (alone or in concert with other policies or procedures) to manage and control a particular risk or business activity, or combination of risks or business activities, to which RGHC is exposed;
11. Internal audit – an independent and objective assurance activity designed to add value to and improve RGHC’s operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes;
12. Internal audit department – a department or unit of RGHC and its consultants, if any, that provide independent and objective assurance services in order to add value to and improve the corporation’s operations;

13. Chief Audit Executive – the highest position in RGHC responsible for internal audit activities. If internal audit activities are performed by outside service providers, he is the person responsible for overseeing the service contract, the overall quality of these activities, and follow-up of engagement results;
14. Enterprise Risk Management – a process, effected by RGHC’s Board of Directors, management and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect RGHC, manage risks to be within its risk appetite, and provide reasonable assurance regarding the achievement of entity objectives.
15. Related Party – shall cover the company’s subsidiaries, as well as affiliates and any party (including their subsidiaries, affiliates and special purpose entities), that the company exerts direct or indirect control over or that exerts direct or indirect control over the company; the company’s directors; officers; shareholders and related interests (DOSRI), and their close family members, as well as corresponding persons in affiliated companies. This shall also include such other person or juridical entity whose interest may pose a potential conflict with the interest of the company.
16. RGHC Group - a group of subsidiaries, whereby the operations of such entities are controlled and managed by RGHC, the parent corporate entity.
17. Related Party Transactions – a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. It shall be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.
18. Stakeholders – any individual, organization or society at large who can either affect and/or be affected by the company’s strategies, policies, business decisions and operations, in general. This includes, among others, customers, creditors, employees, suppliers, investors, as well as the government and community in which it operates.

Article 1. ESTABLISHING A COMPETENT BOARD

Section 1: The Board shall be composed of nine (9) members in accordance with RGHC’s articles of incorporation, who are elected by the stockholders. The Board shall compose of directors with a collective working knowledge, experience or expertise that is relevant to the company’s industry/sector. The Board shall always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for

their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

RGHC shall adopt applicable guidelines and standards for its members to facilitate the selection of potential nominees for board seats, and to serve as a benchmark for the evaluation of its performance.

Section 2: The Board shall, in general, be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.

Section 3: RGHC shall provide in its Board Charter and Manual of Corporate Governance a policy on the training of directors, including an orientation program for first-time directors and relevant annual continuing training for all directors. The orientation program covers SEC-mandated topics on corporate governance and an introduction to the company's business, Articles of Incorporation, and Code of Conduct. Directors shall undergo annual continuing training program concerning courses on corporate governance matters relevant to RGHC Group, including audit, internal controls, risk management, sustainability and strategy.

Section 4: The Board shall have a policy on board diversity.

Section 5: The Board shall ensure that it is assisted in its duties by a Corporate Secretary, who shall be a separate individual from the Compliance Officer. The Corporate Secretary shall not be a member of the Board of Directors and shall annually attend training on corporate governance.

The Corporate Secretary, is an officer of RGHC, who shall be a Filipino citizen and a resident of the Philippines. He shall -

- a. Be responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of RGHC;
- b. Be loyal to the mission, vision and objectives of RGHC;
- c. Work fairly and objectively with the Board, Management and stockholders and other stakeholders';
- d. Have appropriate administrative and interpersonal skills;

- e. If he is not at the same time RGHC's legal counsel, be aware of the laws, rules and regulations necessary in the performance of his duties and responsibilities;
- f. Have a working knowledge of the operations of RGHC Group;
- g. Inform the members of the Board, in accordance with the by-laws, of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- h. Attend all Board meetings, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent him from doing so;
- i. Ensure that all Board procedures, rules and regulations are strictly followed by the members.

Section 6: The Board shall ensure that it is assisted in its duties by a Compliance Officer, who shall have a rank of Vice President or an equivalent position with adequate stature and authority in the corporation. The Compliance Officer shall not be a member of the Board of Directors and shall annually attend training on corporate governance.

The Compliance Officer is a member of the RGHC's management team in charge of the compliance function. Similar to the Corporate Secretary, he/she is primarily liable to the corporation and its shareholders, and not to the Chairman or President/CEO of the company. He/she has, among others, the following duties and responsibilities:

- a. Ensures proper on boarding of new directors (i.e., orientation on RGHC's business, charter, articles of incorporation and by-laws, among others);
- b. Monitors, reviews, evaluates and ensures the compliance by the corporation, its officers and directors with the relevant laws, this Manual, rules and regulations and all governance issuances of regulatory agencies;
- c. Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- d. Ensures the integrity and accuracy of all documentary submissions to regulators;
- e. Appears before the SEC when summoned in relation to compliance with this Code;
- f. Collaborates with other departments to properly address compliance issues, which may be subject to investigation;

- g. Identifies possible areas of compliance issues and works towards the resolution of the same;
- h. Ensures the attendance of board members and key officers to relevant trainings; and
- i. Performs such other duties and responsibilities as may be provided by the SEC.

Article 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD

Section 1: The Board members shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of RGHC and all shareholders.

Section 2: The Board shall oversee the development of and approve RGHC's business objectives and strategy, and monitor their implementation, in order to sustain RGHC's long-term viability and strength.

It is the Board's responsibility to foster the long-term success of RGHC corporate objectives and the best interests of its stockholders and other stakeholders.

The Board shall formulate RGHC's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor management's performance.

To ensure a high standard of best practice for RGHC and its stockholders and other stakeholders, the Board shall conduct itself with honesty and integrity in the performance of, among others, the following duties and functions:

- a) Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. Appoint competent, professional, honest and highly-motivated management officers. Adopt an effective succession planning program for Management.
- b) Provide sound strategic policies and guidelines to RGHC on major capital expenditures. Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.
- c) Ensure RGHC's faithful compliance with all relevant laws, regulations and codes of best business practices.

- d) Establish and maintain an investor relations program that will keep the stockholders informed of important developments in RGHC. If feasible, RGHC's CEO or chief financial officer shall exercise oversight responsibility over this program.
- e) Identify RGHC's stakeholders in the community in which it operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.
- f) Adopt a system of check and balance within the Board. A regular review of the effectiveness of such system shall be conducted to ensure the integrity of the decision-making and reporting processes at all times. There shall be a continuing review of RGHC's internal control system in order to maintain its adequacy and effectiveness.
- g) Identify key risk areas and performance indicators and monitor these factors with due diligence to enable, RGHC and the RGHC Group to anticipate and prepare for possible threats to its operational and financial viability.
- h) Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among RGHC's joint venture partners, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
- i) Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- j) Establish and maintain an alternative dispute resolution system in RGHC Group that can amicably settle conflicts or differences between the corporation and its stockholders, and RGHC and third parties, including the regulatory authorities.
- k) Meet at such times or frequency as may be needed. The minutes of such meetings shall be duly recorded. Independent views during Board meetings shall be encouraged and given due consideration.
- l) Keep the activities and decisions of the Board within its authority under the articles of incorporation and by-laws, and in accordance with existing laws, rules and regulations.

Section 3: The Board shall be headed by a competent and qualified Chairperson.

The roles and responsibilities of the Chairperson include, among others, the following:

- a. Makes certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of RGHC Group, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;
- b. Guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- c. Facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;
- d. Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- e. Assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors; and
- f. Makes sure that performance of the Board is evaluated at least once a year and discussed/followed up on.

Section 4: The Board shall be responsible for ensuring and adopting an effective succession planning program for directors, key officers and management to ensure growth and a continued increase in shareholder value. The Board may consider the adoption of a policy on the retirement age for directors and key officers as part of management succession and to promote dynamism in the corporation.

Section 5: The Board shall align the remuneration of key officers and board members with the long-term interests of RGHC. In doing so, it shall formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director shall participate in discussions or deliberations involving his own remuneration.

The directors' compensation shall always be in accordance with the by-laws of RGHC and/ or as approved by the stockholders during an annual general meeting. The Board shall, from time to time, approve a reasonable per diem that a director may receive for attendance in the Board and Board Committee meetings.

Section 6: The Board, through its Corporate Governance Committee (CGCom), shall have a formal and transparent board nomination and election policy that shall include how it accepts nominations from minority shareholders and reviews nominated candidates. The policy shall also include an assessment of the effectiveness of the Board's processes and procedures in the nomination, election, or replacement of a director. In addition, its process of identifying the quality of directors shall be aligned with the strategic direction

of RGHC.

The Corporate Governance functions of the CGCom are discussed in Article 3, Section 3 of this Manual.

The following comprises the nomination and election process:

The CGCom shall receive nominations of candidates for election as directors from stockholders either by electronic mail , regular mail or personal delivery and submitted by shareholders within the period designated.

CGCom shall review and evaluate the qualifications of all persons nominated to the Board, in relation to the criteria set forth RGHC's Manual on Corporate Governance, By-Laws and applicable regulation, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members. CGCom may secure the assistance of an executive search firm, if necessary, for this purpose.

The process includes monitoring the qualifications of the directors and the grounds for the disqualification of a director:

A. Qualifications of Directors

In addition to the qualifications for membership in the Board provided for in the Corporation Code, Securities Regulation Code and other relevant laws, the Board may provide for additional qualifications which include, among others, the following:

- He shall have practical understanding of the business of the corporation and sufficient experience in managing the business to substitute for such formal education;
- He shall have membership in good standing in relevant industry, business or professional organizations; and
- He shall be at least twenty one (21) years old;
- He shall have been proven to possess integrity, probity and he shall be assiduous.

B. Disqualification of Directors

1. Permanent Disqualification

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

- a. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.

The disqualification shall also apply if such person is currently the subject of an order of the SEC or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the SEC or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the SEC or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a professional self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;

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

- d. Any person who has been adjudged by final judgment or order of the SEC, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law administered by the SEC or BSP, or any of its rule, regulation or order;
- e. Any person earlier elected as independent director who becomes an officer, employee or consultant of the same Corporation;
- f. Any person judicially declared as insolvent;
- g. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs a to d above;
- h. Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or of a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.
- i. Other grounds as the SEC may provide.

2. Temporary Disqualification

The Board may provide for the temporary disqualification of a director for any of the following reasons:

- a. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect for as long as the refusal persists.
- b. Absence in more than fifty (50) percent of all regular and special meetings of the Board during his incumbency, or in any twelve (12) month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election.
- c. Dismissal or termination from directorship in another listed corporation for a cause similar to those provided for under this Manual. This disqualification shall be in effect until he clears himself

from any involvement in the cause that gave rise to his dismissal or termination.

- d. If the beneficial equity ownership of an independent director in the Corporation or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.
- e. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.

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

Section 7: The Board shall have the overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy shall include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy shall encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations.

Section 8: The Board shall be primarily responsible for approving the selection and assessing the performance of the Management led by the Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive).

Section 9: The Board shall establish an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance are at par with the standards set by the Board and Senior Management.

Section 10: The Board shall oversee that an effective internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of board members, management, and shareholders. The Board shall also approve the Internal Audit Charter as recommended by the Audit Committee.

Section 11: The Board shall ensure that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management

strategies.

Section 12: The Board shall have a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter shall serve as a guide to the directors in the performance of their functions and shall be publicly available and posted on RGHC's website.

Article 3. ESTABLISHING BOARD COMMITTEES

Section 1: The Board shall establish board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. The Board shall constitute an Audit Committee and a Corporate Governance Committee.

Section 2: The Board shall establish an Audit Committee (AuditCom) to enhance its oversight capability over RGHC's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The AuditCom shall also be responsible for the oversight of RGHC's Enterprise Risk Management system to ensure its functionality and effectiveness. The AuditCom shall be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, shall be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee shall not be the chairman of the Board or of any other committees.

The Audit Committee is responsible for overseeing, on behalf of the Board, the senior management in their function of establishing and maintaining an adequate, effective and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in the areas of, among others, reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.

The Audit Committee has the following duties and responsibilities, among others:

- a. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks faced by the RGHC Group. This function shall include regular receipt from the Management of information on risk exposures and risk management activities;
- b. Recommends to the Board the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter; The AuditCom shall ensure that, in the performance of their activities, the Internal Auditor is free from interference by

officers and employee. It shall also perform such other functions as may be delegated or authorized by the AuditCom and/or the Board.

- c. Through the Internal Audit (IA) Department, monitors and evaluates the adequacy and effectiveness of the RGHC's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances shall be in place in order to (a) safeguard RGHC Group's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of RGHC's financial data, and (d) ensure compliance with applicable laws and regulations;
- d. Oversees the Internal Audit Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The AuditCom shall also approve the terms and conditions for outsourcing internal audit services;
- e. Establishes and identifies the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he shall directly report to the AuditCom;
- f. Reviews and monitors Management's responsiveness to the Internal Auditor's findings and recommendations;
- g. Prior to the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- h. Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, shall be disclosed in the RGHC's Annual Report and Annual Corporate Governance Report;
- i. Reviews and approves the quarterly and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Areas where a significant amount of judgment has been exercised
 - Significant adjustments resulting from the audit
 - Going concern assumptions

- Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- j. Reviews the disposition of the recommendations in the External Auditor's management letter;
 - k. Performs oversight functions over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
 - l. Coordinates, monitors and facilitates compliance with laws, rules and regulations;
 - m. Recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders; and

The AuditCom meets with the Board at least every quarter without the presence of the CEO or other management team members, and periodically meets with the head of the internal audit.

Section 3: The Board shall establish a Corporate Governance Committee (CGCom) that shall be tasked to assist the Board in the performance of its corporate governance responsibilities and the nomination functions referred to in Article 2 Section 6 of this Manual. It shall be composed of at least three members, majority of whom shall be independent directors, including the Chairman.

The CGCom has the following corporate governance functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- c. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;

- d. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- e. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Proposes and plans relevant trainings for the members of the Board;
- g. Determines the nomination and election process for RGHC's directors and has the special duty of defining the general profile of board members that RGHC may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board;
- h. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates; and
- i. Identify for purposes of the annual stockholders meeting or in the event of a board vacancy, the qualified nominees for election to the board in accordance with Article 2, Section 6 of this Manual.

Section 4: When the need arises (subject to the company's size, risk profile and complexity of operations), the Board shall establish a Related Party Transaction (RPT) Committee, which shall be tasked with reviewing all material related party transactions of RGHC and shall be composed of at least three non-executive directors, two of whom shall be independent, including the Chairman.

The following are the functions of the RPT Committee, among others:

- a. Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships shall be reflected in the relevant reports to the Board and regulators/supervisors;
- b. Evaluates all material RPTs to ensure that these are not undertaken on more favorable economic terms to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of RGHC are misappropriated or misapplied, and to determine any

potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:

1. The related party's relationship to RGHC and interest in the transaction;
 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 3. The benefits to the corporation of the proposed RPT;
 4. The availability of other sources of comparable products or services; and
 5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. RGHC shall have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;
- c. Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to RGHC's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of RGHC's affiliation or transactions with other related parties;
- d. Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
- e. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
- f. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

Section 5: All established committees shall be required to have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information. The Charters shall provide the standards for evaluating the performance of the Committees. It shall also be fully disclosed on RGHC's website.

ARTICLE 4. FOSTERING COMMITMENT

Directors shall devote the time and attention necessary to properly and effectively

perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Section 1: The directors shall as much as possible attend and actively participate in all meetings of the Board, Committees, and Shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the SEC, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director shall review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.

Section 2: The Board may consider the adoption of guidelines on the number of directorships that its members can hold in other publicly listed corporations in the Philippines. The optimum number shall take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities.

The Chief Executive Officer ("CEO") and other executive directors may be covered by a lower indicative limit for membership in other boards. A similar limit may apply to independent or non-executive directors who, at the same time, serve as full-time executives in other corporations. In any case, the capacity of the directors to diligently and efficiently perform their duties and responsibilities to the boards they serve shall not be compromised. Any exception to the foregoing shall be approved by a majority of all Members of the Board and such approval and the reasons therefore shall be duly minuted.

Section 3: A director shall notify the Board where he/she is an incumbent director before accepting a directorship in another company.

ARTICLE 5. REINFORCING BOARD INDEPENDENCE

Section 1: RGHC shall, in accordance with law, have at least two (2) independent directors or such number of independent directors that constitutes twenty percent (20%) of the members of the Board, whichever is lesser, but in no case less than two (2). RGHC shall endeavor to have more such independent directors in the Board to ensure the exercise of independent judgment on corporate affairs and proper oversight of managerial performance, including prevention of conflict of interests and balancing of competing demands of RGHC.

Section 2: The Board shall ensure that its independent directors possess the necessary qualifications and none of the disqualifications for an independent director to hold the position.

Independent directors need to possess a good general understanding of the industry they are in. Further, it is worthy to note that independence and competence shall go hand-in-hand. It is therefore important that the non-executive directors, including independent directors, possess the qualifications and stature that would enable them to effectively and objectively participate in the deliberations of the Board.

An Independent Director refers to a person who, ideally:

- a) Is not, or has not been a senior officer or employee of RGHC unless there has been a change in the controlling ownership of RGHC;
- b) Is not, and has not been in the three years immediately preceding the election, a director of RGHC; a director, officer, employee of RGHC's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of RGHC's substantial shareholders and its related companies;
- c) Has not been appointed in RGHC, its subsidiaries, associates, affiliates or related companies as Chairman "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within three years immediately preceding his election;
- d) Is not an owner of more than two percent (2%) of the outstanding shares of RGHC, its subsidiaries, associates, affiliates or related companies;
- e) Is not a relative of a director, officer, or substantial shareholder of RGHC or any of its related companies or of any of its substantial shareholders. For this purpose, a relative shall mean any of the following: a spouse, parent, child, brother, sister and the spouse of such child, brother or sister;
- f) Is not acting as a nominee or representative of any director of RGHC or any of its related companies;
- g) Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- h) Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel by RGHC, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship within the three years immediately preceding

the date of his election;

- i) Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with RGHC or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment;
- j) Is not affiliated with any non-profit organization that receives significant funding from RGHC or any of its related companies or substantial shareholders; and
- k) Is not employed as an executive officer of another company where any of the RGHC's executives serve as directors.

Related companies, as used in this Manual, refer to RGHC's (a) holding/parent company, if any; (b) its subsidiaries; and (c) the subsidiaries of its holding/parent company, if any.

Section 3: The Board's independent directors shall serve for a maximum cumulative term of nine years. After which, the independent director shall be perpetually barred from re-election as such in the same company, but may continue to qualify for nomination and election as a non-independent director. In the instance that a company wants to retain an independent director who has served for nine years, the Board shall provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.

Section 4: The positions of Chairman of the Board and Chief Executive Officer, in general, shall be held by separate individuals and each shall have clearly defined responsibilities.

The CEO has the following roles and responsibilities, among others:

- a. Determines the corporation's strategic direction and formulates and implements its strategic plan on the direction of the business;
- b. Communicates and implements the corporation's vision, mission, values and overall strategy and promotes any organization or stakeholder change in relation to the same;
- c. Oversees the operations of the corporation and manages human and financial resources in accordance with the strategic plan;
- d. Has a good working knowledge of the corporation's industry and market and keeps up-to-date with its core business purpose;

- e. Directs, evaluates and guides the work of the key officers of the corporation;
- f. Manages the corporation's resources prudently and ensures a proper balance of the same;
- g. Provides the Board with timely information and interfaces between the Board and the employees;
- h. Builds the corporate culture and motivates the employees of the corporation; and
- i. Serves as the link between internal operations and external stakeholders.

Section 5: The Board shall designate a lead director among the independent directors if the Chairman of the Board is not independent, including if the positions of the Chairman of the Board and Chief Executive Officer are held by one person.

Section 6: A director with a material interest in any transaction affecting the corporation shall abstain from taking part in the deliberations for the same.

Section 7: The non-executive directors (NEDs) shall have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation. The meetings shall be chaired by the lead independent director.

ARTICLE 6. ASSESSING BOARD PERFORMANCE

Section 1: The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. The Board may consider an assessment supported by an external facilitator, every three years, as far as practicable.

Section 2: The Board shall have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and such system shall allow for a feedback mechanism from the shareholders.

ARTICLE 7. STRENGTHENING BOARD ETHICS

Section 1: The Board shall adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable

and unacceptable conduct and practices in internal and external dealings. The Code shall be properly disseminated to the Board, senior management and employees. It shall also be disclosed and made available to the public through RGHC website.

Section 2: The Board shall ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.

ARTICLE 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES

Section 1: RGHC shall establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Section 2: RGHC shall have a policy requiring all directors and officers to disclose/report to RGHC any dealings in RGHC's shares within three business days.

Section 3: The Board shall fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.

Section 4: RGHC shall provide a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. Also, companies shall disclose the remuneration on an individual basis, including termination and retirement provisions.

Section 5: RGHC shall disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance. The material or significant RPTs reviewed and approved during the year shall be disclosed in its Annual Corporate Governance Report.

Section 6: RGHC shall make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. Moreover, the Board of the offeree company shall appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.

Section 7: RGHC's corporate governance policies, programs and procedures shall be contained in its Manual on Corporate Governance, which shall be submitted to the regulators and posted on the RGHC's website.

ARTICLE 9. STRENGTHENING THE EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY

Section 1: The AuditCom shall have a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditor. The appointment, reappointment, removal, and fees of the external auditor shall be recommended by the Audit Committee, approved by the Board and ratified by the shareholders. For removal of the external auditor, the reasons for removal or change shall be disclosed to the regulators and the public through the RGHC website and required disclosures.

Section 2: The AuditCom Charter shall include guidelines on assessing the integrity and independence of external auditors and exercising effective oversight to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. The Charter shall also include a review the external auditor's suitability and effectiveness on an annual basis.

Section 3: RGHC shall disclose the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. The Audit Committee shall be alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.

ARTICLE 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING

Section 1: The Board shall have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance issues of its business, which underpin sustainability. RGHC shall adopt a globally recognized standard/framework in reporting sustainability and non-financial issues.

ARTICLE 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION

Section 1: RGHC shall include media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.

ARTICLE 12. STRENGTHENING THE INTERNAL CONTROL SYSTEM AND ENTERPRISE RISK MANAGEMENT FRAMEWORK

Section 1: RGHC shall have an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of operations.

Section 2: RGHC shall have in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the RGHC's operations.

A separate internal audit function is essential to monitor and guide the implementation of RGHC policies. It helps RGHC accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of RGHC's governance, risk management and control functions. The following are the functions of the internal audit, among others:

- a. Provides an independent risk-based assurance service to the Board, Audit Committee and Management, focusing on reviewing the effectiveness of the governance and control processes in (1) promoting the right values and ethics, (2) ensuring effective performance management and accounting in the organization, (3) communicating risk and control information, and (4) coordinating the activities and information among the Board, external and internal auditors, and Management;
- b. Performs regular and special audit as contained in the annual audit plan and/or based on the RGHC's risk assessment;
- c. Performs consulting and advisory services related to governance and control as appropriate for the organization;
- d. Performs compliance audit of relevant laws, rules and regulations, contractual obligations and other commitments, which could have a significant impact on the organization;
- e. Reviews, audits and assesses the efficiency and effectiveness of the internal control system of all areas of the RGHC;
- f. Evaluates operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned;

- g. Evaluates specific operations at the request of the Board or Management, as appropriate; and
- h. Monitors and evaluates governance processes.

RGHC's internal audit activity may be a fully resourced activity housed within the organization or may be outsourced to qualified independent third party service providers.

Section 3: As the need arises (subject to the company's size, risk profile and complexity of operations), RGHC shall have a qualified Chief Audit Executive (CAE) appointed by the Board, upon recommendation of the AuditCom. The CAE shall oversee and be responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel shall be assigned the responsibility for managing the fully outsourced internal audit activity.

The CAE, in order to achieve the necessary independence to fulfill his/her responsibilities, directly reports functionally to the AuditCom and administratively to the CEO. The following are the responsibilities of the CAE, among others:

- a. Periodically reviews the internal audit charter and presents it to senior management and the Board Audit Committee for approval;
- b. Establishes a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals;
- c. Communicates the internal audit activity's plans, resource requirements and impact of resource limitations, as well as significant interim changes, to senior management and the Audit Committee for review and approval;
- d. Spearheads the performance of the internal audit activity to ensure it adds value to the organization;
- e. Reports periodically to the AuditCom on the internal audit activity's performance relative to its plan; and
- f. Presents findings and recommendations to the AuditCom and gives advice to senior management and the Board on how to improve internal processes.

Section 4: As the need arises (subject to the company's size, risk profile and complexity of operations), RGHC shall have a separate risk management function to identify, assess and monitor key risk exposures.

The risk management function involves the following activities, among others:

- a. Defining a risk management strategy;
- b. Identifying and analyzing key risks exposure relating to economic, environmental, social and governance (EESG) factors and the achievement of the organization's strategic objectives;
- c. Evaluating and categorizing each identified risk using RGHC's predefined risk categories and parameters;
- d. Establishing a risk register with clearly defined, prioritized and residual risks;
- e. Developing a risk mitigation plan for the most important risks to RGHC, as defined by the risk management strategy;
- f. Communicating and reporting significant risk exposures including business risks (i.e., strategic, compliance, operational, financial and reputational risks), control issues and risk mitigation plan to the Board Risk Oversight Committee; and
- g. Monitoring and evaluating the effectiveness of the organization's risk management processes.

Section 5: In managing RGHC's Risk Management System when the need arises as provided in Section 4 above, RGHC shall have a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM) and has adequate authority, stature, resources and support to fulfill his/her responsibilities, subject to a company's size, risk profile and complexity of operations.

The CRO has the following functions, among others:

- a. Supervises the entire ERM process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;
- b. Communicates the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee;
- c. Collaborates with the CEO in updating and making recommendations to the Board Risk Oversight Committee;

- d. Suggests ERM policies and related guidance, as may be needed; and
- e. Provides insights on the following:
 - Risk management processes are performing as intended;
 - Risk measures reported are continuously reviewed by risk owners for effectiveness; and
 - Established risk policies and procedures are being complied with.

There shall be clear communication between the Board Risk Oversight Committee and the CRO.

ARTICLE 13. PROMOTING SHAREHOLDER RIGHTS

Section 1: The Board shall ensure that basic shareholder rights are disclosed in the Manual of Corporate Governance and on RGHC's website.

The Board shall respect the rights of the stockholders as provided for in the Corporation Code, namely:

1. Right to vote on all matters that require their consent or approval;
2. Pre-emptive right to all stock issuances of the corporation;
3. Right to inspect corporate books and records;
4. Right to information;
5. Right to dividends;
6. Appraisal right;
7. Right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting;
8. Right to nominate candidates to the Board of Directors;
9. Right related to the nomination process; and
10. Right related to the voting procedures that would govern the Annual and Special Shareholders' Meeting.

The right to propose the holding of meetings and items for inclusion in the agenda is given to all shareholders, including minority and foreign shareholders. However, to prevent the abuse of this right, companies may require that the proposal be made by shareholders holding a specified percentage of shares or voting rights. On the other hand, to ensure that minority shareholders are not effectively prevented from exercising this right, the degree of ownership concentration is considered in determining the threshold.

The Board shall be transparent and fair in the conduct of the annual and special

stockholders' meetings of the Corporation. The stockholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the by-laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor.

Further, all shareholders must be given the opportunity to nominate candidates to the Board of Directors in accordance with the existing laws. The procedures of the nomination process are expected to be discussed clearly by the Board. RGHC is encouraged to fully and promptly disclose all information regarding the experience and background of the candidates to enable the shareholders to study and conduct their own background check as to the candidates' qualification and credibility.

Shareholders are also encouraged to participate when given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and By-Laws of RGHC; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that in effect result in the sale of RGHC. In addition, the disclosure and clear explanation of the voting procedures, as well as removal of excessive or unnecessary costs and other administrative impediments, allow for the effective exercise of the shareholders' voting rights. Poll voting is highly encouraged as opposed to the show of hands. Proxy voting is also a good practice, including the electronic distribution of proxy materials.

Section 2: The Board shall encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.

Section 3: The Board shall encourage active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be available on RGHC website within five business days from the end of the meeting.

Section 4: The Board shall make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This shall be included in RGHC's Manual of Corporate Governance.

Section 5: The Board shall establish an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. The IRO shall be present at every shareholders' meeting.

ARTICLE 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS

Section 1: The Board shall identify RGHC's various stakeholders and promote cooperation between them and RGHC in creating wealth, growth and sustainability.

Section 2: The Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

Section 3: The Board shall adopt a transparent framework and process that allow stakeholders to communicate with RGHC and to obtain redress for the violation of their rights.

ARTICLE 15. ENCOURAGING EMPLOYEES' PARTICIPATION

Section 1: The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of RGHC's goals and in its governance.

Section 2: The Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. Further, the Board shall disseminate the policy and program to employees across the organization through trainings to embed them in RGHC's culture.

Section 3: The Board shall establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. The Board shall be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement.

ARTICLE 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Section 1: RGHC shall recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the RGHC Group to grow their business, while contributing to the advancement of the society where they operate.

ADMINISTRATIVE SANCTIONS

The Compliance Officer shall be responsible for determining violation/s through investigation, notice and hearing and shall recommend to the Chairman of the Board, the imposition of appropriate disciplinary action on the responsible parties and the adoption of measures to prevent repetition of the violation.

EFFECTIVITY

This Revised Manual of Corporate Governance shall take effect immediately.

In behalf of the BOARD OF DIRECTORS



AMB. BIENVENIDO A. TAN, Jr.
Chairman of the Board



LEOPOLD C. TAN
Compliance Officer

DATE AND PLACE SIGNED:
May 30, 2017
Makati City, Philippines