



SECURITIES AND EXCHANGE COMMISSION

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PHINMA CORPORATION

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT (I-ACGR)

December 2024

IN COMPLIANCE WITH SEC MEMORANDUM CIRCULAR 15 SERIES OF 2017



SEC FORM – I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the calendar year ended: **December 31, 2024**
2. SEC Identification Number: **12397**
3. BIR Tax Identification No.: **000-107-026**
4. Exact name of issuer as specified in its charter: **PHINMA Corporation**
5. Province, Country or other jurisdiction of incorporation or organization: **Manila, Philippines**
6. Industry Classification Code (SEC Use Only):
7. Address of principal office: **Level 12 PHINMA Plaza, 39 Plaza Drive, Rockwell Center, Makati City** Postal Code: **1210**
8. Issuer's telephone number, including area code: **(632) 8700100**
9. Former name, former address, and former fiscal year, if changed since last report: **Not applicable**

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|--|-------------------------------------|
| THE BOARD'S GOVERNANCE RESPONSIBILITIES | | | | |
| Principle 1: The company should be headed by a competent working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its objectives and the long term interests of its shareholders and other stakeholders. | | | | |
| Recommendation 1.1 | | | | |
| 1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector. | Compliant. | Provide information or link / reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors | <p>The Board of Directors of PHINMA Corporation is composed of directors with the appropriate skills, knowledge and expertise that are relevant to the businesses of the Company.</p> <p>Relevant information on the composition of the board are found in the following documents and references:</p> <p>1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors are found in the 2024 Information Statement (SEC Form 20 - IS), 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>2. The qualifications of director nominees for the ensuing year are reviewed during the nomination process. The Nominations Committee ensures that all the director nominees possess all the qualifications and none of the disqualifications for</p> | |
| 2. Board has an appropriate mix of competence and expertise. | Compliant. | | | |
| 3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization. | Compliant. | 2. Qualifications standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance. | | |

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| | | | <p>election to the board. Qualifications and disqualifications standards for directors are found on pages 16 to 20 of the Manual on Corporate Governance and on page 2 of the Board Charter which are both found in the company's website.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>Board Charter: https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| Recommendation 1.2 | | | | |
| 1. Board is composed of a majority of non-executive directors. | Compliant. | Identify or provide link/reference to a document identifying the directors and the type of their directorships. | <p>The company's board of directors and their type of directorship in the company are found in the 2024 Information Statement (SEC Form 20 – IS), 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |

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| | | | As of December 31, 2024, the board is composed of eleven (11) Non-Executive Directors (including seven (7) Independent Directors) and four (4) Executive Directors. | |
| Recommendation 1.3 | | | | |
| Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors. | Compliant. | Provide a link to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors. | <p>The policy on training of directors is found on page 7 of the Board Charter and on page 8 of the Manual on Corporate Governance which are both uploaded to the company's website.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| 2. Company has an orientation program for first time directors. | Compliant. | Provide information of a link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. | <p>Every new director undergoes a briefing in order to assist in their on-boarding. The briefing is provided by the Corporate Governance team within the first month of their tenure and prior to the first committee or board meeting of the new director. The briefing is to be conducted in a manner that allows them to meet with various business heads for an overview of the current business' position. The new director is likewise afforded the opportunity to consult with the Senior Management in order to appropriately keep them abreast of the various operational issues that beset the company.</p> <p>The new director is also provided a copy of the Manual on Corporate Governance and advised of company policies pertaining to directors and officers. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>Information on trainings for directors are available on the Company's website. https://www.phinma.com.ph/corporate-governance/#annual-corporate-governance-training</p> | |

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| 3. Company has relevant annual continuing training for all directors | Compliant. | | <p>For the past four years, the directors and key officers have attended trainings on Data Analytics, Artificial Intelligence (AI), Workplace Reimagined, Internal Control Environment, Sustainability Reporting, Change Management, Succession Planning, Business Continuity Planning and SEC Updates including the Revised Corporation Code of the Philippines conducted by SEC-accredited training providers.</p> <p>For 2024, the training focused on overview of Corporate Governance, Cybersecurity, Business Continuity Management and Sustainability. The online training was attended by directors and key officers from the Strategic Business Units.</p> <p>Information on trainings for directors are available on the Company's website. https://www.phinma.com.ph/corporate-governance/#annual-corporate-governance-training </p> | |
| Recommendation 1.4 | | | | |
| 1. Board has a policy on board diversity. | Compliant. | <p>Provide information on or link/reference to a document containing information on the company's board diversity policy.</p> <p>Indicate gender composition of the board.</p> | <p>The company values diversity and supports workforce equality and is strongly against discrimination of any form at all levels thus it ensures that its board members are a combination of executive, non-executive and independent directors with varied but substantial professional knowledge and experience which creates a platform for balanced-view discussion necessary to arrive at key business decisions. Policy statement on board diversity is found on page 9 of the Manual on Corporate Governance.</p> <p>Further, the manual safeguards the interests of its shareholders thru this diversity policy to guarantee that no director or small group of directors dominate the decision-making process.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance </p> <p>As of current date, the board composition per gender is 13 male and 2 female.</p> | |

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| | | | <p>Directors are also elected on the basis of merit. Within that key principle of merit, there shall be diversity among the members of the board as to gender, age, ethnicity, background, skills and business. This policy statement is found in the company's Board Charter found in the company's website.</p> <p>Board Charter: https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| Optional Recommendation 1.4 | | | | |
| 1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives. | | <p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</p> <p>Provide link/reference to a progress report in achieving its objectives.</p> | | |
| Recommendation 1.5 | | | | |
| 1. Board is assisted by a Corporate Secretary | Compliant. | Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions. | <p>The Board has elected a Corporate Secretary who is neither the Compliance Officer nor a director. The names and qualifications of the company's Corporate Secretary and Assistant Corporate Secretary are found in the 2024 Information Statement (SEC Form 20 - IS), 2024 Annual Report (SEC Form 17-A) and also in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| 2. Corporate Secretary is a separate individual from the Compliance Officer. | Compliant. | | | |
| 3. Corporate Secretary is not a member of the Board of Directors. | Compliant. | | | |

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| | | | https://www.phinma.com.ph/director/atty-troy-a-luna/ https://www.phinma.com.ph/director/atty-daneaia-isabelle-f-palad/ The duties and functions of the Corporate Secretary are found on pages 6 to 7 of the Board Charter and pages 9 and 10 of the Manual on Corporate Governance. Section 8, Article VI of the company's Amended By-Laws also provide for the powers and duties of the Corporate Secretary. Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance Amended By-Laws https://www.phinma.com.ph/corporate-governance/#articles-of-incorporation-and-by-laws | |
| 4. Corporate Secretary attends training/s on corporate governance. | Compliant. | Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered. | The Corporate Secretary and Assistant Corporate Secretary attended the 2024 Corporate Governance Seminar conducted by an SEC-accredited training provider, SGV & Co. on Overview of Corporate Governance, Cybersecurity, Business Continuity Management and Sustainability on December 5, 2024. The seminar was conducted from 1:30 to 5:30 pm (4 hours). https://www.phinma.com.ph/corporate-governance/#annual-corporate-governance-training | |
| Optional Recommendation 1.5 | | | | |
| 1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting. | Compliant | Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting. | Materials for board meetings are distributed to the directors as early as possible through the most efficient manner such as emails. There are occasions of course, including when special or urgent meetings are deemed necessary to be called. | |

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| Recommendation 1.6 | | | | |
| 1. Board is assisted by a Compliance Officer. | Compliant. | Provide information on or link/reference to a document containing information on the Compliance Officer including his/her name, position, qualifications, duties and functions. | <p>The company's Compliance Officer has a rank of Vice President with adequate stature and authority in the company being a long-time officer thereof. The Compliance Officer is not a member of the board.</p> <p>The name and qualifications of the company's Compliance Officer is found in the 2024 Information Statement (SEC Form 20 - IS), 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>https://www.phinma.com.ph/director/rolando-d-soliven/</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>The duties and functions of the Compliance Officer are found on pages 10 to 11 of the Manual on Corporate Governance.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| 2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. | Compliant. | | | |
| 3. Compliance Officer is not a member of the board. | Compliant. | | | |

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|---|---------------------------|--|---|-------------------------------------|
| 4. Compliance Officer attends training/s on corporate governance. | Compliant. | Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered. | <p>The Compliance Officer attended the 2024 Corporate Governance Seminar conducted by an SEC-accredited training by SGV & Co. on Overview of Corporate Governance, Cybersecurity, Business Continuity Management and Sustainability on December 5, 2024. The seminar was conducted from 1:30 to 5:30 pm (4 hours).</p> <p>https://www.phinma.com.ph/corporate-governance/#annual-corporate-governance-training</p> | |
| Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders. | | | | |
| Recommendation 2.1 | | | | |
| 1. Directors act on a fully-informed basis, in good faith, with due diligence and care, and in the best interest of the company. | Compliant. | Provide information on or link/reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting). | <p>A summary of relevant resolutions approved by the Board of Directors are disclosed by the company in its 2024 Information Statement (SEC Form 20 - IS).</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> | |
| Recommendation 2.2 | | | | |
| 1. Board oversees the development, review and approval of the company's business objectives and strategy. | Compliant. | <p>Provide information on or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</p> <p>Indicate frequency of review of business objectives and strategy.</p> | <p>Significant matters approved by the board are disclosed by submission of a SEC Form 17-C which are also uploaded to the company's website.</p> <p>SEC Form 17-C: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-C > 2024</i></p> | |

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| 2. Board oversees and monitors the implementation of the company's business objectives and strategy. | Compliant. | | <p>A summary of relevant resolutions approved by the Board of Directors are disclosed by the company in its 2024 Information Statement (SEC Form 20 - IS) found on Annex F.</p> <p>Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>The budget for the current year is presented and approved at the last board meeting of the previous year.</p> | |
| Supplement to Recommendation 2.2 | | | | |
| 1. Board has a clearly defined and updated vision, mission and core values. | Compliant. | <p>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</p> <p>Indicate frequency of review of the vision, mission and core values.</p> | <p>The board, upon the recommendation of senior management, reviews the vision and mission of the company as it deems appropriate. The board, during its review ensures that the plans and actions of the company are aligned with its vision and mission. The company's mission, vision and core values are found in the Employee Handbook and in the company's website.</p> <p>https://www.phinma.com.ph/our-company/</p> | |
| 2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment and culture. | Compliant. | Provide information or link/reference to a document containing information on the strategy execution process. | <p>SEC Form 17-A contains the management's discussion and analysis of financial condition and results of operation summarizing the effects of the growth strategies undertaken during the previous year. This report upon submission to the PSE and SEC is uploaded to the company's website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |

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| | | | <p>Periodic discussion and disclosure of the strategy execution process are accomplished through SEC Form 17 - C as posted in the company's website</p> <p>SEC Form 17-C: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-C > 2024</p> | |
| Recommendation 2.3 | | | | |
| 1. Board is headed by a competent and qualified Chairperson. | Compliant. | Provide information or link/reference to a document containing information on the Chairperson, including his / her name and qualifications. | <p>As of reporting date of Dec. 31, 2024, the company's Chairperson is Mr. Ramon R. del Rosario, Jr. His qualifications are found in the 2024 Information Statement (SEC Form 20 - IS), 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>https://www.phinma.com.ph/director/ramon-r-del-rosario-jr/</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |

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| Recommendation 2.4 | | | | |
| 1. Board ensures and adopts an effective succession planning program for directors, key officers and management. | Compliant. | Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation. | <p>The company's Board Succession Policy for directors is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> <p>The company has a succession management program in place for critical management and leadership positions that can become vacant due to retirement, resignation, death or new business opportunities. The program intends that a succession plan is developed, maintained and implemented, for all leadership positions. The standards for the appointment of key officers does not rely only on current skillset and performance review but also takes into serious consideration, the person's potential while keeping in mind business continuity and alignment with the company's vision and mission. The Human Resource department likewise provides leadership programs which aim to aid in the identification of suitable employees and officers to fill key management positions. Under these programs, high potential officers and employees undergo rigorous training and exposure. These programs are on a continuing basis and adjusted based on the current needs of the company.</p> <p>Further, Strategic Business Units are required to present their own succession plans to the board on at least an annual basis.</p> <p>The retirement and retention policy of the Board is linked to the review of the performance of the directors. As of reporting date of December 31, 2024, the Nominations Committee, as part of its function on nomination and election, is responsible for recommending the succession plan candidates for membership to the Board.</p> | |
| 2. Board adopts a policy on the retirement for directors and key officers. | Compliant. | | | |

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| Recommendation 2.5 | | | | |
| 1. Board aligns the remuneration of key officers and board members with long-term interests of the company. | Compliant. | Provide information or link/reference to a document containing information on the company's remuneration policy and its implementation including the relationship between remuneration and performance. | <p>Information on the Policy on Remuneration of the Board and Key Officers can be found on the Company's Manual on Corporate Governance in page 16.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| 2. Board adopts a policy specifying the relationship between remuneration and performance. | Compliant. | | <p>The Board, through its Compensation Committee oversees the implementation of the remuneration packages of corporate officers and directors and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the company's culture, strategy and control environment. The company's Compensation Committee approves the remuneration of the Chief Executive Officer (CEO). The fixed remuneration of key management officers are approved by the CEO.</p> | |
| 3. Directors do not participate in discussions or deliberations involving his/her own remuneration. | Compliant. | | <p>The directors are paid a bonus based on the net income of the company for each calendar year. The compensation received by the officers who are not included in the Board of Directors of the company represents salaries and bonuses.</p> <p>The directors receive allowances, per diem and bonus based on a percentage of the net income of the company for each calendar year. There are no other existing arrangements/ agreements to which said Directors are to be compensated during the last completed calendar year and the ensuing year.</p> <p>The company has semi-annual performance appraisal to align corporate goals with the setting and achievement of targets on a per employee basis. Starting 2015, the company's Human Resources Group implemented the Balanced Scorecard system in assessing performance and became the basis for employee salary increases beginning 2016.</p> | |

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| Optional Recommendation 2.5 | | | | |
| 1. Board approves the remuneration of senior executives. | | Provide proof of board approval. | | |
| 2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw-back provision and deferred bonuses. | | Provide information or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company. | | |
| Recommendation 2.6 | | | | |
| 1. Board has a formal and transparent board nomination and election policy | Compliant. | Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders. | <p>The Board has a nominations and election policy which is available in the Company's website and disclosed in the Company's Manual on Corporate Governance.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>Company Policies> Read the Nominations and Election Policy</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>All nominations for directors to be elected by the stockholders of the Corporation shall be submitted in writing to the Corporate Secretary of the Corporation at the principal office of the Corporation not earlier than thirty (30) business days nor later than twenty (20) business days prior to the date of the regular or special meeting of the stockholders for the election of the directors. The rights of shareholders, including minority shareholders, is found on page 44 to 47 of the Manual on Corporate Governance.</p> | |
| 2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance | Compliant. | | | |
| 3. Board nomination and election policy includes how the company accepted nominations from minority shareholders. | Compliant. | | | |
| 4. Board nomination and election policy includes how the board shortlists candidates. | Compliant. | | | |

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|--|---------------------------|--|--|-------------------------------------|
| 5. Board nomination and election policy includes an assessment of the Board's processes in the nomination, election or replacement of a director. | Compliant. | Provide information if there was an assessment of the effectiveness of the board processes in the nomination, election or replacement of a director. | The Nominations Committee, pre-screens and shortlists all candidates nominated to become members of the board of directors in accordance with the qualifications and disqualifications criteria set forth in nominations and election policy and in the Manual on Corporate Governance. | |
| 6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company. | Compliant. | | <p>Review of the policy and processes on nomination, election and replacement of a director is done during the periodic review of the Manual on Corporate Governance and nominations and election policy where said policies and processes are contained.</p> <p>The annual board self-assessment exercise is another venue where directors may raise comments or suggestions on the nomination and election process.</p> <p>As a matter of selection process, the Nominations Committee shall screen the nominees and prepare a final list of qualified nominees to ensure that only those that possess all the qualifications and none of the disqualifications from directorship as provided in the company's By-Laws, Corporate Governance Manual and relevant laws, rules and regulations may be elected. The final list shall be recommended for final approval of the Board and included in the annual meeting of stockholders.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>Company Policies> Read the Nominations and Election Policy</p> | |
| Optional Recommendation to 2.6 | | | | |
| 1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors. | | Identify the professional search firm used or other external sources of candidates. | | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| Recommendation 2.7 | | | | |
| 1. Board has 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. | Compliant. | Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs. | <p>The company has a policy on Related Party Transactions (RPT) that is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>This policy has been amended and approved in June 2019 to comply with SEC Memorandum Circular No. 10 Series of 2019 Rules on Material Related Party Transactions for Publicly Listed Companies. Further amendment was approved in August 2020 in relation to the transfer of duties and responsibilities on RPTs to the Audit Committee. The policy has been adopted group-wide and its reporting procedures has been discussed and disseminated to the companies under the Group to spread scope of responsibility in reporting related party transactions.</p> | |
| 2. RPT policy includes appropriate review and approval of material RPTs which guarantee fairness and | Compliant. | Identify transactions that were approved pursuant to the policy. | <p>In the last five (5) years, the company has not been a party in any transaction in which a director or executive officer of the company, any nominee for election as a director, any security holder owning more than ten percent (10%) of the company's issued and outstanding shares and/or any member of his immediate family had a material interest.</p> <p>Any transaction between the company and a related party must be approved by the Audit and Related Party Transactions Committee. The Committee uses acceptable valuation methods common in the industry or project involved, including but not limited to:</p> <p>1) Joint Venture Method, a market-based approach which uses actual transactions on the asset;</p> <p>2) Comparative Valuation Method which uses similar projects to estimate the value of an asset; and</p> <p>3) Multiple Exploration Expenditure Method which uses historical cost as basis for estimating asset value.</p> <p>The transactions and balances of accounts for the year with related parties are disclosed in the company's 2024 Information Statement (SEC Form 20 – IS).</p> | |
| 3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations. | Compliant. | | | |

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| Supplement to Recommendations 2.7 | | | | |
| 1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered de minimis or transactions that need not be reported or announced, those that need to be disclosed and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval. | Compliant. | Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories. | <p>The company adopted the materiality threshold of at least 10% of total consolidated assets in the revised RPT policy approved in June 2019, to comply with SEC Memorandum Circular No. 10 Series of 2019 Rules on Material Related Party Transactions for Publicly Listed Companies. https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>The transactions and balances of accounts for the year ended December 31, 2024 with the related parties are found in the 2024 Information Statement (SEC Form 20- IS). 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>The significant related party transactions entered into by the company with its associates and entities under common control and the amounts included in the consolidated financial statements with respect to such transactions are found in the 2024 Annual Report (SEC Form 17-A). 2024 SEC Form 17-A (Annual Report): https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>As of December 31, 2024, no related party transaction has reached the materiality threshold for disclosure to SEC and PSE.</p> | |
| 2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders meetings. | Compliant. | Provide information on voting system, if any. | <p>Included in the Annual Shareholders Meeting's Agenda is the approval of related party transactions such as the approval of the Renewal of the Management Contract with PHINMA, Inc. which requires the affirmative vote of at least two-thirds (2/3) of the total outstanding capital stock of the company entitled to vote. Notice of the ASM and Agenda: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > Notice of the ASM > Year > PHN Notice of Annual Stockholders Meeting and Agenda</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|--|-------------------------------------|
| Recommendation 2.8 | | | | |
| Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive). | Compliant. | <p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p>Identify the management team appointed.</p> | <p>Approving the selection of the Chief Executive Officer, Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive is the responsibility of the Board as found on page 14 of the Manual on Corporate Governance. The recommendation and approval of the management team for the ensuing year is done in the yearly organizational meeting that is convened soon after the shareholders' meeting. Thereafter, any change to the management team is approved at the quarterly board meetings.</p> <p>MCG: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>As of reporting date of December 31, 2024, the company's management team is listed below:</p> <ol style="list-style-type: none"> Oscar J. Hilado – Chairman Emeritus Ramon R. del Rosario, Jr. –Chairman, and Chief Executive Officer Magdaleno B. Albarracin, Jr. – Vice Chairman Meliton B. Salazar, Jr. – President and COO, Head of Education Eduardo A. Sahagun – Executive Vice President – Construction Materials Jose Mari del Rosario – Senior Vice President, Hospitality Raphael B. Felix – Senior Vice President, Properties Edmund Allan A. Qua Hiansen – Senior Vice President, Chief Financial Officer Regina B. Alvarez - Senior Vice President - Group Controller Nanette P. Villalobos – Vice President and Treasurer Annabelle S. Guzman – Vice President, Controller Rolando D. Soliven - Vice President Group Corporate Assurance, Compliance Officer and Data Protection Officer Peter V. Perfecto – Vice President -Public Affairs Giles R. Katigbak – Assistant Vice President, Chief Risk Officer Ivy V. Villasquez-Bermas – Chief Audit Executive Troy A. Luna – Corporate Secretary Daneia Isabelle Palad – Assistant Corporate Secretary | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|---|-------------------------------------|
| | | | <p>18. Sheila M. Barce – Assistant Vice President, Finance</p> <p>19. Karen B. Seno - Assistant Vice President, Human Resources</p> <p>20. Melvin S. Mendoza - Assistant Vice President, Information Technology</p> <p>21. Robert James G. Pabustan - Assistant Vice President, Business Development</p> <p>22. Ma. Gracia M. Purisima - Assistant Treasurer</p> | |
| 2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive). | Compliant. | <p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment processes and indicate frequency of assessment of performance.</p> | <p>Assessment of the Chief Executive Officer, Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive is the responsibility of the Board. This is found on page 34 of the Manual on Corporate Governance and in the Board Assessment Policy and Procedures document. MCG: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>The annual board self-assessment, includes the assessment of the performance of the Chief Financial Officer and Corporate Secretary for the year 2024.</p> <p>The Chief Operations Officer, who is also a member of the Board, is in charge of assessing the performance of the Compliance Officer, Chief Risk Officer and the Chief Audit Executive, using the Balanced Scorecard system, who then recommends the performance assessment to the CEO. This assessment exercise is conducted on an annual basis.</p> | |
| Recommendation 2.9 | | | | |
| 1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management. | Compliant. | Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel. | The company conducts a semi-annual performance appraisal to align corporate goals with the setting and achievement of targets on a per employee basis. Starting 2015, the company's Human Resources Group implemented the Balanced Scorecard system in assessing performance. It aims to eradicate subjectivity in terms of employee evaluation and make performance evaluation more standard. Its successful implementation for the year became the basis for employee salary increases starting in 2016. | |

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| 2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management. | Compliant. | | <p>The company conducts a semi-annual performance appraisal to align corporate goals with the setting and achievement of targets on a per employee basis.</p> <p>Starting 2015, the company's Human Resources Group implemented the Balanced Scorecard system in assessing performance. It aims to eradicate subjectivity in terms of employee evaluation and make performance evaluation more standard. Its successful implementation for the year became the basis for employee salary increases starting in 2016. Thru the scorecard, the employees training and coaching needs are easily identified as well as monitored thereby providing a solid background for numeric ratings by year end. Its "critical incident" component allows for transparency in terms of learning opportunities and action items. Performance discussions also provide the avenue for immediate managers to communicate and align the performance targets of the employee with the company's goals and objectives for the ensuing year.</p> | |
| Recommendation 2.10 | | | | |
| 1. Board oversees that an appropriate internal control system is in place. | Compliant. | Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system. | <p>The board's oversight responsibility on the company's internal control system is found on page 12 of the Manual on Corporate Governance. MCG: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>PHINMA's Group Internal Audit is an independent and objective assurance consulting team that is guided by a philosophy of adding value to improve the operations of the company. While Internal Audit and Control is the main function of the company's Internal Audit Department, adherence to the same is every employee's accountability. The Chief Audit Executive reports functionally to the Board through the Audit Committee and administratively to Senior Management.</p> | |

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|--|---------------------------|---|--|-------------------------------------|
| 2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders. | Compliant. | | <p>The internal control system of the company includes any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved.</p> <p>Management plans, organizes, and directs the performance of sufficient actions to provide reasonable assurance that objectives and goals will be achieved.</p> | |
| 3. Board approves the Internal Audit Charter. | Compliant. | Provide reference or link to the company's Internal Audit Charter. | <p>The company's Internal Audit Charter approved by the Board is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#internal-audit-charter</p> | |
| Recommendation 2.11 | | | | |
| 1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks. | Compliant. | Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. | <p>The board's oversight responsibility on the company's enterprise risk management framework is found on page 12 of the Manual on Corporate Governance.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>The Risk Oversight Committee develops a formal enterprise risk management plan which contains well-defined risk management goals, objectives and oversight, processes of assessing risks and developing strategies to manage prioritized risks, designing and implementing risk management strategies, and continuing assessments to improve risk strategies, processes and measures.</p> | |

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|--|---------------------------|---|--|-------------------------------------|
| 2. The risk management framework guides the board in identifying units / business lines and enterprise level risk exposures, as well as the effectiveness of risk management strategies. | Compliant. | Provide proof of effectiveness of risk management strategies, if any. | <p>The effectiveness of risk management strategies undertaken by the company are discussed in Annex D Management Report of the 2024 Information Statement (SEC Form 20 – IS) and in the Financial Risk Management Objectives and Policies in the 2024 Annual Report (SEC Form 17-A).</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| Recommendation 2.12 | | | | |
| 1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role. | Compliant. | Provide link to the company's website where the Board Charter is disclosed. | <p>The company's formal Board Charter containing the roles, responsibilities and accountabilities of the Board is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| 2. Board Charter serves as a guide to the directors in the performance of their functions. | Compliant. | | | |
| 3. Board Charter is publicly available and posted on the company's website. | Compliant. | | | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| Additional Recommendation to Principle 2 | | | | |
| 1. Board has a clear insider trading policy. | Compliant. | Provide information on or link/reference to a document showing company's insider trading policy. | The company's Insider Trading Policy is found in the company's website. https://www.phinma.com.ph/corporate-governance/#company-policies | |
| Optional: Principle 2 | | | | |
| 1. Company has a policy on granting loans to directors either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates. | | Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any. | | |
| 2. Company discloses the types of decision requiring board of directors' approval. | Compliant. | Indicate the types of decision requiring board of directors' approval and where these are disclosed. | Consistent with the Corporation Code of the Philippines, every corporate action are in general approved by the Board, unless delegated to the Executive Committee and/or covered by an officer's defined duties and functions. Items approved by the Board are disclosed in the Company's Current Report (SEC Form 17-C) available on the Company's website: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-C (Current Report)> Choose Year</i> | |
| Principle 3: Board committees should be set-up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nominations and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter. | | | | |
| Recommendation 3.1 | | | | |
| 1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. | Compliant. | Provide information or link/reference to a document containing information on all the board committees established by the company. | As of reporting date December 31, 2024, the board has established committees such as the Executive Committee, Corporate Governance Committee, Nominations Committee, Audit and Related Party Transactions Committee, Compensation Committee and Risk Oversight Committee. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |

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| | | | <p>Descriptions of the functions of the committees are found in the Manual of Corporate Governance, in the Corporate Governance section of the 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| Recommendation 3.2 | | | | |
| 1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. | Compliant. | <p>Provide information or link/reference to a document containing information on the Audit Committee including its functions.</p> <p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> | <p>The Audit and Related Party Transactions Committee's roles and responsibilities, including the duty to recommend the appointment and removal of the company's external auditor, are found in its Committee Charter which is uploaded in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| 2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent. | Compliant. | Provide information or link/reference to a document containing information on the members of the Audit Committee including their qualifications and type of directorship. | <p>The Audit and Related Party Transactions Committee is composed of four (4) qualified non-executive directors, three of whom are independent directors including the Chairman and one (1) non-executive director. As of reporting date December 31, 2024, the members of the Audit and RPT Committee are Juan B. Santos (Chairman/Independent), Edgar O. Chua (Independent), Edilberto C. de Jesus (Independent), and Jose L. Cuisia, Jr. (Non-Executive). The qualifications of the committee members are found in the 2024 Information Statement (SEC Form 20 – IS), in the 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> | |

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| | | | <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |
| 3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. | Compliant. | Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee. | <p>Information on the relevant background, knowledge, skills, and/or experience of the members of the Audit and Related Party Transactions Committee are found in the 2024 Information Statement (SEC Form 20 – IS), 2024 Annual Report (SEC Form 17-A), in their Certificates of Independent Director and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |

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| 4. The Chairman of the Audit Committee is not the Chairman of the Board or any other committee. | Compliant. | Provide information or link/reference to a document containing information on the Chairman of the Audit Committee. | <p>The Chairman of the Audit and Related Party Transactions Committee is Mr. Juan B. Santos who is an independent director and is not the Chairman of the Board or of any other committee. This is indicated in the disclosure to the regulators last April 2024 which lists the committee memberships of the directors.</p> <p>The qualifications of the Chairman of the Audit and Related Party Transactions Committee are found in the 2024 Information Statement (SEC Form 20 – IS), in his Certificate of Independent Director and in the company's website.</p> <p>Certificates of Independent Director are in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |
| Supplement to Recommendation 3.2 | | | | |
| 1. Audit Committee approves all non-audit services conducted by the external auditor. | Compliant. | Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor. | <p>The Audit Committee in its Charter evaluate and approve non-audit work by external audit and keep under review the non-audit fees paid to the external auditor.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> <p>There were no non-audit fees for 2024.</p> | |
| 2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present. | Compliant | Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present. | The Audit Committee held a meeting on December 10, 2024 with the External Audit Team, without anyone from the Management. All members of the Audit Committee were present during the meeting. | |

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| Optional Recommendation 3.2 | | | | |
| 1. Audit Committee meets at least four times during the year. | Compliant. | Indicate the number of Audit Committee meetings during the year and provide proof. | <p>In 2024, The Audit and RPT Committee held five (5) meetings with complete attendance and this information is disclosed in the Audit and RPT Committee Report in the 2024 Annual Report And posted in the company's website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| 2. Audit Committee approves the appointment and removal of the internal auditor. | | Provide proof that the Audit Committee approved the appointment and removal of the internal auditor. | <p>The Audit Committee in its Charter is tasked to approve the appointment or removal of the internal auditor.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| Recommendation 3.3 | | | | |
| 1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. | Compliant. | <p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions.</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p> | <p>The Board has established a Corporate Governance Committee. The Committee was first formed at the Organizational Meeting on April 10, 2017 tasked to assist the Board in the performance of its corporate governance responsibilities which include the implementation and periodic review of the Corporate Governance Manual, policies and framework, annual board self-assessment and continuing training program for directors.</p> <p>The Committee performed the function of a Nominations Committee until April 2023. The Committee reviewed the qualifications of the candidates and submitted to the Board of Directors the list of qualified nominees for director in March 2024. The Committee reviewed the results of the board self-assessments, proposed third party board evaluation facilitators, training providers' proposals.</p> <p>Further information on the Committee's functions and responsibilities are contained in its Charter found in the company's website. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
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| 2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors. | Compliant. | Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship. | <p>As of reporting date December 31, 2024, the Corporate Governance Committee is composed of four (4) members, all of whom are Independent Directors. As of December 31, 2024, The Committee is composed of Atty. Lilia B. De Lima (Chairman/Independent), Rizalina G. Mantaring (Independent), Cielito F. Habito (Independent) and Dato Ong Teck Mong(Independent) .Their qualifications are found in the 2024 Information Statement (SEC Form 20 – IS), in the 2024 Annual Report, in their Certificates of Independent Director and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| 3. Chairman of the Corporate Governance Committee is an independent director. | Compliant. | Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee. | <p>Atty. Lilia B. De Lima, an Independent Director, is the Chairperson of the Corporate Governance Committee.</p> <p>The qualifications of the committee chairperson are found in the 2024 Information Statement (SEC Form 20 – IS), in the 2024 SEC Form 17-A (Annual Report), in their Certificate of Independent Director and in the company's website.</p> | |

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|---|---------------------------|--|--|-------------------------------------|
| | | | https://www.phinma.com.ph/director/dr-lilia-de-lima/ 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i> 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i> | |
| Optional Recommendation 3.3 | | | | |
| Corporate Governance Committee meet at least twice during the year. | Compliant | Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof. | The Corporate Governance Committee had two (2) meetings in 2024 and this information is disclosed in the 2024 Annual Report posted in the Company website. 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i> 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|---|-------------------------------------|
| Recommendation 3.4 | | | | |
| 1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. | Compliant. | Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC) and its functions. | <p>The Board has established a Risk Oversight Committee which assists the board in fulfilling its corporate governance responsibility with respect to its oversight of the company's risk management framework. While the Committee has responsibilities and powers set forth in the Charter, the Corporation's management is ultimately responsible for designing, implementing, and maintaining an effective risk management program. The charter of the Risk Oversight Committee is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> <p>The Risk Oversight Committee had two (2) meetings in 2024 and this information is disclosed in the SEC Form 17-A (Annual Report) posted in the Company website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><u>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</u></p> | |
| 2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman. | Compliant. | Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship. | The Risk Oversight Committee is composed of five (5) members, three (3) of whom are Independent Directors including the Chairman and two(2) Non-Executive Directors. As of December 31, 2024, the committee is composed of Rizalina G. Mantaring (Chairman/Independent), Atty. Lilia B. De Lima (Independent), Dato Timothy Ong Teck Mong (Independent), Dr. Magdaleno B. Albarracin, Jr. and Guillermo D. Luchangco. The qualifications of the members of the Risk Oversight Committee are found in the 2024 Annual Report and in their Certificates of Independent Director found in the website. | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| | | | <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |
| 3. The Chairman of the BROC is not the Chairman of the Board or any other committee. | Compliant. | Provide information or link/reference to a document containing information on the Chairman of the BROC. | <p>As of December 31, 2024, The Chairman of the Risk Oversight Committee is Ms. Rizalina G. Mantaring who is not the Chairman of the Board or of any other committee. Her qualifications are contained in the 2024 Annual Report and in their Certificate of Independent Director in the company's website.</p> <p>https://www.phinma.com.ph/director/rizalina-g-mantaring/</p> | |
| 4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management. | Compliant. | Provide information or link/reference to a document containing information on the background, skills and/or experience of the members of the BROC. | <p>The qualifications of the members of the Risk Oversight Committee are found in the 2024 Annual Report and in their Certificates of Independent Director found in the website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |

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|---|---------------------------|--|---|-------------------------------------|
| Recommendation 3.5 | | | | |
| 1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company. | Compliant. | Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions. | <p>On August 5, 2020, the then Audit Committee endorsed the revisions to its Charter to include the oversight responsibilities on Related Party Transactions and eventually changed its name to Audit and Related Party Transactions Committee on November 4, 2020. Further information on the Committee's functions and responsibilities are contained in its Charter found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| 2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman. | Compliant. | Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship. | <p>The Audit and Related Party Transactions Committee is composed of four (4) qualified non-executive directors, three of whom are independent directors including the Chairman and one (1) non-executive director. As of reporting date December 31, 2024, the members of the Audit and RPT Committee are Juan B. Santos (Chairman/Independent), Edgar O. Chua (Independent), Edilberto C. de Jesus (Independent), and Jose L. Cuisia, Jr. (Non-Executive). The qualifications of the committee members are found in the 2024 Information Statement (SEC Form 20 – IS), in the 2024 Annual Report (SEC Form 17-A) and in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p><i>2024 SEC Form 17-A (Annual Report)</i></p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |

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|--|---------------------------|--|---|-------------------------------------|
| Recommendation 3.6 | | | | |
| 1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information. | Compliant. | Provide information or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes. | All Committees have their own charters. The charters of the committees contain their functions and responsibilities including the profiles of membership. All these become the basis for the committee's self-assessment process at the end of the year. The charters of each committee are found in the company's website. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |
| 2. Committee Charters provide standards for evaluating the performance of the Committees. | Compliant. | | | |
| 3. Committee Charters were fully disclosed on the company's website. | Compliant. | Provide link to company's website where the Committee Charters are disclosed. | Please see the links below to the company website for the Committee Charters: https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |

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| Principle 4: To show full commitment to the company, the directors should 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. | | | | |
| Recommendation 4.1 | | | | |
| 1. The Directors 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 Commission. | Compliant. | <p>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p> | <p>The company adopted the guidelines issued by the SEC in 2001 for the conduct of teleconferencing and video conferencing i.e. conferences or meetings through electronic medium or telecommunications where participants are not physically present.</p> <p>The directors' attendance to the board meetings held in 2024 are found in the 2024 Annual Report. The directors' attendance to committee meetings are also presented in the 2024 Annual Report. Their attendance to the shareholders' meeting are found in the minutes of Annual Stockholders Meeting as posted in the company's website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>Minutes of the 2024 ASM: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General or Special Stockholders Meeting > 2024</p> | |
| 2. The directors review meeting materials for all Board and Committee meetings. | Compliant. | | Directors are sent board materials and review these for Board and Committee meetings and in fact ask questions thereon. | |

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|--|---------------------------|--|---|-------------------------------------|
| 3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings. | Compliant. | Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors. | Minutes of Committee and Board meetings document the questions and discussions of the board. Records of the minutes of the meetings of the Board are maintained by the Corporate Secretary. | |
| Recommendation 4.2 | | | | |
| 1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company. | Compliant. | <p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or link/reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.</p> | <p>In March 2018, the company further amended its Manual on Corporate Governance to adopt the limit on board seats of Non-Executive Directors to publicly-listed companies to five (5) seats. This policy statement is found on pages 29 to 30 of the current Manual.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>The directorships of the company's directors in both listed and non-listed companies are found in the 2024 Information Statement (SEC Form 20 - IS) and in the Certificates of Independent Directors found in the company's website. No non-executive director has a board seat beyond the 5 seats limit.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |
| Recommendation 4.3 | | | | |
| 1. The directors notify the company's board before accepting a directorship in another company. | Compliant. | Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed. | The directors of the company observes and complies with the requirement as demonstrated in previous years. | |

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|--|---------------------------|---|--|-------------------------------------|
| Optional Principle 4 | | | | |
| 1. Company does not have executive directors who serve in more than two boards of listed companies outside of the group. | Compliant. | | | |
| 2. Company's schedules board of directors meetings before the start of the financial year. | Compliant. | | A proposed schedule of board meetings for the entire year is sent out to all directors before the start of the year. Requests for resetting are considered and the notice of the actual board meeting date is sent out at least a week before the meeting. | |
| 3. Board of directors meet at least six times during the year. | Compliant. | Indicate the required number of board meetings during the year and provide proof. | <p>The Board of Directors held five (5) regular, and one (1) organizational meeting in 2024. The details of attendance of each director in these board meetings are posted in the company website and included in the 2024 Annual Report. The details of the significant resolutions taken up during the meetings are in Annex F of the 2024 Information Statement (SEC Form 20 – IS) found in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |
| 4. Company requires as minimum quorum of at least 2/3 for board decisions. | Compliant. | Indicate the required minimum quorum for board decisions. | Board decisions are always made during board meetings. Items such as the approval of minutes of previous board meeting, adjournment, etc. are approved by the Board. Requiring at least 2/3 quorum for Board decisions will thus apply to approval even of matters taken up in due course. Until such time as the Corporation is able to identify specific decisions that, to the benefit of the Corporation and its stockholders, should require 2/3 quorum, the current majority quorum requirement is implemented. In any event, the company has seven (7) Independent Directors to ensure protection of stockholder and stakeholder interest. | |

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|--|---------------------------|---|--|-------------------------------------|
| Principle 5: The board should endeavour to exercise an objective and independent judgment on all corporate affairs. | | | | |
| Recommendation 5.1 | | | | |
| The Board has at least 3 independent directors or such number as to constitute one third of the board whichever is higher. | Compliant. | Provide information or link/reference to a document containing information on the number of independent directors in the board. | <p>Following the ASM on April 19, 2019, one (1) additional female Independent Director was elected. As of reporting date December 31, 2024, the company has seven (7) Independent Directors constituting more than 1/3 of its 15 board seats. This information is also found in the 2024 Information Statement (SEC Form 20 – IS), the 2024 Annual Report and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| Recommendation 5.2 | | | | |
| 1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions. | Compliant. | Provide information or link/reference to a document containing information on the qualifications of independent directors. | <p>The qualifications of the company's elected Independent Directors are found in their respective Certificates of Independent Directors attached to the SEC Form 20 - Information Statement, in the 2024 Annual Report and in the company's website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |

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|--|---------------------------|--|---|-------------------------------------|
| | | | <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |
| Supplement to Recommendation 5.2 | | | | |
| 1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently. | Compliant. | Provide information or link/reference to a document containing information that directors are not constrained to vote independently. | <p>The company has no shareholder agreements, by-laws provisions or other arrangements that constrain the directors' ability to vote. Directors are expected to exercise independent judgment in performing their duties and responsibilities, including when voting on board matters. The by-laws of the company can be found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#articles-of-incorporation-and-by-laws</p> | |
| Recommendation 5.3 | | | | |
| 1. The independent directors serve for a cumulative term of nine years (reckoned from 2012). | Compliant. | Provide information or link/reference to a document showing the years IDs have served as such. | The period of service that the Independent Directors have served in such capacity is found in their Certificate of Independent Director attached to the 2024 Information Statement (SEC Form 20 – IS) and in the 2024 Annual Report found in the website. As of December 31, 2024, on the average, the independent directors of the company has served no more than eight (8) years from 2012. | |

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|--|---------------------------|---|---|-------------------------------------|
| | | | <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</i></p> | |
| 2. The company bars an independent director from serving in such capacity after the term limit of nine years. | Compliant. | Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director. | <p>In March 2018, the company further amended its Manual on Corporate Governance to implement the cumulative term limit of nine years (reckoned from 2012) for Independent Directors. This policy statement is found on page 31 of the Manual. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| 3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders meeting. | Compliant. | Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting. | <p>As of reporting date, the company's independent directors have not exceeded the nine-year limit. The company keeps track of the period of service rendered by its Independent Directors counted from reckoning date of 2012. The company will provide meritorious reasons and seek stockholders' approval when such condition happens.</p> | |
| Recommendation 5.4 | | | | |
| 1. The positions of Chairman of the board and Chief Executive Officer are held by separate individuals. | Compliant. | Identify the company's Chairman of the Board and Chief Executive Officer | <p>As of reporting date December 31, 2024, the company's Chairman of the Board and Chief Executive Officer is Mr. Ramon R. del Rosario, Jr. In reference to recommendation 5.5, the Board has appointed and re- appointed Mr. Juan B. Santos as the Lead Independent Director of the company since 2021.</p> | |

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| 2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities. | Compliant. | <p>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</p> <p>Identify the relationship of Chairman and CEO.</p> | <p>The roles and responsibilities of the Chairman of the Board and the Chief Executive Officer are contained in the Manual on Corporate Governance and the Performance Assessment templates.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>The Chairman of the Board presides at all meetings of the Board of Directors and stockholders. The Chairman is responsible for leadership in the Board.</p> <p>The Chief Executive Officer is responsible for the general supervision of the company's business, properties and affairs and managing it within the authorities delegated by the Board.</p> | |
| Recommendation 5.5 | | | | |
| 1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors. | Compliant. | <p>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</p> <p>Indicate if Chairman is independent.</p> | <p>The board has appointed and re-appointed Mr. Juan B. Santos as the Lead Independent Director of the company.</p> <p>The roles and responsibilities of the Lead Independent Director are contained in the Manual on Corporate Governance in page 32.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| Recommendation 5.6 | | | | |
| 1. Directors with material interest in transaction affecting the corporation abstain from taking part in the deliberations on the transaction. | Compliant. | <p>Provide proof of abstention, if this was the case.</p> | <p>In 2024, there were no transactions brought for the board's approval where any director had material interest in.</p> | |

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|---|---------------------------|---|--|-------------------------------------|
| Recommendation 5.7 | | | | |
| 1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions without any executive directors present. | Compliant. | Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings. | 1. The non-executive directors (NEDs) held a separate meeting with the external auditor, the Chief Audit Executive, the Chief Compliance Officer and Chief Risk Officer on December 10, 2024, without any executive directors. Updates on compliance and governance, audit (external and internal) and risk were presented to the Directors. The Non-executive directors made their comments on management's performance in meeting the Company's goals and objectives. 2. The meeting was chaired by Mr. Juan B. Santos, as the Lead Independent Director. | |
| 2. The meetings are chaired by the lead independent director. | Compliant. | | | |
| Optional Principle 5 | | | | |
| 1. None of the directors is a former CEO of the company in the past 2 years. | | Provide name/s of company CEO for the past 2 years. | | |
| Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body and assess whether it possesses the right mix of backgrounds and competencies. | | | | |
| Recommendation 6.1 | | | | |
| 1. Board conducts an annual self-assessment of its performance as a whole. | Compliant. | Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees. | The board self-assessment exercise for the year 2024 was completed in February 2025. All fifteen (15) directors of the company participated in the online assessment exercise. The assessment included evaluation of the Board as a whole, self- assessment of Individual Directors, self- assessment of the Chairman of the Board, Board Committees and Key Management Officers. | |
| 2. The Chairman conducts a self-assessment of his performance. | Compliant. | | | |

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|--|---------------------------|--|--|-------------------------------------|
| 3. The individual members conduct a self-assessment of their performance. | Compliant. | | Information on the Board Performance Self-Assessment are available on the Company's Annual Report and in the Company's website. | |
| 4. Each committee conducts a self-assessment of its performance. | Compliant. | | 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 | |
| 5. Every three years, the assessments are supported by an external facilitator. | Compliant. | Identify the external facilitator and provide proof of use of an external facilitator. | For the performance year 2022, the assessments were evaluated by Good Governance Advocates and Practitioners of the Philippines (GGAPP), an independent third-party board evaluation facilitator. | |
| Recommendation 6.2 | | | | |
| 1. Board has in place a system that provides at the minimum criteria and process to determine the performance of the Board, individual directors and committees. | Compliant. | Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders. | The Board adopted a self-assessment performance evaluation process that used a five-point rating scale (5-Excellent to 1-Poor) to evaluate the performance of the Board as a body, the Board Committees, individual directors, Chairman of the Board and Key Officers. The criteria used in this assessment covered the key areas of governance, based on the duties and responsibilities listed in the Manual on Corporate Governance, Board Charter, and other relevant company policies. Fields for comments and suggestions to improve board performance are also included in the self-assessment. | |
| 2. The system allows for a feedback mechanism from the shareholders. | Compliant. | | The board self-assessment was conducted starting in 2018 for the calendar year 2017. During the Annual Shareholders Meeting, shareholders can raise any comment on board's performance. The board opens the floor for any questions on the company operations and performance of the board. Feedback from shareholders may also be done through the Investor Relations Office of the company, the contact details of which are included in the annual report and in the website. https://www.phinma.com.ph/investor-relations-program/ | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|--|-------------------------------------|
| Principle 7: Members of the Board are duty-bound to apply high-ethical standards, taking into account the interests of all stakeholders. | | | | |
| Recommendation 7.1 | | | | |
| 1. Board adopts a Code of Business Conduct and Ethics which provide standards for professional and ethical behaviour, as well as, articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company. | Compliant. | Provide information on or link/reference to the company's Code of Business Conduct and Ethics. | <p>The Code of Business Conduct and Ethics of the company contains policies on professional decorum, conflict of interest and penalties for violations.</p> <p>Directors, officers and employees are required to always act in the best interest of the company. As a matter of policy, every director, officer and employee of the company should avoid any situation that could interfere or appear to interfere with their independent judgment in performing their duties. The Code of Business Conduct and Ethics is found in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics</p> | |
| 2. The Code is properly disseminated to the Board, senior management and employees. | Compliant. | Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. | <p>The Manual on Corporate Governance and Code of Conduct and Ethics are available to all directors and employees in the website. The Employee Handbook are provided to employees and officers of the company to serve as their guide. Yearly, the Integrity Assurance team requires the submission of the Integrity Assurance Form (disclosure form) by all directors, officers and employees. Lastly, policies under the Integrity Assurance Program are also uploaded to the company's website.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>Code of Business Conduct and Ethics: https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics</p> <p>Integrity Assurance Program: https://www.phinma.com.ph/integrity-assurance-program/</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|---|-------------------------------------|
| 3. The Code is disclosed and made available to the public through the company website. | Compliant. | Provide a link to the company's website where the code of Business Conduct and Ethics is posted / disclosed. | The company's Code of Business Conduct and Ethics is found in the company's website. https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics | |
| Supplement to Recommendation 7.1 | | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes. | Compliant. | Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery | The company's anti-bribery and corruption policies are contained in its Gifts and Gratuities Policy, Anti-Fraud Policy and under the Code of Business Conduct and Ethics and are available in the Company website. https://www.phinma.com.ph/corporate-governance/#company-policies https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics | |
| Recommendation 7.2 | | | | |
| 1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | Compliant. | Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. | The implementation and strict compliance of the company's code of ethics is overseen by the Integrity Assurance and Human Resource Teams. https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics The Integrity Assurance Team is in charge of confirming that all covered officers and employees required to fill- up and submit the Integrity Assurance Form upon employment and every year thereafter complies with the same. In instances when any of the information disclosed has changed, the covered officer or employee has the obligation to amend his Integrity Assurance Form accordingly. The form details information regarding aspects of an employee's personal and/or professional dealings that may be in conflict with the said program. | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| | | | The Human Resources Team deals with guaranteeing that all employees are made aware of the Company's core values, prescribed work attitude as well as penalties and sanctions to be incurred in the event of a violation. | |
| 2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies. | Compliant. | Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance. | The Code of Business Conduct and Ethics applies to all directors, officers and employees of the company including its vendors and suppliers. https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics | |
| DISCLOSURE AND TRANSPARENCY | | | | |
| Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with the best practices and regulatory expectations. | | | | |
| Recommendation 8.1 | | | | |
| 1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations. | Compliant. | Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders | <p>The Corporate Disclosures Procedure Manual describes the standard procedures to be followed in the management of required corporate disclosures in compliance with PSE and SEC rules and regulations. The procedure manual also covers the submission of information on transactions / dealings of directors and officers on the company's securities. The procedure manual applies to all officers and employees of the company in charge of corporate disclosure responsibilities. The procedure manual details the disclosure process including the work instructions, identifying the assigned person for disclosure, the deadlines per type of disclosures and sources of data for the reports.</p> <p>The company's policies and procedures on corporate Disclosure are found in the Manual on Governance and detailed in the Corporate Disclosure Procedure Manual which are uploaded to the company's website.</p> <p>Corporate Disclosure Procedure Manual: https://www.phinma.com.ph/corporate-governance/#company-policies</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|---|-------------------------------------|
| | | | Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |
| Supplement to Recommendations 8.1 | | | | |
| 1. Company distributes or makes available annual or quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period. | Compliant. | Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively. | <p>The company complies with the SEC-mandated submission of its Annual Report (SEC Form 17-A). The Company filed for an extension to submit its 2024 Annual Report on April 15, 2025. The 2024 Annual Report was filed and published on April 25, 2025. A revised SEC 17-A (Annual Report) was submitted to the PSE and SEC on April 30, 2025.</p> <p>The quarterly reports are submitted within 45 calendar days from end of quarter. The company believes that it complies with the principle of the recommendation on having disclosure policies and procedures that are practical and in accordance with the best practices and regulatory expectations.</p> <p>Information on the Company's quarterly reports are disclosed in the Company's website: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-Q (Quarterly Report) > Year</p> | |
| 2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders voting power and overall equity position in the company. | Compliant. | Provide link or reference to the company's annual report where the following are disclosed: 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. | <p>The company's controlling shareholders and cross-holdings among company affiliates are found in the 2024 Annual Report (SEC Form 17-A). None of the directors and officers own five percent (5%) or more of the outstanding capital stock of the company.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|--|-------------------------------------|
| Recommendation 8.2 | | | | |
| 1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days. | Compliant. | <p>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</p> <p>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</p> | <p>The company's Corporate Disclosure Policy requires that all directors and principal officers shall submit the duly signed and accomplished SEC Form 23-B (Report on Beneficial Ownership) to the Compliance unit within 24 hours from transaction date. This policy statement is found on page 6 of the Corporate Disclosure Procedure Manual which is uploaded to the website.</p> <p>Corporate Disclosure Procedure Manual: https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>The company's Public Ownership Report as of December 31, 2024 and latest SEC 23 B reports of directors and officers that dealt in the company's shares in 2024 are uploaded to the company's website.</p> <p>SEC 23 B Reports: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC 23 A B (Statement of Beneficial Ownership)> Year</p> <p>Public Ownership Report: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > Other Disclosures to SEC, PSE and other Pertinent Agencies> 2024</p> | |
| 2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days. | Compliant. | | | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|---|---|-------------------------------------|
| Supplement to Recommendation 8.2 | | | | |
| 1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buyback program) | Compliant. | <p>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</p> <p>Provide link or reference to the company's Conglomerate Map.</p> | <p>The company's conglomerate map as of December 31, 2024 is found in the 2024 Information Statement and also found in the website. https://www.phinma.com.ph/our-company/</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>The company's directors, officers and controlling shareholders submit their SEC Form 23-B within the required date or on a monthly basis as applicable.</p> <p>SEC 23 B Reports: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC 23 A B (Statement of Beneficial Ownership> Year</i></p> <p>The company's Top 100 Shareholders and Public Ownership Report are uploaded in the website. https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Other Disclosures to SEC, PSE and Other Pertinent Agencies > Year</i></p> <p>Disclosures relating to the company's Share Buy-Back Program are uploaded in the website.</p> <p>Share Buy-Back: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Share Buy- Back > Year</i></p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|---|-------------------------------------|
| Recommendation 8.3 | | | | |
| 1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications and assess any potential conflict of interest that might affect their judgment. | Compliant. | Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. | <p>Information on directors' academic qualifications, membership in other boards, other executive positions, professional experience and expertise are found in the 2024 Information Statement (SEC Form 20 - IS), in the 2024 Annual Report and in their Certificates of Independent Director found in the website.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>The directors' shareholdings in the company are disclosed in the 2024 Information Statement (SEC Form 20 - IS).</p> | |
| 2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflict of interest that might affect their judgment. | Compliant. | Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. | <p>Information on key officers' academic qualifications, membership in other boards, other executive positions, professional experiences and expertise are found in the 2024 Information Statement (SEC Form 20 - IS).</p> <p>The officers' shareholdings in the company are disclosed in the 2024 Information Statement (SEC Form 20 - IS).</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|---|
| Recommendation 8.4 | | | | |
| 1. Company provides a clear disclosure of its policies and procedures for setting Board remuneration, including the level and mix of the same. | Compliant. | Disclose or provide link reference to the company policy and practice for setting board remuneration. | The directors are paid a bonus based on the net income of the company for each calendar year. There are no other existing arrangements/ agreements to which said directors are to be compensated during the last completed calendar year and the ensuing year. The company's practice for setting board remuneration is provided in the 2024 Annual Report (SEC Form 17 - A). https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 | |
| 2. Company provides a clear disclosure of its policies and procedures for setting executive remuneration, including the level and mix of the same. | Compliant. | Disclose or provide link reference to the company policy and practice for determining executive remuneration. | The compensation received by Officers who are not members of the Board of Directors of the company represents salaries, bonuses and other benefits. The compensatory plan or arrangement for officers is provided in the 2024 Annual Report (SEC Form 17 - A). https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 | |
| 3. Company discloses the remuneration on an individual basis, including termination and retirement provision | Non-Compliant | Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO. | | The company discloses the remuneration of directors and principal officers on an aggregate basis. The directors receive per diem and bonus based on a percentage of the net income of the company for each calendar year. There are no other existing arrangements/ agreements to which said directors are to be compensated during the last completed calendar year and the ensuing year. The company discloses the compensation paid to its directors and top four management officers in the |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|---|---|
| | | | | 2024 Annual Report (SEC Form 17 – A). We believe that this submission complies with the spirit of the recommendation minimizing possible risks to directors and officers. |
| Recommendation 8.5 | | | | |
| 1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance. | Compliant. | <p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> | <p>The Related Party Transaction Policy is uploaded in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>The RPT policy is also found on page 20 of the company's Manual on Corporate Governance uploaded to the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| 2. Company discloses material or significant RPTs reviewed and approved during the year. | Compliant. | <p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 8. the required approval (i.e. names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. other terms and conditions | <p>The significant related party transactions entered into by the company with its associates and entities under common control and the amounts included in the consolidated financial statements with respect to such transactions are found in the 2024 Annual Report (SEC Form 17-A).</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>As of December 31, 2024, no related party transaction has reached the materiality threshold for disclosure to SEC and PSE.</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|---|--|-------------------------------------|
| Supplement to Recommendation 8.5 | | | | |
| 1. Company requires directors to disclose their interests in transactions or any other conflicts of interests. | Compliant. | Indicate where and when directors disclose their interests in transactions or any other conflicts of interests. | In compliance with the Company's Corporate Disclosure Manual, the directors are required to disclose their interests in transactions or any other conflicts of interests. The procedures are contained in the Company's Corporate Disclosure Manual disclosed in the Company's website. Corporate Disclosure Procedure Manual: https://www.phinma.com.ph/corporate-governance/#company-policies | |
| Optional Recommendation 8.5 | | | | |
| 1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length | Compliant. | Provide link or reference where this is disclosed, if any. | The significant related party transactions entered into by the company with its associates under common control are disclosed in the 2024 Information Statement (SEC Form 20 – IS). 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024 These RPTs are all in compliance with the RPT policies of the company that includes terms that are at fair and at arms-length basis. | |
| Recommendation 8.6 | | | | |
| 1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. | Compliant. | Provide link or reference where this is disclosed. | Material information or transactions disclosed by the company to SEC and PSE through SEC Form 17-C are enclosed as Annex C to the Annual Report (SEC Form 17– A) and uploaded to the company's website. 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 The company has a Corporate Disclosures Policy Manual which directors and key management are required to follow. https://www.phinma.com.ph/corporate-governance/#company-policies | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|---|---|-------------------------------------|
| 2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets. | Compliant. | Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any. | The company discloses its policies in the determination of fair value in its 2024 Annual Report. Details on the acquisitions and disposal of assets transacted by the company in 2024 are found in the 2024 Annual Report (SEC Form 17-A). 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures | |
| Supplement to Recommendation 8.6 | | | | |
| 1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control ownership, and strategic direction of the company. | Compliant. | Provide link or reference where those are disclosed. | There are no shareholder agreements that may have impact on the control, ownership and strategic direction of the company. | |
| Recommendation 8.7 | | | | |
| 1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG). | Compliant. | Provide link to the company's website where the Manual on Corporate Governance is posted. | The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance and Corporate Disclosures Procedure Manual found in the website. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance The Manual on Corporate Governance is complemented by the Corporate Disclosure Manual which describes the standard procedures to be followed in the management of required corporate disclosures in compliance with applicable rules and regulations. | |
| 2. Company's MCG is submitted to the SEC and PSE. | Compliant. | | | |
| 3. Company's MCG is posted on its company website. | Compliant. | | | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|---|--|-------------------------------------|
| Supplement to Recommendation 8.7 | | | | |
| 1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices. | Compliant. | Provide proof of submission | <p>The Manual on Corporate Governance was amended in 2017 to comply with the new Code of Corporate Governance and the amended manual was submitted to the PSE and SEC in May 2017. The Manual was further amended in March 2018, November 2020 and November 2022. Copies of the revised manual were submitted to the PSE and SEC and uploaded to the website in the same month.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| Optional: Principle 8 | | | | |
| 1. Does the company's Annual Report disclose the following information: | | Provide link or reference to the company's Annual Report containing the said information. | <p>The company's 2024 Annual Report is uploaded in its website.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| a. Corporate Objectives | Compliant. | | | |
| b. Financial performance indicators | Compliant. | | | |
| c. Non-financial performance indicators | Compliant. | | | |
| d. Dividend policy | Compliant. | | | |
| e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors | Compliant. | | | |
| f. Attendance details of each director in all directors meetings held during the year | Compliant. | | | |
| g. Total remuneration of the board of directors | Compliant. | | | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|---|--|-------------------------------------|
| 2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue. | Compliant. | Provide link or reference where this is contained in the Annual Report. | <p>The Company substantially complies with the principles and best practices contained in the Code of Corporate Governance.</p> <p>As of December 31, 2024, there were no sanctions imposed on any director, officer or employee for non-compliance.</p> <p>This information is also disclosed in the Corporate Governance section of the 2024 Annual Report.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| 3. The Annual Report / Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems. | Compliant. | Provide link or reference where this is contained in the Annual Report. | <p>The Audit and RPT Committee assists the board in its oversight responsibilities on financial reporting process, assessment of internal controls, the audit process, risk management process, and the company's process for monitoring compliance with laws and regulations. The Audit and RPT Committee discloses on the 2024 Annual Report that it has reviewed the audit reports submitted by the Group Internal Audit and found that the company's internal control system is generally adequate and effective. The committee certifies that it held meetings to review key emerging risks.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
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| 4. The Annual Report / Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems. | Compliant. | Provide link or reference where this is contained in the Annual Report. | <p>The Audit and RPT Committee reviewed the organization and performance of Group Internal Audit for 2024 and found them to be sufficiently independent and effective. Based on the Internal Audit plan, the Committee received and reviewed the audit reports submitted by Group Internal Audit and found that the Company's internal control system is generally adequate. This report can be found in the 2024 Annual Report.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| 5. The company discloses in the Annual Report the key risks to which the company is materially-exposed to (i.e. financial, operational including IT, environmental, social, and economic). | Compliant. | Provide link or reference where these are contained in the Annual Report. | <p>The risks related to the company's business and operations are discussed in the 2024 Annual Report.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |
| Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality. | | | | |
| Recommendation 9.1 | | | | |
| 1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal and fees of the external auditors. | Compliant. | Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the external auditors. | <p>The Audit and RPT Committee is tasked to review the annual assessment of external auditor prepared by management which becomes the basis for the recommendation for re-appointment of the external auditor for the succeeding year. This information is contained in the Charter of the Audit & RPT Committee disclosed in the Company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
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| 2. The appointment, re-appointment, removal and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders. | Compliant. | Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditors. | <p>The Audit and RPT Committee in its report to the Board of Directors proposes the re-appointment of the external auditor for the subsequent year. This is found in the 2024 Annual Report (SEC Form 17-A).</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>The percentage of shareholders that ratified the appointment is recorded in the Minutes of Annual Stockholders' Meeting uploaded in the company's website. https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General or Special Stockholders' Meeting > 2024</p> | |
| 3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures. | Compliant. | Provide information or link/reference to a document containing the company's reason for removal or change of external auditor. | <p>The Board of Directors of PHINMA Corporation, at its meeting held on Aug. 8, 2023, approved the appointment of a new External Auditor for 2024. The appointment of the new External Auditor was ratified at the Annual Stockholders' Meeting on April 23, 2024.</p> <p>The Audit Committee, the Board of Directors and the stockholders of PHINMA Corporation approved the engagement of PwC Philippines Isla Lipana and Company as the Company's external auditor for CY 2024. The appointment of PwC Philippines Isla Lipana and Company as External Auditor for the calendar year ending December 31, 2024 is pursuant to PHINMA Corporation's current corporate governance principles and requirements on the periodic review of an external auditor's appointment, as contained in its Corporate Governance Manual. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |

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| Supplement to Recommendation 9.1 | | | | |
| 1. Company has a policy of rotating the lead audit partner every five years. | Compliant. | Provide information or link/reference to a document containing the policy of rotating the lead audit partner every five years. | The policy of rotating the lead auditor every five years is in the Audit and RPT Committee Charter. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |
| Recommendation 9.2 | | | | |
| 1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. Exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. | Compliant. | Provide link/reference to the company's Audit Committee Charter | These responsibilities are all contained in the Audit and RPT Committee Charter and is disclosed in the company's website. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |
| 2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis. | Compliant. | Provide link/reference to the company's Audit Committee Charter | This responsibility is contained in the Audit and RPT Committee Charter and is in the company's website. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
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| Supplement to Recommendation 9.2 | | | | |
| 1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties and valuations of such transactions. | Compliant. | Provide link/reference to the company's Audit Committee Charter | <p>This responsibility is contained in the Audit and RPT Committee Charter and is in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| 2. Audit Committee ensures that the external auditor has adequate quality control procedures. | Compliant. | Provide link/reference to the company's Audit Committee Charter | <p>This responsibility is contained in the Audit and RPT Committee Charter and is in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| Recommendation 9.3 | | | | |
| 1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. | Compliant. | Disclose the nature of non-audit services performed by the external auditor, if any. | <p>The non-audit services performed by the External Auditor for the year 2024 are other assurance services that included valuation study, transfer pricing study, and review of Stock Rights Offering (SRO) prospectus. All other non-audit services pertain to trainings and security risk assessment. These information including fees paid to the External Auditor for conducting non-audit services are disclosed in the Company's 2024 Annual Report in Annex F Supplementary Schedule of External Auditor Fee-Related Information.</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> | |

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|--|---------------------------|---|---|-------------------------------------|
| 2. Audit Committee stays 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. | Compliant. | Provide link or reference to guidelines or policies on non-audit services | The guidelines on engaging non-audit services is found in the Audit and RPT Committee Charter. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |
| Supplement to Recommendation 9.3 | | | | |
| 1. Fees paid for non-audit services do not outweigh the fees paid for audit services. | | | | |
| Additional Recommendation to Principle 9 | | | | |
| 1. Company's external auditor is duly-accredited by the SEC under Group A category. | Compliant. | Provide information on company's external auditor, such as: 1. name of the audit engagement partner; 2. accreditation number; 3. date accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm. | As of reporting date December 31, 2024, below are the information on the company's external auditor: 1. Audit Partner: Ms. Lois Gregorio- Abad 2-4: SEC A.N (individual) as general auditors 104589-SEC, Category A; valid to audit 2021 to 2025 financial statements 5. Name, address, contact number of the Audit Firm: PwC Philippines/Isla Lipana & Co. , 29th Floor AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Tel (632) 8845-2728 | |
| 2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA). | Compliant. | Provide information on company's external auditor, such as: 1. date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC. | 1. The Company's external auditor, was subjected to SOAR in October 2022 covering the audits of the December 31, 2021 financial statements. 2. Name of the Audit Firm: Isla Lipana & Co. 3. Members of the engagement team inspected by the SEC: The names of the members of the engagement team were provided to the SEC during the SOAR inspection. | |

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| Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed. | | | | |
| Recommendation 10.1 | | | | |
| 1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. | Compliant | Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues. | <p>Promoting social responsibility initiatives, with specific focus on community development, social progress, and environmental management, in accordance with all pertinent Philippine laws, rules and regulations is one of the duties and responsibilities of the board as mentioned on pages 2- 5 of the company's Board Charter.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> <p>For the reporting of material sustainability information, PHINMA complied with the SEC M.C. No. 4 Series of 2021 on Sustainability Reporting Guidelines for Publicly Listed Companies. The company's 2024 Annual and Sustainability Report is found in the website.</p> <p>https://www.phinma.com.ph/sustainability/</p> <p>The Sustainability Report for PHINMA Corporation, covers the calendar year 2024 and presents the performance of our strategic business units: PHINMA Inc., PHINMA Corporation, PHINMA Education Holdings Inc., PHINMA Property Holdings, Inc., PHINMA Solar Energy Corporation, Philcement Corporation, Union Galvasteel Corporation and PHINMA Hospitality, Inc. This is the fifth aggregated Sustainability Report measuring our sustainability performance on material issues under the triple bottom line of economic, social and environmental impacts. This inaugural report was prepared in accordance with the Global Reporting Initiative (GRI Standards: Core option).</p> | |

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|--|---------------------------|---|---|-------------------------------------|
| 2. Company adopts a globally-recognized standard/framework in reporting sustainability and non-financial issues. | Compliant. | Provide link to Sustainability Report, if any. Disclose the standards used. | <p>The Sustainability Report for PHINMA Corporation was submitted together with the company's 2024 Annual Report (SEC Form 17-A). This report was prepared in accordance with the Global Reporting Initiative (GRI Standards: Core option).</p> <p>In determining the GRI topics material to our stakeholders, materiality assessment was done in all strategic business units through questionnaire and focus group discussions. Topics were prioritized based on the level of influence of operations on our economic, social and environmental performance. We used the GRI- prescribed guideline in assessing the materiality for PHINMA.</p> <p>A copy of the 2024 Sustainability Report is uploaded in the company's website.</p> <p>https://www.phinma.com.ph/sustainability/</p> | |
| Principle 11: The Company should maintain a comprehensive and cost-efficient communication channels for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users. | | | | |
| Recommendation 11.1 | | | | |
| 1. Company has media and analysts' briefings as channels of communications to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors. | Compliant. | Disclose and identify the communication channels used by the company (i.e. website, Analyst's briefing, media briefings/press conferences, quarterly reporting, current reporting, etc.). Provide links if any. | <p>The company uploads presentation materials used in Analyst Briefings and Earnings Call including the video recordings to the company's website.</p> <p>https://www.phinma.com.ph/reference-materials/</p> | |

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|--|---------------------------|---|---|-------------------------------------|
| 1. Company has media and analysts' briefings as channels of communications to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors. | Compliant. | Disclose and identify the communication channels used by the company (i.e. website, Analyst's briefing, media briefings/press conferences, quarterly reporting, current reporting, etc.). Provide links if any. | The company uploads presentation materials used in Analyst Briefings and Earnings Call including the video recordings to the company's website. https://www.phinma.com.ph/reference-materials/ | |
| Supplement to Principle 11 | | | | |
| 1. Company has a website disclosing up to date information on the following: | | Provide link to company website. | PHINMA Corporation's website: https://www.phinma.com.ph/ The following are promptly posted to the company's website. a. Financial statements/reports (latest quarterly) https://www.phinma.com.ph/corporate-governance/#company-disclosures b. Materials provided in briefings to analysts and media https://www.phinma.com.ph/reference-materials/ c. Downloadable annual report https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > Year</i> d. Notice of ASM and/or SSM https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Notice of Annual or Special Stockholders Meeting > year</i> e. Minutes of ASM and/or SSM https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General and Special Stockholders Meeting > Year</i> | |
| a. Financial statements/reports (latest quarterly) | Compliant. | | | |
| b. Materials provided in briefings to analysts and media | Compliant. | | | |
| c. Downloadable annual report | Compliant. | | | |
| d. Notice of ASM and/or SSM | Compliant. | | | |
| e. Minutes of ASM and/or SSM | Compliant. | | | |
| f. Company's Articles of Incorporation and By-Laws | Compliant. | | | |

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|--|---------------------------|---|--|-------------------------------------|
| | | | f. Company's Articles of Incorporation and By-Laws https://www.phinma.com.ph/corporate-governance/#articles-of-incorporation-and-by-laws | |
| Additional Recommendation to Principle 11 | | | | |
| 1. Company complies with SEC-prescribed website template | Compliant. | | The company's website complies with the content requirements of the SEC-prescribed website template. There are some variances in the headers used but the information, reports and disclosures that are required to be posted are all uploaded to the website. | |
| INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT FRAMEWORK | | | | |
| Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework. | | | | |
| Recommendation 12.1 | | | | |
| 1. Company has an adequate and effective internal control system in the conduct of its business. | Compliant. | List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system. | The Internal Audit team reviews and updates the audit plan during their mid-year planning based on the results of completed engagements and recent developments or issues encountered. On a quarterly basis, the Internal Audit team reports results and updates on the audit plan. Audit plans and scope of the audits are then presented to the Audit and RPT Committee on an annual basis for review and approval. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters The Audit and RPT Committee reports on the adequacy and effectiveness of the internal controls system in its Committee Report found in the 2024 Annual Report. | |

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|---|---------------------------|---|---|-------------------------------------|
| 2. Company has an adequate and effective internal control system and enterprise risk management framework in the conduct of its business. | Compliant. | <p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p>Indicate frequency of review of the enterprise risk management framework.</p> | <p>The Company has an Enterprise Risk Management Program which provides a framework for a coordinated effort among the company's board of directors, management, employees, and advisors aimed at the management of risks which could prevent the achievement of business objectives.</p> <p>https://www.phinma.com.ph/enterprise-risk-management/</p> <p>The company adopts a risk philosophy aimed at maximizing business opportunities and minimizing adverse outcomes, thereby enhancing shareholder value by effectively balancing risks and rewards. The company recognizes risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives. It improves decision-making, defines opportunities and mitigates material events that may impact shareholder value.</p> <p>The company's philosophy of risk management has its foundation in the concept that taking risks is required in order to seek rewards and fulfil the company's mission. However, these risks should be continuously identified and assessed to ensure that effective mitigation strategies are employed to the greatest extent possible.</p> <p>A discussion on the management of the financial risks the company is exposed to particularly on credit risk, liquidity risk, market risk, foreign currency risk, interest rate risk and equity price risk in the 2024 Information Statement (SEC Form 20-IS).</p> <p>Key risks and how the company manages these risks are also discussed in the 2024 Information Statement and 2024 Annual Report.</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON- COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
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| | | | <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A > 2024</i></p> <p>The Risk Oversight Committee requires all SBUs to assess the status of their key risks on a semi-annual basis. The results of these assessments, together with the corresponding mitigation strategies, are presented by the SBU Heads themselves to the Risk Oversight Committee.</p> <p>On March 21, 2013, the Executive Committee, approved and mandated the implementation of the Business Continuity Management which has been renamed since then as Business Resiliency Program. The program provides governance framework to develop business resiliency, build capability to safeguard the interests of the key shareholders, as well as the reputation and value-creating activities of the company in all its functions and operations.</p> <p>Effective that same year, all member companies of the PHINMA Group undergo a risk assessment exercise on a semi-annual basis in coordination with the Business Resiliency program. The results of these assessments, together with the overall implementation of the risk management system, including the Business Resiliency Program, will be subject to a review of its adequacy and effectiveness by the Risk Oversight Committee.</p> | |

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|--|---------------------------|---|--|-------------------------------------|
| Supplement to Recommendations 12.1 | | | | |
| 1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually-reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances. | Compliant. | Provide information on or link/reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review. | <p>The company's compliance program is anchored on the Manual on Corporate Governance with detailed processes documented in the Corporate Disclosures Manual. Both manuals are subject to periodic review and amendment to comply with relevant laws and regulations.</p> <p>In June 2019, the Related Party Transactions policy was revised to align with the SEC M.C. No. 10 Series 2021 Rules on Material Related Party Transactions for PLCs.</p> <p>In February 2020, the Corporate Disclosures Manual was amended to include detailed procedures in reporting of material RPTs especially coming from SBUs, reporting of material information, and disclosures of press release. The new processes were presented to the representatives from different SBUs, Finance and Public Affairs.</p> <p>Manual on Corporate Governance: https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>Related Party Transactions Policy and Corporate Disclosures Manual: https://www.phinma.com.ph/corporate-governance/#company-policies</p> | |
| Optional Recommendations 12.1 | | | | |
| 1. Company has a governance process on IT issues including disruption, cyber-security and disaster recovery to ensure that all key risks are identified, managed and reported to the board. | Compliant. | Provide information on IT governance process. | The IT group of the company has policies and procedures in place to address issues on disruption, cyber-security and disaster recovery. These include putting in place hardware and software infrastructure to improve IT security, IT security awareness training for employees, periodic vulnerability testing, offsite backup data center, and reviews by IT security consultant. IT security and disruption issues are reported to senior management and critical issues and incidents, if any, will be reported to the Audit & RPT Committee. | |

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| Recommendation 12.2 | | | | |
| 1. Company has in place an independent internal audit function that provides an independent and objective assurance and consulting services designed to add value and improve the company's operations. | Compliant. | Disclose if the internal audit is in- house or outsourced. If outsourced, identify external firm. | <p>The company has an in-house Group Internal Audit which performs independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the company. It assists the company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance processes.</p> <p>https://www.phinma.com.ph/corporate-governance/#internal-audit-charter</p> | |
| Recommendation 12.3 | | | | |
| 1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. | Compliant. | Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities. | <p>The company's Chief Audit Executive is Ms. Ivy V. Villasquez-Bermas. She holds a Master's degree in Business Administration, a Bachelor of Science degree in Accountancy and is a Certified Public Accountant and a Certified Internal Auditor.</p> <p>https://www.phinma.com.ph/director/ivy-v-villasquez-bermas/</p> <p>The duties and responsibilities of the Chief Audit Executive are contained in the Audit & RPT Committee Charter.</p> <p>https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> | |
| 2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider. | Compliant. | | <p>The Chief Audit Executive oversees the internal audit activity of the company. The company has not outsourced any portion of the Internal Audit function.</p> <p>https://www.phinma.com.ph/corporate-governance/#internal-audit-charter</p> | |
| 3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity. | Not applicable. | Identify qualified independent executive or management personnel, if applicable. | The company has not outsourced the Internal Audit function. | |

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|--|---------------------------|--|---|-------------------------------------|
| Recommendation 12.4 | | | | |
| 1. Company has a separate risk management function to identify, assess and monitor key risk exposures. | Compliant. | Provide information on company's risk management function. | <p>A Business Resiliency Program is currently in place for the entire PHINMA Group. This program supersedes the previous Business Continuity Management program and expands its coverage further by going beyond the traditional confines of BCM and integrates Risk Management concepts with the disciplines of Disaster Response Planning, Crisis Management and Communications and Business Continuity Planning.</p> <p>The Risk Oversight Committee held its initial meeting on February 26, 2018. Its board-approved charter, containing its functions, is found in the company's website. In 2017, the oversight of risk management and audit functions were originally performed by a single committee, the Audit and Risk Oversight Committee.</p> <p>These two functions were eventually separated and assigned to two distinct committees, the Audit Committee and Risk Oversight Committee (ROC). To facilitate the continuity of risk-related discussions, the Audit Committee continued to perform the risk oversight functions up to the end of 2017.</p> <p>Risk management function is provided in the Risk Oversight Committee Charter disclosed in the Company's website. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters</p> <p>As of reporting date December 31, 2024, the company's risk management function is headed by its Chief Risk Officer Mr. Giles R. Katigbak. https://www.phinma.com.ph/director/giles-r-katigbak/</p> | |
| Supplement to Recommendation 12.4 | | | | |
| 1. Company seeks external technical support in risk management when such competence is not available internally. | Compliant. | Identify source of company's risk management function. | <p>As of reporting date December 31, 2024, the company's risk management function is headed by its Chief Risk Officer Mr. Giles R. Katigbak. https://www.phinma.com.ph/director/giles-r-katigbak/</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| Recommendation 12.5 | | | | |
| 1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM). | Compliant. | Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background. | As of reporting date December 31, 2024, the company's risk management function is headed by its Chief Risk Officer Mr. Giles R. Katigbak. https://www.phinma.com.ph/director/giles-r-katigbak/ | |
| 2. CRO has adequate authority, stature, resources and support to fulfill his / her responsibilities | Compliant. | | The duties and responsibilities of the Chief Risk Officer are contained in the Risk Oversight Committee Charter. https://www.phinma.com.ph/corporate-governance/#board-committees-and-charters | |
| Additional Recommendation to Principle 12 | | | | |
| 1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively. | Compliant. | Provide link to CEO and CAE's attestation. | The Audit and RPT Committee attests to the soundness of internal audit, control and compliance system in its Report to the Board of Directors as disclosed in the 2024 Annual Report. 2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024 | |
| CULTIVATING A SYNERGISTIC RELATIONSHIP WITH SHAREHOLDERS | | | | |
| Principle 13: The company should treat all shareholders fairly and equitably, and also recognize protect and facilitate the exercise of their rights | | | | |
| Recommendation 13.1 | | | | |
| 1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance. | Compliant | Provide link or reference to the company's Manual on Corporate Governance where shareholders rights are disclosed. | Shareholders' Rights are found on pages 44 to 47 of the Manual on Corporate Governance. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|--|-------------------------------------|
| 2. Board ensures that basic shareholder rights are disclosed on the company's website. | Compliant | Provide link to company's website | Shareholders' Rights are found on pages 44 to 47 of the Manual on Corporate Governance which is uploaded in the company's website. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |
| Supplement to Recommendation 13.1 | | | | |
| 1. Company's common share has one vote for one share. | Compliant | | The company's voting procedures is detailed in the 2024 Information Statement (SEC Form 20 – IS). 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i> | |
| 2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights, and transfer rights. | Compliant | Provide information on all classes of shares, including their voting rights, if any. | The company only has common shares which carry one vote per share. | |
| 3. Board has an effective, secure and efficient voting system. | Compliant | Provide link to voting procedure. Indicate if voting is by poll or show of hands. | Voting is done by raising of hands or viva voce. All stockholders votes are counted and reported in the Minutes of Stockholders' Meetings. The company's voting procedures is also detailed on Appendix 1 of the 2024 Information Statement (SEC Form 20 – IS). 2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|--|-------------------------------------|
| 4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders. | Compliant | Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any. | <p>All other matters in the Agenda that require corporate action will require the affirmative vote of a majority of the issued and outstanding shares of the company's common stock present and represented and entitled to vote at the Shareholders' Meeting. Supermajority votes, e.g. 2/3 vote of stockholders, are required on items which requires such vote under the Corporation Code. The company's voting procedures is also detailed in the 2024 Information Statement (SEC Form 20 – IS).</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |
| 5. Board allows shareholders to call a special shareholders meeting and submit a proposal for consideration or agenda item at the AGM or special meeting. | Compliant | Provide information on how this was allowed by board (i.e. minutes of meeting, board resolution) | <p>Shareholders' Rights are found on pages 44 to 47 of the Manual on Corporate Governance.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> <p>The By-Laws of the company further provides that special meetings of stockholders may be called at the request of stockholders holding majority of the shares issued and outstanding, unless otherwise provided by law (Sec. 5 Article II). The Bylaws are uploaded in the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#articles-of-incorporation-and-by-laws</p> | |
| 6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders. | Compliant | Provide information or link/reference to the policies on treatment of minority shareholders | <p>Shareholders' Rights is found on page 44 to 47 of the Manual on Corporate Governance.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|--|-------------------------------------|
| 7. Company has a transparent and specific dividend policy | Compliant | <p>Provide information on or link/ reference to the company's dividend policy.</p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip dividends, indicate if the company paid the dividends within 60 days from declaration.</p> | <p>There is no restriction on the payment of dividends other than the availability of retained earnings following the SEC rule on calculation of available retained earnings for dividend declaration.</p> <p>The company declares cash or stock dividends to its common shareholders on a regular basis in amounts determined by the Board of Directors taking into consideration the results of the company's operations, its cash position, investments and capital expenditure requirements, and unrestricted retained earnings. The company also declares special cash dividends where appropriate. This information is also found in the 2024 Annual Report (SEC Form 17-A).</p> <p>2024 SEC Form 17-A (Annual Report) https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 17-A (Annual Report) > 2024</p> <p>On April 14, 2025 the company declared a cash dividend of P0.60 per share, payable on May 26, 2025.</p> | |
| Optional Recommendation 13.1 | | | | |
| 1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders Meeting. | Compliant | Identify the independent party that counted / validated the votes at the ASM, if any. | Stock Transfer Service, Inc. was appointed as the independent party to count and/or validate the votes at the Annual Stockholders Meeting. | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|---|-------------------------------------|
| Recommendation 13.2 | | | | |
| 1. Board encourages 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. | Compliant | <p>Indicate the number of days before the annual stockholders meeting or special stockholders' meeting when the notice and agenda were sent out.</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the agenda included in the company's Information Statement (SEC Form 20-IS)</p> | <p>The Notice and Agenda of the ASM held on April 23, 2024 were sent on March 26, 2024. This is also available in the company's website.</p> <p>https://www.phinma.com.ph/</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > Notice of Annual or Special Stockholders Meeting > (choose year)</p> | |
| Supplemental to Recommendation 13.2 | | | | |
| 1. Company's Notice of Annual Stockholders Meeting contains the following information: | | Provide link or reference to the company's Annual Shareholders' Meeting | <p>Notice of Stock Holders Meeting:</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > Notice of Annual Stockholders Meeting > Year</p> | |
| a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience and directorships in other listed companies) | Compliant | | <p>The profiles of directors are found in the company's website, the 2024 Information Statement (SEC Form 20 – IS) and in the 2024 Annual Report (SEC Form 17-A).</p> <p>https://www.phinma.com.ph/our-leaders/</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |
| b. Auditors seeking appointment /reappointment | Compliant | | <p>Mention of auditors seeking reappointment are disclosed in the 2024 Information Statement.</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|---|--|-------------------------------------|
| c. Proxy documents | Compliant | | <p>Proxy documents are attached to the 2024 Information Statement (SEC Form 20 – IS).</p> <p>2024 Information Statement: https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p><i>Company Disclosures > Dropdown > Select a Report from the list > SEC Form 20-IS > 2024</i></p> | |
| Optional Recommendation 13.2 | | | | |
| 1. Company provides rationale for the agenda items for the annual stockholders meeting | Compliant | Provide link or reference to the rationale for the agenda items. | <p>The agenda items and details are attached in the Notice of Annual Stockholders Meeting which is disclosed to the regulators and uploaded to the company's website.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Notice of Annual or Special Stockholders Meeting > (choose year)</i></p> | |
| Recommendation 13.3 | | | | |
| 1. Board encourages 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. | Compliant | Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM / SSM. | <p>Prompt disclosure of all material items taken at the Annual Shareholders' Meeting is sent to the SEC and the PSE. The detailed Minutes of the ASM is uploaded to the website within 5 calendar days from the meeting and contains all questions raised and answered and vote results of all items raised.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General and Special Stockholders Meeting > (choose year)</i></p> | |

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|---|---------------------------|---|---|-------------------------------------|
| 2. Minutes of the Annual and Special Shareholders' Meetings were available on the company's website within five business days from the end of the meeting. | Compliant | <p>Provide link to minutes of meeting in company's website.</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any.</p> | <p>Minutes of the Annual Stockholders Meeting is uploaded to the website within 5 calendar days after the ASM.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General and Special Stockholders Meeting > (choose year)</p> | |
| Supplement to Recommendation 13.3 | | | | |
| 1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM. | Compliant | <p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting.</p> | <p>Representatives of the company's external auditors, SGV & Co. and PwC/Isla Lipana & Company, the transfer agent, Stock Transfer Service, Inc. and all key management officers were present at the ASM as indicated in the minutes of the Annual Stockholders Meeting. This is documented in the Minutes of the ASM.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-disclosures</p> <p>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General and Special Stockholders Meeting > (choose year)</p> | |
| Recommendation 13.4 | | | | |
| 1. Board makes available, at the option of the shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. | Compliant | <p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes.</p> | <p>The Board has adopted to establish an alternative dispute resolution system for the amicable settlement of conflicts and differences among all stakeholders including the regulatory authorities. There has been neither dispute nor conflict between the corporation and its stockholders, third parties including regulatory authorities for the past three years. In the event that one arises, the company is committed to resolve the same by exhausting all diplomatic means available prior to resorting to legal measures.</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|--|-------------------------------------|
| 2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance. | Compliant | Provide link/reference to where it is found in the Manual on Corporate Governance. | The policy statement on alternative dispute resolution system is found on page 47 of the Manual on Corporate Governance. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |
| Recommendation 13.5 | | | | |
| 1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. | Compliant | Disclose the contact details of the officer/office responsible for investor relations such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address | Below are the details of the company's Investor Relations Officer which are also shown in the company's website and annual report: 1. Edmund Alan A. Qua Hiansen 2. Tel +632 8700130s 3. Fax +632 870 0456 4. eaquahiansen@phinma.com.ph / investorrelations@phinma.com.ph https://www.phinma.com.ph/investor-relations-program/ | |
| 2. IRO is present at every shareholders meeting | Compliant | Indicate if the IRO was present during the ASM. | The Investment Relations Officer was present at the 2022, 2023 and 2024 Annual Stockholders Meetings. This is documented in the Minutes of the ASM. https://www.phinma.com.ph/corporate-governance/#company-disclosures <i>Company Disclosures > Dropdown > Select a Report from the list > Minutes of all General and Special Stockholders Meeting > (choose year)</i> | |
| Supplemental Recommendation to Principle 13 | | | | |
| 1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group. | Compliant | Provide information on how anti- takeover measures or similar devices were avoided by the board, if any. | There are no anti-takeover measures or similar devices written or included in the Articles of Incorporation, Bylaws, Corporate Governance Manual and/or other written or oral rules or policies of the Corporation and no such measure or devices were taken up in 2024. Any proposal to implement anti-takeover measures or similar devices will be scrutinized by the Corporate Governance (CG) Committee prior to discussion at Board level. | |

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|--|---------------------------|---|---|-------------------------------------|
| 2. Company has at least thirty percent (30%) public float to increase liquidity in the market. | Compliant | Indicate the company's public float. | | |
| Optional Principle 13 | | | | |
| 1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting. | Compliant. | Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM. | The Company conducts quarterly Investor and Analysts Briefings wherein the Company highlights financial and operational developments for the relevant period. It is also a venue where questions can be raised to the key speaker from the Company. https://www.phinma.com.ph/reference-materials/ | |
| 2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting. | | Disclose the process and procedure for secure electronic voting in absentia, if any. | | |
| Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholder's rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights. | | | | |
| Recommendation 14.1 | | | | |
| 1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability. | Compliant. | Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders. | Shareholders' Rights are found on pages 44 to 47 of the Manual on Corporate Governance which is uploaded to the company's website. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |
| Recommendation 14.2 | | | | |
| 1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders. | Compliant. | Identify policies and programs for the protection and fair treatment of company's stakeholders. | Shareholders' Rights is found on pages 44 to 47 of the Manual on Corporate Governance which is uploaded to the company's website. https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| Recommendation 14.3 | | | | |
| 1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights. | Compliant. | Provide the contact details (i.e. name of the contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders. | Below are the details of the company's investor relations officer: 1. Edmund Alan A. Qua Hiansen 2. Tel +632 8700130 3. Fax +632 870 0456 4. eaquahiansen@phinma.com.ph investorrelations@phinma.com.ph https://www.phinma.com.ph/investor-relations-program/ The Company's whistleblowing policy is available on the Company's website under company policies: https://www.phinma.com.ph/corporate-governance/#company-policies | |
| Supplement to Recommendation 14.3 | | | | |
| 1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner. | Compliant. | Provide information on the alternative dispute resolution system established by the company. | There has been neither dispute nor conflict between the corporation and its stockholders, third parties including regulatory authorities for the past three years. In the event that one arises, the Company is committed to resolve the same by exhausting all diplomatic means available prior to resulting to legal measures. | |
| Additional Recommendations to Principle 14 | | | | |
| 1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason, for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation. | Compliant. | Disclose any requests for exemption by the company and the reason for the request. | The company has not sought any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason, for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation. | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|--|-------------------------------------|
| 2. Company respects intellectual property rights. | Compliant. | Provide specific instances, if any. | There were no issues in relation to Intellectual Property Rights (IPR) for 2024. The company observes IPR as it also secures protection of its IPR such as securing patents for its products. | |
| Optional Principle 14 | | | | |
| 1. Company discloses its policies and practices that address customers' welfare. | Compliant | Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same. | <p>Policies, programs and practices on customers' welfare are managed thru the strategic business units within PHINMA Group.</p> <p>For PHINMA Education, information on student support services are accessible in the websites of PHINMA schools.</p> <p>https://www.phinma.edu.ph/</p> <p>Araullo University: https://www.au.phinma.edu.ph/student-life</p> <p>Cagayan de Oro College: https://www.coc.phinma.edu.ph/student-life</p> <p>Southwestern University: https://swu.phinma.edu.ph/student-development/</p> <p>University of Pangasinan: https://up.phinma.edu.ph/</p> <p>University of Iloilo: https://ui.phinma.edu.ph/#</p> <p>Saint Jude College: https://sjc.phinma.edu.ph/student-life/</p> <p>Republican College: https://sis-rc.phinma.edu.ph/</p> <p>Rizal College of Laguna: https://laguna.phinma.edu.ph/</p> <p>Union College of Laguna: https://laguna.phinma.edu.ph/</p> <p>PHINMA Properties provides guides for homebuyers and sellers as well as lease management information and FAQs in its website.</p> | |

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|---|---------------------------|--|---|-------------------------------------|
| | | | https://phinmaproperties.com/buyers-guide/ https://phinmaproperties.com/sellers/ For the Construction Materials Group, information on its services and contact persons per product line are found in the website: https://www.ugc.ph/services/ www.unioncement.com.ph https://www.unionsolar.ph/ For the Hospitality Group, information on its services are found in the website: www.microtelphilippines.com https://tryp-manila.ph/ | |
| 2. Company discloses its policies and practices that address supplier/contractor selection procedures. | | Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same. | | |
| Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes. | | | | |
| Recommendation 15.1 | | | | |
| 1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance. | Compliant. | Provide information or link/reference to company's policies, programs and procedures that encourage employee participation. | Using the standard performance scorecard, the employees training and coaching needs are clearly identified as well as monitored thereby providing a solid background for numeric ratings by year end. Its "critical incident" component allows for transparency in terms of learning opportunities and action items. It also makes clear to the employee his/her individual objectives and the measurement of KPIs for the year. The self-development component of the performance assessment ensures employee engagement by self- identification of programs and trainings that will assist the employee in the achievement of their | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|---|---------------------------|--|--|-------------------------------------|
| | | | <p>goals for the year. Through the various Corporate Social Responsibility programs, the company seeks to create awareness and instill the value of service to others by providing opportunities for employees to join programs benefiting the community, the environment and its adopted beneficiaries.</p> <p>Employee participation is discussed in the Manual on Corporate Governance on pages 48 and 49.</p> <p>https://www.phinma.com.ph/corporate-governance/#manual-on-corporate-governance</p> | |
| Supplement to Recommendation 15.1 | | | | |
| 1. Company has a reward/ compensation policy that accounts for the performance of the company beyond short-term financial measures. | Compliant. | Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders. | The company has a Stock Purchase Plan to motivate the Senior Officers to achieve the Parent Company's goals, to help make the personal goals and corporate goals congruent and to reward the senior officers for the resulting increase in the value of PHN shares. | |
| 2. Company has policies and practices on health, safety and welfare of its employees. | Compliant. | <p>Disclose and provide information on policies and practices on health, safety and welfare of employees.</p> <p>Include statistics and data, if any.</p> | <p>The company has various policies and practices to promote the health, safety and welfare of its employees.</p> <p>RELATED POLICIES</p> <ol style="list-style-type: none"> 1. Anti-Sexual Harassment- RA 7877 2. Drug Free Workplace- DOLE Order 5303 3. HIV- AIDS in the workplace RA 8504 4. Special Leave for Women DO 112-11 5. Victims of Violence against Women and Children – RA 9262 6. Lactation Station 7. TB in the workplace 8. Hepa- B in the Workplace 9. Solo Parent Leave Dole Advisory No. 5 Series of 2010 <p>The policies related on health, safety and welfare of employees are disseminated to the employees</p> | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON- COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON- COMPLIANT ITEMS |
|---|----------------------------------|---|--|---|
| | | | <p>and available in the Company's internal and public website: https://www.phinma.com.ph/corporate-governance/#company-policies</p> <p>OTHER INITIATIVES ON EMPLOYEE WELFARE</p> <ol style="list-style-type: none"> 1. Annual Physical Exam in accredited clinics and hospitals 2. Annual Medicine Allowance 3. Health Insurance Coverage- employees are covered by an insurance, limit varies based on rank 5. Vacation and Sick Leave credits- Employees earn 1.25 VL and SL credit per month, equivalent to 15 days VL and 15 days SL per year 6. Group Insurance coverage including Accident and Burial, limit varies per rank 7. Flu vaccination for employees and dependents <p>In 2020 and 2021, as the company faced the challenges brought by COVID-19, PHINMA provided meaningful assistance to our employees and stakeholders in need Here are some of the initiatives of PHINMA and its subsidiaries to ensure a safe and secure workplace.</p> <ul style="list-style-type: none"> - Alternative Work Arrangements. - Health Screening. - Use of Facemasks and PPEs as required/necessary - Health and Safety Precautions. - Office Re-entry Protocols. SafePass monitoring system has been installed - Social Distancing Protocols - COVID Crisis Management Plan | |
| 3. Company has policies and practices on training and development of its employees. | Compliant. | Disclose and provide information on policies and practices on training and development of employees. Include any information on any training conducted or attended. | <p>Internet tools have been utilized to streamline communication to be able to connect people even when people are working from home. Trainings on security and proper use of technology such as webinars, teleconferencing and chat tools have been implemented to ensure smooth transition into the new normal.</p> <p>The company, thru its Human Resources unit, continues to guide new hires through the New Employees' Orientation Program which helps employees adjust better with the PHINMA culture.</p> | |

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|--|---------------------------|--|---|-------------------------------------|
| Recommendation 15.2 | | | | |
| 1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. | Compliant. | Identify or provide link/reference to the company's policies, programs and practices on anti-corruption. | <p>The company's anti-bribery and corruption policies are contained in its Gifts and Gratuities Policy and Whistleblowing and Anti-Retaliation policies are found in the website.</p> <p>https://www.phinma.com.ph/corporate-governance/#company-policies</p> | |
| 2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture. | Compliant. | Identify how the board disseminated the policy and program to employees across the organization. | <p>The implementation and strict compliance of the company's code of ethics is overseen by the Integrity Assurance and Human Resource Teams.</p> <p>https://www.phinma.com.ph/corporate-governance/#code-of-business-conduct-and-ethics</p> <p>- Integrity Assurance Program. This program strengthens PHINMA's ethical practices by reinforcing policies within the organization. It ensures that all employees uphold the value of integrity and follow PHINMA's Code of Business Conduct to prevent fraud, conflict of interests and other forms of corruption in Company.</p> <p>https://www.phinma.com.ph/integrity-assurance-program/</p> <p>- Vendor Integrity Program. This program aims at raising compliance standards and create awareness among all vendors about the Integrity Assurance Program and the Code of Business Conduct.</p> <p>- Data Privacy Awareness and Learning Sessions. This series of learning sessions aims to cascade Company guidelines and policies, as well as promote best practices, to improve data protection within the company.</p> | |

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|--|---------------------------|--|---|-------------------------------------|
| | | | The Human Resources Team deals with guaranteeing that all employees are made aware of the Company's core values, prescribed work attitude as well as penalties and sanctions to be incurred in the event of a violation. | |
| Supplement to Recommendation 15.2 | | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes. | Compliant. | Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy. | The company's anti-bribery and corruption policies are contained in its Gifts and Gratuities Policy and Whistleblowing and Anti-Retaliation policies are found in the website. https://www.phinma.com.ph/corporate-governance/#company-policies As of reporting date, there have been no material violations on company policies in relation to offering, paying and receiving bribes. | |
| Recommendation 15.3 | | | | |
| 1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation. | Compliant. | Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behaviour. | Through its Whistleblowing and Non-Retaliation Policy under the Integrity Assurance Program, the company provides a mechanism for reporting perceived and actual irregularities that are contrary to PHINMA's Core Values while providing appropriate protection for whistle-blowers from possible retaliation. The Whistleblowing and Non-retaliation policy is disclosed in the Company's website. https://www.phinma.com.ph/corporate-governance/#company-policies An Integrity Hotline has been launched, an independent, dedicated email facility provided by the Company for receiving Whistleblower reports. All reports submitted through this facility shall be received by the Integrity Officer and the PHINMA Group Internal Audit Head. | |

| SEC RECOMMENDED CORPORATE GOVERNANCE PRACTICE / POLICY | COMPLIANT / NON-COMPLIANT | ADDITIONAL INFORMATION (REQUIRED) | INFORMATION PROVIDED FOR COMPLIANT ITEMS | EXPLANATION FOR NON-COMPLIANT ITEMS |
|--|---------------------------|--|---|-------------------------------------|
| 2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. | Compliant. | | <p>All reports shall be investigated according to the PHINMA Response Plan. In the event that a whistleblowing report was made in bad faith, appropriate disciplinary or legal action shall be meted pursuant to the policies and procedures of PHINMA, and any applicable laws or regulations.</p> <p>The Whistleblowing and Non-retaliation policy is disclosed in the Company's website. https://www.phinma.com.ph/corporate-governance/#company-policies</p> | |
| 3. Board supervises and ensures the enforcement of the whistleblowing framework. | Compliant. | Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing. | On a yearly basis, the Integrity Officer is required to report to the Audit and RPT Committee any reports received from the facility. | |
| Principle 16: The company should be socially-responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development. | | | | |
| Recommendation 16.1 | | | | |
| 1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates. | Compliant. | Provide information or reference to a document containing information on the company's community involvement and environment related programs. | <p>PHINMA is strongly committed to improving the quality of life in areas where we operate. We believe that in creating inclusive growth in our partner communities, we can support sustainable development relevant to their culture and realities. Management approach disclosures for the material topics are discussed in the 2024 Sustainability Report.</p> <p>https://www.phinma.com.ph/sustainability/ Actual sustainability performance and data relevant to ESG are presented in the Sustainability Report.</p> <p>The company also provides for a dedicated page on its website to report on its Corporate Social Responsibility programs. https://www.phinma.com.ph/corporate-social-responsibility/</p> | |

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|---|---------------------------|--|---|-------------------------------------|
| Optional Principle 16 | | | | |
| 1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development | Compliant. | Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development. | <p>The company recognizes the impact of our operations on the environment and have created programs to mitigate its impact, aligned with national and local regulatory environmental laws. PHINMA and its subsidiaries implement measures on the responsible use of resources like water, energy and raw inputs, and on proper disposal of effluents and waste generated.</p> <p>The sustainability of our environment is crucial to the sustainability of our business.</p> <p>A full discussion on our management's approach with regard to the environment can be found in the Sustainability Report 2024.</p> <p>https://www.phinma.com.ph/sustainability/</p> | |
| 2. Company exerts effort to interact positively with the communities in which it operates | Compliant. | Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates. | <p>The company values the well-being of its workforce and provides avenues for its development. It is also vital to create safeguards to keep the organization whole amid a challenging business environment. Likewise, we also affirm our moral and social obligation to promote empowering growth to our stakeholders and to our local communities.</p> <p>A full discussion on our management's approach with regard to our people can be found in our Sustainability Report 2024.</p> <p>https://www.phinma.com.ph/sustainability/</p> | |

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report for 2024 is signed on behalf of the registrant by the undersigned, thereto duly authorized, in the City of Makati on _____ 2025.

SIGNATURES

Originally Signed

RAMON R. DEL ROSARIO, JR.
Chairman of the Board and CEO

Originally Signed

JUAN B. SANTOS
Lead Independent Director

Originally Signed

CIELITO F. HABITO
Independent Director

Originally Signed

ROLANDO D. SOLIVEN
Chief Compliance Officer

Originally Signed

MELITON B. SALAZAR, JR.
President and CEO

Originally Signed

RIZALINA G. MANTARING
Independent Director

Originally Signed

EDGAR O. CHUA
Independent Director

Originally Signed

LILIA B. DE LIMA
Independent Director

Originally Signed

DATO TIMOTHY ONG TECK MONG
Independent Director

Originally Signed

EDILBERTO C. DE JESUS
Independent Director

Originally Signed

TROY A. LUNA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this **MAY 20 2025** day of _____, 2025, affiants exhibiting to me their Competent Identification Certificates as follows:

| NAME | ID NUMBER | DATE OF ISSUE | PLACE OF ISSUE |
|----------------------------|-------------------------------------|-----------------|----------------|
| PHINMA Corporation | Corporate TAX ID No. 000-107026-000 | 1 January 1997 | MAKATI CITY |
| RAMON R. DEL ROSARIO, JR. | Passport No. _____ | 26 January 2018 | DFA NCR East |
| MELITON B. SALAZAR, JR. | Tax Identification No. _____ | | |
| LILIA B. DE LIMA | Passport No. _____ | 2 March 2018 | DFA Manila |
| JUAN B. SANTOS | Tax Identification No. _____ | | |
| RIZALINA G. MANTARING | Passport No. _____ | 15 July 2021 | DFA Manila |
| DATO TIMOTHY ONG TECK MONG | National Identification No. _____ | | |
| CIELITO F. HABITO | Tax Identification No. _____ | | |
| EDGAR O. CHUA | Tax Identification No. _____ | | |
| EDILBERTO C. DE JESUS | Tax Identification No. _____ | | |
| ROLANDO D. SOLIVEN | SSS ID: _____ | | Makati City |
| TROY A. LUNA | Passport No. _____ | 7 January 2022 | |

Doc. No. 375;
Page No. 76 [Type];
Book No. 100;
Series of 2025

JOSHUA P. LAPUZ

Notary Public for Makati City
Appointment No. M-16 / Until 12-31-25
Roll No. 45790 / IBP Lifetime No. 4897 / 07-03-03
PTR No. 10466007 / 01-02-25 / Makati City
MCLE No. VIII-0025286 / 03-27-25
G/F Fedman Suites, 199 Salcedo St
Legaspi Village, 1229 Makati City