

COVER SHEET

SEC Registration Number

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Company Name

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Principal Office (No./Street/Barangay/City/Town/Province)

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Form Type

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| I-ACGR |
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Department requiring the report

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Secondary License Type, If Applicable

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| N | / | A | |
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COMPANY INFORMATION

Company's Email Address

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|-------------------------------|
| ellena@rockwell.com.ph |
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Company's Telephone Number/s

| |
|-------------------|
| 7-793-0088 |
|-------------------|

Mobile Number

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| N/A |
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No. of Stockholders

| |
|---------------------------------|
| 46,249 (as 30 JUNE 2020) |
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Annual Meeting
Month/Day

| |
|-----------------------|
| August 28 2020 |
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Fiscal Year
Month/Day

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|--------------------|
| December 31 |
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CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

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|------------------------------|
| Ms. Ellen V. Almodiel |
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Email Address

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| ellena@rockwell.com.ph |
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Telephone Number/s

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| 7-793-0088 |
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Mobile Number

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| N/A |
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Contact Person's Address

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| Ground Floor, East Podium, Joya Lofts & Towers, 28 Plaza Drive, Rockwell Center, Makati City 1200 |
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Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **2019**
2. SEC Identification Number **62893**. 3. BIR Tax Identification No. **004-710-062-000**
4. Exact name of issuer as specified in its charter **ROCKWELL LAND CORPORATION**
5. **PHILIPPINES** (SEC Use Only)
Province, Country or other jurisdiction of incorporation or organization Industry Classification Code:
7. **2F. 8 Rockwell, Hidalgo Drive, Rockwell Center Makati City** **1200**
Address of principal office Postal Code
8. **(632) 7793-0088**
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 |
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| The Board's Governance Responsibilities | | | |
| Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders. | | | |
| Recommendation 1.1 | | | |
| 1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector. | Compliant | Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors | Item 9 of the Annual Report (SEC Form 17-A) and Item 5 of the Preliminary Information Statement found at https://www.e-rockwell.com/partner-with-us/company-disclosures/ under Annual and Quarterly Reports (SEC Forms 17-A and 17-Q) and under Information Statements respectively and in the PSE (Edge) website identifies the qualifications and experiences of the Board of Directors. |
| 2. Board has an appropriate mix of competence and expertise. | Compliant | 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance | |
| 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 | | Same as above; >Corporate Governance Trainings: 5 out of 11 - Corporate Governance Seminars by ICD (Institute of Corporate Directors), on Sept 6, 2019 at The Loft at Manansala Tower, Rockwell Center, Makati City; 2 out 11 - Mr. Federico Lopez and Mr. Nestor Padilla attended Corporate Governance seminar conducted by |

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| | | | <p>the Philippine Corporate Enhancement & Governance, Inc. last Oct 22, 2019 at Makati City;</p> <p>1 out of 11 - Amb. Manuel Lopez attended separately a Corporate Governance Seminar by the Center for Global Practices last Apr 5, 2019;</p> <p>1 out of 11 - Amb. Albert Del Rosario attended separately a Corporate Governance Session last Sept 26, 2019 at Grand Hyatt Hotel, Taguig City;</p> <p>1 out of 11 - Mr. Monico Jacob attended a Corporate Governance seminar conducted by ROAM last Mar 15, 2019 at Phoenix Petroleum Headquarters, Davao City;</p> <p>1 out of 11 - Mr. Oscar M. Lopez (Chairman Emeritus) was granted permanent exemption from the requirement;</p> <p>> Attendance certificate disclosed to SEC/PSE on Dec 26, 2019</p> |
| Recommendation 1.2 | | | |
| <p>1. Board is composed of a majority of non-executive directors.</p> | <p>Compliant</p> | <p>Identify or provide link/reference to a document identifying the directors and the type of their directorships</p> | <p>Item 5 of the Preliminary Information Statement (https://www.e-rockwell.com/wp-content/uploads/2020/07/Rockwell-Land-Corporation_PRELIMINARY-20-IS_17July2020.pdf)</p> <p>Only 2 out of 11 are executive directors - Nestor J. Padilla as President & CEO and Miguel Ernesto L. Lopez as SVP for Office Development</p> |
| Recommendation 1.3 | | | |
| <p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p> | <p>Compliant</p> | <p>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</p> | <p>Section 2 of the Manual on Corporate Governance under General Duties and Responsibilities of a Director:</p> <p>A director shall devote time and attention necessary to properly and effectively perform his duties and responsibilities. A director should devote sufficient time to familiarize himself with the Corporation's business. He should be aware of and knowledgeable with the Corporation's operations to enable him to meaningfully contribute to the Board's work.</p> |

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| | | | <p>A director shall have a working knowledge of the statutory and regulatory requirements affecting the Corporation, including its Articles of Incorporation and By-Laws, the rules and regulation of the SEC and, where applicable, the requirements of relevant regulatory agencies.</p> <p>A director should keep abreast with industry developments and business trends in order to promote the Corporation's competitiveness.</p> <p>Section 6 of the Manual on Corporate Governance under Duties and Responsibilities of the Corporate Governance Committee:</p> <p>The Corporate Governance shall have the function of reviewing and monitoring the corporate governance trainings of members of the Board and senior Management in line with the Corporation's continuing education and training program for directors and Management.</p> |
| 2. Company has an orientation program for first time directors. | Non-compliant | | There were no new directors in 2019. |
| 3. Company has relevant annual continuing training for all directors. | Compliant | Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. | <p>Corporate Governance Seminar Certificate of Attendance of Directors and Key Officers FY 2019 found at https://www.e-rockwell.com/partner-with-us/company-disclosures/ under Corporate Governance and in the PSE (edge website)</p> <p>For 2019, the Board of Directors attended trainings conducted by Risks, Opportunities, Assessment and Management (ROAM), Inc, Center for Global Practices,</p> |

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| | | | Institute of Corporate Directors and Philippine Corporate Enhancement & Governance, Inc. |
| Recommendation 1.4 | | | |
| 1. Board has a policy on board diversity. | Non Compliant | <p>Provide information on or link/reference to a document containing information on the company's board diversity policy.</p> <p>Indicate gender composition of the board.</p> | <p>Section 2 of the Manual on CG (2017) already provides that the Corporation should endeavor to have a Board that has diversity in terms of gender, age, ethnicity, culture, skills competence and knowledge. Section 3 of the Manual on CG (2017) provides for qualification and disqualifications of the board members, which does not require qualifications as to gender, age, ethnicity or a particular skill, competence or knowledge.</p> <p>The Board is comprised of three finance professionals (Mr. Francis Giles Puno, Mr. Oscar Hilado & Mr. Monico Jacob) and eight business executives. We have non-executive directors that are experienced in real estate (Mr. Federico Lopez & Mr. Oscar Hilado). The rest have experiences that are likewise of great benefit to the company.</p> <p>The Board of Directors is composed of all male members.</p> |
| Optional: Recommendation 1.4 | | | |
| 1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives. | Non-compliant | <p>Provide information on or link/reference to a document containing the company's policy and measureable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p> | <p>The Board does not have a specific policy but Section 2 of the Manual on CG (2017) already provides that the Corporation should endeavor to have a Board that has diversity in terms of gender, age, ethnicity, culture, skills competence and knowledge. Section 3 of the Manual on CG (2017) provides for qualification and disqualifications of the board members, which does not require qualifications as to gender, age, ethnicity or a particular skill, competence or knowledge.</p> |
| Recommendation 1.5 | | | |
| 1. Board is assisted by a Corporate Secretary. | Compliant | <p>Provide information on or link/reference to a document containing information on the Corporate Secretary, including</p> | <p>Item 9 of the Annual Report (SEC Form 17-A) and Item 5 of the Preliminary Information Statement found at https://www.e-rockwell.com/partner-with-us/company-disclosures/ under Annual and Quarterly Reports (SEC</p> |

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| | | <p>his/her name, qualifications, duties and functions.</p> | <p>Forms 17-A and 17-Q) and under Information Statements respectively and in the PSE (Edge) website.</p> <p>Enrique I. Quiason and Esmeraldo C. Amistad are the Corporate and Assistant Corporate Secretaries. Mr. Quiason has been the Corporate Secretary at Rockwell Land since 1995. He is a Senior Partner of the Quiason Makalintal Barot Torres Ibarra Sison & Damaso Law Firm. He is also the Corporate Secretary of FPH, Lopez Holdings and ABS-CBN and various subsidiaries and affiliates of FPH and Lopez Holdings. Mr. Quiason, a Member of the Integrated Bar of the Philippines, graduated with a B.S. Business Economics (Cum Laude) degree in 1981 and with a Bachelor of Laws degree in 1985 from the University of the Philippines. He received his LL.M. in Securities Regulation from Georgetown University in 1991.</p> <p>Mr. Amistad has been the Company's Assistant Corporate Secretary since Sept. 2014. He is the Vice President at First Philippine Holdings (FPH) since 2017 and has been with FPH since 1997. He was appointed as Asst. Corporate Secretary and Asst. Compliance Officer of FPH in Sept. 2014. He is also the Corporate Secretary and Asst. Corporate Secretary of various FPH subsidiaries and affiliates. He holds a Bachelor of Arts in English (1987) and a Bachelor of Laws (1992) degree both from the University of the Philippines. He has completed the Managerial Leadership Program (2003) and attended the Executive Master's in Business Administration at the Asian Institute of Management (2011).</p> <p>Function of the Corporate Secretary, refer to Section 9. Officers of the Manual on CG (2017)</p> |
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| 2. Corporate Secretary is a separate individual from the Compliance Officer. | Compliant | | Enrique I Quiason is the Corporate Secretary while Ellen V. Almodiel is the Compliance Officer. Function of the Compliance Officer, refer to Section 1. Compliance Officer of the Manual on CG (2017) |
| 3. Corporate Secretary is not a member of the Board of Directors. | Compliant | | Item no. 9 of Annual Report (SEC 17-A) and Item 5 of the Preliminary Information Statement; Enrique I. Quiason is not a member of the Board of Directors. |
| 4. Corporate Secretary attends training/s on corporate governance. | Compliant | Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered | Atty. Quiason and Atty. Amistad attended the seminar conducted by Institute of Corporate Directors. Please see Annual Report and letter to SEC showing compliance with CG training. For 2019, the CG training was conducted by the Institute of Corporate Directors on September 6, 2019 for four hours. The topics covered were: Data Privacy Act of 2012, Developments in Corporate Governance, Sustainability Reporting. |
| Optional: Recommendation 1.5 | | | |
| 1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting. | Non-compliant | Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting | The materials for the board are available at least 1 day before scheduled meeting. |
| Recommendation 1.6 | | | |
| 1. Board is assisted by a Compliance Officer. | Compliant | Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions. | Ellen V. Almodiel was appointed Chief Compliance Officer last June 8, 2017. |
| 2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. | Compliant | | Item 9 of the Annual Report (SEC 17-A) and Item 5 of the Preliminary Information Statement, which both states: |
| 3. Compliance Officer is not a member of the board. | Compliant | | Ms. Almodiel is currently the Executive Vice President and Chief Finance & Compliance Officer. She has been the Chief Finance Officer since 2014. She was appointed as Chief Compliance Officer last June 2017. She started in |

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| | | | Rockwell Land as Finance Manager in 2004 and briefly served as Manager of the Business Development Team. Prior to joining Rockwell Land, she was a Financial Analyst and later an Assistant to the Group Chief Finance Officer of the Alcantara Group of Companies and Finance Manager of NextStage, Inc.. Ms. Almodiel, a Certified Public Accountant, holds a Bachelor of Science degree in Business Administration and Accountancy from the University of the Philippines, where she graduated cum laude. |
| 4. Compliance Officer attends training/s on corporate governance. | Compliant | Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered | Ms. Almodiel attended the seminar conducted by Institute of Corporate Directors last September 6, 2019 at The Manansala Tower, Rockwell Center, Makati City. |
| 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 | Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting) | Management provides the Board with a report on the financial conditions and updates on the operations of the Company at each regular Board meeting. The duties and responsibilities of the Board of Directors are set forth in Section 2 of the Manual on Corporate Governance. |
| Recommendation 2.2 | | | |
| 1. Board oversees the development, review and approval of the company's business objectives and strategy. | Compliant | Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting) | The Board reviews and guides corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans. (Ref: Section 2 of the Manual on Corporate Governance) |
| 2. Board oversees and monitors the implementation of the | Compliant | | The Board held nine regular meetings in 2019. |

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| company's business objectives and strategy. | | Indicate frequency of review of business objectives and strategy | (Board attendance was disclosed with PSE, http://68.183.191.212/wp-content/uploads/2020/04/6-RLAND-BOD-ATTENDANCE-2019.pdf) The Board also oversees the company through its various committees Audit, Corporate Governance, Risk Oversight and Related Party Transaction, duties and responsibilities of which are set forth in the Manual on Corporate Governance. |
| Supplement to Recommendation 2.2 | | | |
| 1. Board has a clearly defined and updated vision, mission and core values. | Compliant | Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values. | The vision and mission was updated in April 2017 and is published at www.e-rockwell.com for reference. Vision : Creating Admired Communities Beyond Ordinary Mission: To deliver delightful, memorable experiences everyday Core Values: Fairness, Integrity, Innovation, Teamwork, Excellence and Customer Centricity The vision, mission and core values are reviewed annually with the Officers of the Company. |
| 2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture. | Compliant | Provide information on or link/reference to a document containing information on the strategy execution process. | In addition to strategic planning and risk management and monthly board meetings, the Board also reviews the performance and the short and long-term plans of the company and Management. |
| Recommendation 2.3 | | | |
| 1. Board is headed by a competent and qualified Chairperson. | Compliant | Provide information or reference to a document containing information on the Chairperson, | Mr. Manuel M. Lopez has served as the Chairman of Rockwell Land since 1995. |

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| | | including his/her name and qualifications | <p>Item 9 of the Annual Report (SEC 17-A) and Item 5 of the Preliminary Information Statement:</p> <p>Manuel M. Lopez - 78, Filipino</p> <p>Mr. Lopez has served as the Chairman of Rockwell Land since 1995. He is currently the Chairman and CEO of Lopez Holdings Corporation. Concurrently, he is the Chairman of the Board of Rockwell Leisure Club, Sky Vision Corporation and Bayan Telecommunications Holdings Corporation. He is the Vice Chairman of Lopez Inc. He is a Director of ABS-CBN Corp., First Philippine Realty Corporation and Lopez Group Foundation. He is the President of Eugenio Lopez Foundation. He also served as Philippine Ambassador to Japan from 2011-2016, for which his exemplary works conferred him the rank of Grand Cross, Gold Distinction, Datu to the Order of Sikatuna by President Benigno Aquino. He served as the Chairman of the Board of MERALCO from July 2010 to June 2012 after his retirement as Chairman and CEO for nearly 10 years since 2001. Mr. Lopez holds a Bachelor of Science degree in Business Administration from the University of the East and attended the Program for Management Development at the Harvard Business School.</p> |
| Recommendation 2.4 | | | |
| 1. Board ensures and adopts an effective succession planning program for directors, key officers and management. | Compliant | Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation | <p>Section 2 Composition, Duties and Responsibilities of the Board/Specific Duties and Responsibilities of the Board to Implement Corporate Governance Principles of the Manual on CG (2017) states that it shall:</p> <p>Adopt an effective succession planning program for directors, key officers and Management to ensure growth and a continued increase in the shareholders' value and adopt a policy on the retirement age for directors and key officers as part of Management succession and to promote dynamism in the Corporation, subject to exceptions as deemed necessary by the Corporation.</p> |
| 2. Board adopts a policy on the retirement for directors and key officers. | Compliant | | |

| Recommendation 2.5 | | | |
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| 1. Board aligns the remuneration of key officers and board members with long-term interests of the company. | Compliant | | The CEO's fixed remuneration are deliberated through the Board (refer to 2016 ACGR filed in May 2017), then implemented by the Chairman. |
| 2. Board adopts a policy specifying the relationship between remuneration and performance. | Compliant | Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance. | Refer to Item 10 of the Annual Report (SEC 17-A) and Item 6 of the Preliminary Information Statement. |
| 3. Directors do not participate in discussions or deliberations involving his/her own remuneration. | Compliant | | No remuneration committee but based on Section 4. Remuneration of Officers of the Manual on CG (2017), "... the Board shall set a policy that creates a reward system to recruit, retain and motivate high quality executives and employees. Towards this end, the Board may create a Compensation or Remuneration Committee and delegate such powers and duties to such committee as it may deem proper" |
| | | | The remuneration of Directors was never discussed nor approved by the Board. |
| Optional: Recommendation 2.5 | | | |
| 1. Board approves the remuneration of senior executives. | Non-compliant | Provide proof of board approval | CEO gives the salary increase on Management Officers based on approved guidelines (refer to Y2016 ACGR filed in May 2017, page 37) |
| 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 | Compliant | Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company. | The company has a reward system in place to retain and motivate highly qualified executives and employees. The performance management system is used by the CEO as guide on the salary increases, allocation of the variable bonuses, and distribution of stock options. |

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| back provision and deferred bonuses. | | | |
| Recommendation 2.6 | | | |
| 1. Board has a formal and transparent board nomination and election policy. | Non-compliant | <p>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.</p> <p>Provide proof if minority shareholders have a right to nominate candidates to the board</p> <p>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</p> | No formal policy but Section 3 of the Manual on CG (2017) provides for the Qualifications and Disqualifications of a Director and the nomination and election process is found on page 5 of the By-Laws. |
| 2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance. | Compliant | Provide proof if minority shareholders have a right to nominate candidates to the board | See Section 3 of the Manual on CG (2017). Will endeavor to update the Manual on CG for the Voting Procedures (Item no. 19 SEC 20-IS) and the process of submitting nominations found on page 5 of the By-Laws. |
| 3. Board nomination and election policy includes how the company accepted nominations from minority shareholders. | Compliant | Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director. | See page 5 of the By-Laws for the nomination process. Other information is found in the 2016 ACGR report submitted to SEC last May 2017, which states: |

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| | | | <p>The nominees are presented to the Corporate Governance Committee (previously known as Nomination, Election and Governance Committee) by the Corporate Secretary based on the letter-nomination/s received. The committee discusses / considers the qualification and/or disqualifications of the nominees to the Board.</p> <p>A director-member of the committee then moves that the Committee nominate, approve and recommend said nomination to the Board, for Board approval. After discussion and on motion duly made and seconded, the committee then considers, qualifies and accepts/ denies (as the case may be) the nominations. The Committee then makes the relevant recommendation to the Board of Directors.</p> |
| 4. Board nomination and election policy includes how the board shortlists candidates. | Compliant | | <p>Section 3 of the Manual on CG (2017) provides for the Qualifications of a Director:</p> <p>The Corporation does not use a professional search firm in searching for candidates to the board of directors but consults industry leaders and considers candidates from fellows of the Institute of Corporate Directors.</p> |
| 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>Voting Procedures (Item no. 19, SEC 20-IS) for Board of Directors allows each stockholder to have one vote for each share entitled to vote and registered in his name. Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots.</p> <p>In accordance with Section 23 of the Corporation Code, at each election of directors, every stockholder entitled to vote at such election have the right to vote, in person or by proxy, the number of shares owned by him as of the</p> |

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| | | | <p>relevant record date for as many persons as there are directors to be elected and for whose election he has a right to vote, or to cumulate his votes by giving one candidate the number of votes equal to the number of directors to be elected multiplied by the number of his shares shall be equal or by distributing such votes on the same principle among any number of candidates as the stockholder shall see fit.</p> <p>In the election of directors, the top eleven (11) nominees with the most number of votes will be elected as directors. If the number of nominees does not exceed the number of directors to be elected all the shares present or represented at the meeting will be cast in favor of the nominees.</p> <p>Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots.</p> <p>Other than the nominees' election as directors, no director, executive officer, nominee or associate of the nominees has any substantial interest, direct or indirect by security holdings or otherwise in any way of the matters to be taken upon during the meeting.</p> |
| <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>Refer to sections found in this report: 2.6.3 (refer to Y2016 ACGR report submitted to SEC last May 30, 2017) on the process for nomination and to 2.6.5 for the voting procedures (SEC 20-IS)</p> |

Optional: Recommendation to 2.6

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| <p>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.</p> | <p>Non-compliant</p> | <p>Identify the professional search firm used or other external sources of candidates</p> | <p>The Corporation does not use a professional search firm in searching for candidates to the board of directors but consults industry leaders and considers candidates from fellows of the Institute of Corporate Directors.</p> |
| <p>Recommendation 2.7</p> | | | |
| <p>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.</p> | <p>Compliant</p> | <p>Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs</p> <p>Identify transactions that were approved pursuant to the policy.</p> | <p>The Related Party Transactions Committee was first established in June 8, 2017 (refer to "Results of the Organizational Meeting" in the company and PSE website). Refer to Section 8 of the Manual on CG (2017) for the Duties and Responsibilities.</p> <p>Material Related Party Transactions Policy is found at https://www.e-rockwell.com/partner-with-us/corporate-governance/policies-and-manuals/</p> <p>Note 28 of the Audited Financial Statements for year 2019 provides the disclosure on the company's related party transactions, which provides the , "Terms and Conditions of Transactions with Related Parties</p> <p>Purchases from related parties are made at normal market prices. Outstanding balances at yearend are unsecured, interest-free, settlement occurs in cash and collectible/payable on demand. There have been no guarantees provided for or received for any related party receivables or payables. For the years ended December 31, 2019, 2018 and 2017, the Company has not made any provision for doubtful accounts relating to amounts owed by related parties. This assessment is undertaken at each financial year through examination of the financial</p> |

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| | | | <p>position of the related party and the market in which the related party operates.”</p> <p>Based on 2016 ACGR filed May 2017, page 32, that the Audit Committee has been created to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders. The External Auditor is engaged to review the related party transactions. The Company submits itself to oversight by government and regulatory institutions and agencies. The Company engages third-party institutions to evaluate the fairness of major related party transactions.</p> |
| 2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions. | Compliant | | There is no material transaction entered into in 2019. |
| 3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations. | Compliant | Identify transactions that were approved pursuant to the policy. | Note 28 of the Audited Financial Statements for year 2019 provides the disclosure on the company's related party transactions. |
| Supplement to Recommendations 2.7 | | | |
| 1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be | Compliant | <p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> | <p>Material Related Party Transactions Policy is found at https://www.e-rockwell.com/partner-with-us/corporate-governance/policies-and-manuals/</p> <p>The following were defined:</p> <p>Related Party Transaction – a transfer of resources, services or obligations between the Corporation and a Related Party, regardless of whether there is a consideration</p> |

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| <p>disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p> | | | <p>involved. It should be interpreted broadly to include transactions that are entered into with an unrelated party that subsequently becomes a related party.</p> <p>Material RPT - as any related party transaction(s), either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Corporation's total consolidated assets, based on its latest audited financial statements.</p> <p>Materiality Threshold - ten percent (10%) of the Corporation's total consolidated assets based on its latest audited financial statements.</p> |
| <p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p> | <p>Compliant</p> | <p>Provide information on voting system, if any.</p> | <p>All significant transactions require board approval which includes the participation of the independent directors and the Related Party Transactions Committee.</p> |
| Recommendation 2.8 | | | |
| <p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p> | <p>Non-compliant</p> | <p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p>Identify the Management team appointed</p> | <p>There is no specific policy but the Board appoints all the key officers of the Corporation. See minutes of the organizational meeting showing the appointments. The CEO approves the promotions endorsed by heads of business units and operating units, mostly Senior Vice Presidents, to consider long-term requirements.</p> <p>Item 9 of the Annual Report (SEC Form 17-A) and Item 5 of the Preliminary Information Statement found at https://www.e-rockwell.com/partner-with-us/company-</p> |

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| | | | <p>disclosures/ under Annual and Quarterly Reports (SEC Forms 17-A and 17-Q) and under Information Statements respectively and in the PSE (Edge) website</p> <p>Nestor J. Padilla - 65, Filipino Mr. Padilla has been a Director at Rockwell Land since 1997, and has been the President and Chief Executive Officer since 1995. He has also served as a Director in Rockwell Club and has served as a Trustee of the Rockwell Residential Towers Condominium Corporation. He was previously a Director of First Philippine Realty Corporation, First Batangas Hotel Corporation, First Philippine Industrial Park, Terraprime, Inc., FPIP Property Developers & Management Corporation, FPIP Utilities, Inc. and Grand Batangas Resort Development, Inc. Prior to 1995, he held the position of Chief Executive Officer in Lippo Land in Indonesia and was the Executive Director of Indo Ayala Leasing. Mr. Padilla holds a Bachelor of Science degree in Business Management from the Ateneo de Manila University.</p> <p>Ellen V. Almodiel - 46, Filipino Ms. Almodiel is currently the Executive Vice President and Chief Finance & Compliance Officer. She has been the Chief Finance Officer since 2014. She was appointed as Chief Compliance Officer last June 2017. She started in Rockwell Land as Finance Manager in 2004 and briefly served as Manager of the Business Development Team. Prior to joining Rockwell Land, she was a Financial Analyst and later an Assistant to the Group Chief Finance Officer of the Alcantara Group of Companies and Finance Manager of NextStage, Inc.. Ms. Almodiel, a Certified Public Accountant, holds a Bachelor of Science degree in Business Administration and Accountancy from the</p> |
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| | | | <p>University of the Philippines, where she graduated cum laude.</p> <p>Rica L. Bajo –40, Filipino Ms. Bajo is currently Assistant Vice President for Finance and Accounting for the hotel segment since May 2019. She was appointed Chief Risk Officer and Data Privacy Officer in 2017. She has been with Rockwell Land for 11 years since she started in 2008 as Budget Planning Manager. She held various roles in finance, corporate planning, business development and investor relations until she was promoted to Assistant Vice President in 2014. Prior to Rockwell Land, she worked as financial analyst at GlaxoSmithKline Philippines, United Laboratories, Inc. (UNILAB) and as Senior Associate at Deutsche Knowledge Services (DKS). She is a Certified Public Accountant and a graduate of Bachelor of Science in Accountancy at De La Salle University.</p> <p>Romeo G. Del Mundo, Jr. –44 Filipino Mr. del Mundo is currently Assistant Vice President for Internal Audit since 2014 and appointed Chief Audit Officer in 2017. He started as Finance Manager in 2007 and was assigned to various business units and subsidiaries. He led the Internal Audit Team since 2013 and was promoted to Assistant Vice President in 2014. Prior to joining Rockwell Land, he worked for Citibank N.A., UNILAB, First Metro Investment Corp. and SGV & Co. Mr. del Mundo is a Certified Public Accountant and holds a Bachelor of Science in Commerce, major in Accountancy from the University of Santo Tomas.</p> |
| <p>2. Board is primarily responsible for assessing the performance of Management led by the</p> | <p>Compliant</p> | <p>Provide information on or reference to a document containing the Board's policy and</p> | <p>Historical financial performance and competitor benchmarking guide the Board in assessing the performance of Management.</p> |

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| <p>Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p> | | <p>responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p> | |
| Recommendation 2.9 | | | |
| <p>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.</p> | <p>Compliant</p> | <p>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</p> | <p>Framework includes, but not limited to the ff.:</p> <ol style="list-style-type: none"> 1. Weekly CEO Meetings with FPH Group CEOs 2. Monthly Board Meetings 3. Midyear and Annual Budget Planning (FPH and Lopez Inc) 4. Risk Management Committee Meetings (FPH, Rockwell BODs) 5. Audit Committee Meetings (quarterly) |
| <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.</p> | <p>Compliant</p> | | <p>Based on approved guidelines implemented by Human Resources.</p> |
| Recommendation 2.10 | | | |
| <p>1. Board oversees that an appropriate internal control system is in place.</p> | <p>Compliant</p> | <p>Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system</p> | <p>The Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities for the management and financial reporting process, the system of internal control, the maintenance of an effective audit process, and the process for monitoring compliance with the code of conduct.</p> |

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| | | | The Audit Committee Charter, which is approved by the Chairman, in turn was established in October 1, 2012. Amendments were made in March 13, 2015 and the latest was on March 14, 2016. |
| 2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders. | Compliant | | The Audit Committee submits to the Board of Directors an annual report on the Committee's oversight function on reliability of financial reporting and the effectiveness of internal control system. Period covered: 2019 |
| 3. Board approves the Internal Audit Charter. | Compliant | Provide reference or link to the company's Internal Audit Charter | The Board oversees the Internal Audit Charter through the Audit Committee. The Internal Audit charter was first amended last May 6, 2013 and made minor subsequent amendments in March 13, 2015 and March 14, 2016. Any changes in the charter are properly reviewed in the quarterly and special audit committee meetings. |
| Recommendation 2.11 | | | |
| 1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks. | Compliant | Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any. | The Enterprise Risk Management activities of the company are being done based on the COSO framework which includes: a) Risk Identification; b) Risk assessment; c) Risk response; d) Control activities; e) Communications; and f) Monitoring. The Risk Management Committee is the principal agency for these functions; its creation, power and responsibilities are set out in Section 7 of the Revised Manual on CG (2017). Part of ERM activities are integrated in internal audit function for the development of risk-based annual internal audit plan. |
| 2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk | Compliant | | Management regularly reviews and updates the risks faced by the Company and presents it to the Board. The Risk Oversight Management Committee met in June 14, 2019 and December 11, 2019. In addition, the company |

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| <p>exposures, as well as the effectiveness of risk management strategies.</p> | | | <p>reports to FPH's Senior Management and Board Risk Oversight Committee last November 3 and December 5, respectively.</p> <p>Key executives are identified risk owners of strategic risks. They are given the responsibility and authority to develop, implement and monitor risk treatment options for the assigned strategic risks. The risk owners are also tasked to regularly update the Risk Management Committee through its Chief Risk Officer, Rica Bajo.</p> <p>In addition, Rockwell has consulted reputable accounting firms, law firms and other consulting companies, including foreign companies. It also consults its parent company FPH to leverage on its Risk Management organization and the expertise of its personnel.</p> |
| <p>Recommendation 2.12</p> | | | |
| <p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.</p> | <p>Compliant</p> | <p>Provide link to the company's website where the Board Charter is disclosed.</p> | <p>Refer to Manual on Corporate Governance (2017). This is posted in e-rockwell.com/Home/Partner with Us/Corporate Governance/Policies and Manual</p> |
| <p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p> | <p>Compliant</p> | | |
| <p>3. Board Charter is publicly available and posted on the company's website.</p> | <p>Compliant</p> | | |
| <p>Additional Recommendation to Principle 2</p> | | | |
| <p>1. Board has a clear insider trading policy.</p> | <p>Compliant</p> | <p>Provide information on or link/reference to a document</p> | <p>Section 2 of the Manual on CG (2017): A director shall observe confidentiality. A director should keep secure and</p> |

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| | | showing company's insider trading policy. | confidential all non-public information he may acquire or learn by reason of his position as director. The company also follows SEC disclosure guidelines on moratorium of share purchases and disposal of Directors and Key Officers within two (2) trading days from receipt of material information. |
| Optional: Principle 2 | | | |
| 1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates. | Non-compliant | Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any. | No specific provision in the Manual on CG (2017) |
| 2. Company discloses the types of decision requiring board of directors' approval. | Compliant | Indicate the types of decision requiring board of directors' approval and where there are disclosed. | All decisions involving the business and property of the Company requires board approval, except items that are delegated or assigned to officers. Please Sec. 23 of the Corporation Code of the Philippines. Material transactions approved by the Board are disclosed to the SEC and PSE using Form 17-C. |
| Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter. | | | |
| Recommendation 3.1 | | | |
| 1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. | Compliant | Provide information or link/reference to a document containing information on all the board committees established by the company. | Refer to Manual on CG (2017). This is posted in e-rockwell.com/Home/Partner with Us/Corporate Governance/Policies and Manual. The Results of the Organizational Meeting are posted immediately or 1 day after the Annual Stockholders' meeting. This disclosure is also available through PSE Edge website. |

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| | | | Results of 2019 Organizational Board Meeting can be found in the company website (https://www.e-rockwell.com/wp-content/uploads/ROCK-17-C-Result-of-ASM-OMB-and-Press-Release_May-29-2019.pdf) and PSE disclosure system. |
| Recommendation 3.2 | | | |
| 1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. | Compliant | Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor. | Section 5, Manual on CG (2017) Audit Committee Charter: http://68.183.191.212/wp-content/uploads/ROCK-Audit-Committee-Charter.pdf Audit Committee Reports include review of SGV Plans and Recommendations (AC Meeting November 12, 2019, March 12, 2020) |
| 2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent. | Compliant | Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship. | The audit committee is composed of 3 directors, 2 of which are independent directors. As of the last organizational meeting, May 29, 2019, the following were appointed to form this committee: Oscar Hilado (Chairman), Monico Jacob (member) and Francis Giles Puno (member). |
| 3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. | Compliant | Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee. | Refer to the (SEC 20-IS) and Annual Report (17-A). Both are available in PSE website. Oscar J. Hilado – 82, Filipino Mr. Hilado has been an Independent Director of Rockwell Land since 2015. He is also an independent director of FPH since 1996 and up to 2016. He is the Chairman of the Philippine Investment Management (PHINMA), Inc., PHINMA Corporation and PHINMA Property Holdings. He is |

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| | | | <p>currently Vice Chairman of PHINMA Energy and Power Generation Corporations. He is a director of various companies such as A. Soriano Corporation and Philex Mining Corporation. He is also a Director of PHINMA's energy corporation, Smart Communications, Inc., Digital Telecommunications Phils., Inc. (DIGITEL), Asian Eye Institute, Manila Cordage Company, United Pulp and Paper Company, Inc., Seven Seas Resorts & Leisure, Inc., Microtel Inns & Suites (Pilipinas) Inc., Beacon Property Ventures, Inc; Roxas Holdings, Inc.; and several universities and colleges across the Philippines, to name a few. He graduated with Highest Honors and with a Gold Medal for General Excellence and a Bachelor of Science in Commerce Degree from De La Salle College (Bacolod). He pursued his Degree of Masters in Business Administration at the Harvard Graduate School of Business Administration from 1960-1962. Mr. Hilado is a Certified Public Accountant.</p> <p>Francis Giles B. Puno - 55, Filipino Mr. Puno has been a Director of Rockwell Land since 2013. He was appointed Chief Finance Officer and Treasurer of FPH in October 2007 and was promoted to Executive Vice-President in September 2011. He is currently the President and COO of FPH and First Gen Corporation; and President of First Philippine Realty and Development Corp., First Philippine Industrial Park, Inc., FPH Capital Resources, Inc. and First Philippine Utilities Corp. He is the Chairman of the Board of First Philippine Development Corp and First Batangas Hotel Corporation. He is a director in the various subsidiaries and affiliates of FPH and First Gen including, among others, Energy Development Corporation, First Balfour Inc., First Philippine Electric Corporation and First Philec, Inc. Before joining FPHC, he worked with The Chase Manhattan Bank as Vice President for Global Power and</p> |
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| | | | <p>Environment Group. He has a Bachelor of Science degree in Business Management from the Ateneo de Manila University and a Master in Business Administration degree from Northwestern University's Kellogg Graduate School of Management in Chicago, Illinois.</p> <p>Monico V. Jacob - 74, Filipino Mr. Jacob was elected as an independent director of Rockwell Land on 6 April 2016. He has been an independent director of Lopez Holdings Corporation (publicly listed) since 2013. He is currently the Chairman of Total Consolidated Asset Management, Philippine Life Financial Assurance, Inc. (PhilLife), Global Resource for Outsourced Workers, Inc. and Rosehills Memorial Management, Inc. He is the CEO and Vice Chairman of STI Education Services Group and President of STI Education Systems Holdings, Inc. and STI West Negros University. He is a director of Jollibee Foods Corp. and of Phoenix Petroleum Philippines, Inc. Prior to his current positions, he was Chairman and CEO of Petron Corporation and Philippine National Oil Company (PNOC), was a General Manager of National Housing Authority (NHA) and also became a CEO of the Home Development Mutual Fund, popularly known as the PAG-IBIG Fund. He also became Chairman of Meralco Financial Services Corporation and Director of Meralco Industrial Engineering Services Corporation and Clark Electric Distribution Corp. He received his Bachelor of Laws degree from the Ateneo de Manila University in 1971.</p> |
| <p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p> | <p>Compliant</p> | <p>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</p> | <p>Refer to the SEC disclosure dated May 29, 2019, "Results of the Organizational Meeting". (https://www.e-rockwell.com/wp-content/uploads/ROCK-17-C-Result-of-ASM-OMB-and-Press-Release_May-29-2019.pdf)</p> |

Supplement to Recommendation 3.2

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| <p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p> | <p>Compliant</p> | <p>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</p> | <p>Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to review & approve audit related and permitted non-audit services to be rendered by the external auditors to ensure that non-audit work will not be in conflict with the audit functions of the external auditor.</p> <p>Non-audit services rendered by external auditors for 2019 are properly reviewed and approved by the Audit Committee during Special Audit Committee Meeting held on February 13, 2020, and is documented in the Minutes of Audit Committee Meeting.</p> |
| <p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p> | <p>Compliant</p> | <p>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</p> | <p>Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to meet with external auditors to discuss any matters that the committee or auditors believe should be discussed privately.</p> <p>Private meeting with SGV for 2019 was no longer conducted as there were no matters needing private discussions.</p> |
| <p>Optional: Recommendation 3.2</p> | | | |
| <p>1. Audit Committee meet at least four times during the year.</p> | <p>Compliant</p> | <p>Indicate the number of Audit Committee meetings during the year and provide proof</p> | <p>Refer to Report of the Audit Committee found as Annex E of the Definitive Information Statement which states that there was a total of 5 meetings, one of which is a special meeting. All of the meetings were done in-person based on this report.</p> |
| <p>2. Audit Committee approves the appointment and removal of the internal auditor.</p> | <p>Compliant</p> | <p>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</p> | <p>Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to ensure that there are no unjustified restrictions or limitations, and review & concur in the appointment, replacement, or dismissal of the Internal Audit Head</p> |

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| | | | Audit Committee Charter: http://68.183.191.212/wp-content/uploads/ROCK-Audit-Committee-Charter.pdf ; page 6. |
| Recommendation 3.3 | | | |
| 1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. | Compliant | <p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p> | <p>The Nomination and Election Committee was transformed into the Corporate Governance Committee when the Manual on CG was updated May 2017.</p> <p>Refer to PSE Edge disclosure on "Results on Organizational Meeting" last May 29, 2019. The process of nomination and election are found in Section 3 of the Manual on CG (2017), page 5 of the By-Laws and item no. 19 of SEC 20-IS.</p> |
| 2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors. | Non-compliant | <p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p> | <p>Section 6 of the Manual on Corporate Governance (2017) provides that the Board shall create a Corporate Governance Committee (previously called Nomination and Election Committee) to be composed of at least three (3) members, one of whom is an independent director.</p> <p>As of the last organizational meeting, May 29, 2019, there were 4 directors assigned in this committee, including the Chairman: Manuel M. Lopez (Chairman), Oscar M. Lopez, Francis Giles B. Puno and Oscar J. Hilado, an independent director.</p> <p>Qualifications of the members is in the Annual Report (SEC Form 17-A) and Preliminary Information Statement found at https://www.e-rockwell.com/partner-with-us/company-disclosures/ under Annual and Quarterly</p> |

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| | | | Reports (SEC Forms 17-A and 17-Q) and under Information Statements respectively and in the PSE (Edge) website. |
| 3. Chairman of the Corporate Governance Committee is an independent director. | Non-compliant | Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee. | The Chairman is Manuel M. Lopez. |
| Optional: Recommendation 3.3. | | | |
| 1. Corporate Governance Committee meet at least twice during the year. | Non-compliant | Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof. | The Corporate Governance Committee met once in March 13, 2019. |
| Recommendation 3.4 | | | |
| 1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. | Compliant | Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions | Section 7 Board Risk Oversight Committee of the Manual on CG (2017) |
| 2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman. | Compliant | Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship | In 2019, there were 5 members, 3 of which were independent directors, namely Amb. Albert del Rosario, Mr. Monico Jacob, and Mr. Oscar Hilado. Other members are Mr. Eugenio Lopez III and Mr. Jose Valentin Pantangco. Qualifications can be found in Information Statement (20-IS) and Annual Report (17-A) uploaded in the company website (https://www.e-rockwell.com/wp-content/uploads/2020/07/Rockwell-Land-Corporation-Annual-Report-SEC-Form-17- |

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| | | | A_30June2020 .pdf Part IV) and in the PSE disclosure system. |
| 3. The Chairman of the BROC is not the Chairman of the Board or of any other committee. | Compliant | Provide information or link/reference to a document containing information on the Chairman of the BROC | Refer to PSE disclosure on the Results of the Organizational Meeting last May 29, 2019. This is also available in the company website e-rockwell.com. The Chairman of BROC is Amb. Alfred F. Del Rosario, who is not a Chairman of any other Committee. |
| 4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management. | Compliant | Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC. | For qualifications, refer to SEC 20-IS and Annual Report (17-A). |
| Recommendation 3.5 | | | |
| 1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company. | Compliant | Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions. | Refer to the PSE Edge disclosure on "Results on Organizational Meeting" dated May 29, 2019 for members of the Related Party Transactions Committee. Section 8 of the Manual on Corporate Governance provides the duties and responsibilities of the Related Party Transactions Committee. |
| 2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman. | Compliant | Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship. | The committee is headed by Monico V. Jacob, who is an independent director of the company since April 2016. Members include the ff.: Federico R. Lopez (non executive director) Miguel Ernesto L. Lopez (executive director) Albert F. Del Rosario (Independent Director) |
| Recommendation 3.6 | | | |
| 1. All established committees have a Committee Charter stating in plain terms their respective purposes, | Non-compliant | Provide information on or link/reference to the company's committee charters, containing all the required information, | Audit Committee – compliant Related-party Transactions Committee – compliant Corporate Governance Committee – compliant |

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| memberships, structures, operations, reporting process, resources and other relevant information. | | particularly the functions of the Committee that is necessary for performance evaluation purposes. | Board Risk Oversight Committee – will endeavor to comply in 2020; Committee Charters: https://www.e-rockwell.com/partner-with-us/corporate-governance/board-committee/ |
| 2. Committee Charters provide standards for evaluating the performance of the Committees. | Non-compliant | | |
| 3. Committee Charters were fully disclosed on the company's website. | Non-compliant | Provide link to company's website where the Committee Charters are disclosed. | |

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

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| 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 | Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings. | The directors attend and actively participate in all meetings of the Board. Refer to the "Attendance of the Board" disclosed in PSE via the Edge portal on Feb 4, 2020. Teleconferencing is available when a director is unable to physically attend but signified his intention to attend. |
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| <p>2. The directors review meeting materials for all Board and Committee meetings.</p> | <p>Compliant</p> | | <p>Board papers for board of directors' meetings are provided at least one business day in advance</p> <p>This is in accordance with Section 12 of the Manual on CG (2017) which provides:</p> <p>Adequate and Timely information</p> <p>To enable the members of the Board to properly fulfill their duties and responsibilities, Management shall provide them with complete, adequate and timely information about the matters to be taken in their meetings.</p> <p>Members of the Board should be given independent access to Management and the Corporate Secretary.</p> <p>The information that the Board may seek may include the background or explanation on matters brought to before the Board, disclosures, budgets, forecasts and internal financial documents.</p> <p>The members of the Board, in furtherance of their duties and responsibilities, should have access to independent professional advice at the corporation's expense provided that such expenses are reasonable.</p> |
| <p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p> | <p>Compliant</p> | <p>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</p> | <p>Section 15 Confidentiality and Use of Material Inside Information of the Manual on Corporate Governance (2017)</p> <p>The directors, officers and key employees of the Corporation shall observe confidentiality of material, inside, non-public information acquired by reason of their office and will not use and/or disclose any information to any other person without the authority of the Board. The directors, officers and key employees of the Corporation</p> |

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| | | | <p>shall observe and ensure compliance with the Corporation's Trading Policy.</p> <p>Section 12 Timely Information, Communication Process of the Manual on CG (2017) All material information about the corporation which could adversely affect its viability or the interest of the stockholders and other stakeholders as a whole shall be publicly and timely disclosed. Such material information shall include among others, earnings results, acquisitions or dispositions of assets, off-balance sheet transactions, related party transactions, and direct and indirect remuneration of the members of the Board and Management. All such information shall be disclosed through the appropriate submissions to the SEC".</p> |
| Recommendation 4.2 | | | |
| <p>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.</p> | <p>Non-Compliant</p> | <p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p> | <p>Based on Section 2 of the Manual on Corporate Governance (2017), As much as possible, they should concurrently serve as directors up to only a maximum of five publicly listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the Corporation.</p> <p>The directorship of the directors is disclosed in Item 9 of the 17A and Item 5 of the Preliminary Information Statement uploaded in the company's website and PSE through Edge.</p> <p>Mr. Oscar M. Lopez holds directorships to six publicly listed companies:</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. First Philippine Holdings Corporation 3. Lopez Holdings Corporation 4. First Gen Corporation |

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| | | | <p>5. ABS-CBN Holdings Corporation 6. ABS-CBN Corporation</p> <p>The following non-executive directors hold no more than five directorship in a publicly-listed companies.</p> <p>Manuel M. Lopez</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. First Philippine Holdings Corporation 3. Lopez Holdings Corporation 4. ABS-CBN Corporation 5. ABS-CBN Holdings Corporation <p>Federico R. Lopez</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. First Philippine Holdings Corporation 3. ABS-CBN Corporation 4. First Gen Corporation <p>Eugenio L. Lopez III</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. First Philippine Holdings Corporation 3. ABS-CBN Corporation 4. Lopez Holdings Corporation 5. First Gen Corporation <p>Francis Giles B. Puno</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. First Philippine Holdings Corporation 3. First Gen Corporation <p>Oscar J. Hilado</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. Phinma Corporation 3. Philex Mining Corporation |
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| | | | <p>4. Roxas Holdings, Inc.</p> <p>Monico V. Jacob</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. Lopez Holdings Corporation 3. STI Education System Holdings Inc. 4. Jollibee Foods Corporation 5. Phoenix Petroleum Corporation <p>Albert F. Del Rosario</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation 2. PLDT Inc. 3. Metro Pacific Investments Corporation <p>Jose Valentin Pantangco Jr.</p> <ol style="list-style-type: none"> 1. Rockwell Land Corporation |
| Recommendation 4.3 | | | |
| 1. The directors notify the company's board before accepting a directorship in another company. | Non-compliant | Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed. | The Company will require directors to make this written notification before directors accept directorship in another company. |
| Optional: Principle 4 | | | |
| 1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group. | Compliant | | <p>The following executive directors holds directorships to:</p> <p>Nestor J. Padilla Rockwell Land Corporation</p> <p>Miguel Ernesto L. Lopez Rockwell Land Corporation</p> |
| 2. Company schedules board of directors' meetings before the start of the financial year. | Compliant | | Schedule of BOD meetings are set at the start of the financial year |

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| 3. Board of directors meet at least six times during the year. | Compliant | Indicate the number of board meetings during the year and provide proof | There were a total of 11 meetings including the Annual Stockholders' Meeting for the year 2019. Refer to the "Attendance of the Board" disclosed in PSE via the Edge portal on February 4, 2020. |
| 4. Company requires as minimum quorum of at least 2/3 for board decisions. | Non-compliant | Indicate the required minimum quorum for board decisions | The Corporation Code and the by-laws of the Corporation require the presence of only a majority of the directors. |
| 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. | Compliant | Provide information or link/reference to a document containing information on the number of independent directors in the board | The Board has three independent directors out of 11 directors. (Oscar J. Hlado, Monico V. Jacob and Albert F. Del Rosario) |
| Recommendation 5.2 | | | |
| 1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions. | Compliant | Provide information or link/reference to a document containing information on the qualifications of the independent directors. | Please refer to Item 9 of the SEC Form 17-A and Item 5 of the Preliminary Information Statement uploaded in the company's website and PSE (edge). |
| Supplement to Recommendation 5.2 | | | |
| 1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently. | Compliant | Provide link/reference to a document containing information that directors are not constrained to vote independently. | Note 28 of the Audited Financial Statements for year 2019 which provides that there were no material related party transactions that may affect the ability of any director to vote independently. |
| Recommendation 5.3 | | | |
| 1. The independent directors serve for a cumulative term | Compliant | Provide information or link/reference to a document | |

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| of nine years (reckoned from 2012). | | showing the years IDs have served as such. | |
| 2. The company bars an independent director from serving in such capacity after the term limit of nine years. | Compliant | Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director | Oscar J. Hilado, Monico V. Jacob and Albert F. Del Rosario have served as Independent Directors for 5, 4 and 3 years, respectively. |
| 3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting. | Compliant | Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting. | Not applicable as of end 2019 |
| Recommendation 5.4 | | | |
| 1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. | Compliant | Identify the company's Chairman of the Board and Chief Executive Officer | Manuel M. Lopez (Chairman) Nestor J. Padilla (President & CEO) |
| 2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities. | Compliant | Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO. | Section 9 Officers of the Manual on Corporate Governance (2017) provides that the roles of the Chairman of the Board and the President shall, as much as practicable, be separate to foster an appropriate balance of power, increased accountability and better capacity for independent decision-making by the Board. A clear delineation of functions should be made between the Chairman and the President. If the positions of Chairman and President are unified, the proper checks and balances should be laid down to ensure that the Board gets the benefit of independent views and |

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| | | | <p>perspectives. The Corporation shall disclose the relationship between the Chairman and the President, if any, in its annual report to the Securities and Exchange Commission or such other regulatory agency as may be required by law.</p> <p>Section 3 of Article IV of the By-Laws “The Chairman of the Board – The Chairman shall preside at all meetings of the stockholders and of the board of Directors. He shall do and perform such duties as may be from time to time assigned to him by the Board of Directors. The Board may elect a Director as Vice Chairman.</p> <p>Section 4 of Article IV of the By-Laws “The President – The President may be the chief executive officer of the Corporation. In the absence of the Chairman or the Vice Chairman, he shall preside at all meetings of the stockholders and of the Board of Directors. He shall have general charge, direction, and supervision of the business and affairs of the Corporation. He shall from time to time make such reports on the affairs of the Corporation as the Board of Director may require and shall annually present a report of the preceding year’s business at the stockholder’s meeting. He shall sign all certificates of stock and all instruments required to be executed on the part of Corporation, except as otherwise provided by the By-Laws or by the Board of Directors. He shall do and perform such other duties as may be from time to time assigned to him by the Board of Directors.”</p> |
| Recommendation 5.5 | | | |
| <p>1. If the Chairman of the Board is not an independent director, the board designates a lead director</p> | <p>Non-compliant</p> | <p>Provide information or link/reference to a document containing information on a lead</p> | <p>Will endeavor to comply in 2020</p> |

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| among the independent directors. | | independent director and his roles and responsibilities, if any. Indicate if Chairman is independent. | |
| Recommendation 5.6 | | | |
| 1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction. | Compliant | Provide proof of abstention, if this was the case | In 2019, there were no such instance where a director had a material transaction with the Company. |
| Recommendation 5.7 | | | |
| 1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present. | Compliant | Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings. | The Audit Committee met with Internal Audit Team exclusively during the Special Audit Committee held on February 26, 2019. Matters discussed were properly documented in the Minutes of the Audit Committee Meeting. |
| 2. The meetings are chaired by the lead independent director. | Non-Compliant | | |
| Optional: Principle 5 | | | |
| 1. None of the directors is a former CEO of the company in the past 2 years. | Compliant | Provide name/s of company CEO for the past 2 years | Not applicable as of end 2019 |
| Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies. | | | |

| Recommendation 6.1 | | | |
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| 1. Board conducts an annual self-assessment of its performance as a whole. | Non-compliant | Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees | The BOD has not conducted any assessment of the Board's performance for years 2018 and 2019 |
| 2. The Chairman conducts a self-assessment of his performance. | Non-compliant | | Will endeavor to comply in 2020 |
| 3. The individual members conduct a self-assessment of their performance. | Non-compliant | | Will endeavor to comply in 2020 |
| 4. Each committee conducts a self-assessment of its performance. | Non-compliant | | The Audit Committee was able to comply. In compliance to SEC Memorandum Circular No. 4, Audit Committee Self-Assessment is conducted annually. For 2019, the self-assessment was properly reviewed and approved during the Special Audit Committee Meeting held on February 13, 2020, and documented in the the Minutes of Audit Committee Meeting. |
| 5. Every three years, the assessments are supported by an external facilitator. | Non-compliant | | Identify the external facilitator and provide proof of use of an external facilitator. |
| Recommendation 6.2 | | | |
| 1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees. | Compliant | Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders | The system that facilitates the determination of the performance of the Board, individual directors and committees include the following: 1. Disclosed as part of the Annual Report (Key Risks, Corporate Objectives, Financial and non-financial performance indicators, dividend policy, remuneration of the BOD and 5 Key Officers of the Company) |

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| | | | <p>2. Count and attendance of BOD and Committee members to regular and special meetings held for the year</p> <p>3. Trainings attended on Corporate Governance are submitted to PSE through EDGE</p> |
| 2. The system allows for a feedback mechanism from the shareholders. | Compliant | | The Annual Stockholders' Meeting and quarterly reports submitted to SEC and PSE allows various stakeholders a chance to review and give feedback to management and the BOARD. |
| Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders. | | | |
| Recommendation 7.1 | | | |
| 1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company. | Compliant | Provide information on or link/reference to the company's Code of Business Conduct and Ethics. | The Company has an Employees Code of Discipline. Moreover, the business conduct and ethics of the board is driven by the Lopez Credo. |
| 2. The Code is properly disseminated to the Board, senior management and employees. | Compliant | Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. | Lopez Credo and the Rockwell Core Values (Fairness, Integrity, Innovation, Teamwork, Excellence and Customer Centricity) are disseminated to the Board, management and employees. |
| 3. The Code is disclosed and made available to the public through the company website. | Compliant | Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed. | Lopez Credo is available at www.lopez-holdings.ph |
| Supplement to Recommendation 7.1 | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing company | Compliant | Provide information on or link/reference to a document containing information on the | 32 Section F of the Employee Code of Discipline which states: |

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| involvement in offering, paying and receiving bribes. | | company's policy and procedure on curbing and penalizing bribery | Solicitation or collection of contributions, money or material objects for any purpose from employee guests, suppliers, not sanctioned by the company. First Offense: Dismissal |
| Recommendation 7.2 | | | |
| 1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | Compliant | <p>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.</p> <p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p> | <p>Whistleblowing policy is effective January 1, 2015 to allow employees to report through secure and confidential channel, any actual or suspended issues regarding unethical behavior or business practices.</p> <p>Function of the Audit Committee that help detect and resolve possible conflict of interests. Refer to the 2016 ACGR Report (May 30, 2016) which states: The Audit Committee has been created to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders. The External Auditor is engaged to review the related party transactions. The Company submits itself to oversight by government and regulatory institutions and agencies. The Company engages third-party institutions to evaluate the fairness of major related party transactions.</p> <p>Section 16 of the Manual on Corporate Governance (Conflict of Interest), states the following: The directors and officers of the Corporation shall always put the interest of the Corporation above personal interest. Except for salaries and other employment benefits, the directors and officers shall not directly or indirectly derive any personal profits or advantage by reason of their positions in the Corporation.</p> <p>If an actual or potential conflict of interest should arise, it should be fully disclosed and the concerned director should not participate in the decision-making process.</p> |

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| | | | <p>Where a director, by virtue of his office, acquires for himself a business opportunity which should belong to the Corporation, thereby obtaining profits to the prejudice of the Corporation, the director must account to the latter for all such profits, unless his act has been ratified by a vote of the Shareholders representing two-thirds (2/3) of the outstanding capital stock of the Corporation.</p> <p>When a director or officer attempts to acquire or acquires, in violation of his duty, any interest adverse to the Corporation in respect of any matter which has been reposed in him in confidence, as to which equity imposes a disability upon him to deal in his own behalf, he shall be liable as a trustee for the Corporation and must account for the profits which otherwise would have accrued to the Corporation.</p> |
| 2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies. | Compliant | | The Board oversees through the Audit Committee |
| Disclosure and Transparency | | | |
| Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations. | | | |
| Recommendation 8.1 | | | |
| 1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial | Compliant | Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders | <p>Section 21. Disclosure and Transparency of the Manual on Corporate Governance (2017)</p> <p>Corporate Disclosures are uploaded in the company's website and PSE(Edge).</p> |

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| condition, results and business operations. | | | |
| Supplement to Recommendations 8.1 | | | |
| 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 | Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively. | Annual Report (SEC 17A) with the Audited Financial Statement and subsequent quarterly reports (17Q) were submitted on time. Refer to PSE Edge portal for company disclosures. |
| 2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company. | Compliant | Provide link or reference to the company's annual report where the following are disclosed: <ol style="list-style-type: none"> 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. | <p>The company discloses the shareholdings of Top 20 in the Definitive Information Statement (20-IS) and Annual Report (SEC 17-A) showing First Philippine Holdings (FPH) holds 86.58% of outstanding common shares and 100% of preferred shares.</p> <p>The risks on minority interest were disclosed in the 2016 ACGR Report (May 2016) which refers to the Article I of the Corporate By-Laws which provides advantages of the controlling member over minority:</p> <p>Section 5. Quorum – At all meetings of stockholders, annual or special, in order to constitute a quorum, there shall be present either in person or by proxy the holders of record of the majority of the stock issued and outstanding and entitled to vote of a greater proportion. In the absence of a quorum, the holders of record of the majority of the shares present and entitled to vote may adjourn the meeting from time to time until a quorum shall</p> |

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| | | | <p>be present, and no notice of such adjourned meeting shall be required.</p> <p>Section 6. Voting – Except as otherwise provided by law, each stockholder of record shall be entitled at every meeting of stockholders to one vote for each share of stock standing in his name on the stock and transfer books of the Corporation, which vote may be given personally or by power of attorney or proxy authorized in writing. The instrument authorizing a proxy to act shall be exhibited to the Secretary if so requested. In the election of Directors, each stockholder entitled to vote may cumulate and distribute his votes in accordance with the provisions of the Corporation Code.</p> |
| Recommendation 8.2 | | | |
| 1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days. | Compliant | Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. | Section 21. Disclosure and Transparency of the Manual on Corporate Governance (2017) states: The Board should have a policy requiring all directors and officers to disclose/report to the Corporation any dealings in the Corporation's shares within three (3) business days. |
| 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 | Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction. | There were no purchases in 2019. Last transaction was the purchase of shares by Amb. Manuel Lopez in the afternoon of May 3, 2017. Signed SEC 23-B was filed to SEC and PSE EDGE on the next business day, May 4, 2017. |
| Supplement to Recommendation 8.2 | | | |
| 1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes | Compliant | Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. | The company discloses through SEC Form 23-B and Top 100 Shareholders uploaded both in the company's and PSE (edge) website. |

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| the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program). | | Provide link or reference to the company's Conglomerate Map. | |
| Recommendation 8.3 | | | |
| 1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment. | Compliant | Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. | For the qualification, refer to Item no. 9 of the SEC 17-A. This is updated annually and uploaded in the company's website and PSE (edge). Refer also to recommendation 7.2.1 on Section 16. Conflict of Interest of the Manual on Corporate Governance (2017). |
| 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 | Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. | |
| Recommendation 8.4 | | | |
| 1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same. | Compliant | Disclose or provide link/reference to the company policy and practice for setting board remuneration | Section 6. Corporate Governance Committee of the Manual on Corporate Governance (2017) provides under Duties and Responsibilities to: j. Establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture |

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| | | | and strategy as well as the business environment in which it operates. |
| 2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same. | Compliant | Disclose or provide link/reference to the company policy and practice for determining executive remuneration | <p>Section 4 Remuneration of Officers of the Manual on Corporate Governance (2017): In matters of compensation and remuneration, the Board shall set a policy that creates a reward system to recruit, retain and motivate high quality executives and employees. Towards this end, the Board may create a Compensation or Remuneration Committee and delegate such powers and duties to such committee as it may deem proper.</p> <p>Section 2 Composition, Duties and Responsibilities of the Board, Manual on Corporate Governance (2017), that provides a list of specific duties to implement corporate governance principles, the Board is expected among other things to: a. Align the remuneration of key officers and Board members with the long-term interests of the Corporation and formulate and adopt a policy specifying the relationship between remuneration and performance;</p> |
| 3. Company discloses the remuneration on an individual basis, including termination and retirement provisions. | Non-compliant | Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO. | <p>Section 21 Disclosure and Transparency of the Manual on Corporate Governance (2017): The Corporation should provide a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. To the extent legally required and taking into account security as well as safety considerations, the Corporation may disclose the remuneration of directors and executives on a collective or individual basis, subject to applicable law, rule or regulation.</p> <p>The Company discloses the remuneration of the executives as a group and identifies the top five highest</p> |

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| | | | paid executives in accordance with the rules of the SEC. The disclosure can be found in Item 10 of SEC Form 17-A uploaded in the company's and PSE (edge) website. |
| Recommendation 8.5 | | | |
| 1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance. | Compliant | <p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> | <p>Section 21 Disclosure and Transparency of the Manual on Corporate Governance (2017):</p> <p>Management will take into account the interests of the Corporation in all its transactions, especially in transactions which may involve related parties. The Corporation shall disclose its policies governing related party transactions (RPTs) and other unusual or infrequently occurring transactions and shall review and approve material and significant related party transactions. The material or significant RPTs reviewed and approved during the year should be disclosed in its Annual Corporate Governance Report.</p> <p>No material transaction that creates a probable conflict of interest warrants any member from refraining to vote for or against any matter for approval.</p> |
| 2. Company discloses material or significant RPTs reviewed and approved during the year. | Compliant | <p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 8. the required approval (i.e., names of the board of | <p>Refer to Note 28 of the Audited Financial Statements uploaded together with SEC For 17-A uploaded in the company's and PSE (edge) website.</p> |

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| | | <p>directors approving, names and percentage of shareholders who approved) based on the company's policy; and</p> <p>9. other terms and conditions</p> | |
| Supplement to Recommendation 8.5 | | | |
| <p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p> | Compliant | <p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> | <p>No material transaction was noted with any of members of the Board in 2019.</p> <p>Section 16. Conflict of Interest of the Manual on Corporate Governance (2017), states the following: "..... If an actual or potential conflict of interest should arise, it should be fully disclosed and the concerned director should not participate in the decision-making process.</p> <p>Where a director, by virtue of his office, acquires for himself a business opportunity which should belong to the Corporation, thereby obtaining profits to the prejudice of the Corporation, the director must account to the latter for all such profits, unless his act has been ratified by a vote of the Shareholders representing two-thirds (2/3) of the outstanding capital stock of the Corporation."</p> |
| Optional : Recommendation 8.5 | | | |
| <p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p> | Compliant | <p>Provide link or reference where this is disclosed, if any</p> | <p>Refer to Note 28 of the Audited Financial Statements.</p> |
| Recommendation 8.6 | | | |
| <p>1. Company makes a full, fair, accurate and timely disclosure to the public of</p> | Compliant | <p>Provide link or reference where this is disclosed</p> | <p>Material Transactions are disclosed to SEC and PSE (edge).</p> |

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| 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. | | | Material transactions are also summarized in Item 14 of SEC Form 17-A. |
| 2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets. | Compliant | Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any. | |
| Supplement to Recommendation 8.6 | | | |
| 1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company. | Compliant | Provide link or reference where these are disclosed. | All material transactions / information are disclosed in the company's and PSE (edge) website. |
| Recommendation 8.7 | | | |
| 1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG). | Compliant | Provide link to the company's website where the Manual on Corporate Governance is posted. | Refer to Manual on Corporate Governance (2017) found in our website (e-rockwell.com) and PSE Edge. www.e-rockwell.com/Home/Partner with Us/Corporate Governance/Policies and Manuals |

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| 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 | Provide proof of submission. | No change since May 31, 2017 |
| Optional: Principle 8 | | | |
| 1. Does the company's Annual Report disclose the following information: | | | |
| a. Corporate Objectives | Compliant | | Item 1 of SEC Form 17-A |
| b. Financial performance indicators | Compliant | | |
| c. Non-financial performance indicators | Compliant | Provide link or reference to the company's Annual Report containing the said information. | Item 6 of SEC Form 17-A |
| d. Dividend Policy | Non-Compliant | | Will endeavor to comply in 2020 |
| e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed | Compliant | | Item 9 of SEC Form 17-A |

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| companies) of all directors | | | |
| f. Attendance details of each director in all directors meetings held during the year | Non-Compliant | | Will endeavor to comply in 2020 |
| g. Total remuneration of each member of the board of directors | Compliant | | Item 10 of SEC Form 17-A (Compensation of Directors and Executive Officers) The Company's amended by-laws provide that the Board of Directors shall not receive any salary for their services as director other than an honorarium not exceeding P15,000.00 for their attendance in each regular or special meeting of the Board of Directors, or Executive Committee but this provision shall not preclude any director from serving the Company in any other capacity and receiving compensation therefore. |
| 2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue. | Non-compliant | Provide link or reference to where this is contained in the Annual Report | Will endeavor to comply in 2020 |
| 3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems. | Compliant | Provide link or reference to where this is contained in the Annual Report | Report of the Audit Committee forms part of the Preliminary Information Statement (Y2019) as Annex F |

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| 4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems. | Compliant | Provide link or reference to where this is contained in the Annual Report | Report of the Audit Committee forms part of the Definitive Information Statement (Y2019) as Annex F is found in www.e-rockwell.com/Home/Partner with Us/Preliminary Information Statement |
| 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). | Non-compliant | Provide link or reference to where these are contained in the Annual Report | Note 30 of the audited financial statements included in SEC Form 17-A. |

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

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| 1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors. | Compliant | Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor. | Under section II. Authority of the Audit Committee Charter, it is the responsibility of the Audit Committee to recommend to the Board appointment, compensation, and oversee the work of any registered public accounting firm employed by the organization (i.e. external auditors). External auditor's compensation was reviewed, and recommendation for re-appointment was conducted during the Year-end Audit Committee Meeting held on March 12, 2020 and documented in the Minutes of Audit Committee Meeting. |
| 2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, | Compliant | Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor. | It is recommended initially by Management. Through the Internal Audit team, the Audit Committee recommends based on its evaluation of performance and fees. |

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| approved by the Board and ratified by the shareholders. | | | |
| 3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures. | Compliant | Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor. | Not Applicable for 2019 |
| Supplement to Recommendation 9.1 | | | |
| 1. Company has a policy of rotating the lead audit partner every five years. | Compliant | Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years. | <p>Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to ensure that external auditors or its lead audit partner of the external auditing firm assigned to the Company is changed or rotated once every five years or such shorter or longer period, provided under applicable laws and regulations.</p> <p>Audit Committee consistently monitors the term of the Engagement partner and ensures that the required rotation is observed.</p> <p>A new SGV & Co. partner was already engaged for the review of the 2017 Financial Statements. The same partner reviewed the 2018 & 2019 Financial Statements.</p> |
| Recommendation 9.2 | | | |
| <p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> | Compliant | Provide link/reference to the company's Audit Committee Charter | The information is stated in the Audit Committee Charter under section V. Responsibilities particularly in V.2 External Audit |

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| <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p> | | | |
| <p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p> | <p>Compliant</p> | <p>Provide link/reference to the company's Audit Committee Charter</p> | <p>Under section V. Responsibilities of Audit Committee Charter, it is the responsibility of the Audit Committee to review performance of external auditor and recommend to the Board the appointment or discharge of the auditors.</p> <p>This was conducted in the review of 2019 Audited Financial Statements held on March 12, 2020.</p> |
| Supplement to Recommendations 9.2 | | | |
| <p>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.</p> | <p>Compliant</p> | <p>Provide link/reference to the company's Audit Committee Charter</p> | <p>Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to review and confirm independence of external auditors by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services, and discussing relationships with the auditors.</p> |

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| 2. Audit Committee ensures that the external auditor has adequate quality control procedures. | Compliant | Provide link/reference to the company's Audit Committee Charter | Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to review & approve audit related and permit non-audit services to be rendered by the external auditors to ensure that non-audit work will not be in conflict with the audit functions of the external auditor. |
| Recommendation 9.3 | | | |
| 1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. | Compliant | Disclose the nature of non-audit services performed by the external auditor, if any. | Non-audit services rendered by Rockwell's external auditor are as follows: - General Tax Advisory Services - Special Projects – Consultancy (Joint Venture Agreement) The rendered services were presented to the Audit Committee during the Special Audit Committee Meeting held on February 13, 2020, and documented in the Minutes of the Audit Committee Meeting. |
| 2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity. | Compliant | Provide link or reference to guidelines or policies on non-audit services | Under section V. Responsibilities of the Audit Committee Charter, it is the responsibility of the Audit Committee to review & approved audit related and permitted non-audit services to be rendered by the external auditors to ensure that non-audit work will not be in conflict with the audit functions of the external auditor. |
| Supplement to Recommendation 9.3 | | | |
| 1. Fees paid for non-audit services do not outweigh the fees paid for audit services. | Compliant | Provide information on audit and non-audit fees paid. | Fees paid to external auditor for the year 2019 are as follows: a.) Audit Services - Php 6.2M b.) Non-audit Services - Php 6.9M*** ***Of this amount, Php 5M pertains to Services rendered and completed in 2018 |

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| | | | The rendered services were presented to the Audit Committee during the Special Audit Committee Meeting held on February 13, 2020, and documented in the Minutes of the Audit Committee Meeting. |
| Additional Recommendation to Principle 9 | | | |
| 1. Company's external auditor is duly accredited by the SEC under Group A category. | Compliant | Provide information on company's external auditor, such as: <ul style="list-style-type: none"> 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm. | The engagement partner is Gaile A. Macapinlac SEC Accreditation No. 1621-AR-1 (Group A) Date Accredited: November 11, 2019 Expiry date of the accreditation: November 10, 2022 Audit Firm: SGV & Co. Audit Firm's Address: 6760 Ayala Avenue, 1226 Makati City, Philippines Audit Firm's Contact No.: 632-8910307 |
| 2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA). | Compliant | Provide information on the following: <ul style="list-style-type: none"> 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC. | The Company's external auditor agreed to be subjected to SOAR, however it has not been subjected to inspection to date. |
| Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed. | | | |
| Recommendation 10.1 | | | |
| 1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of | Compliant | Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues. | Rockwell is compliant with environmental regulations and participates regularly in Earth Hour and Earth Day events which includes gathering of recyclables. Our company is also an active member in FPH's ESH (Environment, Safety |

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| economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. | | | and Health) and Sustainability Group since 2016 and 2017, respectively. Refer to e-rockwell.com for our Annual Report/Corporate Social Responsibility. |
| 2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues. | Compliant | Provide link to Sustainability Report, if any. Disclose the standards used. | FPH group of companies adhere to the Global Reporting Initiative (GRI) since year 2016 reporting period. |
| Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users. | | | |
| Recommendation 11.1 | | | |
| 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. | Compliant | Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any. | Information is disseminated via disclosures through PSE Edge and Rockwell website www.e-rockwell.com and other modes of communication include Investor Conference, One-on-One Meetings, registered mail, mail via courier, personal delivery, telephone calls and emails, as may be necessary. |
| Supplemental to Principle 11 | | | |
| 1. Company has a website disclosing up-to-date information on the following: | | Provide link to company website | Refer to detailed responses below: |
| a. Financial statements/reports (latest quarterly) | Compliant | | https://www.e-rockwell.com/partner-with-us/company-disclosures/ under ANNUAL & QUARTERLY REPORTS (SEC FORMS 17-A AND 17-Q) |

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| b. Materials provided in briefings to analysts and media | Compliant | | https://www.e-rockwell.com/partner-with-us/company-disclosures/ |
| c. Downloadable annual report | Compliant | | https://www.e-rockwell.com/partner-with-us/company-disclosures/ under ANNUAL & QUARTERLY REPORTS (SEC FORMS 17-A AND 17-Q) |
| d. Notice of ASM and/or SSM | Compliant | | https://www.e-rockwell.com/partner-with-us/company-disclosures/ under OTHER FILINGS |
| e. Minutes of ASM and/or SSM | Compliant | | https://www.e-rockwell.com/partner-with-us/company-disclosures/ under MINUTES OF MEETINGS |
| f. Company's Articles of Incorporation and By-Laws | Compliant | | https://www.e-rockwell.com/partner-with-us/corporate-governance/policies-and-manuals/ |
| Additional Recommendation to Principle 11 | | | |
| 1. Company complies with SEC-prescribed website template. | Compliant | | www.e-rockwell.com |
| Internal Control System and Risk Management Framework | | | |
| Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework. | | | |
| Recommendation 12.1 | | | |
| 1. Company has an adequate and effective internal control system in the conduct of its business. | Compliant | List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system | Section 12 of the Manual on CG (2017) on Accounting and Audit states that the Internal Audit examination should cover, at the minimum, the evaluation and the adequacy of the internal controls that cover the corporation's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations. |

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| | | | <p>A management representation letter (refer to section on Statement of Management Responsibility of the SEC form 17-A) is being prepared by Senior Management recognizing responsibility of the fair presentation of the financial statements and that appropriate internal controls are in place and working intendedly.</p> <p>The Internal Audit Head/Chief Internal Auditor submits, at minimum, annually a report to the Audit Committee on the adequacy of the internal controls of the processes reviewed for the year.</p> <p>The 2019 Audit Plan is properly reviewed and approved by Audit Committee on February 26, 2019. Approval is documented in the Minutes of the Audit Committee Meeting.</p> |
| <p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p> | <p>Compliant</p> | <p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p>Indicate frequency of review of the enterprise risk management framework.</p> | <p>>There are two board committees tasked to study and assess company risks (Risk Oversight and Audit Committee). Refer to 2016 ACGR published in May 30, 2017 for the list of responsibilities for each committee. Sections 5 and 7 also provides for the same guidelines for Audit and Risk Management committees, respectively.</p> <p>>Refer to recommendation 2.11.2 for the frequency of reviews with the Board</p> <p>>Key Risks include:</p> <ol style="list-style-type: none"> 1. Market and Pipeline Risks (includes remaining inventory) <ul style="list-style-type: none"> • Regular review of projects' performances against competition • To monitor geopolitical and macro-economic updates • To monitor the industry (e.g. level of remaining inventory, performance of income segments, etc.) |

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| | | | <p>2. Financial Risks (includes Credit, Liquidity, Interest Rate risks)</p> <ul style="list-style-type: none"> • Regular review and analysis of customer financial and credit performances • Close coordination with customers to discuss emerging risks • Close coordination with financial institutions to discuss availability of credit, timing and the related cost of borrowing <p>3. Crisis Management Risks (includes Business Interruption and Regulatory Risks)</p> <ul style="list-style-type: none"> • Regular monitoring of operations • Regular repair and maintenance of key equipment, systems and processes • Regular review, revision and practice of Business Continuity Management plans • Assess impact and readiness to comply to new regulations • Use of technology to increase readiness to adopt to change/disruptive policies/regulations <p>4. Project Execution Risks</p> <ul style="list-style-type: none"> • Regular review of projects' performance in terms of time, quality and cost • Regular review of contractor performance • To monitor macro-economic indicators to forecast possible threats (e.g. supply of skilled-labor and materials) <p>5. Organizational Risks</p> <ul style="list-style-type: none"> • Regular review of recruitment and retention programs |
| Supplement to Recommendations 12.1 | | | |
| 1. Company has a formal comprehensive enterprise-wide compliance program | Compliant | Provide information on or link/reference to a document containing the company's | However, we adhere to the minimum requirements on Training for the Board and Key Officers on Corporate Governance (refer to Recommendation 1.1.3 for details); |

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| <p>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.</p> | | <p>compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p> | <p>We have engaged ICD for the Corporate Governance Seminar of our Board and Key Officers held last September 06, 2019.</p> <p>We also have engaged SGV & Co. for the following consultancy services: Philippine Data Privacy Act compliance, general tax advisory and corporate governance seminars.</p> |
| Optional: Recommendation 12.1 | | | |
| <p>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.</p> | <p>Compliant</p> | <p>Provide information on IT governance process</p> | <p>2017-present:</p> <ol style="list-style-type: none"> 1. Completed with the transfer and setup of disaster recovery facilities for onsite and offsite locations 2. Complied with the NPC Data Privacy registration 3. Developed Cyber Security Incident Response Procedure to effectively mitigate any security incidents on March 2018. 4. Regular testing of systems and infrastructure, including monitoring of incidents. <p>In addition, the company attends the quarterly/monthly meeting with the FPH Group IT Committee to align processes and direction of the conglomerate.</p> |
| Recommendation 12.2 | | | |
| <p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add</p> | <p>Compliant</p> | <p>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</p> | <p>Rockwell has in-house Internal Audit Team that was established in 2012.</p> |

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| value and improve the company's operations. | | | |
| Recommendation 12.3 | | | |
| 1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. | Compliant | Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities. | Rockwell's Chief Audit Executive (CAE) is Mr. Romeo G. Del Mundo Jr. Responsibilities of CAE and members of the Internal Audit Team are stated under section G. Responsibility of the Internal Audit Charter. |
| 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 | | Responsibilities of CAE and members of the Internal Audit Team are stated under section G. Responsibility of the Internal Audit Charter. For 2019, there was no internal audit activity that was outsourced. |
| 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. | Compliant | Identify qualified independent executive or senior management personnel, if applicable. | Not applicable. Internal Audit Team is in-house and there was no internal audit activity that was outsourced for the year 2019. |
| Recommendation 12.4 | | | |
| 1. Company has a separate risk management function to identify, assess and monitor key risk exposures. | Compliant | Provide information on company's risk management function. | In addition to having a Risk Oversight Committee, the company appointed Rica L. Bajo as its Chief Risk Officer starting August 8, 2017. During the pandemic, a Crisis Management Team was formed. This team meets on a daily basis to discuss COVID |

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| | | | <p>protocols and procedures and ensure active cases in all of its managed properties are all accounted, strictly monitored and reported to health agencies.</p> <p>The Crisis Management Team is headed by the CEO and is joined by its Vice and Senior Vice Presidents and individual building/property managers.</p> |
| Supplement to Recommendation 12.4 | | | |
| <p>1. Company seeks external technical support in risk management when such competence is not available internally.</p> | <p>Compliant</p> | <p>Identify source of external technical support, if any.</p> | <p>The company has engaged SGV& Co. in 2017 to assess and assist in the requirements for the registration with NPC which includes process walkthroughs, corporate awareness campaign, and propose remediation for medium and low risk processes.</p> <p>In 2019, the Company engaged an occupational hazard consultant to assist in DOLE's mandate to appoint safety officers for all of its offices and project sites. The Registry of Establishment was submitted to DOLE last October 2019.</p> <p>When the Pandemic hit, the same consultant assisted in the preparation, orientation and monitoring of the whole team and its health and safety protocols.</p> |
| Recommendation 12.5 | | | |
| <p>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).</p> | <p>Compliant</p> | <p>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</p> | <p>Refer to the SEC 20-IS and Annual Report (SEC 17-A) for the qualification of Rica L. Bajo.</p> <p>Rica L. Bajo is currently Assistant Vice President for Finance and Accounting and was recently appointed Chief Risk Officer and Data Privacy Officer in 2017. She has been with Rockwell Land for 10 years since she started in 2008 as Budget Planning Manager. She held various roles in finance, corporate planning, business development and</p> |

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| | | | investor relations until she was promoted to Assistant Vice-President in 2014. Prior to Rockwell Land, she worked as financial analyst at GlaxoSmithKline Philippines, United Laboratories, Inc. (UNILAB) and as Senior Associate at Deutsche Knowledge Services (DKS). She is a Certified Public Accountant and a graduate of Bachelor of Science in Accountancy at De La Salle University. |
| 2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities. | Compliant | | Refer to 12.5.1 |
| Additional Recommendation to Principle 12 | | | |
| 1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively. | Compliant | Provide link to CEO and CAE's attestation | For the year-ended December 31, 2019, a formal written attestation was signed & approved by CEO & CAE. |
| Cultivating a Synergic Relationship with Shareholders | | | |
| Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. | | | |
| Recommendation 13.1 | | | |
| 1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance. | Compliant | Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed. | Section 20 Investor's Rights and Protection of the Manual on Corporate Governance (2017) |
| 2. Board ensures that basic shareholder rights are disclosed on the company's website. | Compliant | Provide link to company's website | www.e-rockwell.com/Home/Partner with Us/Corporate Governance/Policies and Manuals/ Manual on CG (2017) |
| Supplement to Recommendation 13.1 | | | |

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| <p>1. Company's common share has one vote for one share.</p> | <p>Compliant</p> | | <p>Voting Procedures (Item no. 19 of the Preliminary Information Statement or SEC Form 20-IS dated July 17, 2020), states that:</p> <p>A quorum for any meeting of stockholders shall consist of the majority of the outstanding capital stock of the Corporation, and a majority of such quorum shall decide any question in the meeting except those matters which the Corporation Code requires a greater proportion of affirmative vote.</p> <p>At each meeting of the stockholders, every stockholder entitled to vote on a particular question or matter involved shall be entitled to vote for each share of stock standing in his name in the books of the Company at the time of the closing of the stock and transfer books for such meeting.</p> <p>Regarding the election of members of the Board of Directors, nominees who receive the highest number of votes shall be declared elected pursuant to Section 24 of the Corporation Code of the Philippines. Likewise, the nominee – for the Company's external auditor – who receives the highest number of votes shall be declared elected.</p> <p>The manner of voting is non-cumulative, except as to the election of directors and each stockholder shall have one vote for each share entitled to vote and registered in his name. Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots.</p> |
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| | | | <p>In accordance with Section 23 of the Corporation Code, at each election of directors, every stockholder entitled to vote at such election have the right to vote, in person or by proxy, the number of shares owned by him as of the relevant record date for as many persons as there are directors to be elected and for whose election he has a right to vote, or to cumulate his votes by giving one candidate the number of votes equal to the number of directors to be elected multiplied by the number of his shares shall be equal or by distributing such votes on the same principle among any number of candidates as the stockholder shall see fit.</p> <p>In the election of directors, the top eleven (11) nominees with the most number of votes will be elected as directors. If the number of nominees does not exceed the number of directors to be elected all the shares present or represented at the meeting will be cast in favor of the nominees.</p> <p>Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots.</p> <p>Other than the nominees' election as directors, no director, executive officer, nominee or associate of the nominees has any substantial interest, direct or indirect by security holdings or otherwise in any way of the matters to be taken upon during the meeting.</p> |
| <p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights,</p> | <p>Compliant</p> | <p>Provide information on all classes of shares, including their voting rights if any.</p> | <p>Refer to Preliminary Information discussion on voting of shares. Voting Procedures (from Preliminary Information Statement or SEC Form 20-IS dated July 17, 2020) Each stockholder has one vote for each share entitled to vote</p> |

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| subscription rights and transfer rights. | | | and registered in his name. Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots. |
| 3. Board has an effective, secure, and efficient voting system. | Compliant | Provide link to voting procedure. Indicate if voting is by poll or show of hands. | Refer to e-rockwell.com/Partner with Us/Company Disclosures |
| 4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders. | Compliant | Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any. | The Corporation Code and the by-laws of the Corporation require only a majority vote or 2/3 vote in certain instances, for corporate actions. The Company has not adopted such supermajority mechanism since there is no law in the Philippines which require it. |
| 5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting. | Compliant | Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution) | Section 3 of the By-Laws, available in the company website, states that: Special meetings of stockholder, unless otherwise provided by law, may be called at any time by the President and Secretary of the Corporation, or by the Secretary of the Corporation upon orders of the BOD. The Secretary of the Corporation shall call a special meeting of stockholders whenever he is requested in writing to do so by the holders of record of a majority of the capital stock of the Corporation entitled to vote at such meetings. |
| 6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders. | Compliant | Provide information or link/reference to the policies on treatment of minority shareholders | Section 20. Investor's Rights and Protection of the Manual on Corporate Governance (2017) |

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| | | | "...The Board shall give minority stockholders the right to propose the items for discussion that relate directly to the business of the corporation". |
| 7. Company has a transparent and specific dividend policy. | Compliant | <p>Provide information on or link/reference to the company's dividend Policy.</p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</p> | <p>Item no. 24 of the SEC 20-IS reports on the dividend payment history from 2016-2018 and the policy, which states:</p> <p>"....</p> <p>The Board of Directors during the organizational meeting on May 29, 2013 have adopted a dividend policy of declaring as dividends 20% of prior year's Net Income after Tax (NIAT).</p> <p>....The Preferred Shares currently outstanding will earn a cumulative dividend of 6% per annum. The Preferred Shares do not participate in dividends declared in relation to Common Shares".</p> <p>In July 19, 2018, the company declared cash dividends of P0.0683/share for common and P0.0006/share for preferred shareholders of record last August 03, 2018. Dividends were paid within 41 days from declaration.</p> |
| Optional: Recommendation 13.1 | | | |
| 1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting. | Compliant | Identify the independent party that counted/validated the votes at the ASM, if any. | <p>There was no need to appoint an independent party to count and validate the votes at the 2019 Annual General Meeting since the proxies received carrying an abstention or objection to an agenda item was not significant. There was also no motion to conduct the votes by balloting. If there was such a motion, the voting will be done by balloting based on the following procedures: Voting Procedures (Item 19, SEC Form 20-IS) Each stockholder has one vote for each share entitled to vote and registered in his name. Unless a motion is duly made and seconded, voting shall be made viva voce and counted manually by the Corporate Secretary. Voting shall be done by balloting upon motion duly made and seconded and the transfer agent shall count and canvass the ballots.</p> |

| Recommendation 13.2 | | | |
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| <p>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.</p> | <p>Compliant</p> | <p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p> | <p>Notice of the Annual Stockholders' Meeting was first submitted to SEC and PSE on March 13, 2019. This was followed with the Preliminary and Definitive Information Statement on April 8 and 16 to SEC, respectively.</p> <p>Refer to www.e-rockwell.com/Home/Partner with Us/Company Disclosures under Information Statements; Refer to PSE Edge posted last April 11 and April 25 for Preliminary and Definitive Information Statements, respectively.</p> |
| Supplemental to Recommendation 13.2 | | | |
| <p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p> | <p>Compliant</p> | <p>Provide link or reference to the company's notice of Annual Shareholders' Meeting</p> | <p>This notice was sent out in the Preliminary and Definitive 20-IS last April 8 and April 16, 2019, respectively.</p> <p>Venue & time of the meeting Record date Agenda of the meeting Instruction for sending Proxy Other instructions include minutes of the meeting of the prior ASM</p> <p>Preliminary Information Statement for 2020 was submitted to SEC last July 17, 2020. Definitive Information Statement is expected to be available in the company website and PSE website by August 6, 2020. Refer to 13.2.1 above.</p> |
| <p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience,</p> | <p>Compliant</p> | | <p>For qualifications, refer to Item no. 5 of the Preliminary Information Statement (20-IS) and Part IV, Item no. 9 of the Annual report (SEC 17-A)</p> |

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| and directorships in other listed companies) | | | |
| b. Auditors seeking appointment/re-appointment | Compliant | | Item 7 of the Preliminary Information Statement which was made available to the company and PSE website last July 17, 2020 |
| c. Proxy documents | Compliant | | Proxy form was attached to the Preliminary Information Statement |
| Optional: Recommendation 13.2 | | | |
| 1. Company provides rationale for the agenda items for the annual stockholders meeting | Compliant | Provide link or reference to the rationale for the agenda items | Agenda items requiring action from stockholders are explained in SEC 20-IS. |
| Recommendation 13.3 | | | |
| 1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. | Compliant | Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM. | These are contained in the minutes of the Annual Stockholders' Meeting. Submitted to SEC on May 30 and published in PSE Edge on May 31. |
| 2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting. | Compliant | Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. | Minutes of the 2019 Annual General Meeting were uploaded to the company website within 5 business days from the date of the meeting: https://www.e-rockwell.com/partner-with-us/company-disclosures/ under MINUTES OF THE MEETING |

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| | | Include whether there was opportunity to ask question and the answers given, if any | |
| Supplement to Recommendation 13.3 | | | |
| 1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM. | Compliant | Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting | Ms. Gaile Macapinlac attended the ASM last May 29, 2019. |
| Recommendation 13.4 | | | |
| 1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. | Compliant | Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes | <p>Section 2 Composition, Duties and Responsibilities of the Board, under Specific Duties and Responsibilities of the Board to Implement Corporate Governance Principles, of the Manual on Corporate Governance (2017) states:</p> <p>n. The Board shall keep its activities and decisions within its authority under the articles of incorporation and by-laws and in accordance with existing laws, rules and regulations.</p> <p>Refer to 2016 ACGR (May 2017), Alternative Dispute Resolution</p> <p>Corporation and Stockholders: The Company, through its stock transfer agent, investor relations unit, Office of the Corporate Secretary and legal department, attends to the needs of the stockholders. As much as possible, matters are resolved short of legal proceedings.</p> <p>Corporation & Third Parties:</p> |

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| | | | <p>Alternative Dispute Resolution systems, including senior management consultations, mediations, conciliations and arbitration, are provided in Joint Venture Agreements and similar contractual arrangements.</p> <p>Corporation & Regulatory Parties: Regular consultations with regulatory and government agencies.</p> |
| 2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance. | Non-compliant | Provide link/reference to where it is found in the Manual on Corporate Governance | Will endeavor to comply in 2020 |
| Recommendation 13.5 | | | |
| 1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. | Non-compliant | <p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <ol style="list-style-type: none"> 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address | No dedicated IRO, but the office of the Chief Finance and Compliance Officer handles all requirements. |
| 2. IRO is present at every shareholder's meeting. | Non-compliant | Indicate if the IRO was present during the ASM. | refer to 13.5.1 |
| Supplemental Recommendations to Principle 13 | | | |
| 1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group | Compliant | Provide information on how anti-takeover measures or similar devices were avoided by the board, if any. | There are no provisions in the by-laws or contracts that prevent takeovers. |
| 2. Company has at least thirty percent (30%) public float to | Non-compliant | Indicate the company's public float. | Public float is at 13.01% by end 2019 |

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| increase liquidity in the market. | | | |
| Optional: Principle 13 | | | |
| 1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting | Non-compliant | Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM | There is no specific policy but shareholders may email or contact the persons referred to in the website if they have questions or comments. |
| 2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting. | Non-compliant | Disclose the process and procedure for secure electronic voting in absentia, if any. | The Company allows voting by proxy to allow voting by stockholders in absentia. |
| Duties to Stakeholders | | | |
| Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights. | | | |
| Recommendation 14.1 | | | |
| 1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability. | Compliant | Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders. | Section 20. Investor's Rights and Protection of the Manual on Corporate Governance (2017) |
| Recommendation 14.2 | | | |
| 1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders. | Compliant | Identify policies and programs for the protection and fair treatment of company's stakeholders | Section 20. Investor's Rights and Protection of the Manual on Corporate Governance (2017) |

| Recommendation 14.3 | | | |
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| 1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights. | Compliant | Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders | A Whistle-blowing policy is effective beginning January 1, 2015. Under Implementing Guidelines Section B. Reporting Channel and Format of the policy, it states that any person who would like to raise a concern or issue can report the matter through any of the following mechanism: 1. Directly to Romeo del Mundo, Internal Audit Team, either personally or via hotline (632) 793-1061 or mobile no. 0917-868-7508 2. Send the disclosure or information through a secure email address at tip@rockwell.com.ph 3. Send the written report in a sealed envelope clearly marked with "Strictly Private and Confidential – To be opened by Addressee Only" to the Head of Internal Audit in the address below; To: Romeo del Mundo 3rd Floor, 8 Rockwell, Hidalgo Drive, Rockwell Center, Makati City 1200 For year 2019, there were no major concerns reported. |
| Supplement to Recommendation 14.3 | | | |
| 1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner. | Compliant | Provide information on the alternative dispute resolution system established by the company. | Refer to 13.4 of this report (Alternative Dispute Resolution); |
| Additional Recommendations to Principle 14 | | | |
| 1. Company does not seek any exemption from the application of a law, rule or | Compliant | Disclose any requests for exemption by the company and the reason for the request. | Not applicable. |

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| 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. | | | |
| 2. Company respects intellectual property rights. | Compliant | Provide specific instances, if any. | Refer to Annual Report (17-A) for its completed and ongoing list of Intellectual Property Rights applications |
| Optional: Principle 14 | | | |
| 1. Company discloses its policies and practices that address customers' welfare | Non-compliant | Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same. | Not part of Annual Report (SEC 17-A) |
| 2. Company discloses its policies and practices that address supplier/contractor selection procedures | Compliant | Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same. | Item 1 of SEC Form 17-A |
| Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes. | | | |
| Recommendation 15.1 | | | |
| 1. Board establishes policies, programs and procedures that encourage employees | Compliant | Provide information on or link/reference to company policies, programs and procedures | On May 2, 2012 and August 3, 2012, the BOD and the stockholders, respectively, approved the implementation of the ESOP to be offered to all regular employees of the |

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| <p>to actively participate in the realization of the company's goals and in its governance.</p> | | <p>that encourage employee participation.</p> | <p>Company including employees seconded to other affiliates or other individuals that the Board of Administrators may decide to include. The aggregate number of ESOP shares that may be issued shall not at any time exceed 3% of the issued capital stock of the Company on a fully diluted basis. The maximum numbers of shares a participant is entitled to shall be determined as a multiple of the gross basic monthly salary based on rank and performance for the year preceding the award. The option is exercisable anytime within the Option Term once vested.</p> |
| Supplement to Recommendation 15.1 | | | |
| <p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p> | <p>Compliant</p> | <p>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p> | <p>Rockwell Land Corporation also has an established retirement benefit plan known as the "Rockwell Land Corporation Retirement Plan".</p> <p>Its objective is to provide, through a retirement fund to be established by the company, for the payment of benefits to its employees when they are retired, or separated from service, the payment of definite amounts to their beneficiaries, subject to the conditions and limitations set in the plan.</p> |
| <p>2. Company has policies and practices on health, safety and welfare of its employees.</p> | <p>Compliant</p> | <p>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</p> | <p>It participates in the ESH activities of the FPH group.</p> <p>Appointed and trained additional 63 Safety Officers Level 1.</p> <p>Trained an additional 19 occupational first aiders, duly certified by Philippine Red Cross.</p> |
| <p>3. Company has policies and practices on training and development of its employees.</p> | <p>Compliant</p> | <p>Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.</p> | <p>Trainings are in the form of On-the-Job (ex. Cross posting, shadowing), Seminars and Conferences, partial or full reimbursement of enrollment fees that the management deem necessary and relevant to the performance of his/her current role in the company.</p> |

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| | | | It is the company's policy to enter into a Training Agreement with the employee whenever necessary. |
| Recommendation 15.2 | | | |
| 1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. | Compliant | Identify or provide link/reference to the company's policies, programs and practices on anti-corruption | No written policy but the company abides by the applicable law, rules and regulations on this. |
| 2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture. | Compliant | Identify how the board disseminated the policy and program to employees across the organization | Lopez Credo and onboarding includes an explanation of the Employee Code of Conduct |
| Supplement to Recommendation 15.2 | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes. | Compliant | Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy. | A Whistle-blowing policy is effective beginning January 1, 2015. Under Implementing Guidelines Section D. Protection & Confidentiality of the policy, it states that the identity of the Whistleblower making the report shall be kept confidential and he/she is assured of fair treatment and protection against any retaliatory actions. If any Whistleblower believes that he/she is retaliated by reporting or participating in an investigation, he/she should immediately report such perceived retaliation to any member of the Ethics Committee. All reports of retaliation shall be investigated confidentially. Under Implementing Guidelines Section B. Reporting Channel and Format of the policy, please refer to details found in Recommendation 14.3 of this report. |

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| | | | For year 2019, there were no major concerns reported. |
| Recommendation 15.3 | | | |
| 1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation | Compliant | <p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p>Provide contact details to report any illegal or unethical behavior.</p> | Refer to recommendations 14.3 and 15.2 of this report |
| 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 | | Refer to recommendations 14.3 and 15.2 of this report |
| 3. Board supervises and ensures the enforcement of the whistleblowing framework. | Compliant | Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing. | Refer to recommendations 14.3 and 15.2 of this report |
| Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development. | | | |
| Recommendation 16.1 | | | |
| 1. Company recognizes and places importance on the interdependence between business and society, and | Compliant | Provide information or reference to a document containing information on the company's | Refer to the company website, e-rockwell.com/Home/Partner with Us/Corporate Social Responsibility |

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| <p>promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p> | | <p>community involvement and environment-related programs.</p> | |
| Optional: Principle 16 | | | |
| <p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p> | <p>Compliant</p> | <p>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p> | <p>We provide FPH with our Carbon Emission footprint as part of their GRI framework (Global Reporting Initiative) on Sustainability.</p> |
| <p>2. Company exerts effort to interact positively with the communities in which it operates</p> | <p>Compliant</p> | <p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p> | <p>Please see Annual Report on www.e-rockwell.com/Home/Partner with Us/Corporate Social Responsibility</p> |

Appendices

Minutes of Meetings:

- May 29, 2019, Annual Stockholders Meeting

Internal Control and Compliance System Attestation

SIGNATURES


Pursuant to the requirements of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant, Rockwell Land Corporation, by the undersigned, thereunto duly authorized, in the City of Makati as of **July 30, 2020**.

ROCKWELL LAND CORPORATION

By:



MANUEL M. LOPEZ
Chairman of the Board



NESTOR J. PADILLA
President and CEO



OSCAR J. HILADO
Independent Director



ELLEN V. ALMODIEL
Chief Financial and Compliance Officer



MONICO V. JACOB
Independent Director



ENRIQUE I. QUIASON
Corporate Secretary




ALBERT F. DEL ROSARIO
Independent Director

SUBSCRIBED AND SWORN to before me this 30th day of July, 2020, affiant exhibiting to me his/their Passports as follows:

| Names | Passport No. | Date of Issue | Place of Issue |
|-----------------------|---------------------|----------------------|-----------------------|
| Manuel M. Lopez | P1793181B | 30 May 2019 | DFA Manila |
| Nestor J. Padilla | P3279524A | 03 June 2017 | DFA NCR Central |
| Oscar J. Hilado | P795921A | 16 July 2018 | DFA NCR Central |
| Monico V. Jacob | EC7728486 | 17 May 2016 | DFA NCR East |
| Albert F. Del Rosario | EC5888000 | 05 November 2015 | DFA Manila |
| Ellen V. Almodiel | P2373847B | 29 June 2019 | DFA NCR East |
| Enrique I. Quiason | P9908505A | 12 December 2018 | DFA NCR East |

Doc. No. 296;
Page No. 61;
Book No. xvi;
Series of 2020



FREDERICK R. TAMAYO
Notary Public for Makati City
Appointment No. M-175 until December 31, 2020
Roll of Attorneys No. 46115
IBP No. 070715/ 02.03.20/ Bulacan
PTR No. 8138668/ 01.14.20/ Makati City
MCLE Compliance No. VI-0025869
8 Rockwell, Hidalgo Drive, Makati City

**MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS OF
ROCKWELL LAND CORPORATION
HELD AT THE FIFTH @ ROCKWELL, R5 LEVEL POWER PLANT MALL
ROCKWELL CENTER, MAKATI CITY
ON MAY 29, 2019 AT 9:00 A.M.**

The annual meeting of the stockholders of Rockwell Land Corporation (“Corporation”) was held at 9:00 a.m. on May 29, 2019 at The Fifth @ Rockwell, R5 Level, Power Plant Mall, Rockwell Center, Makati City. The following Directors were present at the meeting:

Present: Amb. Manuel M. Lopez
 Mr. Federico R. Lopez
 Amb. Albert F. Del Rosario
 Mr. Oscar J. Hilado
 Mr. Monico V. Jacob
 Mr. Eugenio L. Lopez III
 Mr. Miguel L. Lopez
 Mr. Nestor J. Padilla
 Mr. Jose Valentin A. Pantangco, Jr.
 Mr. Francis Giles B. Puno

Absent: Mr. Oscar M. Lopez

Members of senior management consisting of the following were likewise present:

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| Ms. Valerie Jane L. Soliven | Chief Revenue Officer |
| Ms. Ma. Lourdes L. Pineda | Senior Vice President, Business Development |
| Ms. Ellen V. Almodiel | Senior Vice President, Chief Finance and Compliance Officer |
| Mr. Davy T. Tan | Senior Vice President, Business Development |
| Mr. Baldwin T. Chua | Senior Vice President, Hotel & Leisure Development |
| Mr. Manuel L. Lopez Jr. | Board Advisor & Vice President; President, Rockwell Club |
| Ms. Adela D. Flores | Vice President, Property Management |
| Ms. Christine T. Coqueiro | Vice President, Retail Development |
| Ms. Jovie Jade V. Lim-Dy | Vice President, Residential Sales |
| Mr. Jesse S. Tan | Asst. Vice President, Office Development |
| Ms. Geraldine B. Brillantes | Asst. Vice President and General Manager, Rockwell Club |
| Ms. Rica L. Bajo | Asst. Vice President, Finance & Accounting, Chief Risk & |

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| Mr. Romeo G. Del Mundo, Jr. | Data Privacy Officer Asst. Vice President and Chief Audit Officer |
| Mr. Esmeraldo C. Amistad | Asst. Corporate Secretary |

The Corporation's acting Investor Relations Officer, Ms. Rica L. Bajo, was also present at the meeting.

Also present was Mr. Noel P. Rabaja representing the external auditors of the Corporation, SyCip, Gorres, Velayo & Co.

CALL TO ORDER

The meeting was called to order by Mr. Manuel M. Lopez, Chairman of the Board. The minutes of the proceedings were recorded by Mr. Enrique I. Quiason, Corporate Secretary.

PROOF OF NOTICE

The Secretary reported that notices of the annual meeting of the stockholders had been sent to the stockholders of the Corporation. He had executed a certification to that effect. The Chairman directed the Secretary to append the said certification together with a copy of the notice to the minutes of the meeting.

DETERMINATION OF QUORUM

The Secretary reported that out of the 6,116,762,198 common shares and 2,750,000,000 preferred shares issued and outstanding, there were present either in person or represented by proxy 5,297,379,206 common shares and 2,750,000,000 preferred shares representing 90.77% of the issued and outstanding voting stock of the Corporation. [The Secretary also stated that the proxies that were submitted and validated did not carry abstentions or oppositions to the matters to be discussed during the meeting. There being a quorum, the Chairman of the meeting declared the meeting open for the transaction of business.

APPROVAL OF MINUTES OF PREVIOUS MEETING

On motion made and seconded, the reading of the minutes of the Annual Stockholders Meeting held last May 30, 2018, copies of which had earlier been circulated to the stockholders, was dispensed with, and the minutes were approved as recorded.

The Secretary reported that the Corporation received proxies representing 8,046,015,375 shares or 99.00% of the shares outstanding are to be counted as voting in favor of the motion, zero shares voted against and zero shares abstained.

THE CHAIRMAN'S MESSAGE

The Chairman gave the following message to the stockholders:

Good Morning Ladies and Gentlemen!

Our 2018 net income after tax (NIAT) is at Php 2.5 billion, an increase of 22% from the previous year, setting another record high for the company.

Rockwell Land has consistently raised the bar for brighter visions to become reality, as we've continuously challenged ourselves to pursue newer goals after each triumph and push the boundaries. But as we approach our 25th year in the industry, we also take the time to celebrate our current milestone projects that have gradually begun to take shape simultaneously.

Last 2018, we benchmarked the successful launch of our exquisite properties. It started with our first residential-resort development in the Queen City of the South, Aruga Resort and Residences - Mactan, which was welcomed with strong reception by our clientele. This was followed by the most iconic Rockwell yet -- Proscenium's turnover of its first three towers: Sakura, Kirov, and Lincoln.

With our current developments beginning to materialize while showcasing a point of strength for the company, we have even more to look forward to as the year unfolds. We've not only expanded our reach geographically, but are growing in size.

For one, we are excited to launch our first high-end horizontal development in Canlubang, Laguna by the 4th quarter of 2019. Rockwell South at Carmelray, 63-hectares large, will initially offer its future residents over lots in a lush community that can only be distinctly Rockwell. For another, we will be giving Bacolod more reasons to smile, as we'll be launching our 10.9 hectare mid-rise development also by year-end.

As we've slowly but surely made our mark in key development cities, we have also never been more optimistic to keep exploring potential projects that will strengthen our company's value in the industry. With these in motion, we've been driven to explore yet another promising landmark destination in Central Luzon where many more opportunities will emerge.

We will continue to foster our company's vision -- one that cultivates constant innovation and maintains unwavering stability, and where only the best is yet to come with Rockwell.

We look forward to what the future has in store for us, and beyond ordinary communities we will shape with it.

Maraming Salamat at Mabuhay!

THE PRESIDENT'S REPORT

Mr. Nestor J. Padilla, President and Chief Executive Officer of the Corporation, began by thanking all the stockholders who made it to the annual stockholders meeting and thereafter gave the following report:

Good Morning fellow shareholders, Ladies and Gentlemen.

We are on the move to our 25th year.
What Rockwell has put into motion 5 years ago is now crystallizing.

The Rockwell brand has been in full form in **Makati, Pasig, Quezon City, San Juan** and recently, in **Cebu**.

This year, we will welcome over 70 hectares of new landmark developments, carrying the Rockwell lifestyle.

Forging New Beyond Ordinary Communities

We will launch our latest milestone development by the 4th quarter of this year in Canlubang, Laguna. **Rockwell South at Carmelray's** phase 1, which is 63 hectares, will allow us to bring the Rockwell experience to our first and biggest premium horizontal neighborhood. We will initially offer over 250 lots ranging from 650 to 1,000 sqm each, and surrounded by generous open spaces and amenities.

We are also excited to bring Rockwell's exclusive lifestyle to **Bacolod**. Launching in September, this new 10.9-hectare development will be comprised of mid-rise residential buildings. It will also have a 2.1-hectare expanse where the community can enjoy retail destinations and events.

After 205 Santolan and The Alvendia, the convenience of condominium living and the luxury of townhomes will converge in a new premier address. **Benitez Suites by Rockwell** in Quezon City, will be launched by 4th quarter 2019.

To follow the opening of the East Bay Retail Row and Amenity Deck last year, **East Bay Residences** will launch its second tower by 3rd Quarter of 2019. With its first tower, Fordham, now 86% sold, the second tower is also poised to be a stand out in the Sucat, Muntinlupa area. It will feature a Skydeck and sun lounge.

Crystals Taking Shape

The heightened momentum of achieving our milestones in 2018 has led us to a surge of optimism for our upcoming launches this year.

Our 2018 **net income after tax (NIAT)** is another record high at Php 2.5 billion. Our **revenues** hit Php 15.7 billion while **EBITDA** grew by 23% to Php 4.5 billion. Recurring EBITDA reached Php 1.6 billion, and posted a faster growth of 27% with the higher occupancies of our newly completed office and retail projects Rockwell Business Center-Sheridan, Santolan Town Plaza and the Power Plant Mall expansion. Our recurring businesses now account for 36% of our EBITDA from 35% in 2017.

The robust demand for our on-going and newly launched residential projects resulted in a **30% growth in reservation sales**, reaching an all-time high of Php 14.9 billion.

We started turnover of **The Proscenium** last November 2018. Several happy unit owners now reside in the Kirov, Sakura and Lincoln Towers and are thrilled to be in a community that embodies the Rockwell brand at its best.

Our first resort development, **Aruga Resort and Residences** in Mactan was launched last August 2018 and has performed beyond expectations. Unit owners will enjoy a 300-meter beachfront in this 5-hectare resort.

The Arton by Rockwell, our 3-tower high rise development in Katipunan, also saw strong sales, when it launched last June 2018 its second tower, Arton North. This project has a stunning view of the Sierra Madre Mountain Range.

Last October 2018, we also launched a pioneering Rockwell development in Lipa, Batangas catering to the mid-market. Future residents of **Terreno South** will enjoy the 5,000 or so full-grown trees that you see in this picture. Because of its strong market reception, we will offer more lots by the second half of this year.

The **Power Plant Mall Expansion** further took shape in 2018, with an additional 5,600 sqm of retail space, bringing in a new experience for our Rockwell shoppers, with 47 new brands including the locally conceptualized flagship stores of **Saddle Row** and **Harlan + Holden** and a new dining destination, **The Grid** – which currently has 15 stalls from over 10 renowned local chefs.

We also opened the doors of this new events hall last November 2018. We call this place **The Fifth at Rockwell**. This is over 1,000 sqm with a sit-down capacity of 500, ideal for **corporate events, lifestyle gatherings, conferences** and **private celebrations**. The LED screen you see now in front is the largest LED wall in Southeast Asia.

Shaping a Sharper Future

Our vision of creating admired communities beyond ordinary continuously takes shape in many different landscapes across more and more communities.

As Rockwell will soon mark its 25th anniversary, we have expanded our reach and have grown, and ready for our next 25 years.

With your support, our stakeholders, the Board, **and our employees**, we are now primed to shape a sharper future for Rockwell.

Thank you.

APPROVAL/RATIFICATION OF THE DECEMBER 31, 2018 REPORT AND THE AUDITED FINANCIAL STATEMENTS

The Chairman said that copies of the management report, which includes the audited financial statements for the calendar year ended December 31, 2018, were distributed to the stockholders prior to the meeting. The management report and the audited financial statements indicate all pertinent actions undertaken during the year as well as the activities and performance of the subsidiaries and affiliates. The Chairman inquired whether there were questions from the floor on the audited financial statements. He also opened the floor to the stockholders for them to raise any other queries they may have.

Ms. Carla Ascio inquired whether any of the Rockwell Land buildings were affected by the recent earthquake. Mr. Padilla replied that the recent earthquake was very strong and felt in Metro Manila, but Rockwell designed and built its high rise buildings to withstand the strongest earthquake ever which was in Chile in 1962 or for

up to 9.5 magnitude. There were a few cracks in some buildings but these are only superficial and affected only the the wall plastering. Residents are safe in Rockwell's condominiums. He added that it may even be safer to live in condominiums rather in single detached houses.

Mr. Robert Go inquired about the trees in the Terreno South project. Mr. Padilla said that the Lipa project is a good property. It used to be an events place and it even had a zoo. Mr. Joaquin Zialcita, who is the master landscaper of Rockwell Land, explained that there are a lot of mahogany trees, eucalyptus trees, several palm trees and a couple of fruit bearing species of trees which were planted by the previous owner. Rockwell has not found any endemic trees yet but the Narra, our national tree, is partly grown in its natural habitat in Indonesia and Malaysia. Mr. Go suggested including the architectural firm in the annual report. Mr. Go also suggested having invocation or prayer after the national anthem. Another stockholder observed that the financial results are quite good with regards to increase in revenues. He asked as to when the share price of P2.00 will become P5.00. Mr. Padilla said that the company is also praying that the investors would understand that the future of Rockwell is not reflected in the price today. The focus of management is to make sure that it continues to grow as it has consistently grown in the past three years. One of the issues raised is that, unlike most big companies, Rockwell has no significant landbank. It started with just 15 hectares but two years ago, it made a commitment that Rockwell will increase the level of land it will have for future development. Two or three years ago, its land for development was just a 3% to 4% of total assets, while last year it ended with 8% of total assets.. Hopefully, this year, it could end the year with 12% to 13% of total assets for landbank. He urged the stockholder to stay with Rockwell. In time, people will realize that the company is worth a lot more than the current market price.

Mr. Claudio Ramos, a stockholder from Sta. Rosa, Laguna, asked if the company will continue to give free movie tickets to the stockholders. Mr. Padilla said that the company prepared for it and two movies will be free for the stockholders to watch, namely, Aladdin and Godzilla.

Mr. Stephen Soliven asked about the occupancy rate for the rental properties and the turnover rate of the real estate inventories. He also asked if the company anticipates any cash or stock dividend in the near future. Mr. Padilla called on Ms.

Ellen V. Almodiel, the Chief Finance Officer, to reply to the query. Ms. Almodiel said that the occupancies for retail are 99% for new developments and for office developments. The company started handing over last year Sakura and Kirov units and is about halfway in terms of delivery of the units in Kirov and Sakura, while Lincoln is at about 30% turnover. Mr. Soliven clarified that his question on the turnover rate is on real estate inventories. Ms. Almodiel replied that last year the company sold a total of P15 billion reservation sales across all its projects. On cash dividends, the company follows its policy of distributing 20% of prior year's net income. There is no plan yet to issue stock dividends.

Ms. Elvira Velasco complained about the the issuance of her certificates of stock. She said that she has been following up with the stock transfer agent, RCBC, but she was always being told that RCBC still could not find her stock certificates. Ms. Almodiel said that the stock certificates were initially issued by Meralco, so it should be with Meralco and that Rockwell will coordinate with Meralco on the matter. Ms. Velasco recounted that she has also been unsuccessful following up with Meralco. Ms. Almodiel said that she will discuss personally with Ms. Velasco and assured her of assistance in coordinating with Meralco on the matter.

Mr. Godofredo Pedesanan, another stockholder, inquired if the Rockwell neighborhood in Mactan will be a hotel or residential project. Mr. Padilla explained that it is a combination of hotel and residential condominiums. Mr. Pedesanan suggested that the hotel give a stockholders' discount on top of the senior citizens discount. He also suggested that on Rockwell's 25th year, the stockholders be given a chance to win a condominium unit in a raffle.

Mr. Manuelito Hugeta said that when Meralco declared Rockwell shares as property dividends, he was not in the country and that he has not been able to get his stock certificates. He has not been able to get the required response from RCBC. The Chairman advised that one of Rockwell's staff will talk to him about his concern after the meeting in order to help him.

A stockholder suggested consulting the stockholders first before declaring stock dividends. He complained that Meralco distributed Rockwell shares as property dividends without consulting the stockholders. He said that Rockwell's projects cannot be afforded by the stockholders and said that Rockwell should not give stock dividends.

There being no further questions from the floor, and on motion duly made and seconded, the shareholders resolved as follows:

“RESOLVED, That the stockholders of Rockwell Land Corporation (the ‘Corporation’):

- (i) confirm, approve, and ratify, as they hereby do confirm, approve and ratify, the Board of Directors’ approval of the Audited Financial Statements of the Corporation for the period ended December 31, 2018; and*
- (ii) approve, as they hereby do approve, the management reports covering the calendar year ending December 31, 2018.”*

The Secretary said that the Corporation received proxies representing 8,046,015,375 shares or 99.98% of the shares outstanding that are to be counted as voting in favor of the motion, zero shares to vote against and zero to abstain.

RATIFICATION OF THE ACTS OF THE BOARD AND MANAGEMENT OF THE CORPORATION/APPROVAL OF REPORTS

On motion made and duly seconded, the follow resolution was unanimously approved by the stockholders:

“RESOLVED, That all resolutions and acts of the Board of Directors as well as the acts and contracts entered into by the Management of the Corporation during the calendar year ended December 31, 2018 and up to the date of the meeting, including the Chairman’s Message and President’s Report, be, as they are hereby, confirmed, ratified and approved.”

The Secretary said that the Corporation received proxies representing 8,046,015,375 shares or 99.98% of the shares outstanding that are to be counted as voting in favor of the motion, zero shares to vote against and zero shares to abstain.

ELECTION OF DIRECTORS

The Secretary informed the stockholders that the Corporation received nominations in favor of the following stockholders as Directors for the Corporation for the ensuing year:

Amb. Manuel M. Lopez
Mr. Oscar M. Lopez
Mr. Federico R. Lopez
Mr. Eugenio L. Lopez III
Mr. Nestor J. Padilla
Mr. Miguel Ernesto L. Lopez
Mr. Francis Giles B. Puno
Mr. Jose Valentin A. Pantangco, Jr.
Mr. Oscar J. Hilado
Mr. Monico V. Jacob
Amb. Albert F. Del Rosario

Messrs. Oscar J. Hilado, Monico V. Jacob and Ambassador Albert F. Del Rosario are being nominated as independent directors.

The Secretary said that with respect to the proxies, each director received at least 99.98% of the shares outstanding which are to be made part of the records.

It was duly moved and seconded that the eleven stockholders who were nominated as directors for the ensuing year be declared elected as Directors for the eleven board seats of the Corporation. Proxies from stockholders representing 99.98% of the shares outstanding were to be voted in favor of the motion that the eleven nominated directors be declared as Directors for the eleven board seats of the Corporation.

The Chairman directed the Secretary to cast the relevant votes in favor of the following stockholders duly nominated as Directors of Rockwell Land Corporation for the ensuing year and until their successors shall have been duly elected and shall have qualified:

Amb. Manuel M. Lopez
Mr. Oscar M. Lopez
Mr. Federico R. Lopez
Mr. Eugenio L. Lopez III
Mr. Nestor J. Padilla
Mr. Miguel Ernesto L. Lopez
Mr. Francis Giles B. Puno
Mr. Jose Valentin A. Pantangco, Jr.
Mr. Oscar J. Hilado
Mr. Monico V. Jacob
Amb. Albert F. Del Rosario

The Chairman instructed the Secretary to note those proxies which gave particular votes to certain nominees. The Chairman declared the eleven nominees duly elected. It was also noted that Messrs. Oscar J. Hilado, Monico V. Jacob and Ambassador Albert F. Del Rosario were duly elected as independent directors.

APPOINTMENT OF EXTERNAL AUDITORS

On motion duly made and seconded, the stockholders ratified the retention of the services of Sycip, Gorres, Velayo and Co., Certified Public Accountants, as the Corporation's external auditors for the ensuing year.

The Secretary said that the Corporation received proxies representing 8,046,015,375 shares or 99.98% of the shares outstanding that are to be counted as voting in favor of the motion, zero shares to vote against and zero shares to abstain.

The Chairman allowed additional questions to be raised by the stockholders.

Mr. Robert Go, the stockholder who already spoke earlier, suggested having a female director next year for gender equality. He also suggested serving healthier snacks.

ADJOURNMENT

There being no further business to transact, the meeting was, on motion made and duly seconded, thereupon adjourned.

ENRIQUE I. QUIASON

Secretary

A T T E S T :

MANUEL M. LOPEZ

Chairman of the Board



Internal Control & Compliance System Attestation

For the year ended, December 31, 2019

Rockwell Land Corporation corporate governance system includes a combination of internal and external mechanisms such as the structure of the board of directors and our committees, the oversight it exercises over management, and the formulation of sound policies and controls.

- ❖ The Board of Directors is responsible for providing governance and overseeing the implementation of adequate internal control mechanism and risk management processes;
- ❖ The Management has the primary responsibility for designing and implementing an adequate and effective system of internal controls and risk management processes to ensure compliance with rules and regulations, and the law;
- ❖ The Management is responsible for developing a system to monitor and manage risks;
- ❖ The Corporation's External Auditor is responsible for assessing and expressing an opinion on the conformity of the audited financial statements with Philippine Financial Reporting Standards and the overall quality of the financial reporting process;
- ❖ Internal Audit adapts a risk-based audit approach in developing an annual work plan and conducts reviews to assess the adequacy of the Corporation internal controls & results are presented to the Audit Committee;
- ❖ The Chief Audit Officer reports functionally to the Audit Committee to ensure independence and objectivity, allowing the Internal Audit to fulfill its responsibilities; and
- ❖ Internal Audit conforms with the existing auditing standards (e.g. International Professional Practices Framework) in performance of the review engagements.

Based on the above reasonable assurance provided by the internal auditors as well as the external auditors as a result of their reviews, we attest that Rockwell Land Corporation has a sound internal audit, controls, and compliance system in place & working effectively.

This attestation is issued in compliance with the additional recommendation under Principle 12 of the Code of Corporate Governance for Publicly-listed Companies, as provided in SEC Memorandum Circular No. 15, Series of 2017.

Nestor J. Padilla
President and Chief Executive Officer

Romeo G. Del Mundo Jr.
Assistant Vice President and
Chief Audit Officer