



**THE PHILIPPINE STOCK
EXCHANGE, INC. Corporate
Governance Guidelines
for
Listed Companies**

	COMPLY	EXPLAIN / REFERENCE
Guideline No. 1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY		
1.1 Have a clearly defined vision, mission and core values.	Yes	<p>FDC is a holding company that was established out of businesses of Andrew and Mercedes Gotianun which were started over half a century ago.</p> <p>Through its diverse businesses, it has established a strong reputation as a dependable partner in economic development.</p> <p>It is built on the values of integrity, hard work and a philosophy of partnering with our employees to deliver goods and services that enhance the lives of customers and in so doing, create shareholder value.</p> <p>Its aim is to grow this legacy of success by continuing to strengthen its position in the industries where it competes and embarking on new endeavors that will bolster its role in the nation's economic development.</p> <ul style="list-style-type: none"> • Company Website: https://www.filinvestgroup.com/our-company/vision-mission-and-core-values
1.2 Have a well developed business strategy.	Yes	<p>* Annual Report http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-</p>

1.3	Have a strategy execution process that facilitates effective performance management, and is attuned to the company's business environment, management style and culture.		Report-20152.pdf
		Yes	<ul style="list-style-type: none"> • Annual Report, Part II, Item 6 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC - Annual- Report-20152.pdf
1.4	Have its board continually engaged in discussions of strategic business issues.	Yes	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC -ACGR- 2016.pdf
Guideline No. 2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD			
2.1.	Have a board composed of directors of proven competence and integrity.	Yes	<ul style="list-style-type: none"> • Company Website https://www.filinvestgroup.com/our-company/board-of-director • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Annual Report, Part III, Item 9 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>2.2 Be lead by a chairman who shall ensure that the board functions in an effective and collegial manner.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Company Website https://www.filinvestgroup.com/our-company/board-of-director • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>2.3 Have at least three (3) of thirty percent (30%) of its directors as independent directors.</p>	<p>No</p>	<p>FDC has 2 independent directors in compliance with the Securities Regulations Code (SRC) and Securities & Exchange Commission (SEC) circulars.</p> <ul style="list-style-type: none"> Company Website https://www.filinvestgroup.com/our-company/board-of-director Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws

		<ul style="list-style-type: none"> SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>2.4 Have in place written manuals, guidelines and issuances that outline procedures and processes.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws <p>The existing board committees are: Audit Committee, Nomination Committee and Compensation Committee. The Audit Committee, in coordination with the Compliance Officer, also carries out risk and governance functions.</p>
<p>2.5 Have Audit, Risk, Governance and Nomination & Election Committees of the board.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Revised Manual on Corporate Governance

		<p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p> <ul style="list-style-type: none"> Company Website <p>https://www.filinvestgroup.com/corporate-governance/committees-and-members</p> <p>https://www.filinvestgroup.com/corporate-governance/board-committee-charters</p>
<p>2.6 Have its Chairman and CEO positions held separately by individuals who are not related to each other.</p> <p>2.7 Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.</p>	<p>No</p> <p>Yes</p>	<p>The roles of the Chairman and CEO are held by separate individuals who are related. Their respective functions and responsibilities are clearly identified in the Revised Manual on Corporate Governance.</p> <ul style="list-style-type: none"> Revised Manual on Corporate Governance <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <p>Revised Manual on Corporate Governance</p>
		<ul style="list-style-type: none"> https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>2.8 Have in place a formal board and director development program.</p>	<p>Yes</p>	<p>The Company provides and ensures that the Board participates in annual corporate governance related trainings.</p> <ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-

		2016.pdf
2.9 Have a corporate secretary.	Yes	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
2.10 Have no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.	Yes	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>Guideline No. 3: MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM</p>		
<p>3.1 Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>3.2 Have a comprehensive enterprise-wide compliance program that is annually reviewed.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate

		<p>Governance</p> <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
3.3 Institutionalize quality service programs for the internal audit function.	Yes	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf <p>Company Website https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics</p>
3.4 Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.	Yes	<ul style="list-style-type: none"> https://www.filinvestgroup.com/governance/company-policies/ Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf

		<p>content/uploads/2017/01/FDC-ACGR-2016.pdf</p>
<p>3.5 Have the 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.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report • http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>Guideline No. 4: RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS</p>		
		<p>The Audit Committee, in coordination with the Compliance Officer, also carries out risk and governance functions.</p>
<p>4.1 Have its board oversee the company’s risk management function.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report • http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>4.2 Have a formal risk management policy that guides the company’s risk management and compliance processes and procedures.</p>	<p>Yes</p>	<p>The Audit Committee, in coordination with the Compliance Officer, also carries out risk and</p>

		<p>governance functions.</p> <ul style="list-style-type: none"> Revised Manual on Corporate Governance <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p>
<p>4.3 Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.</p>	<p>Yes</p>	<p>The Audit Committee, in coordination with the Compliance Officer, also carries out risk and governance functions.</p> <ul style="list-style-type: none"> Revised Manual on Corporate Governance <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p>
<p>4.4 Have a unit at the management level, headed by a Risk Management Officer (RMO).</p>	<p>No</p>	<p>The Chief Executive Officer performs and carries out the enterprise risk management function of the company.</p>

<p>4.5 Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.</p>	<p>Yes</p>	<p>The Audit Committee, in coordination with the Compliance Officer, also carries out risk and governance functions.</p> <ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>4.6 Seek external technical support in risk management when such competence is not available internally.</p> <p>Guideline No. 5: ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING FUNCTION</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>5.1 Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not</p>	<p>Yes</p>	<p>Revised Manual on Corporate</p>
		<p>.</p>

<p>outweigh the fees earned from the external audit.</p>		<p>Governance</p> <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p> <ul style="list-style-type: none"> • SEC Form 20-IS (Information Statement), Independent Auditors <p>http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf</p> <ul style="list-style-type: none"> • Annual Report, Part II, Item 8 <p>http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p>
<p>5.2 Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> • Governance <p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-</p>

		<p>2016.pdf</p> <ul style="list-style-type: none"> SEC Form 20-IS (Information Statement), Independent Auditors http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf Annual Report, Part II, Item 8 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf
<p>5.3 Ensure that the external auditor has adequate quality control procedures.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf SEC Form 20-IS (Information Statement), Independent Auditors http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf

		<ul style="list-style-type: none"> Annual Report, Part II, Item 8 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf
5.4 Disclose relevant information on the external auditors.	Yes	<ul style="list-style-type: none"> Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf SEC Form 20-IS (Information Statement), Independent Auditors http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf Annual Report, Part II, Item 8 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf
5.5 Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.	Yes	<ul style="list-style-type: none"> Revised Manual on Corporate Governance

		<p>https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p> <ul style="list-style-type: none"> • SEC Form 20-IS (Information Statement), Independent Auditors <p>http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf</p> <ul style="list-style-type: none"> • Annual Report, Part II, Item 8 <p>http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p>
<p>5.6 Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance <ul style="list-style-type: none"> • Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-</p>

		2016.pdf
5.7 Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.	Yes	Statement of Management's Responsibility for Financial Statements (attached to SEC Form 20- IS) • Revised Manual on Corporate Governance
5.8 Have a policy of rotating the lead audit partner every five years.	Yes	https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Independent Auditors http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Annual Report, Part II, Item 8 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf

<p>Guideline No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON- CONTROLLING GROUP</p>		
<p>6.1 Adopt the principle of “one share, one vote.”</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders’ Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC_Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf

		<ul style="list-style-type: none"> • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws
<p>6.2 Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders' Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf

		<ul style="list-style-type: none"> • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws
<p>6.3 Have an effective, secure and efficient voting system.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders' Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf

		<ul style="list-style-type: none"> • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws
<p>6.4 Have effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders’ Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf

		<ul style="list-style-type: none"> • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws
<p>6.5 Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders' Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf • Company By-Laws

<p>our-company/articles-incorporation-laws</p>		<p>https://www.filinvestgroup.com/</p>
<p>6.6 Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • SEC Form 20-IS (Information Statement), Independent Auditors http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders' Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws

<p>6.7 Ensure that all relevant questions during the AGM are answered.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Minutes of Annual Stockholders' Meeting held on April 29, 2016
<p>6.8 Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance
<p>6.9 Avoid anti-takeover measures or similar devices that may entrench management or the existing controlling shareholder group.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf

<p>6.10 Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Annual Report, Part III, Item 11 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf • PSE/SEC Disclosures • Company Website http://www.filinvestgroup.com/our-company/shareholding-structure/ http://www.filinvestgroup.com/disclosures/
<p>6.11 Have a communications strategy to promote effective communication with shareholders.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company Website http://www.filinvestgroup.com/investor-relations/investor-relations-program/
<p>6.12 Have at least thirty percent (30%) public float to increase liquidity in the market.</p>	<p>No</p>	<p>In 2010, the Management of FDC secured approvals from the Board of Directors and the stockholders of FDC for the top-up offering of FDC shares. This equity offering was expected to increase the public float of the company to more than 25%. However, the Board, after the company's 6-city international road show in January 2011, decided to defer the follow-on offering of the company due to volatile market conditions.</p> <p>Revised Manual on Corporate Governance</p>
<p>6.13 Have a transparent dividend policy.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-

		2016.pdf <ul style="list-style-type: none"> SEC Form 20-IS (Information Statement), Dividends http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
Guideline No. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND TRANSPARENCY REGIME		
7.1 Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and regulations.	Yes	<ul style="list-style-type: none"> Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
7.2 Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Yes	<p>PSE/SEC Disclosures</p> <ul style="list-style-type: none"> Company Website
7.3 Disclose its director and executive compensation policy.	Yes	<p>Annual Corporate Governance Report</p> http://www.filinvestgroup.com/wp-

		<p>content/uploads/2017/01/FDC-ACGR-2016.pdf</p> <ul style="list-style-type: none"> SEC Form 20-IS (Information Statement) <p>http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf</p> <ul style="list-style-type: none"> Annual Report , Part III, Item 10 <p>http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p>
<p>7.4 Disclose names of groups or individuals who hold 5% or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf SEC Form 20-IS (Information Statement) <p>http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf</p> <ul style="list-style-type: none"> Annual Report , Part III, Item 11 <p>http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p>

		<ul style="list-style-type: none"> • PSE/SEC Disclosures • Company Website <p>http://www.filinvestgroup.com/our-company/shareholding-structure/</p> <p>http://www.filinvestgroup.com/disclosures/?disclosures=39&dyear=12</p>
7.5	Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within 90 days from the end of the financial year, while interim reports shall be published within 45 days from the end of the reporting period.	<p>Yes</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report • http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Annual Report • http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf <p>Annual Corporate Governance Report</p>
7.6	Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.	<p>Yes</p> <ul style="list-style-type: none"> • http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf <p>Revised Manual on Corporate</p>
7.7	Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.	<p>Yes</p> <ul style="list-style-type: none"> • Governance • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance

		<ul style="list-style-type: none"> • SEC Form 20-IS (Information Statement), Voting Procedures http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Notice of Annual Stockholders' Meeting http://www.filinvestgroup.com/wp-content/uploads/2016/03/FDC-Notice-of-Annual-Stockholders-Meeting-April-29-20161.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws
<p>7.8 Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy- back program).</p>	<p>Yes</p>	<ul style="list-style-type: none"> • PSE/SEC Disclosures • Company Website http://www.filinvestgroup.com/disclosures/?disclosures=39&dyear=12
<p>7.9 Disclose in its annual report the principal risks to minority shareholders 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>	<p>Yes</p>	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf

		<ul style="list-style-type: none"> • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf • Annual Report, Part III http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf • PSE/SEC Disclosures • Company Website http://www.filinvestgroup.com/disclosures/?disclosures=39&dyear=12 http://www.filinvestgroup.com/our-company/shareholding-structure/
<p>Guideline No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS</p>		
<p>8.1 Establish and disclose a clear policy statement that articulates the company’s recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers & customers, creditors, as well the community, environment and other key stakeholder groups.</p>	<p>Yes</p>	<p>FDC is a holding company that was established out of businesses of Andrew and Mercedes Gotianun which were started over half a century ago.</p> <p>Through its diverse businesses, it has established a strong reputation as a dependable partner in economic development.</p>

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It is built on the values of integrity, hard work and a philosophy of partnering with our employees to deliver goods and services that enhance the lives of customers and in so doing, create shareholder value.

Its aim is to grow this legacy of success by continuing to strengthen its position in the industries where it competes and embarking on new endeavors that will bolster its role in the nation's economic development.

- Company Website

<https://www.filinvestgroup.com/our-company/vision-mission-and-core-values>

<https://www.filinvestgroup.com/corporate-governance/company-policies>

<https://www.filinvestgroup.com/governance/code-of-business-conduct-and-ethics/>

- Annual Corporate Governance Report

<http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf>

- Company Website

<https://www.filinvestgroup.com/corporate-governance/company-policies>

8.2 Have in place a workplace development program.

Yes

		<p>https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics</p>
<p>8.3 Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company Website https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Annual Report
		<ul style="list-style-type: none"> • http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf

8.4 Have in place a community involvement program.

Yes

Annual Corporate Governance Report

<http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf>

		<ul style="list-style-type: none"> Annual Report http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC - Annual-Report-20152.pdf Company Website https://www.filinvestgroup.com/corporate-social-responsibility 	
8.5	Have in place an environment-related program.	Yes	<ul style="list-style-type: none"> Annual Report http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC - Annual-Report-20152.pdf
8.6	Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.	Yes	<ul style="list-style-type: none"> Company Website https://www.filinvestgroup.com/corporate-governance/company-policies https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC -ACGR-2016.pdf
Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER TRADING			
9.1	Develop and disclose a policy governing the company's transactions with related parties.	Yes	<ul style="list-style-type: none"> Company Website

		<p>https://www.filinvestgroup.com/corporate-governance/company-policies</p> <p>https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics</p> <ul style="list-style-type: none"> Annual Corporate Governance Report <p>http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf</p> <ul style="list-style-type: none"> Annual Report, Part III, Item 12 <p>http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p> <ul style="list-style-type: none"> SEC Form 20 (IS) - Information Statement <p>http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf</p> <p>Company Website</p>
<p>9.2 Clearly define the thresholds for disclosure and approval for RPTs and categorize 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 RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>Yes</p>	<ul style="list-style-type: none"> https://www.filinvestgroup.com/corporate-governance/company-policies https://www.filinvestgroup.com/corporate-governance/company-policies

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Annual Report, Part III, Item 12 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf • SEC Form 20 (IS) - Information Statement http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>9.3 Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Company Website https://www.filinvestgroup.com/corporate-governance/company-policies https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf

		<ul style="list-style-type: none"> • Annual Report, Part III, Item 12 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf • SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC-DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf
<p>9.4 Have its independent directors or audit committee play an important role in reviewing significant RPTs.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance</p> <ul style="list-style-type: none"> • https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf
<p>9.5 Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.</p>	<p>Yes</p>	<p>Annual Report, Part III, Item 12 http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf</p>

		<ul style="list-style-type: none"> SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC - DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf Company Website
<p>9.6 Have a clear policy in dealing with material non-public information by company insiders.</p>	<p>Yes</p>	<ul style="list-style-type: none"> https://www.filinvestgroup.com/corporate-governance/company-policies
<p>9.7 Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.</p>	<p>Yes</p>	<ul style="list-style-type: none"> Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC -ACGR-2016.pdf Company Website https://www.filinvestgroup.com/corporate-governance/company-policies Annual Report http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC - Annual-Report-20152.pdf SEC Form 20-IS (Information Statement) http://www.filinvestgroup.com/wp-content/uploads/2016/04/FDC - DEFINITIVE-INFORMATION-STATEMENT-2016.compressed.pdf

[STATEMENT-2016.compressed.pdf](#)

		<p>STATEMENT-2016.compressed.pdf</p>
<p>Guideline No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, & ENFORCEMENT</p>		
<p>10.1 Formally adopt a code of ethics and proper conduct that guides individual behavior and decision making, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.</p>	<p>Yes</p>	<p>FDC is a holding company that was established out of businesses of Andrew and Mercedes Gotianun which were started over half a century ago. Through its diverse businesses, it has established a strong reputation as a dependable partner in economic development. It is built on the values of integrity, hard work and a philosophy of partnering with our employees to deliver goods and services that enhance the lives of customers and in so doing, create shareholder value.</p> <p>Its aim is to grow this legacy of success by continuing to strengthen its position in the industries where it competes and embarking on new endeavors that will bolster its role in the nation's economic development.</p> <ul style="list-style-type: none"> • Company Website https://www.filinvestgroup.com/our-company/vision-mission-and-core-values https://www.filinvestgroup.com/corporate-governance/company-policies https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics

<p>10.2 Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance • Annual Corporate Governance Report http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Annual Report, Part IV http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf
<p>10.3 Not seek exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well present the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Revised Manual on Corporate Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance
<p>10.4 Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Company Website https://www.filinvestgroup.com/corporate-governance/company-policies

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: FILINVEST DEVELOPMENT CORPORATION

Date: 17 April 2017

		https://www.filinvestgroup.com/corporate-governance/code-business-conduct-and-ethics Revised Manual on Corporate
10.5	Have a designated officer responsible for ensuring compliance with all relevant laws, rules, and regulation, as well as all regulatory requirements.	Yes • Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Report
10.6	Respect intellectual property rights.	Yes • http://www.filinvestgroup.com/wp-content/uploads/2016/05/FDC-Annual-Report-20152.pdf Revised Manual on Corporate
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	Yes • Governance https://www.filinvestgroup.com/corporate-governance/manual-corporate-governance Annual Corporate Governance Report • http://www.filinvestgroup.com/wp-content/uploads/2017/01/FDC-ACGR-2016.pdf • Company By-Laws https://www.filinvestgroup.com/our-company/articles-incorporation-laws

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained and set forth in this document is true, complete and correct.

Done this 17th day of April 2017 In Mandaluyong City, Metro Manila.



VIRGINIA T. OBCENA

Independent Director



L. JOSEPHINE GOTIANUN YAP

President & Chief Executive Officer