



## **Policy on Remuneration of Directors**

Document No. LCD-PP-2025-003



Document No.: LCD-PP-2025-003		<b>digiplus</b> 
<b>Policy on Remuneration Directors</b>	Revision No.: 0	
	Date Prepared: April 11, 2025	
	Effective Date: Immediately Upon Approval	

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## 1. Purpose

The purpose of this Policy is to ensure that DigiPlus Interactive Corp. (“DigiPlus” or the “Company”) acknowledges the valuable contribution of its Directors to the Company’s continued growth. This Policy intends to promote good governance, avoid any conflict of interest of any Director, and put into effect the provisions of Section 29 of Republic Act No. 11232 or the Revised Corporation Code (RCC), *viz*:

“In the absence of any provision in the bylaws fixing their compensation, the directors or trustees shall not receive any compensation in their capacity as such, except for reasonable *per diems*: Provided however, That the stockholders representing at least a majority of the outstanding capital stock or majority of the members may grant directors or trustees with compensation and approve the amount thereof at a regular or special meeting.

In no case shall the total yearly compensation of directors exceed ten (10%) percent of the net income before income tax of the corporation during the preceding year.

Directors or trustees shall not participate in the determination of their own *per diems* or compensation.

Corporations vested with public interest shall submit to their shareholders and the Commission, an annual report of the total compensation of each of their directors or trustees.”

## 2. Scope

This Policy shall cover **non-executive directors** of DigiPlus. This Policy shall not cover the remuneration of the Company’s directors who, at the same time, are officers or part of the management team of the Company which shall be covered a separate policy. This Policy shall not cover payment to directors of the subsidiaries of DigiPlus which shall also be covered by a separate policy and/or board resolution of the Company.

## 3. Definition of Terms

- a. **Compensation/Remuneration** - It shall mean any income paid to an individual including monetary and non-monetary compensation for services rendered.
- b. **Executive directors** - A director who has executive responsibility of the day-to-day operations of a part or the whole of the Company. This includes directors who concurrently acts as officers and part of the management team of the Company.
- c. **Non-executive directors** - A director who has no executive responsibility and does not regularly perform any work related to the operations of the Company.



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- d. **Meeting** – This includes meeting of the Board and its committees, whether regular or special.
- e. **Per diem** – It shall mean allowance given to the members of the Board by reason of their attendance and participation in every meeting of the Company.
- f. **Retirement Pay** – It shall mean the payment given to an employee upon reaching the mandatory retirement age as defined by the Labor Code of the Philippines.

## 4. Rules on Payment to Directors

### 4.1 Compensation/Remuneration

- 4.1.1. As a general rule, directors do not receive any compensation, except for reasonable *per diems*, by reason of their directorship to the Company unless otherwise contained in the By-Laws pursuant to Section 29 of the Revised Corporation Code of the Philippines.
- 4.1.2. The remuneration of executive directors, by reason of their function and responsibility, shall be covered by their respective compensation in the form of salary.

### 4.2 Per diem of Directors

The directors of DigiPlus shall receive reasonable *per diems* for every meeting, whether regular or special, that they attended and participated in by reason of their directorship.

### 4.3 Retirement Pay<sup>1</sup>

- 4.4.1. *Non-executive directors* who are not employees of the Company do not receive any retirement pay upon their resignation, non-election, or such other cause of cessation of their directorship to the Company.
- 4.4.2. The Retirement Policy of the Company or their employment contract shall apply to *executive directors* who by reason of their function are also considered employees of the Company upon reaching the retirement age.

## 5. Amendments to the Policy

The Compensation Committee may amend this Policy as needed to ensure compliance with existing laws and to maintain an effective set of processes, subject to the confirmation of the Board.

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<sup>1</sup> Republic Act No. 7641 (“Retirement Law”), amending Article 287 of the Labor Codes, mandates that employees, in the case of retirement, shall be entitled to receive such retirement benefit as he may have earned under existing laws and any collective bargaining agreement and other agreements

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## 6. Effectivity

This Policy shall take effect upon approval by the Board and shall apply prospectively.

