



**SEC FORM – I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **31 December 2023**
2. SEC Identification Number **13174** 3. BIR Tax Identification No. **108-278-000**
4. Exact name of issuer as specified in its charter **DIGIPLUS INTERACTIVE CORP.**
5. **Philippines**  (SEC Use Only)  
Province, Country or other jurisdiction Industry Classification Code:  
of incorporation or organization
7. **Ecoprime Bldg., 32nd St. cor. 9th Ave., BGC, Taguig City** **1635**  
Address of principal office Postal Code
8. **8634-5099**  
Issuer's telephone number, including area code
9. **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	<p>1. Information on the academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors is disclosed in the Company Website which may be accessed in the following links:</p> <p>Company Website  <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>Definitive Information Statement  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f4b0944c14c57a149e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f4b0944c14c57a149e4dc6f6c9b65995</a></p> <p>2. Information on the qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance is disclosed in the following reports:</p> <p>A. New Manual of Corporate Governance (MCG):  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-">https://digiplus.com.ph/app/uploads/2024/02/LRWC-</a></p>	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		

		<a href="#">New-Manual-on-Corporate-Governance.pdf</a>  B. Definitive Information Statement: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a_d226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a_d226aa0e181de6b9e4dc6f6c9b65995</a>	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors.	Compliant	Out of the nine (9) members of the Board of Directors, seven (7) are non-executive directors, which is more than a majority.	
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Please refer to Section 1.3 of the Company's MCG. <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
2. Company has an orientation program for first time directors.	Compliant	The last orientation program for first-time directors was held on 10 November 2022 for then first-time directors, Atty. Timoteo B. Aquino, Mr. Ramon Pancratio D. Dizon, and Atty. Jose Raulito E. Paras, who were all elected in the same year, 2022.	
3. Company has relevant annual continuing training for all directors.	Compliant	There were no first-time directors elected for the FY 2023.  The Company also holds an annual in-house seminar/training on	

		<p>corporate governance.</p> <p>All the directors and officers of the Company have Certificates of Attendance in Corporate Governance Training held on 11 December 2023. Please see below link:</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995</a></p>	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	<p>Please refer to Section 1.4 of the Company's MCG.</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.			
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	Please refer to the following links / attached documents:	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<p>1. 2023 Original General Information Sheet filed on 22 August 2023;</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=fcd5a14a2445cd3a9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=fcd5a14a2445cd3a9e4dc6f6c9b65995</a></p>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

		<p>2. Latest Amended 2023 General Information Sheet filed on 3 October 2023;  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=2c98ed878dfc950b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=2c98ed878dfc950b9e4dc6f6c9b65995</a></p> <p>3. Amended By-Laws (Article IV.5);  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995</a></p> <p>4. Company's MCG (Section 1.5);  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>5. SEC Form 17-C dated 28 July 2023 on the appointment of the Corporate Secretary. See below link for reference:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a></p> <p>Atty. Carol V. Padilla is the Corporate Secretary, and is not a member of the Board. Atty. Kristine Margaret Delos Reyes is the Compliance Officer.</p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Atty. Carol V. Padilla attended the corporate governance seminar held on 11 December 2023. See link below for her Certificate of Attendance:	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995</a>	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.			
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	Please refer to the following links / attached documents:  1. 2023 Original General Information Sheet filed on 22 August 2023; <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=fcd5a14a2445cd3a9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=fcd5a14a2445cd3a9e4dc6f6c9b65995</a>  2. Latest Amended 2023 General Information Sheet filed on 3 October 2023; <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=2c98ed878dfc950b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=2c98ed878dfc950b9e4dc6f6c9b65995</a>  3. Company's MCG (Section 1.6); <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>  Atty. Kristine Margaret Delos Reyes is the Compliance Officer and Head of	
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		

		Legal and Compliance Department, and Head of the Land and Investment Group. She is not a member of the board.	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>Atty. Kristine Margaret Delos Reyes attended the corporate governance seminar held on 11 December 2023.</p> <p>See link below for her Certificate of Attendance:</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=e2362fba06d34e7d9e4dc6f6c9b65995</a></p>	

**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**

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p>The directors are provided with board materials prior to the board meeting. Management provides regular reports and updates on the business and operations. Results of the operation and financial reports are presented and taken up by the Board before they are reported to the PSE and SEC. The business plans, strategies, and directions are discussed by the board in meetings to approve the Annual Budget.</p> <p>Section 1 of MCG:</p>	
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		<p>"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."</p>	
<b>Recommendation 2.2</b>			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>Reports on operation is a regular part of the agenda of Board Meetings. The Board is able to oversee and monitor the implementation of the company's business objectives and strategy during those board meetings.</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>Section 2.2 of MCG:  "The Board should oversee the development of and approve the company's business objectives and strategy, and monitor their implementation, in order to sustain the company's long-term viability and strength."</p>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>The Company's website provides its mission, vision, and core values. See below link for reference:</p> <p><a href="https://digiplus.com.ph/about-us/">https://digiplus.com.ph/about-us/</a></p>	



		<p>This is reviewed annually by management. Latest review and update was made on 16 February 2022. Please see link below:</p> <p><a href="https://digiplus.com.ph/setting-off-for-the-new-year-soaring-high-for-new-goals/">https://digiplus.com.ph/setting-off-for-the-new-year-soaring-high-for-new-goals/</a></p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>The Board evaluates and approves the business plans, strategies, and projects presented and proposed by management. The Board considers the business environment and culture in assessing said business plans and strategies.</p> <p>The Board conducts regular meetings and receives regular reports from management on topics such as operations and financial performance, to ensure that the Company's strategic plans are followed.</p>	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>Mr. Eusebio H. Tanco is the Chairman of the Company.</p> <p>Information about him and his qualifications are disclosed in the Annual Report and Definitive Information Statement, and uploaded in the Company's website. See below links for reference:</p>	

		<p>Definitive Information Statement for FY 2023 <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p> <p>Company Website <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>Latest Annual Report <a href="https://digiplus.com.ph/app/uploads/2024/02/DigiPlus-Interactive-Corp.-2022-SEC-Form-17-A.pdf">https://digiplus.com.ph/app/uploads/2024/02/DigiPlus-Interactive-Corp.-2022-SEC-Form-17-A.pdf</a></p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Section 2.4 of MCG: "The Board should be responsible for ensuring and adopting an effective succession planning program for directors, key officers and management to ensure growth and a continued increase in the shareholders' value. xxx"	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		Please refer to the attached existing Retirement Policy of the Company for directors and key officers approved by the Board.
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Section 2.5 of MCG: "The Board should align the remuneration of key officers and board members with long-term	

2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	interests of the company. In doing so, it should formulate and adopt a policy specifying the relationship between remuneration and performance. Further, no director should participate in discussions or deliberations involving his own remuneration. xxx"	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>As for the employees' remuneration, the Company conducts quarterly performance evaluation of all regular employees to effectively monitor their performance. All probationary employees are also evaluated prior to regularization date. During performance evaluation, the employees rate their own performance vis-à-vis a target, which is still subject to the approval of their immediate superior/s. The average rating of employee based on his performance evaluation will be the basis for computation of performance bonus (if any). Please refer to attached HR Memo No. 0036-2018.</p> <p>On January 31, 2023, the Board of Directors approved the employee stock options plan of the Company. On March 27, 2023, the same was approved by the stockholders. The employee stock options plan is still subject to the approval of the SEC.</p>	

Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.			
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	<u>For Items 1, 2 &amp; 5:</u>  Section 2.6 of MCG: "The Board should have a formal and transparent board nomination and election policy that should include how it accepts nominations from minority shareholders and reviews nominated candidates. The policy should also include an assessment of the effectiveness of the Board's processes and procedures in the nomination, election, or replacement of a director. In addition, its process of identifying the quality of directors should be aligned with the strategic direction of the company.  It is the Board's responsibility to develop a policy on board nomination. The policy should encourage shareholders'	
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		
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		

<p>6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.</p>	<p>Compliant</p>	<p>participation by including procedures on how the Board accepts nominations from minority shareholders. The policy should also promote transparency of the Board's nomination and election process.</p> <p>The nomination and election process also includes the review and evaluation of the qualifications of all persons nominated to the Board, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members. xxx"</p> <p><u>Items 3 &amp; 4:</u> Nomination Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf</a></p> <p>Section 13.1 of the MCG: "... all shareholders must be given the opportunity to nominate candidates to the Board of Directors in accordance with existing laws. The procedures of the nomination</p>	
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		<p>process are expected to be discussed early by the Board. The company is encouraged to fully and promptly disclose all information regarding the experience and background of the candidates to enable the shareholders to study and conduct their own background check as to the candidates' qualification and credibility."</p> <p><u>For Item 6</u></p> <p>Section 1.1 of the MCG: "xxx the Board sets qualification standards for its members to facilitate the selection of potential nominees for board seats, and to serve as a benchmark for the evaluation of its performance."</p>	
<b>Optional: Recommendation to 2.6</b>			
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.			
<b>Recommendation 2.7</b>			
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	<p>Section 2.7 of MCG: "The Board should have the overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or</p>	

<p>2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p>	<p>Compliant</p>	<p>infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions.</p>	
<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>infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy should include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy should encompass all entities within the group, taking into account their size, structure, risk profile and complexity of operations."</p> <p>Section 3.5 of MCG:  "... The Board should establish a Related Party Transaction (RPT) Committee, which should be tasked with reviewing all material related party transactions of the company and should be composed of at least three non-executive directors, two of whom should be independent, including the Chairman. xxx"</p> <p>The Related Party Transactions Committee for 2023 was elected during the Organizational Board of Director's Meeting held on 28 July 2023:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a></p> <p>The Company's RPT Committee Charter:</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf</a>  Please refer to the link below for the Company's Material RPT policy, as approved by the Board on 24 October 2019 and amended on 14 May 2021: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a>  Please see attached RPT Disclosure Form which was implemented for FY2023.	
<b>Supplement to Recommendations 2.7</b>			
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.	Compliant	Please refer to the link below for the Company's Material RPT policy (particularly, on the "Coverage and Materiality Threshold"), as approved by the Board on 24 October 2019 and amended on 14 May 2021: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	Shareholder Approval in the Company's Material RPT Policy: "The Company, through the Board of Directors, shall ensure that the rights	



		<p>of minority shareholders are protected at all times xxx</p> <p>As such, in case that majority of the independent director's vote is not secured as provided in this Policy, the Material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.</p> <p>All other RPTs determined by the RPT Committee that require shareholders' approval in accordance with law and rules and regulations, will also be submitted to the shareholders, including minority shareholders, for approval. The Company encourages disinterested shareholders to decide on the matter."</p> <p>See below link for reference:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a> </p>	
<b>Recommendation 2.8</b>			
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).	Compliant	<p>Section 2.8 of MCG:  "The Board should be primarily responsible for approving the selection and assessing the performance of the Management led by the Chief Executive Officer (CEO), and control functions led by their respective heads (Chief Risk</p>	

		<p>Officer, Chief Compliance Officer, and Chief Audit Executive). xxx"</p> <p>The following are the members of the Company's Management Team:</p> <ul style="list-style-type: none"> <li>• Eusebio H. Tanco – Chairman</li> <li>• Tsui Kin Ming – President</li> <li>• Atty. Kristine Margaret Delos Reyes – Compliance Officer and Head of Legal and Compliance Department</li> <li>• Atty. Rosalyn Batay – Internal Audit Head</li> <li>• Ronald Allan Pablo – Chief Risk Officer</li> </ul>	
<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>Section 2.8 of MCG:</p> <p>"... It is the responsibility of the Board to appoint a competent management team based on established performance standards that are consistent with the company's strategic objectives, and conduct a regular review of the company's policies with the management team. In the selection process, fit and proper standards are to be applied on key personnel and due consideration is given to integrity technical expertise and experience in the institution's business, either current or planned."</p> <p>The foregoing officers directly report to the Executive Committee of the</p>	

		<p>Board and the Board is primarily responsible to conduct a performance appraisal on a regular basis.</p> <p>Attached is a copy of the Evaluation Form for the assessment of the performance of Management.</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	<p>Section 2.9 of MCG: "The Board should 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.</p> <p>Results of performance evaluation should be linked to other human resource activities such as training and development, remuneration, and succession planning. These should likewise form part of the assessment of the continuing fitness and propriety of management, including the CEO and personnel in carrying out their respective duties and responsibilities."</p> <p>Please see attached Performance Evaluation Policy / 2018 Memo No. 0036-2018, applicable to Job grade 6</p>	
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		

		and above which includes Management.  Please also refer to the Evaluation Form for the assessment of the performance of management.	
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Section 2.10 of MCG: "The Board should oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. xxx"  Please refer to the Fraud Policy, as well as the Employee Handbook on conflict of interest, both attached for reference.  Please also see below link to the Company's Conflict of Interest Policy: <a href="https://digiplus.com.ph/app/uploads/2024/02/CONFLICT-OF-INTEREST-POLICY-LRWC.pdf">https://digiplus.com.ph/app/uploads/2024/02/CONFLICT-OF-INTEREST-POLICY-LRWC.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		
3. Board approves the Internal Audit Charter.	Compliant	Please refer to the link for the Company's Audit Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>	
<b>Recommendation 2.11</b>			

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	Section 2.11 of MCG: "The Board should oversee that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies."	
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	<p>Section 3.4 of MCG: "... the Board should establish 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. xxx"</p> <p>The Board appointed the members of the Risk Oversight Committee during its Organizational Board Meeting on 28 July 2023 as disclosed in its SEC Form 17-C:</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a></p> <p>Please see below link to the Company's Enterprise Risk Management Framework:</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/02/BOARD-RISK-OVERSIGHT-COMMITTEE-BROC-REGULATIONS.pdf">https://digiplus.com.ph/app/uploads/2024/02/BOARD-RISK-OVERSIGHT-COMMITTEE-BROC-REGULATIONS.pdf</a>	
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The Company's New Corporate Governance Charter (MCG) serves as the Board's Charter and already incorporates the duties and responsibilities of the Board. To have a separate Board Charter would be a duplication.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	Please see below link to the Company's website where the MCG is posted and available: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
3. Board Charter is publicly available and posted on the company's website.	Compliant		
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	Please refer to below link for the Company's Insider Trading Policy: <a href="https://digiplus.com.ph/app/uploads/2024/02/INSIDER-TRADING-POLICY-LRWC.pdf">https://digiplus.com.ph/app/uploads/2024/02/INSIDER-TRADING-POLICY-LRWC.pdf</a>	
<b>Optional: Principle 2</b>			
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.			

2. Company discloses the types of decision requiring board of directors' approval.			
<b>Principle 3:</b> 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.			
<b>Recommendation 3.1</b>			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Please see below link to the Company's website posting all the different Committees and their respective members: <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a>	
<b>Recommendation 3.2</b>			
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	Section 3.2 of the MCG: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>  Please refer to below link for the Audit Committee's Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>  It is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor pursuant to Section 3.2 (I) of the MCG.	

<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>	<p>Please refer to below link to the Company's website for the members of the Audit Committee:  <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>Please refer to below link to the Company's SEC Form 17-C dated 28 July 2023 for the type of directorship of the members:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a></p> <p>The Audit Committee is composed of the following members, who are non-executive directors and majority of whom, including the Chairman, is independent:</p> <ul style="list-style-type: none"> <li>• Chairperson – Ramon Pancratio D. Dizon, <i>Independent Director</i></li> <li>• Member – Atty. Timoteo B. Aquino, <i>Independent Director</i></li> <li>• Member – Atty. Jose Raulito E. Paras</li> </ul>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>Please refer to below link to the Company's website regarding the relevant background, knowledge, skills, and/or experience of the members of the Audit Committee:</p>	



		<a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Non-Compliant		<p>Please refer to below link to the Company's website:</p> <p><a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>Mr. Eusebio H. Tanco is the Chairman of the Board. Mr. Ramon Pancratio D. Dizon is the Chairman of the Audit Committee. However, due to the requirement for independent directors to be appointed as Chairman of other Board Committees, Mr. Ramon D. Dizon is also the Chairman of the Related Party Transaction Committee and the Compensation Committee.</p>
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>Section 3.2.g of MCG:          ".....Evaluates and determines the non-audit work, if any, of the External Auditor and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy fees".</p> <p>Currently, the Company has no non-audit services done by the external auditor.</p>	
2. Audit Committee conducts regular meetings and dialogues with the external	Compliant	Please refer to attached Audit Committee Minutes in 2023 showing attendance by the Committee,	

audit team without anyone from management present.		without anyone from management present.	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.			
2. Audit Committee approves the appointment and removal of the internal auditor.			
<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	<p>Section 3.1 of the MCG:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>The members of the Corporate Governance Committee are:</p> <ul style="list-style-type: none"> <li>• Chairperson – Atty. Timoteo B. Aquino, <i>Independent Director</i></li> <li>• Member – Ramon Pancratio D. Dizon</li> <li>• Member – Eusebio H. tanco</li> </ul>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-Compliant		<p>Please refer to below link to the Company's website:  <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>The Corporate Governance Committee is composed of at least 3 members:</p> <ul style="list-style-type: none"> <li>• Chairperson –Atty. Timoteo B. Aquino, <i>Independent Director</i></li> </ul>

			<ul style="list-style-type: none"> <li>Member – Ramon Pancratio D. Dizon, <i>Independent Director</i></li> <li>Member – Eusebio H. Tanco</li> </ul> <p>Currently, the Company only has 2 independent directors.</p>
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>The Chairman of the Corporate Governance Committee is Atty. Timoteo B. Aquino, an independent director.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a></p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.			
<b>Recommendation 3.4</b>			
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	<p>The BROC and its functions are incorporated in the Company's MCG which includes the Committee's duties and responsibilities.</p> <p>Please refer to below link:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a> </p>	
2. BROC is composed of at least three members, the majority of whom should be	Compliant	Please refer to below link to the Company's website:	

independent directors, including the Chairman.		<a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a>  The BROC is composed of the following members, majority of whom are independent directors, including the Chairman: <ul style="list-style-type: none"> <li>• Chairperson – Atty. Timoteo B. Aquino, <i>Independent Director</i></li> <li>• Member – Renato G. Nuñez</li> <li>• Member – Ramon Pancratio D. Dizon, <i>Independent Director</i></li> </ul>	
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 is Atty. Timoteo B. Aquino, who is also the Chairman of the Corporate Governance Committee.  Please refer to below link to the Company's website: <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a>
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Please refer to the below link to the Company's website for the profiles of the members of the board/board committees: <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a>	
<b>Recommendation 3.5</b>			

<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p>Review and approval of Related Party Transactions or RPTs are among the functions of the RPT Committee.</p> <p>Please refer to the following links/attached documents:</p> <ol style="list-style-type: none"> <li>1. Section 3.5 of MCG, includes the functions of the RPT Committee:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></li> <li>2. On the duties and responsibilities of RPT Committee:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf</a></li> </ol>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>Compliant</p>	<p>Please refer to below link to the Company's website:  <a href="https://digiplus.com.ph/corporate-governance/#board-of-committees">https://digiplus.com.ph/corporate-governance/#board-of-committees</a></p> <p>The RPT is composed of the following members, all three of whom are non-executive:</p> <ul style="list-style-type: none"> <li>• Chairperson – Ramon Pancratio D. Dizon, <i>Independent Director, Non-Executive</i></li> <li>• Member – Atty. Timoteo B. Aquino, <i>Independent Director, Non-Executive</i></li> </ul>	

		<ul style="list-style-type: none"> <li>Member – Willy N. Ocier, Non-Executive</li> </ul>	
<b>Recommendation 3.6</b>			
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	<p>Please refer to the following links to the Company's website for the Committee Charters:</p> <ol style="list-style-type: none"> <li>1. Audit Committee <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></li> <li>2. Corporate Governance Committee <a href="https://digiplus.com.ph/app/uploads/2024/02/Corporate-Governance-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Corporate-Governance-Committee.pdf</a></li> <li>3. Compensation Committee <a href="https://digiplus.com.ph/app/uploads/2024/02/Compensation-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Compensation-Committee.pdf</a></li> <li>4. Nomination Committee <a href="https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf</a></li> <li>5. Board Risk Oversight Committee <a href="https://digiplus.com.ph/app/uploads/2024/02/Board-Risk-Oversight-Committee-Charter-2023.pdf">https://digiplus.com.ph/app/uploads/2024/02/Board-Risk-Oversight-Committee-Charter-2023.pdf</a></li> </ol>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		

		<p>6. Related Party Transaction Committee  <a href="https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf</a></p> <p>7. Executive Committee  <a href="https://digiplus.com.ph/app/uploads/2024/02/Executive-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Executive-Committee.pdf</a></p>	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<p>Please refer to the below links to the Company's website:</p> <p>Audit Committee Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></p> <p>Corporate Governance Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Corporate-Governance-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Corporate-Governance-Committee.pdf</a></p> <p>Compensation Committee Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Compensation-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Compensation-Committee.pdf</a></p> <p>Nomination Committee Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Nomination-Committee.pdf</a></p> <p>Risk Oversight Committee Charter:</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/02/Board-Risk-Oversight-Committee-Charter-2023.pdf">https://digiplus.com.ph/app/uploads/2024/02/Board-Risk-Oversight-Committee-Charter-2023.pdf</a>  Related Party Transactions Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Related-Party-Transaction-Committee.pdf</a>  Executive Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Executive-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Executive-Committee.pdf</a>	
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**Principle 4:** To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

#### Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Digiplus Directors attend and actively participate in meetings of the Board, Committees, and shareholders in person, through tele-/videoconferencing, or through remote communication. Procedures for board and/or committee meetings are provided in the Company's By-Laws (Articles II & III):  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=8cd8f7479ae64023abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=8cd8f7479ae64023abca0fa0c5b4e4d0</a>	
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2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Directors received board materials via email before the actual board meeting for their review and reference.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	The details of board discussion including the questions/clarifications raised by directors are confidential and non-public information, hence limited excerpts of some of the minutes are provided/attached to demonstrate these directors' actions.	
<b>Recommendation 4.2</b>			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>Section 1.2 of MCG:            "... The Company determines the qualifications of the non-executive directors (NEDs) that enable them to effectively participate in the deliberations of the Board and carry out their roles and responsibilities."</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>The Definitive Information Statement contains information on the directorships of the Company's directors in both listed and non-listed companies. See below link for reference (pages 8-10):  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p>	

**Recommendation 4.3**

1. The directors notify the company's board before accepting a directorship in another company.	Compliant	The Material Related Party Transactions Policy of the Company, particularly the Section on Identification of Conflicts of Interest, expressly requires directors to notify the Company's Board before accepting a directorship in another company.  Please refer to the link below: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.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.			
2. Company schedules board of directors' meetings before the start of the financial year.			
3. Board of directors meet at least six times during the year.			
4. Company requires as minimum quorum of at least 2/3 for board decisions.			

**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 Board currently has only two (2) independent directors out of the nine (9) total directors.
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>Section 5.2 of the MCG enumerates the qualifications and disqualifications of an independent director:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>All the independent directors are duly qualified and possess none of the disqualifications.</p>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p>Section 2 of the MCG, states the clear roles and responsibilities of the board of directors:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
<b>Recommendation 5.3</b>			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p>Section 5.3 of the MCG:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>All independent directors of the Company were first elected in 2022. They have only served for a period of two years.</p>	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Section 5.3 par. 2 of MCG: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
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	Section 5.3 of MCG: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>  All independent directors of the Company were first elected in 2022. No directors have served for more than nine (9) years.	
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	The Company's Chairman is Mr. Eusebio H. Tanco, while the Company's President (Chief Executive Officer) is Mr. Tsui Kin Ming.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Section 2.3 of MCG, provides for the roles and responsibilities of the Chairman: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>  Section 2.8 of MCG: "The Board should be primarily responsible for approving the selection and assessing the performance of the Management	

		<p>led by the Chief Executive Officer (CEO)..."</p> <p>Section 2.9 of MCG:  "The Board should 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."</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>Art. IV, Sec. 2 of the By-laws clearly define the responsibilities of the Chairman and Chief Executive Officer.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f855de1da4f506419e4dc6f6c9b65995</a></p>	
<b>Recommendation 5.5</b>			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	<p>The Chairman is not an independent director.</p> <p>On 28 July 2023, the Board designated Mr. Ramon Pancratio D. Dizon as the independent lead director.</p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=94a472d7e4247f6b9e4dc6f6c9b65995</a>	
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>The Company has a Material Related Party Transaction Policy, which expressly states that directors who have an interest in the RPT under review shall abstain from taking part in the discussion, approval, and management of such transaction or matter affecting the Company. Please refer to Item #8 of the Section on Review Process of the Material RPT of said Policy.</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a></p>	
<b>Recommendation 5.7</b>			
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.	Compliant	<p>Sec. 5.7 of the MCG states: "The non-executive directors (NEDs) should have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that proper checks and balances are in place within the corporation. The meetings should be chaired by the lead independent director."</p>	
2. The meetings are chaired by the lead independent director.	Compliant		

		Mr. Ramon Pancratio D. Dizon is the lead independent director. He is also Chairman of the Audit Committee, who chairs the meetings with the external auditor, and the Head of Internal Audit without any executive present.	
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.			
<b>Principle 6:</b> 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.			
<b>Recommendation 6.1</b>			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	The individual members of the Board were asked to accomplish an Evaluation Form to assess the performance of the Board, the Board Committees, and their self.  Please see attached Evaluation Form.	
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.	Not Applicable	This is only the second year that the assessments were made.	
<b>Recommendation 6.2</b>			
1. Board has in place a system that provides, at the minimum, criteria and process to	Compliant	Section 6.2 of MCG:	

determine the performance of the Board, individual directors and committees.		<a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	Please refer to the attached Evaluation Form for the criteria.	
<b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
<b>Recommendation 7.1</b>			
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.	Compliant	Please refer to below link to the Company's Code of Business Conduct and Ethics: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	The Company's Code is posted in the Company's website. <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf</a>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	Company's Code of Business Conduct and Ethics: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Company terminates anyone who commits infractions under Business Ethics and Conduct paragraph no. 4 "Soliciting or receiving money or anything of value from customers"	



		(see Appendix p.ii). Please refer to attached ABLE Employee Handbook.	
<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	HR, through the Area Managers, ensures proper implementation of the Code of Business Conduct and Ethics. HR keeps records of employees' infractions for proper monitoring.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>Please see below link:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf</a></p> <p>All employees, regardless of rank, are required to comply with the Code of Business Conduct and Ethics.</p> <p>The Company has an Internal Audit Department and Legal Department who ensures compliance with internal policies.</p>	
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			
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	Compliant	<p>The Company complies with the PSE Disclosure Rules.</p> <p>The disclosures of the Company are posted in the Company's website:</p>	

complete picture of a company's financial condition, results and business operations.		<a href="https://digiplus.com.ph/corporate-governance/#corp-gov-lib">https://digiplus.com.ph/corporate-governance/#corp-gov-lib</a>  As well as in the PSE EDGE Portal: <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=96">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=96</a>	
<b>Supplement to Recommendations 8.1</b>			
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.	Compliant	Please refer to below links for the reports:  <a href="#">Annual Reports FY 2023   Digiplus</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0</a>  <a href="https://digiplus.com.ph/investor-relations/#financial-highlights">https://digiplus.com.ph/investor-relations/#financial-highlights</a>  <u>2023 Third Quarterly Report</u> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=d4ad2c6f2fd177e09e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=d4ad2c6f2fd177e09e4dc6f6c9b65995</a>  <u>2023 Second Quarterly Report</u> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a0854cdbeac2a5dc9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a0854cdbeac2a5dc9e4dc6f6c9b65995</a>  <u>2023 First Quarterly Report</u> <a href="https://digiplus.com.ph/wp-content/uploads/2023/05/Digi">https://digiplus.com.ph/wp-content/uploads/2023/05/Digi</a>	

		<a href="#">Plus-Interactive-Corp. SEC-Form-17Q-31March2023.pdf</a>	
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	<p>Please see below link to the Company's 2023 Annual Report, particularly Item 11 on Security Ownership of Certain Beneficial Owners and Management:</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a032c6d4696d88a49e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a032c6d4696d88a49e4dc6f6c9b65995</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	<p>Section 5 of MCG, requiring directors and officers to disclose their dealings in the company's share:</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p>The actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction were all properly disclosed via PSE EDGE (PSE Disclosure Form 17-7- Statement of Changes in Beneficial Ownership of Securities) that occurred in FY 2023. Please refer to below links for examples:</p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d4c8b9b9389fdb9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d4c8b9b9389fdb9e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6c93c59b73fbb4319e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6c93c59b73fbb4319e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7155d0054d9080b59e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7155d0054d9080b59e4dc6f6c9b65995</a>  See below link to the Company's revised RPT Policy: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</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	Please refer to the link below:  1. SEC form 23A:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d4c8b9b9389fdb9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d4c8b9b9389fdb9e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6c93c59b73fbb4319e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6c93c59b73fbb4319e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7155d0054d9080b59e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7155d0054d9080b59e4dc6f6c9b65995</a>	

		<p>2. List of Public Ownership</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb803eb61f5faad49e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb803eb61f5faad49e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e42db9b8506444169e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=e42db9b8506444169e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=4cb15f98da19960d9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=4cb15f98da19960d9e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=db052871be90fe399e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=db052871be90fe399e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=932362bd1a10a7ee9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=932362bd1a10a7ee9e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f29b593700552b64abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f29b593700552b64abca0fa0c5b4e4d0</a></p> <p>3. Top 100 shareholders</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=41c5f3186d2dd5d09e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=41c5f3186d2dd5d09e4dc6f6c9b65995</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6be9032f741e4f1b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6be9032f741e4f1b9e4dc6f6c9b65995</a></p>	
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		<a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=573e043aedef465a69e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscVier.do?edge_no=573e043aedef465a69e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=07e486639f775bae9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscVier.do?edge_no=07e486639f775bae9e4dc6f6c9b65995</a>  <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=e47f8995bb756962abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscVier.do?edge_no=e47f8995bb756962abca0fa0c5b4e4d0</a>	
<b>Recommendation 8.3</b>			
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	Please refer to below links:  <i>Definitive Information Statement</i> (Item 5, pages 7-13): <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscVier.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a>  <i>Company Website</i> <a href="https://digiplus.com.ph/about-us/#people-of-digiplus">https://digiplus.com.ph/about-us/#people-of-digiplus</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	Please refer to below links:  <i>Company Website</i> <a href="https://digiplus.com.ph/about-us/#people-of-digiplus">https://digiplus.com.ph/about-us/#people-of-digiplus</a>  <i>Definitive Information Statement</i> (Item 5, pages 10-13): <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscVier.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a>	

<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Not applicable		<p>The Company does not give compensation to its Board members by virtue of their directorship. However, the Company provides nominal per diem to its Board members.</p> <p>But Item 6: Compensation of Directors and Executive Officers, of its 20-IS provides the compensation paid to the CEO and top 4 Executive Officers as a group, and all other officers and directors, as a group. This complies with the current SEC requirement.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p>
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Non-Compliant		<p>The Company does not provide policies and procedures for setting executive remuneration.</p> <p>But Item 6: Compensation of Directors and Executive Officers, of its 20-IS provides the compensation paid to the CEO and top 4 Executive Officers as a group, and all other officers and directors, as a group. This complies with the current SEC requirement.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p>

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant		<p>Due to concerns on security, safety and privacy, and in compliance with Data Privacy Laws, the Company does not disclose the remuneration of its directors and officers on an individual basis. However, the Company discloses in its annual report the aggregate compensation of its President and Chairman of the Board and the four highest key management personnel, as well as those of its other officers, key management and directors as a group.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p>
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#### 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 Section 8.5 of MCG: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>Please refer to below link for the revised Material RPT Policy of the Company: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a></p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Please refer to the following links:</p> <p>1. Form 17-A Annual Report <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0</a></p>	



		2, Audited Financial Statements: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7723ae45a641a601abca0fa0c5b4e4d0</a>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Section 8.3 of MCG: "The Board should fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment." <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>Please see below link to the Company's revised RPT Policy: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Revised-RPT-Policy-051421.pdf</a></p> <p>Please refer to the RPT Disclosure Form attached.</p>	
<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.			
<b>Recommendation 8.6</b>			

1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	Please refer to below link to PSE EDGE on ALL of the Company's disclosures, including Material Transactions Disclosures: <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=96">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=96</a>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Not applicable	There was no acquisition or disposal of significant assets made by the Company in 2023.	
<b>Supplement to Recommendation 8.6</b>			
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.	Not applicable	The Company does not have any shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may significantly impact on the control, ownership and strategic direction of the company.	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Please refer to the below link to the company's website where the Manual on Corporate Governance is posted: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-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 below link to the New Manual on Corporate Governance: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:			
a. Corporate Objectives			
b. Financial performance indicators			
c. Non-financial performance indicators			
d. Dividend Policy			
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year			
g. Total remuneration of each member of the board of directors			
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.			
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.			
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.			
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).			
<b>Principle 9:</b> 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.			
<b>Recommendation 9.1</b>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	<p>Please see below pertinent portion of the 2023 Definitive Information Statement:</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p> <p>"Item 7. Independent Public Accountants</p>	

		<p>xxx</p> <p>On the annual stockholders' meeting held on July 29, 2022, Isla Lipana &amp; Co., the Philippine member firm of PwC global network ("PwC Philippines") was appointed as the external auditors, with Mr. Pocholo C. Domondon as the partner-in-charge.</p> <p>For the ensuing Year 2023 audit, the recommended independent public accountant for the approval of the stockholders will be PwC Philippines, with Mr. Pocholo Domondon as certifying Audit Partner.</p> <p>Representatives of the Independent Public Accountant for the current year (PwC Philippines) are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.</p> <p>The Chairman of the Audit Committee is Mr. Ramon Pancratio D. Dizon and the members are Atty. Timoteo B. Aquino and Atty. Jose Raulito E. Paras."</p> <p>The Audit Committee Charter also espouses for the Audit Committee to</p>	
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		<p>have a robust process of approving, recommending approval, appointment, reappointment, and renewal of the external auditor's services as ratified by the shareholders. Please see link below:</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></p>	
<p>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.</p>	Compliant	<p>All of the shareholders present during the ASM, and representing 82.18% percent of the total outstanding common stock of the Company, ratified the appointment of the external auditor.</p> <p>Please see below link for the minutes of the 2023 ASM:</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/DigiPlus-Interactive-Corp.-2022-SEC-Form-17-A.pdf">https://digiplus.com.ph/app/uploads/2024/02/DigiPlus-Interactive-Corp.-2022-SEC-Form-17-A.pdf</a></p> <p>The Audit Committee Charter also espouses for the Audit Committee to have a robust process of approving, recommending approval, appointment, reappointment, and renewal of the external auditor's services as ratified by the shareholders. Please see link below:</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></p>	
<p>3. For removal of the external auditor, the reasons for removal or change are</p>	Compliant	<p>There was no change in the external auditor for FY 2023.</p>	

disclosed to the regulators and the public through the company website and required disclosures.		<p>The change in external auditor in FY 2022 was duly disclosed to the public under Article VII, Section 4.4 (z) of the PSE Disclosure Rules and through PSE Disclosure Form 4-9 and SEC Form 17-C accordingly.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=095f2190db567d223470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=095f2190db567d223470cea4b051ca8f</a></p>	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<p>Please see below pertinent portion of the 2023 Information Statement:</p> <p>“Item 7. Independent Public Accountants</p> <p>On the annual stockholders' meeting held on 28 July 2018, SGV &amp; Co. was appointed as the external auditors, with Ms. Maria Pilar B. Hernandez as the partner-in-charge for the audit of the Company's financial statements as at and for the period ending 31 December 2018. In compliance with SRC Rule 68 as Amended, Paragraph 3(b) (ix), the handling audit partner is rotated every five (5) years and in case there will be a re-engagement of the same signing partner, a two-year cooling off period shall be observed.</p>	

		<p>On the annual stockholders' meeting held on 26 July 2019 and 28 August 2020, SGV &amp; Co., was re-appointed as the external auditors, with Ms. Maria Pilar B. Hernandez as the partner-in-charge for the audit of the Company's financial statements as at and for the period ending 31 December 2020.</p> <p>On the annual stockholders' meeting held on 30 July 2021, SGV &amp; Co., was re-appointed as the external auditors, with Ms. Gaile A. Macapinlac as the partner-in-charge for the audit of the Company's financial statements as at and for the period ending 31 December 2021.</p> <p>There were no disagreements with independent accountants on accounting and financial disclosures.</p> <p>On the annual stockholders' meeting held on July 29, 2022, Isla Lipana &amp; Co., the Philippine member firm of PwC global network ("PwC Philippines") was appointed as the external auditors, with Mr. Pocholo C. Domondon as the partner-in-charge.</p> <p>For the ensuing Year 2023 audit, the recommended independent public accountant for the approval of the stockholders will be PwC Philippines,</p>	
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		<p>with Mr. Pocholo Domondon as certifying Audit Partner.</p> <p>Representatives of the Independent Public Accountant for the current year (PwC Philippines) are expected to be present at the Annual Stockholders' Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.</p> <p>The Chairman of the Audit Committee is Mr. Ramon Pancratio D. Dizon and the members are Atty. Timoteo B. Aquino and Atty. Jose Raulito E. Paras.”</p> <p><i>Changes in and Disagreements with Accountant on Accounting and Financial Disclosures (SEC Form 17-Q, page 46)</i></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p> <p>“On June 8, 2022, the Company's BOD, upon recommendation of the Audit Committee, approved the change in external auditor from Sycip Gorres Velayo &amp; Co. to Isla Lipana &amp; Co.</p>	
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		<p>There were no changes or disagreements with the Company's external auditors, Isla Lipana &amp; Co. on accounting and financial disclosures."</p> <p>The Audit Committee Charter also espouses for the Audit Committee to have a robust process of approving, recommending approval, appointment, reappointment, and renewal of the external auditor's services as ratified by the shareholders. Please see link below:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>   <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a> (Item 7, page 15)</p> <p>This is the second year that PwC Philippines/Isla Lipana &amp; Co. will serve as external auditor for the Company.</p>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p>	Compliant	<p>Please refer to below link to the company's Audit Committee Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></p>	

iii.	exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.			
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	Please refer to below link to the company's Audit Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>	
<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 below link to the company's Audit Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>	
2.	Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Please refer to below link to the company's Audit Committee Charter: <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>	
<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.	Not applicable	Currently, the Company's external auditor has no non-audit services performed for the Company. Otherwise, the Company shall disclose the nature of non-audit services in the Annual Report.	

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.	Not applicable	<p>There were no non-audit functions given to the external auditor for FY2023.</p> <p>Please refer to the following links:  <a href="https://digiplus.com.ph/wp-content/uploads/2021/05/LRWC-Revised-RPT-Policy-051421.pdf">https://digiplus.com.ph/wp-content/uploads/2021/05/LRWC-Revised-RPT-Policy-051421.pdf</a></p> <p>Audit Committee Charter:  <a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a></p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Not applicable	Currently, the Company's external auditor has no non-audit services performed for the Company.	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>The Company's current external auditor is Isla Lipana &amp; Co. (PWC Philippines). Mr. Pocholo C. Domondon is the handling partner assigned to the Company.</p> <p>Isla Lipana &amp; Co. is accredited by the SEC under Group A category.</p> <p>SEC Accreditation Number (Individual): 0142-SEC, Category A, valid to audit 2021 to 2025.</p> <p>Makati City</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	Company's external auditor, Isla Lipana & Co., was subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program last October 3-14, 2022. The SOAR is conducted every three years. The names of the members of the engagement team were provided to the SEC during the SOAR inspection.	
<b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
<b>Recommendation 10.1</b>			
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 see below link to the Company's FY 2023 Sustainability Report: <a href="https://digiplus.com.ph/sustainability/#sustainability-report">https://digiplus.com.ph/sustainability/#sustainability-report</a>	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant		
<b>Principle 11:</b> 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.			
<b>Recommendation 11.1</b>			
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.	Non-Compliant		Given the financial issues that the company faced in 2018/2019, the Board instructed Management to hold off on these events as they were negotiating with possible investors.

			<p>No media and analysts' briefings were held in FY 2023. Nevertheless, the Company regularly advise the investor and analyst community with corporate developments through one-on-one or group meetings, conference calls, email correspondence, and through our corporate website. In addition, the Company discloses a quarterly release on its financial and operation performance to the PSE Edge.</p> <p>Please see link regarding the Company's earnings release disclosure:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=e29dbe4471ee27ecabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=e29dbe4471ee27ecabca0fa0c5b4e4d0</a></p>
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#### Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:	Compliant		
a. Financial statements/reports (latest quarterly)	Compliant	<p>Please refer to the below link to the Company's website:</p> <p><i>Latest Quarterly Report: 3<sup>rd</sup> Quarter of FY 2023</i></p> <p><a href="https://digiplus.com.ph/app/uploads/2024/03/DigiPlus-Interactive-Corp.-SEC-Form-17Q-30September202317Q_3Q2023.pdf">https://digiplus.com.ph/app/uploads/2024/03/DigiPlus-Interactive-Corp.-SEC-Form-17Q-30September202317Q_3Q2023.pdf</a></p>	
b. Materials provided in briefings to analysts and media	Compliant	<p>Please refer to the below link:</p> <p><a href="https://digiplus.com.ph/wp-content/uploads/2017/08/08.15.17-">https://digiplus.com.ph/wp-content/uploads/2017/08/08.15.17-</a></p>	

		<a href="#">Report-Notice-of-Analysts-Investors-Briefing-August-15-2017.pdf</a>  The Company provided a media kit to media or analysts during the 2018 ASM. No other briefings were conducted for 2023 as per Management.	
c. Downloadable annual report	Compliant	Please refer to the below link:  <a href="https://digiplus.com.ph/app/uploads/2024/04/DigiPlus-Interactive-Corp.-2023-SEC-Form-17-A-1.pdf">https://digiplus.com.ph/app/uploads/2024/04/DigiPlus-Interactive-Corp.-2023-SEC-Form-17-A-1.pdf</a>	
d. Notice of ASM and/or SSM	Compliant	Please refer to the below link:  <a href="https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-NoticeofASM052923.pdf">https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-NoticeofASM052923.pdf</a>	
e. Minutes of ASM and/or SSM	Compliant	Please refer to the below link:  <a href="https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf">https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf</a>	
f. Company's Articles of Incorporation and By-Laws	Compliant	Please refer to below link to the Company's website: <a href="https://digiplus.com.ph/">https://digiplus.com.ph/</a>  Articles of Incorporation <a href="https://digiplus.com.ph/corporate-governance/#corp-gov-manual">https://digiplus.com.ph/corporate-governance/#corp-gov-manual</a>	

		By Laws - <a href="https://digiplus.com.ph/corporate-governance/#corp-gov-manual">https://digiplus.com.ph/corporate-governance/#corp-gov-manual</a>	
2. Company complies with SEC-prescribed website template.	Compliant	Please refer to attached letter confirming Compliance has been issued by SEC to the company.	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> 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.			
<b>Recommendation 12.1</b>			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p>Please refer to Section 12 of the MCG. <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>The Company's internal audit function provides an independent assurance and consulting services. It reviews the effectiveness of the governance and control processes, helps to promote the right values and ethics as well as communicates risk and control information, among others.</p> <p>The Company's internal control system is reviewed periodically. Please see below link to the Audit Committee Charter:</p>	



		<a href="https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf">https://digiplus.com.ph/app/uploads/2024/02/Audit-Committee.pdf</a>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>Please refer to below link for Digiplus Interactive Corp.'s Enterprise Risk Management as posted in the company website:  <a href="https://digiplus.com.ph/app/uploads/2024/02/BOARD-RISK-OVERSIGHT-COMMITTEE-BROC-REGULATIONS.pdf">https://digiplus.com.ph/app/uploads/2024/02/BOARD-RISK-OVERSIGHT-COMMITTEE-BROC-REGULATIONS.pdf</a></p> <p>Please also refer to Section 12.5 of the MCG:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>The Enterprise Risk Management framework is reviewed annually.</p>	
<b>Supplement to Recommendations 12.1</b>			
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	<p>Please refer to the link below to the Company's MCG, Section 12 for the Internal Control System and Risk Management Framework:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
<b>Optional: Recommendation 12.1</b>			
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.			
<b>Recommendation 12.2</b>			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	The Company has in-house internal audit officer and personnel.	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<p>The Company's internal audit function is supervised by:</p> <p>Atty. Rosalyn D. Batay, Internal Audit Head.</p> <p>The main responsibilities of the Company's Chief Audit Executive (CAE) is contained in Section 12.3 of MCG. Please see link below:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	<p>Section 12.3 of MCG, see below link:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>Currently, there is no outsourced internal audit activity.</p>	

3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Not applicable	Not applicable. Currently, there is no outsourced internal audit activity.	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p>Please refer to Sections 12.4 to 12.5 of the MCG.  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>The Board annually reviews the Company's risk management and functions as part of its annual review of financial statements.</p>	
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	Not applicable	<p>The Company has in-house Chief Risk Officer and personnel.</p> <p>The required competencies are sourced internally, hence, there is no need to seek for external technical support.</p>	
<b>Recommendation 12.5</b>			
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	<p>The Company's Chief Risk Officer (CRO) is Mr. Ronald Allan Pablo.</p> <p>His responsibilities are mentioned in Section 12.5 of the MCG. Please refer to the link below:</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	Mr. Pablo has adequate authority, stature, resources and support to fulfill his responsibilities. Please see his Curriculum Vitae attached.	
<b>Additional Recommendation to Principle 12</b>			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	Please refer to attached Attestation by the President and Audit Officer.	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Please refer to below link to the Company's Manual on Corporate Governance where shareholders' rights are disclosed (see Section 13): <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Section 13 of the MCG, posted in the Company's Website, discusses Shareholder Rights. Please see link below: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
<b>Supplement to Recommendation 13.1</b>			

1. Company's common share has one vote for one share.	Compliant	<p>Each share has one vote.</p> <p>Please refer to Item 4(a) of the Definitive Information Statement, through this link:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f4b0944c14c57a149e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f4b0944c14c57a149e4dc6f6c9b65995</a>   <a href="file:///C:/Users/Carol%20Padilla/Downloads/LRWC%20DIS%202022%20FINA L%20(4).pdf">file:///C:/Users/Carol%20Padilla/Downloads/LRWC%20DIS%202022%20FINA L%20(4).pdf</a></p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p>Please refer to the link below for the Company's MCG regarding Respecting Rights of Stakeholders and effective redress for violation of Stakeholder's Right (Section 14):  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p>Please refer to the link below for the Company's MCG regarding Respecting Rights of Stakeholders and effective redress for violation of Stakeholder's Right (Section 14):  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
4. Board has an effective shareholder voting mechanism such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>Please refer to the link below for the Company's MCG regarding Respecting Rights of Stakeholders and effective redress for violation of Stakeholder's Right (Section 14):</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
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	Please refer to below link to the Company's Manual on Corporate Governance where shareholders' rights are disclosed (see Section 13): <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Please refer to below link to the Company's Manual on Corporate Governance where shareholders' rights are disclosed (see Section 13): <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
7. Company has a transparent and specific dividend policy.	Compliant	On 11 August 2023, the Board approved the Company's dividend policy. Please see attached disclosure:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=17cc6225e4f80a149e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=17cc6225e4f80a149e4dc6f6c9b65995</a>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.			
<b>Recommendation 13.2</b>			

1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	The notice and agenda of the Annual Stockholders' Meeting were sent out 59 days before the meeting (Notice was posted in PSE EDGE on 30 May 2023; ASM was held on 28 July 2023)  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a5f609cfadfe6de39e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a5f609cfadfe6de39e4dc6f6c9b65995</a>	
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Please refer to below link to the company's notice of Annual Shareholders' Meeting: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a5f609cfadfe6de39e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a5f609cfadfe6de39e4dc6f6c9b65995</a>	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	Please refer to the link of the Company's Definitive Information Statement (pages 8-10): <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a>	
b. Auditors seeking appointment/re-appointment	Compliant	Please refer to the link of the Company's Definitive Information Statement (page 15): <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a>	
c. Proxy documents	Compliant	Information about proxy documents are in the Company's Definitive	

		<p>Information Statement (page 3 and 5):  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ad226aa0e181de6b9e4dc6f6c9b65995</a></p> <p>However, management does not ask for proxy.</p>	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting			
<b>Recommendation 13.3</b>			
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	<p>The results of the votes taken during the most recent Annual Stockholders' Meeting are publicly available the next working day through uploading the same in the company's website.</p> <p>Please refer to the latest minutes of the Company's ASM/SSM in the link below:  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d99ab76e807bc299e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5d99ab76e807bc299e4dc6f6c9b65995</a></p> <p><a href="https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf">https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf</a></p>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on	Compliant	Minutes of the Annual and Special Shareholders' Meetings were available on the Company's website	



the company website within five business days from the end of the meeting.		<p>within five business days from the end of the meeting.</p> <p>Please refer to the links below to the Company's website:</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf">https://digiplus.com.ph/app/uploads/2024/03/LRWC-SEC17C-ResultsofASMOrgBOD072723.pdf</a></p>	
<b>Supplement to Recommendation 13.3</b>			
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 was present in the 2023 ASM held on July 28, 2023.	
<b>Recommendation 13.4</b>			
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	<p>Section 13.4 of MCG:            "The Board should make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This should be included in the company's Manual on Corporate Governance.</p> <p>It is important for the shareholders to be well-informed of the company's processes and procedures when seeking to redress the violation of their rights. Putting in place proper safeguards ensures suitable remedies for the infringement of shareholders' rights and prevents excessive litigation. The company may also consider adopting in its Manual on</p>	

		Corporate Governance established Alternative Dispute Resolution (ADR) procedures."	
		Please refer to below link: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	Please refer to the link of the Company's MCG, for the alternative dispute mechanism (Section 13.4): <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person - Ms. Celeste Jovenir 2. Telephone number - (632) 8637.5291-93 3. Fax number - (632) 8635.0993 4. E-mail address - <a href="mailto:celeste.jovenir@digiplus.com.ph">celeste.jovenir@digiplus.com.ph</a>	
2. IRO is present at every shareholder's meeting.	Compliant	A representative from the IRO was present during all of Digiplus' Annual Stockholders Meetings.	
<b>Supplemental Recommendations to Principle 13</b>			

1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	There is no anti-takeover measures or similar devices applicable to the Company.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-Compliant		As of 31 December 2023, the Company's public float is 19.46%.
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting			
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.			
<b>Duties to Stakeholders</b>			
<b>Principle 14:</b> 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.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Please refer to the link to the Company's Comprehensive Corporate Disclosures:	

		<a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=8be3ac9a7bf3d8e73470cea4b051ca8f">https://edge.pse.com.ph/openDiscVier.do?edge_no=8be3ac9a7bf3d8e73470cea4b051ca8f</a>  <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=6da1ea912468abc93470cea4b051ca8f">https://edge.pse.com.ph/openDiscVier.do?edge_no=6da1ea912468abc93470cea4b051ca8f</a>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	<p>Section 13.1 of MCG, provides for the Shareholders' right related to the following, among others:</p> <ol style="list-style-type: none"> <li>1. Pre-emptive rights;</li> <li>2. Dividend policies;</li> <li>3. Right to propose the holding of meetings and to include agenda items ahead of the scheduled Annual and Special Shareholders' Meeting;</li> <li>4. Right to nominate candidates to the Board of Directors;</li> <li>5. Nomination process; and</li> <li>6. Voting procedures that would govern the Annual and Special Shareholders' Meeting.</li> </ol> <p>See link below:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a> </p> <p>See Dividend Policy:</p>	

		<a href="https://digiplus.com.ph/app/uploads/2024/03/DigiPlus-SEC17C-ApprovalOfDividendPolicyQ22023Report_081123.pdf">https://digiplus.com.ph/app/uploads/2024/03/DigiPlus-SEC17C-ApprovalOfDividendPolicyQ22023Report_081123.pdf</a>	
<b>Recommendation 14.3</b>			
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	<p>Stakeholders may contact the following to voice their concerns and/or complaints for possible violation of their rights:</p> <p>Office of the Compliance Officer – Atty. Kristine Margaret Delos Reyes +632-86375291 to 93 loc 1160</p> <p>Office of the Head of Investor Relations – Ms. Celeste Jovenir +632-86375291 to 93 investorrelations@digiplus.com.ph</p> <p>Please refer to below link for the Company's Whistleblowing Policy, practices and procedures: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf</a></p>	
<b>Supplement to Recommendation 14.3</b>			
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	<p>Section 13.4 of MCG: "The Board should make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. This</p>	

		<p>should be included in the company's Manual on Corporate Governance.</p> <p>It is important for the shareholders to be well-informed of the company's processes and procedures when seeking to redress the violation of their rights. Putting in place proper safeguards ensures suitable remedies for the infringement of shareholders' rights and prevents excessive litigation. The company may also consider adopting in its Manual on Corporate Governance established Alternative Dispute Resolution (ADR) procedures."</p> <p>Please see below link:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p>	
<b>Additional Recommendations to Principle 14</b>			
<p>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.</p>	Compliant	<p>The Company has not requested any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.</p> <p>While not relating to a corporate governance issue, on 16 October 2023, the SEC confirmed that the application of the Company pertaining to its issuance of 1,272,352,512 common shares at Php1.65 per share is exempt from</p>	

		<p>registration requirements under Section 8 of the Securities Regulation Code.</p> <p>Please see attached SEC letter dated 16 October 2023 on this matter.</p>	
2. Company respects intellectual property rights.	Compliant	<p>The Company registers all of its trademarks with the Intellectual Property Office.</p> <p>In addition, the Company, or any of its subsidiaries, is not a defendant or respondent in any dispute involving intellectual property rights.</p>	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare			
2. Company discloses its policies and practices that address supplier/contractor selection procedures			
<b>Principle 15:</b> 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.			
<b>Recommendation 15.1</b>			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The Company continuously develops programs for the employees to actively participate in the realization of the Company's goals and in its governance.	

		<p>Please see Section 15 of the MCG on Encouraging Employees' Participation.</p> <p>See below link:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a> </p>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>The Company has approved its Employee Stock Option Plan (ESOP). The Board of Directors approved the ESOP on 31 January 2023, and the stockholders ratified the same on 27 March 2023.</p> <p>Please see attached ESOP.</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>Please refer to attached Occupational Safety and Health Policies and Programs.</p> <p>In addition, all newly-hired employees undergo an orientation from the head office regarding basic rules and regulations of the Company.</p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p>New employees assigned in provincial branches undergo orientation in their respective branches conducted by the Operations Supervisor for Human Resource.</p>	



		<p>Training Programs, in-house or off-site, are conducted as the need arises based on the result of Training Needs Analysis.</p> <p>The Company is embarking on several programs for the benefit of its employees, including but not limited to, Personality Enhancement Programs, Leadership, and Management Training Programs for its junior managers and officers.</p>	
<b>Recommendation 15.2</b>			
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	<p>Please see Section 15.2 of the MCG.</p> <p>Please see link to the Company's Code of Business Conduct and Ethics:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Code-of-Business-Conduct-and-Ethics_v14-09-2020.pdf</a> </p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>The MCG is posted in the Company's website.</p> <p><a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a></p> <p>In addition, newly-hired employees are given employment orientation regarding the basic rules and regulations of the Company as well as the general rules in the Bingo Parlors.</p>	

<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	<p>Please refer to the attached Employee Handbook which is currently being applied to the entire Digiplus Group of Companies</p> <p>In terms of procedure, the Internal Audit Team conducts surprise audit on branches with shortages and late deposits. Such audit report will be submitted to HR for issuance of Show Cause Memo. HR, Legal and Audit Teams shall then conduct an administrative hearing. If the subject employee is found guilty of malversation, HR will issue termination of services, including the filing of criminal and civil actions as may be appropriate, upon recommendation of the Personnel Committee.</p>	
<b>Recommendation 15.3</b>			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	<p>Please refer to below link to the Company's Whistle-blowing policy and procedure:  <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf</a></p> <p>The framework includes procedures to protect the employees from retaliation.</p>	

		<p>Below are the contact details to report any illegal or unethical behavior:</p> <p>Office of the Compliance Officer – Atty. Kristine Margaret Delos Reyes +632-86375291 to 93 loc 1160</p> <p>Office of the Head of Investor Relations – Ms. Celeste Jovenir +632-86375291 to 93 investorrelations@digiplus.com.ph</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.	Compliant	<p>Please see below link to the Whistleblowing Policy of the Company posted on its website: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf</a></p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>Under the Whistleblowing Company Policy:</p> <p>"The Company is committed to conduct its business in accordance with the highest ethical business standards. As the Company undertakes to maintain a culture of good corporate governance by observing integrity in all their transactions, it expects that its directors, officers and employees perform their respective duties and responsibilities in a manner anchored to the tenets of truth, honesty, fairness, accountability and ethical behavior."</p>	

		Please see link below: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-Whistleblowing-Policy.pdf</a>	
<b>Principle 16:</b> 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.			
<b>Recommendation 16.1</b>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	Section 16 of the MCG states: "The company should recognize and place an importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates."  See below link: <a href="https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf">https://digiplus.com.ph/app/uploads/2024/02/LRWC-New-Manual-on-Corporate-Governance.pdf</a>	
<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development			
2. Company exerts effort to interact positively with the communities in which it operates			