

**SEC FORM – I-ACGR  
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

**GENERAL INSTRUCTIONS**

**A. Use of Form I-ACGR**

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies' compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the "comply or explain" approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

**B. Preparation of Report**

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

<b>RECOMMENDED CG PRACTICE/POLICY</b>	<b>COMPLIANT/ NON-COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>Contains CG Practices/Policies, labelled as follows:</p> <p>(1) <b>"Recommendations"</b> – derived from the CG Code for PLCs;</p> <p>(2) <b>"Supplement to Recommendation"</b> – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) <b>"Additional Recommendations"</b> – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) <b>"Optional Recommendation"</b> – practices taken from the ASEAN Corporate Governance Scorecard</p> <p><b>*Items under (1) – (3) must be answered/disclosed by the PLCs following the "comply or explain" approach. Answering of items under (4) are left to the discretion of PLCs.</b></p>	<p>The company shall <b>indicate compliance or non-compliance</b> with the recommended practice.</p>	<p>The company shall provide additional information to <b>support their compliance</b> with the recommended CG practice</p>	<p>The PLCs shall <b>provide the explanations for any non-compliance</b>, pursuant to the "comply or explain" approach.</p> <p>Please note that the explanation given should describe the non-compliance and include <b>how the overall Principle being recommended is still being achieved</b> by the company.</p> <p><b>*"Not Applicable" or "None" shall not be considered as sufficient explanation</b></p>

### C. Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission **on or before May 30 of the following year for every year that the company remains listed in the PSE;**
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear **original and manual** signatures
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.

SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 31 December 2022
2. SEC Identification Number 31050 3. BIR Tax Identification No. 000-152-291
4. Exact name of issuer as specified in its charter Sta. Lucia Land, Inc.
5. Metro Manila  (SEC Use Only)  
Province, Country or other jurisdiction of incorporation or organization Industry Classification Code:
6. Penthouse, Building III, Sta. Lucia Mall, Marcos Highway corner Imelda Avenue, Cainta, Rizal 1900  
Address of principal office Postal Code
7. (632) 8681-7332  
Issuer's telephone number, including area code
8. N/A  
Former name, former address, and former fiscal year, if changed since last report.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> 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 corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	The qualifications of the Corporation's directors are available in its Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ) and in Section 2.2.1.3 of the Corporation's Manual of Corporate Governance ("CG Manual"), which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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		
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	Five (5) out of the nine (9) directors do not hold executive positions in the Corporation. For more information on the composition of the Board, please refer to the 2022 General Information Sheet of the Corporation.	

Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	Under Section 4.2 of its CG Manual, members of the Board of Directors are required to attend a seminar on corporate governance. The CG Manual may be viewed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Company has an orientation program for first time directors.	COMPLIANT	Under Section 4.2 of its CG Manual, a new director is required to attend a seminar on corporate governance.  Moreover, under Section 2.1.2.a of the CG Manual, one of the duties of the Compliance Officer is to orient new directors on the Corporation's business, charter, among others. The CG Manual may be viewed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	Under Section 4.2 of its CG Manual, members of the Board of Directors are required to attend a seminar on corporate governance. The CG Manual may be viewed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .  The directors attended online seminars on corporate governance in 2022. Copies of their Certificates of Attendance are attached herewith as Annexes "A" to "H".	

**Recommendation 1.4**

1. Board has a policy on board diversity.	COMPLIANT	<p>The Corporation currently has seven (7) male and two (2) female directors. For more information on the composition of the Board, please refer to the 2022 General Information Sheet of the Corporation.</p> <p>Under Section 2.2.2.2(j) of the CG Manual, the Nomination Committee shall have the duty to pre-screen the qualifications of the nominees to the Board of Directors in accordance with the Corporation's Amended By-Laws, the Revised Corporation Code, the Securities Regulation Code and other applicable laws, rules and issuances, which include the Code of Corporate Governance ("CG Code") for Publicly-Listed Companies. The CG Manual may be viewed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</p>	
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**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.	COMPLIANT	Under Section 2.2.2.2(i) of the CG Manual, the Nomination Committee shall have the duty to pre-screen the qualifications of the nominees to the Board of Directors in accordance with the Corporation's By-Laws, the Revised Corporation Code, the Securities Regulation Code and other applicable laws, rules, and issuances, which include the CG Code for Publicly-Listed Companies. The CG Manual may be viewed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**Recommendation 1.5**

1. Board is assisted by a Corporate Secretary.	COMPLIANT	The Corporate Secretary of the Corporation is Atty. Patricia A. O. Bunye, the Deputy Managing Partner and a Senior Partner of Cruz Marcelo & Tenefrancia and a Fellow of the Institute of Corporate Directors. Information on Atty. Bunye is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).  Atty. Bunye is not the Compliance Officer and is not a Director of the Corporation.	
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		

		Her duties and functions are enumerated in the CG Manual, which can be accessed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	The Corporate Secretary attended an online seminar on Corporate Governance dated 21 June 2022 hosted by the Center for Global Best Practices. A copy of the Certificate of Attendance is attached herewith as Annex "I".	

**Optional: Recommendation 1.5**

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	Under Section 2.06 of the Corporation's Amended By-Laws ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> ), the Corporate Secretary shall exert her best efforts for the directors to receive the notice of the meeting, agenda, and board pack at least five (5) days, but in no case less than two (2) days, before the date of the meeting.	
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Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p>The Chief Compliance Officer of the Corporation is Mr. Jeremiah T. Pampolina. Mr. Pampolina also holds the position of Vice President of Corporate Planning and Investor Relations of the Corporation. Based on Section 2.1.1 of the CG Manual, the Compliance Officer shall hold the position of a Vice President or its equivalent position with adequate stature and authority in the Corporation.</p> <p>Mr. Pampolina is not a Director of the Corporation.</p> <p>The duties and qualifications of the Compliance Officer are enumerated in Section 2.1.2 of the CG Manual which can be accessed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</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		

<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>COMPLIANT</p>	<p>Under Section 2.1.2 of the CG Manual, the Compliance Officer must attend trainings on corporate governance on an annual basis. The CG Manual is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</p> <p>The Compliance Officer attended an online seminar on Corporate Governance on 07 to 08 November 2022 hosted by the SEC, in partnership with OCEANA Philippines. A copy of the Certificate of Attendance is attached herewith as Annex "J".</p>	
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**Principle 2:** The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, 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**

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<p>Information on how the directors performed their duties is available in the Definitive Information Statement which was filed with the SEC on 26 May 2022 (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a>).</p>	
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**Recommendation 2.2**

<p>1. Board oversees the development, review, and approval of the company's business objectives and strategy.</p>	<p>COMPLIANT</p>	<p>Under Section 2.2 of the CG Manual, the Board reviews and guides corporate strategy, and monitors</p>	
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2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	implementation and corporate performance, among others. The CG Manual may be accessed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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### Supplement to Recommendation 2.2

1. Board has a clearly defined and updated vision, mission, and core values.	COMPLIANT	The Corporation's Mission and Vision is available at <a href="https://stalucialand.com.ph/home/our-company/">https://stalucialand.com.ph/home/our-company/</a> .  The Corporation reviews and approves the mission and vision once every two years, or as the need arises.	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	Please refer to the CG Manual, which may be accessed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	

### Recommendation 2.3

1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	The Chairman of the Board of Directors of the Corporation is Mr. Vicente R. Santos. Information on Mr. Santos is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
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**Recommendation 2.4**

1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p>The succession for directors, key officers, and management is done annually at the election of the directors during the stockholders meeting. In case of vacancy during the term of such director/officer, the Board of Directors has the power and authority to elect a new Director/Officer if still constituting a quorum. Otherwise, the election of the vacant position for director/officer is held during a Special Meeting called for that purpose.</p> <p>The Board of Directors likewise plans for the succession of its key management positions by allowing more junior members of management to participate in the meetings of the Board of Directors and contribute to decisions of and for the Corporation, through the guidance of the more senior members of the Board of Directors and management.</p>	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	<p>Finally, the Corporation has undergone briefings, orientations, and assemblies for the succession planning of its directors.</p>	

**Recommendation 2.5**

<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p>COMPLIANT</p>	<p>Each director, whether Executive or Non-executive, shall receive a <i>per diem</i> for every meeting of the board, whether regular or special, which he attends.</p> <p>Under the Amended By-laws of the Corporation (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a>), executive directors having a rank of vice-president or its equivalent shall receive such compensation as the Board of Directors may reasonably determine, with due regard to the recommendations made by the Executive Compensation Committee.</p>	
<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>COMPLIANT</p>	<p>An officer with a rank below that of a Vice-president or its equivalent shall receive such compensation as the Executive Compensation Committee shall reasonably fix.</p> <p>Moreover, an executive director may also receive, for services rendered to the Corporation which are in addition to his duties and responsibilities as such officer, such additional compensation as may be fixed by the Board of Directors.</p> <p>The policy on the remuneration of directors can be found in Section</p>	

3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	2.2.1.7 of the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**Optional: Recommendation 2.5**

1. Board approves the remuneration of senior executives.	COMPLIANT	The Board is responsible for monitoring and overseeing Management action which includes the determination of the remuneration of senior executives. Please see Section 2.2.2.2(h) of the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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.			

**Recommendation 2.6**

1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	The Board has implemented a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. For more information on the qualifications of the Board members, please refer to the Definitive Information Statement for the 2022 Annual Stockholders'	
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	Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election, or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		

#### 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.	COMPLIANT	The Corporation uses external sources such as director databases in searching for candidates for independent directors.	
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#### 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	The Corporation reports and discloses material related party transactions in accordance with the PSE and SEC Disclosure Rules and Rules on Material Related Party Transactions ("MRPT").	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	Section 7.1 of the Corporation's MRPT Policy provides that all potential or actual conflicts of interests relating to related party transactions shall be	

<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>COMPLIANT</p>	<p>reported, identified, prevented, and managed.</p> <p>Under the Policy, related parties include the Corporation's parent, subsidiary, fellow subsidiary, associate, affiliate, joint venture, or an entity that is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.</p> <p>The Corporation's MRPT policy is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	
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**Supplement to Recommendations 2.7**

<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> 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.</p>	<p>COMPLIANT</p>	<p>Based on the Corporation's MRPT Policy, the Corporation considers any related party transactions, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Corporation's total assets, based on its latest audited financial statements, as MRPTs.</p> <p>All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the MRPT. In case a majority of the independent directors'</p>	
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		<p>vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation.</p> <p>For aggregate related party transactions within a twelve (12)-month period that breaches the materiality threshold of ten percent (10%) of the Corporation's total assets, the foregoing requirements shall be required once the aggregate related party transactions meet and exceed the materiality threshold covering the same related party.</p> <p>The Corporation's MRPT policy is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	
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<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.</p>	<p>COMPLIANT</p>	<p>Based on the MRPT policy of the Corporation, directors and officers with personal interest in a transaction shall fully and timely disclose any and all material facts, including their respective interests in the MRPT and abstain from the discussion, approval, and management of such transaction or matter affecting the Corporation.</p> <p>Should the director or officer refuse to abstain, their attendance shall not be counted for purposes of determining the quorum and their votes shall not be counted for purposes of determining the majority approval.</p> <p>The Corporation's MRPT policy is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	
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**Recommendation 2.8**

<p>1. 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).</p>	COMPLIANT	<p>The policy on the selection of management is found in Section 2.2.1.5.4 of the CG Manual, which can be accessed at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</p> <p>The composition of the management team is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a>).</p>	
<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).</p>	COMPLIANT	<p>Please refer to the Corporation's Amended By-Laws (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a>) and CG Manual (<a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>).</p> <p>The list of officers appointed for the fiscal year 2022 is available in the Corporation's 2022 General Information Sheet.</p>	

<b>Recommendation 2.9</b>			
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	Under Section 2.2.1.5.2 of the CG Manual, the Board shall establish an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management.	
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	Under Section 2.2.1.5.2 of the CG Manual, the Board shall establish an effective performance management framework that will ensure that the Management, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management. The CG Manual is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	

<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	Under Section 2.2.5 of the CG Manual, the Board of Directors has the responsibility to ensure the proper and effective management and supervision of Internal Controls. Moreover, under Section 2.2.1.5.2 of the CG Manual, the internal control system should include a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. Please refer to <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	Under Section 2.2.5 of the CG Manual, the Board of Directors has the responsibility to ensure the proper and effective management and supervision of Internal Controls. Moreover, under Section 2.2.1.5.2 of the CG Manual, the internal control system should include a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. Please refer to <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	

3. Board approves the Internal Audit Charter.	COMPLIANT	Under Section 2.2.1.5.2 of the CG Manual, the Board approves the Internal Audit Charter. Please refer to <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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### 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	The Corporation's Enterprise Risk Management Framework can be accessed at <a href="http://stalucialand.com.ph/corporate-governance/enterprise-risk-management/">http://stalucialand.com.ph/corporate-governance/enterprise-risk-management/</a> .	
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		

### 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.	NON-COMPLIANT		The Corporation does not have a Board Charter. However, The roles, responsibilities and accountabilities of the Board members are indicated in the CG Manual ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ).
2. Board Charter serves as a guide to the directors in the performance of their functions.	NON-COMPLIANT		

3. Board Charter is publicly available and posted on the company's website.	NON-COMPLIANT		
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#### Additional Recommendation to Principle 2

1. Board has a clear insider trading policy.	COMPLIANT	The Corporation's insider trading policy can be accessed in <a href="http://stalucialand.com.ph/corporate-governance/companys-policies/">http://stalucialand.com.ph/corporate-governance/companys-policies/</a> .	
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#### 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.	COMPLIANT	<p>The MRPT Policy of the Corporation defines MRPTs and institutionalizes the principles, guidelines, and best practices that will govern the review, approval, and ratification of MRPTs by the Board of Directors to ensure that such transactions are conducted on an arm's length basis, and that no shareholder or stakeholder is unduly disadvantaged. The Policy covers transactions with directors of the Corporation, among others.</p> <p>The Corporation's MRPT policy is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	
2. Company discloses the types of decision requiring board of directors' approval.	COMPLIANT	Please refer to the Corporation's Amended By-Laws ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> ) and the CG Manual available at	

		<a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>	
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**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 nomination 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	The different board committees and their responsibilities can be found in the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**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	The establishment and the specific responsibilities of the Audit Committee can be found under Section 2.2.2.1 of the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	Please refer to the Corporation's website at <a href="http://stalucialand.com.ph/corporate-governance/">http://stalucialand.com.ph/corporate-governance/</a> and Section 2.2.2.1 of	

3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	The Chairman of the Audit Committee, Mr. Danilo A. Antonio, is not the Chairman of the Board or of any other Committee. Please refer to the 2022 General Information Sheet for the list of members of the Audit Committee.	

<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	Please refer to the Audit Committee Charter of the Corporation at <a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a> and Section 2.2.2.1.2 of the CG Manual, which is available	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	



<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meets at least four times during the year.	COMPLIANT	The Audit Committee meetings were held four (4) times during the year. Based on the Audit Committee Charter of the Corporation, the Committee shall have at least one (1) meeting every quarter.	
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	Please refer to the Audit Committee Charter of the Corporation at <a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a> .	

<b>Recommendation 3.3</b>			
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	Please refer to Section 2.2.2.2 of the CG Manual, which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	NON-COMPLIANT		The majority or two (2) of the three (3) members of the Corporate Governance Committee are independent directors. Please refer to the 2022 General Information Sheet for the list of members of the Corporate Governance Committee.
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	The Chairman of the Corporate Governance Committee is Justice Renato C. Francisco (Ret.), an	

		independent director of the Corporation. Please refer to the 2022 General Information Sheet for the list of members of the Corporate Governance Committee.	
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**Optional: Recommendation 3.3.**

1. Corporate Governance Committee meets at least twice during the year.	NON-COMPLIANT		The Corporate Governance Committee met once (1) during the year. Nevertheless, the Committee was able to discuss all important and relevant matters during the meetings.
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**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	The Board of Directors established a separate BROC. The BROC is composed of its Chairman, Justice Renato C. Francisco (Ret.), and members, Mr. Vicente Santos and Mr. Danilo A. Antonio. Mr. Antonio and Justice Francisco (Ret.) are both independent directors. Please refer to the 2022 General Information Sheet of the Corporation.	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	NON-COMPLIANT		The Chairman of the BROC, Justice Renato C. Francisco (Ret.), is likewise the chairman of the Corporate Governance Committee, RPT Committee, and Nomination Committee. Nevertheless, the BROC performs oversight functions similar to the foregoing committees. Please

			refer to the 2022 General Information Sheet for the list of members of the BROC.
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	COMPLIANT	Information on Justice Francisco (Ret.), Mr. Antonio, and Mr. Santos are available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	

### 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	The Board of Directors established an RPT Committee. The RPT Committee is composed of its Chairman, Justice Renato C. Francisco (Ret.), and members, Mr. Danilo A. Antonio, Mr. Orestes R. Santos, and Mr. Vicente Santos. Mr. Antonio and Justice Francisco (Ret.) are both independent directors.  Please refer to the 2022 General Information Sheet of the Corporation.	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	COMPLIANT		

### 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	Please refer to the CG Manual and the various Committee Charters, which are available at <a href="http://stalucialand.com.ph/corporate-governance/">http://stalucialand.com.ph/corporate-governance/</a> .	
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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	Please refer to the various Committee Charters available at <a href="http://stalucialand.com.ph/corporate-governance/">http://stalucialand.com.ph/corporate-governance/</a> .	

**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	Information on the process and procedure for teleconferencing/videoconferencing board and/or committee meetings is available in the Corporation's Amended By-Laws ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> ).  Further, information on the attendance and participation of directors to Board, Committee and shareholders' meetings is available at <a href="http://www.stalucialand.com.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/">http://www.stalucialand.com.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/</a> .	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Directors are encouraged to review meeting materials for all Board and Committee meetings and, if called for, ask necessary questions or seek clarifications and explanations when	

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	they attend and actively participate in all Board meetings. Please refer to Section 2.2.1.5.3 of the CG Manual at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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#### 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	Section 2.2.1.1 of the CG Manual provides that the Corporation's non-executive directors shall concurrently serve as directors in a maximum of five (5) publicly listed companies ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ).	
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#### Recommendation 4.3

1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	Section 2.2.1.5.3 of the CG Manual provides that a director should notify the Board before accepting a directorship in another company ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ).	
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Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	COMPLIANT	The enumeration of directorship of executive directors in other listed companies is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
2. Company schedules board of directors' meetings before the start of the financial year.	NON-COMPLIANT		Meetings of the Board of Directors are scheduled at the end of the previous meeting, and upon availability of a majority of the Board of Directors.
3. Board of directors meet at least six times during the year.	NON-COMPLIANT		The Board of Directors met three (3) times for the year 2022. Nevertheless, the Board regularly discusses important and relevant matters relating to the Corporation through email.
4. Company requires as minimum quorum of at least 2/3 for board decisions.	NON-COMPLIANT		Section 2.08 of the Amended By-Laws of the Corporation provides that the presence of a majority of the directors shall be necessary to constitute a quorum, and a vote of a majority shall be necessary to adopt a resolution or to authorize a corporate act. The foregoing is in accordance with the Revised Corporation Code.

**Principle 5:** The board should endeavor to exercise an objective and independent judgment on all corporate affairs

**Recommendation 5.1**

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	NON-COMPLIANT		The Corporation has two (2) independent directors. Please refer to the Corporation's 2022 General Information Sheet for a list of its directors.
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**Recommendation 5.2**

1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	Information on the qualifications of the independent directors is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
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**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	Please refer to the Corporation's Amended By-Laws at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> .	
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**Recommendation 5.3**

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	Section 2.2.1.3 of the CG Manual provides that independent directors may serve for a maximum cumulative term of nine (9) years. The CG Manual is available at ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-</a>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT		

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	<a href="#">Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ).	
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#### Recommendation 5.4

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	The Chairman is Mr. Vicente R. Santos while the Chief Executive Officer is Mr. Exequiel D. Robles. Please refer to the 2022 General Information Sheet of the Corporation.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Section 2.2.1.2 of the CG Manual provides the qualifications and distinctions between the Chairman of the Board and the Chief Executive Officer, available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	

#### 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.	NON-COMPLIANT		<p>Under Recommendation 5.5 of the CG Code, one of the functions of a lead director is to lead the Board in cases where management has clear conflicts of interest.</p> <p>The Corporation does not foresee that such conflicts of interest will arise which will necessitate the appointment of a lead director.</p>
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Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	<p>COMPLIANT</p>	<p>Based on the MRPT Policy of the Corporation, directors with personal interest in a transaction are required to fully and timely disclose any and all material facts, including their respective interests in MRPTs and abstain from the discussion, approval, and management of such transaction or matter affecting the Corporation.</p> <p>Should the director refuse to abstain, their attendance shall not be counted for purposes of determining the quorum and their votes shall not be counted for purposes of determining the majority approval. The Corporation's MRPT policy is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	

Recommendation 5.7			
<p>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 present.</p>	<p>NON-COMPLIANT</p>		<p>The Corporation's NEDs do not hold separate periodic meetings with the external auditor.</p> <p>The Audit Committee performs internal audit functions and oversight of the external auditor.</p>
<p>2. The meetings are chaired by the lead independent director.</p>	<p>NON-COMPLIANT</p>		<p>As explained above, the Corporation does not have a lead director.</p>

Optional: Principle 5			
1. None of the directors is a former CEO of the company in 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	Please refer to Section 2.2.1.5.2(xxi) of the CG Manual at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT		

**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	Please refer to Section 2.2.1.5.2(xxi) of the CG Manual, and Committee Charters which are available at <a href="http://stalucialand.com.ph/corporate-governance/">http://stalucialand.com.ph/corporate-governance/</a> .	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT		

**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**

<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>COMPLIANT</p>	<p>The Code of Business Conduct and Ethics may be accessed in <a href="http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>.</p>	
<p>2. The Code is properly disseminated to the Board, senior management, and employees.</p>	<p>COMPLIANT</p>	<p>The Corporation's Code of Business Conduct and Ethics and General Business Principle were disseminated to its Board, senior management, and employees mainly through its website. Printed copies of the said documents were also provided to the Board, senior management, and employees.</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>COMPLIANT</p>	<p>The Code of Business Conduct and Ethics may be accessed at <a href="http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>.</p>	

**Supplement to Recommendation 7.1**

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying, and receiving bribes.</p>	<p>COMPLIANT</p>	<p>Information on the Corporation's policy and procedure on curbing and penalizing company involvement in offering, paying, and receiving bribes is available at <a href="http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>.</p>	
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<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Please refer to Section 2.2.1.5.2(xxii) of the CG Manual which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	The Corporation's directors, officers, and employees are required to comply with its 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 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	Please refer to the CG Manual which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .  The Corporation distributes the Definitive Information Statement to its stockholders. Printed copies of the 2022 Annual Report and Audited Financial Statements are also available upon the stockholder's request. The financial reports and other material disclosures of the Corporation are available in its website at <a href="http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/">http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/</a> and <a href="http://stalucialand.com.ph/company-disclosures/sec-filings/">http://stalucialand.com.ph/company-disclosures/sec-filings/</a> .	
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<b>Supplement to Recommendations 8.1</b>			
<p>1. Company distributes or makes available annual and 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.</p>	COMPLIANT	<p>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. Based on Securities and Exchange Commission Memorandum Circular No. 1, series of 2023, the deadline of the 2022 Annual Report was on 15 April 2023. The Corporation requested and was granted a fifteen (15)-day extension until 30 April 2023. Nonetheless, the Corporation published the foregoing documents on or before the prescribed deadline.</p>	
<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.</p>	COMPLIANT	<p>There are no principal risks associated with the identity of the Corporation'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. Information on principal risks is available in its 2022 Annual Report at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a>.</p>	

<b>Recommendation 8.2</b>			
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	Please refer to the CG Manual which is available at <a href="https://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">https://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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	Disclosed company dealings are accessible at <a href="http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/">http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/</a> .	

<b>Supplement to Recommendation 8.2</b>			
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 buy-back program).	COMPLIANT	Information on the shareholdings of directors and management is available in the Public Ownership Reports and Statements of Changes in Beneficial Ownership of the shares of the Corporation in its PSE Disclosures available at <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=41">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=41</a> .  The List of Top 100 Stockholders of the Corporation as of 31 December 2022 is available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1784e751d93e78aa9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1784e751d93e78aa9e4dc6f6c9b65995</a> .  Moreover, information on the Corporation's subsidiaries is available at <a href="http://stalucialand.com.ph/home/our-company/">http://stalucialand.com.ph/home/our-company/</a> .	

**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 conflicts of interest that might affect their judgment.	COMPLIANT	Information on the directors and key executives is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	COMPLIANT		

**Recommendation 8.4**

1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	COMPLIANT	Under Section 2.05 of the Corporation's Amended By-Laws, unless otherwise determined by resolution of the stockholders duly adopted at a stockholders' meeting, each director, including the Independent Directors, shall receive by way of per diem for every meeting of the Board (whether regular or special) which he attends, the amount of Twenty-Five Thousand Pesos (PhP25,000.00).	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	COMPLIANT	Under Section 3.04 of the Amended By-Laws, the officers of the Corporation having a rank of vice-president or its equivalent shall receive such compensation as the	

		<p>Board of Directors may reasonably determine, with due regard to the recommendations made by the Executive Compensation Committee. An officer with a rank below that of a vice-president or its equivalent shall receive such compensation as the Executive Compensation Committee shall reasonably fix.</p> <p>The Amended By-Laws are available at  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a>.</p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	<p>Please also refer to the Definitive Information Statement for the 2022 Annual Stockholders' Meeting (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a>).</p>	

### 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>Please refer to the Corporation's MRPT Policy at  <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>,  and in the CG Manual which is available at  <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</p>	
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<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>COMPLIANT</p>	<p>Please refer to the Corporation's 2022 Annual Report (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a>) and the Definitive Information Statement for the 2022 Annual Stockholders' Meeting at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a>.</p> <p>Under SEC Memorandum Circular No. 10, Series of 2019, and the MRPT Policy of the Corporation, an Advisement Report of any MRPT shall be filed with the SEC within three (3) calendar days from the execution date of the transaction. Further, a summary of MRPTs entered into during the reporting year shall be disclosed in the Corporation's Integrated Annual Corporate Governance Report ("I-ACGR").</p> <p>The Corporation has not entered into any MRPT for the year 2022.</p>	
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**Supplement to Recommendation 8.5**

<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>COMPLIANT</p>	<p>Based on the MRPT Policy, directors with personal interest in a transaction are required to fully and timely disclose any and all material facts, including their respective interests in the MRPT and abstain from the discussion, approval and management of such transaction or matter affecting the Corporation.</p>	
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		Please refer to the Corporation's MRPT Policy at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a> .	
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<b>Optional: Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	COMPLIANT	Under the MRPT Policy, the Related Party Transactions Committee may, before endorsing MRPTs to the Board, (i) secure the appointment of an external independent party to evaluate the fairness of the terms of the MRPTs, which may include but is not limited to, auditing/accounting firms and third party consultants and appraisers, or (ii) engage the services of an external expert as a price discovery mechanism, to ensure that the MRPTs are conducted at arm's length basis and in the ordinary course of business.  Please refer to the Corporation's MRPT Policy at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a> .	

Recommendation 8.6			
<p>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.</p>	<p>COMPLIANT</p>	<p>The Corporation's disclosures of material transactions may be viewed at <a href="http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/">http://stalucialand.com.ph/company-disclosures/other-disclosures-to-sec-pse-and-other-pertinent-agencies/</a>.</p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>COMPLIANT</p>	<p>Under the MRPT Policy, the Related Party Transactions Committee may, before endorsing MRPTs to the Board, (i) secure the appointment of an external independent party to evaluate the fairness of the terms of the MRPTs, which may include but is not limited to, auditing/accounting firms and third party consultants and appraisers, or (ii) engage the services of an external expert as a price discovery mechanism, to ensure that the MRPTs are conducted at arm's length basis and in the ordinary course of business.</p> <p>Please refer to the Corporation's MRPT Policy at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/04/SLI-Material-Related-Party-Transactions-Policy.pdf</a>.</p>	

**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	The Corporation currently has no shareholder agreements, voting trust agreements, confidentiality agreements, or other agreements that may impact on the control, ownership, and strategic direction of the Corporation.	
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**Recommendation 8.7**

1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Please refer to the CG Manual which is available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
3. Company's MCG is posted on its company website.	COMPLIANT		

**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	Please refer to the CG Manual at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Please refer to the Corporation's 2022 Annual Report at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=81e846d08d47bc919e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=81e846d08d47bc919e4dc6f6c9b65995</a> .	
a. Corporate Objectives	NON-COMPLIANT		The Annual Report does not disclose the corporate objectives due to the absence of a rule making such disclosure mandatory.
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicators	NON-COMPLIANT		The Annual Report does not disclose non-financial performance indicators due to the absence of a rule making such disclosure mandatory.
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	NON-COMPLIANT		The Annual Report does not disclose the attendance details of each director due to the absence of a rule making such disclosure mandatory.
g. Total remuneration of each member of the board of directors	COMPLIANT		
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.	NON-COMPLIANT		The Annual Report does not contain the statement confirming compliance with the CG Code due to the absence of a rule making such disclosure mandatory.

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.	NON-COMPLIANT		The Annual Report does not disclose that the Board conducted a review of company's material controls due to the absence of a rule making such disclosure mandatory.
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.	NON-COMPLIANT		The Annual Report does not contain a statement from the Board commenting on the adequacy of the Corporation's internal controls due to the absence of a rule making such disclosure mandatory.
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, economic).	COMPLIANT	Please refer to the Corporation's 2022 Annual Report available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a> .	

**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	Please refer to Section 2.2.2.1.2 of the CG Manual, available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT		

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		
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**Supplement to Recommendation 9.1**

1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	Please refer to Section 2.2.2.1.2 of the CG Manual, available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**Recommendation 9.2**

1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	COMPLIANT	Please refer to the Audit Committee Charter of the Corporation at <a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a> .	
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		

<b>Supplement to Recommendations 9.2</b>			
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	Please refer to the Audit Committee Charter of the Corporation at <a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a> .	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT		

<b>Recommendation 9.3</b>			
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	Please refer to the Corporation's 2022 Annual Report available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a> .	
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	The Corporation does not engage its external auditor for non-audit services.	

<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	Please refer to the Corporation's 2022 Annual Report available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a> .  The Corporation does not engage its external auditor for non-audit services.	



Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	NON-COMPLIANT		<p>The renewal of the accreditation of the Corporation's audit engagement partner, Mr. Michael C. Sabado, is still being processed. Mr. Sabado's previous accreditation under SEC Accreditation No. 0664-AR-4 (Group A) was valid until 10 November 2022.</p> <p>The audit engagement partner shall secure the renewal of his accreditation as soon as possible.</p>
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	The audit firm, SGV & Co., has agreed to be subjected to the SEC SOAR Inspection Program conducted by its OGA.	

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	Please refer to the Corporation's CG Manual ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ) and Corporate Social Responsibility section on its website at <a href="http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/">http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/</a> .	

<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>COMPLIANT</p>	<p>Please refer to the Corporation's 2022 Annual Report available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a>. The Annual Report includes the Corporation's Sustainability Report.</p> <p>Pursuant to the guidelines provided under Memorandum Circular No. 4, series of 2019, the Sustainability Report shall be based on four of the globally accepted frameworks: (i) the Global Reporting Initiative's (GRI) Sustainability Reporting Standards, (ii) the International Integrated Reporting Council's, Integrated Reporting Framework, (iii) the Sustainability Accounting Standards Board's Sustainability Accounting Standards, and (iv) the recommendations of the Task Force on Climate-related Financial Disclosure.</p>	
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**Principle 11:** The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

**Recommendation 11.1**

<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p>COMPLIANT</p>	<p>Disclosures are accessible at <a href="http://stalucialand.com.ph/company-disclosures/sec-filings/">http://stalucialand.com.ph/company-disclosures/sec-filings/</a>.</p>	
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**Supplemental to Principle 11**

1. Company has a website disclosing up-to-date information on the following:		Disclosures are accessible at <a href="http://stalucialand.com.ph/company-disclosures/sec-filings/">http://stalucialand.com.ph/company-disclosures/sec-filings/</a> .	
a. Financial statements/reports (latest quarterly)	COMPLIANT	The Amended Articles of Incorporation and By-Laws of the Corporation are accessible at <a href="https://stalucialand.com.ph/wp-content/uploads/2021/07/SLI-Amended-Articles-of-Inc.-Oct-09-2007.pdf">https://stalucialand.com.ph/wp-content/uploads/2021/07/SLI-Amended-Articles-of-Inc.-Oct-09-2007.pdf</a> and <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> , respectively.	
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		

#### Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	COMPLIANT	The Corporation's website is at <a href="http://www.stalucialand.com.ph/">http://www.stalucialand.com.ph/</a> .	
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#### 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	Section 2.2.1.5.4 of the CG Manual provides that the Board shall ensure that internal control of the Corporation is properly and effectively managed and supervised. Please refer to the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-</a>	
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		<a href="#">Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	The Corporation's Enterprise Risk Management Policy is available at <a href="http://www.stalucialand.com.ph/corporate-governance/enterprise-risk-management/">http://www.stalucialand.com.ph/corporate-governance/enterprise-risk-management/</a> .	

#### 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	The Audit Committee performs risk oversight management and compliance monitoring pursuant to the CG Manual ( <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> ) and the Audit Committee Charter ( <a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a> ).	
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#### Optional: Recommendation 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.	NON-COMPLIANT		The Corporation does not have a specific governance process on IT issues. However, the overall risk management policy of the Corporation ensures that all key risks are identified, managed, and reported to the board.
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#### Recommendation 12.2

1. Company has in place an independent internal audit function that provides an	COMPLIANT	The Corporation's Audit Committee performs internal audit functions and provides oversight over the external	
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<p>independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>		<p>auditor. Please refer to the CG Manual (<a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>) and the Audit Committee Charter (<a href="http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf">http://www.stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-Audit-Committee-Charter-2-Oct-2012.pdf</a>).</p>	
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**Recommendation 12.3**

<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>COMPLIANT</p>	<p>The Corporation appointed Mr. Ace Franziz D. Cuntapay as its Internal Auditor. Please refer to the 2022 General Information Sheet of the Corporation.</p>	
<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.</p>	<p>COMPLIANT</p>		
<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.</p>	<p>COMPLIANT</p>	<p>The Corporation's internal audit activity is not outsourced but performed by Mr. Cuntapay and its Audit Committee.</p>	

**Recommendation 12.4**

<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	<p>COMPLIANT</p>	<p>Please refer to Section 2.2.1.5.2 of the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a>.</p>	
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**Supplement to Recommendation 12.4**

1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	The Risk Management Plan is reviewed and updated annually.  Please refer to the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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### 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	The Chief Risk Officer of the Corporation is Mr. David M. Dela Cruz. Please refer to the 2022 General Information Sheet.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	Mr. Dela Cruz has the adequate authority, stature, resources, and support to fulfill his responsibilities. Information on Mr. Dela Cruz is available in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	

### 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.	NON-COMPLIANT		The Corporation's Chief Executive Officer and Chief Audit Executive do not execute a separate written document attesting to the fact that a sound internal audit, control, and compliance system is in place and working effectively.
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			<p>Nonetheless, the Corporation's Chairman, President, and Executive Vice President – Chief Financial Officer undertake to sign a Statement of Management Responsibility for the 2022 Audited Financial Statements declaring that the management of the Corporation is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the year ended 31 December 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The filing of the 2022 Audited Financial Statements was made on 27 April 2023 (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a>).</p>
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Cultivating a Synergic Relationship with Shareholders			
<p><b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.</p>			
Recommendation 13.1			
<p>1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p>Please refer to Section 6 of the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-</a></p>	

		<a href="#">Land-Inc.-2017-Manual-on-Corporate-Governance.pdf.</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Please refer to the link of the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.2017-Manual-on-Corporate-Governance.pdf</a> .	

### Supplement to Recommendation 13.1

1. Company's common share has one vote for one share.	COMPLIANT	Section 1.06 of the Corporation's Amended By-Laws provide that every stockholder of record shall be entitled to one (1) vote for each share of stock recorded in his name in the books of the Corporation. The Amended By-Laws are available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> .	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	Shareholders are treated equally pursuant to the Revised Corporation Code, Amended Articles of Incorporation and Amended By-Laws of the Corporation, and its CG Manual.	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	Please refer to the Corporation's Amended By-Laws at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> .	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to	COMPLIANT	The Corporation observes and complies with the Revised Corporation Code with respect to the minimum required number of	



protect minority shareholders against actions of controlling shareholders.		stockholder votes on certain acts of the Board that significantly affect the rights of all stockholders.	
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	<p>Under Section 1.02 of the Amended By-Laws of the Corporation, special meetings of the stockholders may be called for any purpose at any time by the Chairman, or any four (4) members of the Board of Directors, or upon the written request of the registered holders of at least forty percent (40%) of the entire issued and outstanding capital stock of the Corporation. The Amended By-Laws are available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a>.</p> <p>Moreover, pursuant to SEC Memorandum Circular No. 14, series of 2020, stockholders meeting the threshold shall have the right to include items on the agenda prior to the stockholders' meeting.</p> <p>In addition, pursuant to Section 49 of the Revised Corporation Code and SEC Memorandum Circular No. 7, series of 2021, qualified stockholders meeting the threshold shall have the right to call for a Special Stockholders' Meeting.</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	Please refer to the CG Manual at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-</a>	

		<a href="#">Land-Inc.-2017-Manual-on-Corporate-Governance.pdf.</a>	
<p>7. Company has a transparent and specific dividend policy.</p>	<p>COMPLIANT</p>	<p>During the Special Meeting of the Board of Directors of the Corporation held on 22 August 2019, the Corporation adopted a dividend policy which provides that the Corporation may declare dividends equivalent to up to ten percent (10%) of the prior fiscal year's net income after tax subject to: (i) the availability of unrestricted retained earnings; (ii) implementation of business plans; (iii) contractual obligations; (iv) working capital requirements; and (v) the approval of the Board of Directors. The Corporation may declare dividends, annually or as often as the Board of Directors may deem appropriate, in cash or in kind and/or in additional shares from its surplus profits. The declaration and payment of dividends are subject to the regulatory requirements of the SEC and the PSE.</p> <p>The dividend policy may be accessed at  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8f3dfaf49156518fefdfc15ec263a54d">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8f3dfaf49156518fefdfc15ec263a54d</a>.</p> <p>The Corporation declared a cash dividend of PhP0.04 per share in 2022. (<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=4ac58a086497ce203470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=4ac58a086497ce203470cea4b051ca8f</a>)</p>	

**Optional: Recommendation 13.1**

1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	NON-COMPLIANT		The Corporate Secretary tabulates the votes at the Annual Shareholders' Meeting.
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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.	NON-COMPLIANT		<p>The Corporation complies with Section 49 of the Revised Corporation Code, which only requires that the notice of a stockholders' meeting be sent to all stockholders of record at least twenty-one (21) days prior to the scheduled meeting.</p> <p>Notices of the Annual Stockholders' Meeting scheduled on 17 June 2022 were published in the Business Mirror on 26 and 27 June 2022 and in the Manila Bulletin on 26 and 27 June 2022 pursuant to the SEC Notice dated 16 February 2022.</p>

Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		Please refer to the Definitive Information Statement for the 2022 Annual Stockholders' Meeting ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> ).	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT		
b. Auditors seeking appointment/re-appointment	COMPLIANT		
c. Proxy documents	COMPLIANT		

**Optional: Recommendation 13.2**

1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	The rationale for the agenda can be viewed in the Definitive Information Statement for the 2022 Annual Stockholders' Meeting at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=741a852e6f6dfc183470cea4b051ca8f</a> .	
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**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	Please refer to the Minutes of the Stockholders' Meetings which are made available in the Corporation's website at <a href="http://stalucialand.com.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/">http://stalucialand.com.ph/company-disclosures/minutes-of-all-general-or-special-stockholders-meetings/</a> .	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	COMPLIANT		

**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	The external auditor and other relevant individuals were present during the 2022 Annual Stockholders' Meeting.	
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**Recommendation 13.4**

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	When applicable, an alternative dispute resolution system in the Corporation is available to amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties,	
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2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	including regulatory authorities. Please refer to the CG Manual at <a href="http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**Recommendation 13.5**

1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	NON-COMPLIANT		<p>The Corporation has established communication channels that promote effective communication with its Shareholders and the investing community. Aside from the regular reporting and disclosures to the various regulatory agencies such as the SEC, PSE, and IC, the Corporation actively maintains its website that provides timely information updates on its governance, operational, and financial performance.</p> <p>The Corporation has also designated Mr. Jeremiah T. Pampolina as its Vice President for Corporate Planning and Investor Relations to handle investor and shareholder queries and requests, and his contact information can easily be accessed through the Corporation's website. Mr. Pampolina is present at every shareholders' meeting.</p>
2. IRO is present at every shareholder's meeting.	NON-COMPLIANT		<p>The President/CEO and Chief Financial Officer (CFO) exercises oversight responsibility over this investor relations program.</p>

			Please refer to the Corporation's Investor Relations program at <a href="http://stalucialand.com.ph/investor-relations/">http://stalucialand.com.ph/investor-relations/</a> .
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Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	COMPLIANT	The Board avoids anti-takeover measures and similar devices by respecting the voting right of each stockholder and providing a nomination process for Directors. Please refer to the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> and the Corporation's Amended By-Laws available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d1f175d4ab567c03470cea4b051ca8f</a> .	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT		As of 31 December 2022, public ownership of the Corporation is 19.21%. The Corporation's public float as of 31 December 2022 complies with the minimum public ownership level of ten percent (10%) as required in the amendments to the Rule on Minimum Public Ownership under Section 3, Article XVIII of the Listing and Disclosure Rules.

**Optional: Principle 13**

1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	Please refer to Section 6 of the CG Manual available at <a href="http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	COMPLIANT	<p>The Board of Directors authorized stockholders to vote via remote communication or <i>in absentia</i> at the 2022 Annual Stockholders' Meeting.</p> <p>The Guidelines for Participation via remote communication or voting <i>in absentia</i> is available at <a href="https://stalucialand.com.ph/investor-relations/annual-stockholders-meeting/">https://stalucialand.com.ph/investor-relations/annual-stockholders-meeting/</a>.</p> <p>The Corporation practiced secure electronic voting in <i>absentia</i>.</p>	

**Duties to Stakeholders**

**Principle 14:** The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' 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	The Corporation recognizes its key stakeholders in its 2022 Annual Report ( <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a> ).	
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**Recommendation 14.2**

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	See Section 6 of the CG Manual available at <a href="http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wpcontent/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**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	The Corporation's Policies can be accessed at <a href="http://stalucialand.com.ph/corporate-governance/companys-policies/">http://stalucialand.com.ph/corporate-governance/companys-policies/</a> .	
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**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	The Board of Directors is tasked with establishing alternative dispute resolution systems. Please refer to the CG Manual available at <a href="http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf">http://stalucialand.com.ph/wp-content/uploads/2016/10/Sta.-Lucia-Land-Inc.-2017-Manual-on-Corporate-Governance.pdf</a> .	
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**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	The Corporation has not sought any exemption from the application of a law, rule, or regulation.	
2. Company respects intellectual property rights.	COMPLIANT	The Corporation observes and respects intellectual property rights.	



**Optional: Principle 14**

1. Company discloses its policies and practices that address customers' welfare	COMPLIANT	Please refer to the Corporation's Sustainability Report, a copy of which is included in the Corporation's 2022 Annual Report, which is available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a> .	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	<p>Please refer to the Corporation's Sustainability Report, a copy of which is included in the Corporation's 2022 Annual Report, which is available at <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d055757c37f285d19e4dc6f6c9b65995</a>.</p> <p>For major suppliers or service providers, a request for proposal is required to be submitted based on an approved term of reference. A separate (board) committee may be designated to review and evaluate proposals submitted and make recommendations for Board consideration.</p> <p>Moreover, a bidding process is in place where at least three (3) suppliers or service providers are required to submit their bid proposal for review and evaluation of the designated official and a recommendation is submitted for consideration. The Corporation's purchasing department conducts the supplier/contractor selection procedures.</p>	

**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**

<p>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.</p>	<p>COMPLIANT</p>	<p>It is the policy of the Corporation to promote advancement among its employees for consistently exceeding expectations for over five (5) years, meeting organizational requirements, and facilitating the achievement of long-term corporate goals and objectives. Depending on the performance of the Corporation and also taking into consideration various qualitative performance parameters such as succession planning and corporate governance, the Board also grants performance bonuses.</p>	
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**Supplement to Recommendation 15.1**

<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p>COMPLIANT</p>	<p>It is the policy of the Corporation to promote advancement among its employees for consistently exceeding expectations over five (5) years, meeting organizational requirements, and facilitating the achievement of long-term corporate goals and objectives. Depending on the performance of the Corporation and also taking into consideration various qualitative performance parameters such as succession planning and corporate governance, the Board also grants performance bonuses.</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p>Employees are urged to report to their immediate superior or to the General Services Department accidents or any condition or practice which is unsafe, whether or not these result in</p>	

		personal injury or no matter how minor they might seem to be. In order to ensure the promotion of employee health and well-being, the Corporation offers health care benefits covered by the health insurance provider of the Corporation. Employees are involved in deciding, planning, and implementing employee activities and programs such as sports and summer outing events, company parties and employee uniform.	
3. Company has policies and practices on training and development of its employees.	COMPLIANT	New employees are oriented on the Corporation's policies and procedures. Depending on their work assignment and employee development plans, employees undergo or are sent to specialized training courses.	

### 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	The Corporation has an anti-corruption policy and program which can be accessed at <a href="http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a> .	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT		

**Supplement to Recommendation 15.2**

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p>The Corporation has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying, and receiving bribes which can be accessed at <a href="http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/">http://stalucialand.com.ph/corporate-governance/code-of-business-conduct-and-ethics/</a>.</p>	
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**Recommendation 15.3**

<p>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</p>	<p>COMPLIANT</p>	<p>The Corporation has a policy on whistleblowing which may be viewed on the Corporation's website at <a href="http://stalucialand.com.ph/corporate-governance/companys-policies/">http://stalucialand.com.ph/corporate-governance/companys-policies/</a>.</p>	
<p>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.</p>	<p>COMPLIANT</p>		
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>COMPLIANT</p>		

**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**

<p>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.</p>	<p>COMPLIANT</p>	<p>The Corporation's initiatives on Corporate Social Responsibility can be viewed at <a href="http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/">http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/</a>.</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	The Corporation's initiatives on Corporate Social Responsibility can be viewed at <a href="http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/">http://stalucialand.com.ph/corporate-governance/corporate-social-responsibility/</a> .	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT		

12 9 MAY 2023

IN WITNESS WHEREOF, the undersigned have hereunto set their hands this \_\_\_ day of May 2023 in MANDALUYONG CITY

SIGNATURES

Vicente R. Santos  
Chairman

Danilo A. Antonio  
Independent Director

Jeremiah T. Pampolina  
Chief Compliance Officer

Exequiel D. Robles  
President

Renato C. Francisco  
Independent Director

Patricia A. O. Bunye  
Corporate Secretary

12 9 MAY 2023

SUBSCRIBED AND SWORN to before me this \_\_\_ day of May 2023, affiants exhibiting and presenting to me competent evidence of their identities, bearing their photographs and signatures, to wit:

<u>Name</u>	<u>Government-Issued ID/ Date Issued</u>	<u>Official Issuing Agency/Place</u>
Vicente R. Santos	Passport No.: P7782826A	03 Jul 2018/DFA NCR EAST
Exequiel D. Robles	Passport No.: P9712352B	22 Apr 2022/DFA NCR WEST
Danilo A. Antonio	Passport No.: P4890281B	20 Feb 2020/DFA Manila
Renato C. Francisco	Driver's License No.: N12-75-015631	20 Aug 2022/LTO
Jeremiah T. Pampolina	Driver's License No.: N02-97-359085	LTO
Patricia A. O. Bunye	Unified Multi-Purpose Identification Card No. 0111-7602634-4	Social Security System

Doc. No. 101;  
Page No. 22;  
Book No. FAV;  
Series of 2023.

**JERRY B. DELA CRUZ**  
Notary Public for Mandaluyong City  
Until 31 December 2025  
Appointment No. 0257/23  
Roll Number: 47078  
IBP No. 259309/01.03.2023/RSM  
PTR No. 5102680/01.03.2023/Mandaluyong  
MCLE Compliance No. VI-0025921/04.29.2019  
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