



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **31 December 2019**
2. SEC Identification Number **PW-305** 3. BIR Tax Identification No. **000-067-618**
4. Exact name of issuer as specified in its charter **Keppel Philippines Properties Inc.**
5. **Metro Manila**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **18th Floor, Units 1802-B – 1803 The Podium West Tower**
12 ADB Ave., Ortigas Center, Mandaluyong City **1550**
Address of principal office Postal Code
8. **(63) 8584-6170**
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
The Board's Governance Responsibilities			
<p>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.</p>			
Recommendation 1.1			
<p>1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</p>	Compliant	<p>All directors of the Company are required to have relevant experience, expertise, and training to the Company's business and operations. The qualifications of each member of the elected Board of Directors are detailed in the Information Statement.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Articles of Incorporation: http://keppelland.com.ph/files/Amended_Articles_of_Incorporation-05_April_2019.pdf By-laws, See Article IV: http://www.keppelland.com.ph/files/Amended_By-Laws_2006.pdf New Manual on Corporate Governance, See Item II(B): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
<p>2. Board has an appropriate mix of competence and expertise.</p>	Compliant		

<p>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.</p>	<p>Compliant</p>	<p>4. 2019 Definitive Information Statement, see pages 8-11 for the Directors 'profiles and pages 33-38 for Certification of Qualification of Independent Directors: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>	
Recommendation 1.2			
<p>1. Board is composed of a majority of non-executive directors.</p>	<p>Compliant</p>	<p>The Board of Directors is composed of eight directors, majority of whom are non-executive directors. Out of the eight directors, three are Non-Executive Directors, three are Independent Directors, and the remaining two are Executive Directors.</p> <p><u>Links / References:</u></p> <p>1. Results of 2019 Annual Stockholders' Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ANNUAL MEETING 13%20June%202019.pdf</p>	

		<p>2. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>All directors are required to attend training on corporate governance conducted by a duly recognized private or government institute.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item VI: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
2. Company has an orientation program for first time directors.	Compliant		
3. Company has relevant annual continuing training for all directors.	Compliant		
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	<p>It is Company policy that the Board be composed of directors with a collective working knowledge, experience, and expertise that is relevant to the Company's business.</p> <p>The Board is composed of 7 male directors and 1 female director.</p>	

		<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement, See pages 8-12: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 3. Results of 2019 Annual Stockholders' Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC_17C_RESULTS_OF_ANNUAL_MEETING_13%20June%202019.pdf 	
Optional: Recommendation 1.4			
<ol style="list-style-type: none"> 1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives. 	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	The Board of Directors is assisted by a Corporate Secretary, Atty. Ma. Melva E. Valdez, who is not a member of the Board of Directors.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Non-Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item II(B)(5): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2019 Definitive Information Statement, See pages 11-12: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	With due consideration of the volume, size, and frequency of operations of the Company, the functions of the Corporate Secretary and the Compliance Officer were vested in one person. The duties and responsibilities of the Corporate Secretary and that of the Compliance Officer are clearly distinguished in the Company By-laws and Manual on Corporate Governance.
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> Attendance at 2019 Corporate Governance Training: http://www.keppelland.com.ph/pdf/CD-OD-OTHER SEC %20FORMS REPORTS AND REQ AS OF 14 JUNE 2019.pdf 	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant		

Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	The Board of Directors is assisted by a Compliance Officer, Atty. Ma. Melva E. Valdez, who is not a member of the Board of Directors. Atty. Valdez is also the Corporate Secretary.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item II(A): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2019 Definitive Information Statement, See pages 11-12: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	<p>With due consideration of the size and frequency of operations of the Company, the functions of the Corporate Secretary and the Compliance Officer were vested in one person. The duties and responsibilities of the Corporate Secretary and that of the Compliance Officer is clearly distinguished in the Company By-laws and Manual on Corporate Governance.</p> <p>The current Compliance Officer is a lawyer with vast experience in corporate law. Atty. Valdez is capable of providing the required guidance by the Corporation on its compliance with applicable laws, rules and regulations.</p>
3. Compliance Officer is not a member of the board.	Compliant		
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> Attendance at 2019 Corporate Governance Training: http://www.keppelland.com.ph/pdf/CD-OD-OTHER SEC %20FORMS REPORTS AND REQ AS OF 14 JUNE 2019.pdf 	

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>Compliant</p>	<p>It is Company policy that directors decide on all corporate matters using sound and independent business judgment and act in a manner characterized by transparency, accountability, and fairness.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
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Recommendation 2.2

<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p>Compliant</p>	<p>The Board of Directors is responsible in carrying out the Company's purpose, vision, mission, and its strategies. It is also responsible for the review of the effectiveness of the Company's system of internal checks and balances.</p>	
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	<p>Compliant</p>		

		<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
Supplement to Recommendation 2.2			
<ol style="list-style-type: none"> Board has a clearly defined and updated vision, mission and core values. 	Compliant	<p>The Board reviews its vision, mission and core values every year. The Board finds the same satisfactory and covers the Corporation's vision, mission and core values.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Vision and Mission: http://www.keppelland.com.ph/AU-Vision-and-Mission.asp New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
<ol style="list-style-type: none"> Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture. 	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item II(B)(1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Links / References: 1. New Manual on Corporate Governance , See Item II(B)(4): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement , See pages 8 and 11: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Links / References: 1. New Manual on Corporate Governance , See Item II(B)(1), page 6: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Links / References: 1. New Manual on Corporate Governance , See Item II(B)(2.5): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		

<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p>Non-Compliant</p>	<p>ernance.pdf</p> <p>2. 2019 Definitive Information Statement, See pages 13-14: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p> <p>3. Results of 2019 Annual Stockholders' Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC-17C-RESULTS-OF-ANNUAL-MEETING-13%20June%202019.pdf</p>	<p>The Compensation Committee reviews and proposes the remuneration of directors to the Board of Directors for approval. The remuneration of Directors is subject to the Stockholders' approval at the Annual Stockholders' Meeting.</p>
Optional: Recommendation 2.5			
<p>1. Board approves the remuneration of senior executives.</p>			
<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>			

Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	The nomination and election policy is detailed in the Company's By-laws and Manual on Corporate Governance.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	The same policy is included in the Definitive Information Statement to guide stockholders	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> By-laws, See Article III, Sections 4 and 5; Article IV, Section 6: http://www.keppeland.com.ph/files/Amended_By-Laws_2006.pdf New Manual on Corporate Governance, See Item VIII(A): http://www.keppeland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2019 Definitive Information Statement, See pages 8 to 11: http://www.keppeland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		

Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	The Company's New Manual on Corporate Governance includes the Company's policy on related party transactions ("RPTs").	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Last 28 October 2019, the Board of Directors approved the Company's Material Related Party Transactions Policy. The Policy defines related party transactions and sets out the guidelines that will govern the review, approval, and ratification of RPTs.	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p><u>Links / References:</u></p> <ol style="list-style-type: none"> New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf 	

Supplement to Recommendations 2.7			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	Compliant	<p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (1), page 6: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf 	
<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>	Compliant	<p>No related party transaction is subject for approval of the Annual Stockholders' Meeting.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. Articles of Incorporation, See Article II, Section 7: http://keppelland.com.ph/files/Amended_Articles_of_Incorporation-05_April_2019.pdf 	

Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>The selection of the Management of the Company is determined by its parent company. The Board of Directors reviews and approves the appointment of the Management annually or as required.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf 	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item II (B) (1), page 5: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	Company Policy and Procedure Nos. 007: Salary Administration, Items 4.2 and 4.3, 008: Performance Appraisal, and 021: Staff Promotion.	

2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Company Policy and Procedure Nos. 017: Discipline, 018: Grievance Handling, 019: Resignation/ Termination & Dismissal, and 022: Training & Development.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		
3. Board approves the Internal Audit Charter.	Compliant	<p>Although the position of "Internal Auditor" has been provided for in the Company's New Manual on Corporate Governance, the Company has yet to appoint an Internal Auditor. At present, the Internal Audit function is performed by the Audit Committee.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item IV: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

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	Through the Audit Committee, the Keppel Enterprise Risk Management ("ERM") Framework provides a holistic framework where significant risks of the Group are identified and assessed, with systems, policies and processes put in place to manage and mitigate these risks. Risk tolerance guiding principles are set to guide the Group's attitude and approach on the nature and extent of risks it is willing to take in achieving the Group's strategic objectives.	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		
		<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II(B)(3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Non-Compliant		At present, the Amended By-Laws and the New Manual on Corporate Governance of the Company clearly defines the duties and responsibilities of the Board of Directors.
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-Compliant		

3. Board Charter is publicly available and posted on the company's website	Non-Compliant		Corporate Governance. It aims to have a Board Charter by the end of 2020.
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<p>The Company's Policy against insider trading is in its Code of Business Conduct.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf 	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> Policy on Conflict of Interest: http://www.keppelland.com.ph/pdf/CG-CP-Conflict-of-Interest.pdf 	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	Material information are disclosed to the PSE and SEC. Disclosures are also available on the Company website.	
<p>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.</p>			

Recommendation 3.1			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p>The following are the Board Committees: Audit Committee, Screening Committee, and Compensation Committee.</p> <p>Links / References:</p> <p>1. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC_17C_RESULTS_OF_ORG'L_MEETING_13%20June%202019.pdf</p>	
Recommendation 3.2			
<p>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.</p>	<p>Compliant</p>	<p>The duties and responsibilities of the Audit Committee are detailed in New Manual on Corporate Governance. Details on the members of the Audit Committee in 2019 are in the Information Statement.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	

		<p>2. 2019 Definitive Information Statement, See Part I, Item 7, page 14: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>	<p>The Audit Committee is composed of the following members:</p> <ul style="list-style-type: none"> i. Ramon J. Abejuela (Chairman, Independent Director) ii. Celso P. Vivas (Independent Director) iii. Mayo Jose B. Ongsingco* (Independent Director) iv. Stefan Tong Wai Mun <p>* Last 14 April 2020, the Company disclosed the untimely demise of Mr. Ongsingco.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	

		<p>2. 2019 Definitive Information Statement, See Part I, Item 7, page 14: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p> <p>3. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>The background, knowledge, skills, and experience of the members of the Audit Committee are included in the respective profiles of each member.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), pages 13-14: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. 2019 Definitive Information Statement, See pages 8-9 and 14: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</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>The Chairman of the Audit Committee, Mr. Ramon J. Abejuela, is not the Chairman of the Board and any other committee.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement, See page 8: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 3. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf 	
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Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>The Audit Committee is responsible in evaluating, determining, and reviewing the non-audit work conducted by the External Auditor, including the fees to be paid for the work.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 14: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 14: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.		The Audit Committee met five times in 2019 on the following dates: 4 February, 12 February, 7 May, 5 August and 11 November.	
2. Audit Committee approves the appointment and removal of the internal auditor.			

Recommendation 3.3

<p>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.</p>	<p>Non-Compliant</p>		<p>At present, the recommended functions of a Corporate Governance Committee, as provided in SEC MC No. 19-2016, are performed by the Company Officers and various committees, including the Screening Committee, Audit Committee, and Compliance Officer. After due consideration of the size and operations of the Company, the Board of Directors found that the Committees, with the assistance of the Compliance Officer, are able to address matters related to corporate governance.</p> <p>The Company is in the process of reviewing its Manual on Corporate Governance and is considering the formation of a Corporate Governance Committee.</p> <p>Links / References:</p> <ol style="list-style-type: none">1. New Manual on Corporate Governance, See Annex B: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf2. 2019 Definitive Information Statement: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf3. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/p
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2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-Compliant		df/CD-SEC-FILING-SEC-FORM-17-C-SEC_17C_RESULTS_OF_ORG'L_MEETI NG_13%20June%202019.pdf
3. Chairman of the Corporate Governance Committee is an independent director.	Non-Compliant		
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.			
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.	Non-Compliant		At present, the typical duties and responsibilities of a Board Risk Oversight Committee are performed by the Company's Audit Committee. The Audit Committee is responsible in performing oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the corporation, and crises management.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant		The Board of Directors is in the process of reviewing its Manual on Corporate Governance and is considering the formation of a separate Board Risk Oversight Committee.
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-Compliant		The Chairman of the Audit Committee is Mr. Ramon J Abejuela, who is not the chairman of any other committee. Out of the four members of the Audit Committee, three are Independent Directors, including its chairman.

<p>4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>Non-Compliant</p>		<p>Links / References:</p> <ol style="list-style-type: none"> 1. By-laws, See Article VI, Section 2 (b): http://www.keppelland.com.ph/files/Amended_By-Laws_2006.pdf 2. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Non-Compliant</p>		<p>At present, the duty to review of material related party transactions is performed by the Audit Committee. It is then endorsed to the Board of Directors for its review and approval.</p> <p>Last 28 October 2019, the Board of Directors approved the Company's Material Related Party Transactions Policy, which includes the system of review and approval of related party transactions. The policy also includes the materiality threshold and the price discovery mechanism.</p> <p>The Board of Directors is in the process of reviewing its Manual on Corporate Governance and is considering the creation of a separate Related Party Transactions Committee.</p>

<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>Non-Compliant</p>		<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf
<p>Recommendation 3.6</p>			
<p>1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.</p>	<p>Non-Compliant</p>		<p>The duties and responsibilities of each committee are discussed in detail in the Company By-laws and New Manual on Corporate Governance.</p>
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p>Non-Compliant</p>		<p>The Board of Directors is in the process of reviewing its Manual on Corporate Governance. It aims to have a Committee Charter for each committee by the end of 2020.</p>
<p>3. Committee Charters were fully disclosed on the company's website.</p>	<p>Non-Compliant</p>		<p>Links / References:</p> <ol style="list-style-type: none"> By-laws: http://www.keppelland.com.ph/files/Amended_By-Laws_2006.pdf New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf

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

<p>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.</p>	<p>Compliant</p>	<p>It is Company policy that the Board of Directors meet regularly and frequently to discharge its functions.</p> <p>All minutes of meetings conducted by the Board of Directors include the attendance of the directors, officers, and participants.</p> <p>Directors that intend to participate by teleconferencing are required to abide by the regulations of the Securities and Exchange commission.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Articles of Incorporation: http://keppelland.com.ph/files/Amended Articles of Incorporation-05 April 2019.pdf By-laws: http://www.keppelland.com.ph/files/Amended By-Laws 2006.pdf New Manual on Corporate Governance, See Item II (B) (2.4), page 12: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
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2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Copies of materials are provided to the directors prior to the meeting and before any corporate act is voted upon.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	All directors are provided an opportunity to ask questions and to seek clarification and explanation at meetings.	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>The Non-Executive Directors are not directors to more than five publicly-listed corporations.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. 2019 Definitive Information Statement, See pages 8-11: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>All directors are required to disclose to the Board of Directors their directorship in other corporations.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

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		
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant		
3. Board of directors meet at least six times during the year.	Compliant		
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant		
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	<p>The Company had three Independent Directors in 2019, namely Messrs. Ramon J. Abejuela, Celso P. Vivas, and Mayo Jose B. Ongsingco.</p> <p>Links / References:</p> <p>1. Results of 2019 Annual Stockholders' Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC_17C_RESULTS_OF_ANNUAL_MEETING_13%20June%202019.pdf</p>	

		<p>2. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf</p>	
Recommendation 5.2			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	Compliant	<p>The qualifications of the Independent Directors were reviewed by the Screening Committee prior to their election at the Annual Stockholders' Meeting.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. 2019 Definitive Information Statement, See pages 8-11: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>	

Supplement to Recommendation 5.2			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	<p>Compliant</p>	<p>All directors of the Company are required to conduct themselves with utmost honesty and integrity in the discharge of their duties.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (2.4), page 12: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement, See pages 8-11: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	
Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	<p>Compliant</p>	<p>None of the Independent Directors have exceeded the term limit.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (2): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant		
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant		
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Chairman – Sam Moon Thong President – Oh Lock Soon	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Links / References: <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement, See Item II (B) (4), pages 16-17: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	

Recommendation 5.5			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p>Non-Compliant</p>		<p>The Chairman of The Board of Directors, Mr. Sam Moon Thong, is not an Independent Director.</p> <p>While there is no designated Lead Independent Director, all Independent Directors are competent individuals with vast business experiences and educational background. They are all given the opportunity to raise questions and concerns at any time. Additionally, the chairman of the Audit Committee, Mr. Ramon J. Abejuela, is an Independent Director.</p>
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	<p>Compliant</p>	<p>In 2019, no transaction was voted upon by the Board of Directors where a director had material interest.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	

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	<p>The NEDs meet on an annual basis, without the executive directors. Additionally, NEDs freely communicate with the External Auditor, Compliance Officers, and the Committees.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. By-laws: http://www.keppelland.com.ph/files/Amended By-Laws_2006.pdf 	
2. The meetings are chaired by the lead independent director.	Non-Compliant		While there is no designated Lead Independent Director, the chairman of the Audit Committee, Mr. Ramon J. Abejuela, is an Independent Director.
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant		

Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<p>The Screening Committee, in the performance of its duties and responsibilities, evaluates the performance of the Board of Directors, its Committees, and its individual members as part of creating a short list of nominees prior to the succeeding Annual Stockholders' Meeting. The assessment is conducted through an informal evaluation by the Board of its previous performance.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Articles of Incorporation: http://keppelland.com.ph/files/Amended Articles of Incorporation-05 April 2019.pdf By-laws, See Article III: http://www.keppelland.com.ph/files/Amended By-Laws 2006.pdf New Manual on Corporate Governance, Item II (B) (1), page 6: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		

<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p>Compliant</p>	<p>It is Company policy that the Board of Directors conduct a self-assessment of its performance every three years, assisted by an external facilitator if the need arises. No assessment with the assistance by an external facilitator was conducted in 2019. The Board of Director's performance, however, is reviewed by the parent company.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance See page 6: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
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Recommendation 6.2

<p>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.</p>	<p>Compliant</p>	<p>The criteria of evaluation is based on the qualifications, disqualifications, duties, and responsibilities of the Board of Directors, as found in the Articles of Incorporation, By-laws, and New Manual on Corporate Governance.</p> <p><u>Links / References:</u></p> <p>1. Articles of Incorporation: http://keppelland.com.ph/files/Amended Articles of Incorporation-05 April 2019.pdf</p>	
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2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p>The Company recognizes the rights of its shareholders, including their right to vote, power of inspection, and right to information. Shareholders are able to provide their feedback on the performance of the Company, its directors, and officers by exercising their rights.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See Item VIII (D): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>Compliant</p>	<p>The Company's Code of Business Conduct and New Manual on Corporate Governance are available on the Company website.</p>	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf New Manual on Corporate Governance, See Item II (B) (1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>Compliant</p>		

Supplement to Recommendation 7.1

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> Whistleblower Policy http://keppelland.com.ph/WB-STATEMENT-CONTENT.asp 	
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Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	It is the duty of the Board of Directors to conduct themselves with utmost honesty and integrity in the discharge of their duties, functions, and responsibilities.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		<p>Links / References:</p> <ol style="list-style-type: none"> Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf New Manual on Corporate Governance, See Item II (B) (1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	It is Company policy to comply with disclosure requirements of the Securities and Exchange Commission, the Philippine Stock Exchange, and other government agencies and regulators.	

		Links / References: New Manual on Corporate Governance , See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
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	Links / References: 1. Annual Reports: http://www.keppelland.com.ph/CD-Annual-Reports.asp 2. Quarterly Reports: http://www.keppelland.com.ph/CD-Quarterly-Reports.asp	
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	Links / References: 1. 2018 Annual Report: http://keppelland.com.ph/pdf/17-A_Filed_with_SEC_2018.pdf	
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	All directors and officers are required to inform the Board of Directors and the Corporate Secretary of any dealings of the Company's shares.	

<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item VII (G) and (H): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
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Supplement to Recommendation 8.2

<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>Any trading of the Company's shares by directors, officers, and controlling shareholders are duly disclosed in the appropriate disclosure forms. The shareholdings of directors, officers, and controlling shareholders are regularly reported in the Public Ownership Report.</p> <p>Links / References:</p> <p>1. Public Ownership Reports and other disclosures: http://www.keppelland.com.ph/CD-Other-Disclosures.asp</p>	
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Recommendation 8.3

<p>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.</p>	<p>Compliant</p>	<p>The profiles of individual members of the Board of Directors and key executives are included in the Information Statement.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance: http://www.keppelland.com.</p>	
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<p>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.</p>	<p>Compliant</p>	<p>ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. 2019 Definitive Information Statement, See pages 8-12: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p> <p>3. Board of Directors: http://www.keppelland.com.ph/AU-Board-of-Directors.asp</p>	
Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (2.5), page 12: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>Company Policy and Procedure No. 007: Salary Administration.</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>Company Policy and Procedure No. 019: Resignation/Termination & Dismissal.</p>	

Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf 	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p>Related party transactions are included in the Annual Report.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. Other Disclosures: http://www.keppelland.com.ph/CD-Other-Disclosures.asp 2. 2018 Annual Report: http://keppelland.com.ph/pdf/17-A Filed with SEC 2018.pdf 	

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>It is Company policy that directors and officers disclose to the Board of Directors and the Corporate Secretary any interest in the Company's transactions and any possible conflict of interest.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf 	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (1), page 4: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

		<p>2. Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf</p>	
Recommendation 8.6			
<p>1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p>	Compliant	<p>Material acquisition or disposal of significant assets are required to be disclosed to the public, in compliance with SEC and PSE requirements.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. Material Related Party Transactions Policy: http://www.keppelland.com.ph/pdf/KPPI%20Material%20Related%20Party%20Transactions%20Policy%20(Filed%20with%20SEC).pdf</p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	Compliant		

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	<p>The Company has a Disclosure System detailed in Item VII of the New Manual on Corporate Governance.</p> <p>No agreements that may impact the control, ownership, and strategic direction of the Company for 2019.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<p>The Company's New Manual on Corporate Governance was duly filed with the SEC and PSE. It is also posted on the Company website.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
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	No amendment or changes to the New Manual on Corporate Governance was made in 2019. Links / References: 1. New Manual on Corporate Governance , See Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Links / References: 1. 2018 Annual Report: http://www.keppelland.com.ph/pdf/17-A Filed with SEC 2018.pdf	
a. Corporate Objectives	Compliant	2018 Annual Report, SEC Form 17-A, pages 5-6.	
b. Financial performance indicators	Compliant	2018 Annual Report, SEC Form 17-A, pages 13-16, 103.	
c. Non-financial performance indicators	Compliant	2018 Annual Report, SEC Form 17-A, pages 8.	
d. Dividend Policy	Compliant	2018 Annual Report, SEC Form 17-A, page 10.	

e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	2018 Annual Report, SEC Form 17-A, pages 17-19.	
f. Attendance details of each director in all directors' meetings held during the year	Non-Compliant		The Corporate Secretary prepares a separate attendance sheet for the directors. The Company will include the attendance of directors in succeeding Annual Reports.
g. Total remuneration of each member of the board of directors	Compliant	2018 Annual Report, SEC Form 17-A, page 22.	
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.	Compliant	2018 Annual Report, SEC Form 17-A, pages 25-26.	
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	2018 Annual Report, SEC Form 17-A, pages 25-26.	
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	2018 Annual Report, SEC Form 17-A, page 8.	

5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	2018 Annual Report, SEC Form 17-A, page 8.	
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Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	<p>The appointment, reappointment, and fees of the Company's External Auditor is recommended by the Audit Committee, approved by the Board of Directors, and ratified by shareholders at the Annual Stockholders' Meeting.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 14 - 15: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. 2019 Definitive Information Statement, See Part I, Item 7, pages 14-15: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant		
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant		

Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Compliant</p>	<p>The Company adheres to the SEC requirement that the lead audit partner be rotated every five years.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (3.1), page 14 - 15: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2019 Definitive Information Statement, See Part I, Item 7, pages 14-15: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ol style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	<p>Compliant</p>	<p>The Audit Committee's duties and responsibilities are detailed in the Company's New Manual on Corporate Governance.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (3.1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant		
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Links / References: 1. New Manual on Corporate Governance , See Item II (B) (3.1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Links / References: 1. New Manual on Corporate Governance , See Item II (B) (3.1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
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	Links / References: 1. New Manual on Corporate Governance , See Item II (B) (3.1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	

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		
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Supplement to Recommendation 9.3

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>There were non-audit service fees paid to the external auditor in 2019. These fees do not outweigh the fees paid for audit services.</p> <p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (3.1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. 2020 Definitive Information Statement, page 16. http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2020.pdf 	
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Additional Recommendation to Principle 9

<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>Compliant</p>	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none"> 1. Name of the audit engagement partner: Catherine Santos 2. Accreditation number: 1660-A 3. Expiry date of accreditation: 6 September 2020, and 4. Name, address, contact number of the audit firm: Isla Lipana & Co., 29th Floor, Philamlife Tower, Paseo de Roxas, Makati City, 8845-2728 	
<p>2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).</p>	<p>Compliant</p>	<p>The Company's External Auditor agrees to be subjected to SOAR if there will be any.</p>	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>The Company ensures that it timely and accurately discloses to all stakeholders and to the relevant government agencies the information relevant to the business and operations through the Company website and the PSE Edge System.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See Item II(B) and VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>Compliant</p>		

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p>Compliant</p>	<p>Any relevant information regarding the Company is available to the public and accessible on the PSE Edge System and the Company website.</p> <p>Links / References:</p> <p>1. Other Disclosures: http://www.keppelland.com.ph/CD-Other-Disclosures.asp</p>	
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Supplemental to Principle 11

<p>1. Company has a website disclosing up-to-date information on the following:</p>		<p>The Company website is available and accessible to the public.</p>	
<p>a. Financial statements/reports (latest quarterly)</p>	<p>Compliant</p>	<p>Annual Reports: http://www.keppelland.com.ph/CD-Annual-Reports.asp Quarterly Reports: http://www.keppelland.com.ph/CD-Quarterly-Reports.asp</p>	
<p>b. Materials provided in briefings to analysts and media</p>	<p>Compliant</p>	<p>Other Disclosures: http://www.keppelland.com.ph/CD-Other-Disclosures.asp</p>	
<p>c. Downloadable annual report</p>	<p>Compliant</p>	<p>2018 Annual Report: http://www.keppelland.com.ph/pdf/17-A_Filed_with_SEC_2018.pdf</p>	

d. Notice of ASM and/or SSM	Compliant	Notice of 2019 ASM: http://www.keppelland.com.ph/pdf/CD-Notice-of-annual-Meeting-FY2019.pdf	
e. Minutes of ASM and/or SSM	Compliant	The minutes are formally reviewed and approved by the stockholders during the following Annual Stockholders' Meeting. There is an opportunity given to object or clarify any motion brought up before its passing.	
f. Company's Articles of Incorporation and By-Laws	Compliant	Links / References: 1. Articles of Incorporation: http://keppelland.com.ph/files/Amended_Articles_of_Incorporation-05_April_2019.pdf 2. By-laws: http://www.keppelland.com.ph/files/Amended_By-Laws_2006.pdf	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	http://www.keppelland.com.ph/	

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

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>The Audit Committee conducts adequate and effective internal control systems.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>Through the Audit Committee, the Keppel Enterprise Risk Management (“ERM”) Framework provides a holistic framework where significant risks of the Group are identified and assessed, with systems, policies and processes put in place to manage and mitigate these risks. Risk tolerance guiding principles are set to guide the Group’s attitude and approach on the nature and extent of risks it is willing to take in achieving the Group’s strategic objectives.</p>	

		<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Supplement to Recommendations 12.1			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>Compliant</p>	<p>Through the Audit Committee, the Keppel Enterprise Risk Management ("ERM") Framework provides a holistic framework where significant risks of the Group are identified and assessed, with systems, policies and processes put in place to manage and mitigate these risks. Risk tolerance guiding principles are set to guide the Group's attitude and approach on the nature and extent of risks it is willing to take in achieving the Group's strategic objectives.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</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>	Compliant	<p>The Audit Committee monitors and evaluates the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 13: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</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 value and improve the company's operations.</p>	Non-Compliant		<p>Although the position of "Internal Auditor" has been provided for in the Company's New Manual on Corporate Governance, the Company has yet to appoint an Internal Auditor. At present, Internal Audit functions are performed by the Audit Committee.</p> <p>The Company is looking into this matter and is considering the appointment of an Internal Auditor.</p>

			<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item IV: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Non-Compliant		The Audit Committee performs the functions of Internal Audit. Considering the size and operations of the Company, the Audit Committee is able to address the concerns related to internal audit.
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.	Non-Compliant		The chairman of the Audit Committee performs functions similar to that of a Chief Audit Executive (CAE).
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.	Non-Compliant		<p>Links / References:</p> <p>1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC_17C_RESULTS_OF_ORG'L_MEETING_13%20June%202019.pdf</p>

			<p>3. 2019 Definitive Information Statement: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>
Recommendation 12.4			
<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	Compliant	<p>The Audit Committee shall develop a separate risk management function to identify, assess and monitor key risk exposures subject to its size, risk profile and complexity of operations of the Corporation.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (3.1), page 14: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Supplement to Recommendation 12.4			
<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	Non-Compliant		<p>At present, technical support in risk management is provided internally. Whenever internal support is not sufficient, the Company receives assistance from its parent company.</p> <p>The Company is exploring the need to seek external technical support in risk management. The Company expects to formalize this matter in 2020.</p>

Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Non-Compliant		Enterprise Risk Management is performed through the Audit Committee. Its chairman performs functions similar to that of the Chief Risk Officer ("CRO").
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-Compliant		<p>Links / References:</p> <p>1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Non-Compliant		<p>The Chairman, President and Treasurer execute the Statement of Management Responsibility which is submitted together with the Annual Report.</p> <p>Links / References:</p> <p>1. 2018 Annual Report: http://www.keppelland.com.ph/pdf/17-A_Filed_with_SEC_2018.pdf</p>

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

<p>1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>Basic shareholder rights are in the Company's By-laws and New Manual on Corporate Governance.</p> <p>Links / References:</p> <ol style="list-style-type: none"> By-laws: http://www.keppelland.com.ph/files/Amended By-Laws 2006.pdf New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
<p>2. Board ensures that basic shareholder rights are disclosed on the company's website.</p>	<p>Compliant</p>	<p>All document relevant to shareholders' rights are accessible on the Company website.</p> <p>Links / References:</p> <ol style="list-style-type: none"> Company website: http://www.keppelland.com 	

Supplement to Recommendation 13.1			
<p>1. Company's common share has one vote for one share.</p>	<p>Compliant</p>	<p>Every stockholder is entitled to one vote per share of stock registered in his name in the books of the Company. In case of election of directors, every stockholder is entitled to cast his vote according to the Revised Corporation Code.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. Articles of Incorporation: http://www.keppelland.com.ph/files/Amended_Articles_of_Incorporation-05_April_2019.pdf 2. By-laws: http://www.keppelland.com.ph/files/Amended_By-Laws_2006.pdf 3. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>Compliant</p>	<p>The Company respects the rights of stockholders, as provided in the Revised Corporation Code. All rights granted to the stockholders are compatible with the Revised Corporation Code.</p> <p><u>Links / References:</u></p> <ol style="list-style-type: none"> 1. By-laws: http://www.keppelland.com.ph/files/Amended By-Laws_2006.pdf 2. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
<p>3. Board has an effective, secure, and efficient voting system.</p>	<p>Compliant</p>	<p>The stockholders are advised of the voting system in the Information Statement that was made available to stockholders prior to the Annual Stockholders' Meeting. Every stockholder is entitled to one vote per share of stock registered in his name in the books of the Company. In case of election of directors, every stockholder is entitled to cast his vote according to the Revised Corporation Code.</p>	

		<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2019 Definitive Information Statement: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	
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	<p>It is Company policy to treat all stockholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.</p> <p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item VIII (A) (2): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item VIII (D) (2): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	<p>Compliant</p>	<p>It is Company policy to treat all stockholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See Item VIII (A) (2): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
<p>7. Company has a transparent and specific dividend policy.</p>	<p>Compliant</p>	<p>The Company has no restriction for any cash dividend declared that limit the ability to pay on common equity or that are likely to do so in the future. However, no case dividends were declared in 2019.</p> <p><u>Links / References:</u></p> <p>1. New Manual on Corporate Governance, See Item VIII (E): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. 2019 Definitive Information Statement, See Management Report, pages 18-32: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf</p>	

Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	The Corporate Secretary, assisted by the Company's Stock Transfer Agent, is responsible for the counting/validation of votes.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Non-Compliant		<p>The Company sends out the Notice and materials within the time frame allowed by law and SEC and PSE.</p> <p>Links / References:</p> <ol style="list-style-type: none"> By-laws: http://www.keppelland.com.ph/files/Amended By-Laws 2006.pdf New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2019 Definitive Information Statement: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		<p>Links / References:</p> <ol style="list-style-type: none"> 2019 Definitive Information Statement: http://www.keppelland.com.ph/pdf/CD-SEC-Form-20-IS-FY2019.pdf 	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	Y2019 SEC Form 20-IS, pages 8-11	
b. Auditors seeking appointment/re-appointment	Compliant	Y2019 SEC Form 20-IS, pages 14-15	
c. Proxy documents	Compliant	Attachment to Y2019 SEC Form 20-IS	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting			
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	Results of the Annual Stockholders Meeting are immediately disclosed to the SEC and PSE, which are available on the Company website and the PSE Edge System. Links / References: 1. Results of 2019 Annual Stockholders' Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ANNUAL MEETING 13%20June%202019.pdf	

		<p>2. Results of 2019 Organizational Meeting: http://www.keppelland.com.ph/pdf/CD-SEC-FILING-SEC-FORM-17-C-SEC 17C RESULTS OF ORG'L MEETING 13%20June%202019.pdf</p>	
<p>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.</p>	<p>Non-Compliant</p>		<p>The minutes were posted on the Company website before the succeeding Annual Stockholders' Meeting ("ASM"). All stockholders had the opportunity to review the minutes before it was approved at the ASM. The minutes are formally reviewed and approved by the stockholders during the following Annual Stockholders' Meeting. There is an opportunity given to object or to clarify before the minutes is approved.</p>
Supplement to Recommendation 13.3			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>Compliant</p>	<p>Representatives from the Company's External Auditor and the Stock Transfer Agent were present to answer any questions raised by the stockholders during the meeting.</p>	

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	Links / References: 1. New Manual on Corporate Governance , See Item II (B) (1): http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant		
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Non-Compliant		Any feedback, complaints, and queries regarding the Company may be communicated using the contact details posted on the Company website. Considering the number of its stockholders, the Company is able to address feedback, complaints, and queries without having to create a separate office for an IRO.
2. IRO is present at every shareholder's meeting.	Non-Compliant		The shareholders are given the opportunity to raise questions or concerns during the Annual Stockholders' Meeting. Additionally, they have free access to the Company's website and telephone lines should they have inquiries or need assistance at anytime.

Supplemental Recommendations to Principle 13

<p>1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group</p>	<p>Compliant</p>	<p>Links / References: 1. New Manual on Corporate Governance: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
<p>2. Company has at least thirty percent (30%) public float to increase liquidity in the market.</p>	<p>Non-Compliant</p>		<p>The Company maintains a public float allowed by law and the PSE rules.</p> <p>Section 3(a), Article XVIII of the PSE Rules on Minimum Public Ownership (Public Float) provides:</p> <p>“Listed companies shall, at all times, maintain a minimum percentage of listed securities held by the public of ten percent (10%) of the listed companies’ issued and outstanding shares, exclusive of any treasury shares, or as such percentage that may be prescribed by the Exchange. The Exchange may impose a higher percentage effective upon receipt by the Commission of written notice of such increase. x x x”</p> <p>The Company’s public float is at 19.96% as of 31 March 2020.</p>

Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	The shareholders have free access to the Company's website and telephone lines should they have inquiries or need assistance at anytime. Links / References: 1. Contact details: http://www.keppelland.com.ph/Reach-Us.asp	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.			

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	Links / References: 1. New Manual on Corporate Governance , see Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	

Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Links / References: 1. New Manual on Corporate Governance , see Item VII: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	Links / References: 1. New Manual on Corporate Governance , see Item IX: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	
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	Links / References: 1. New Manual on Corporate Governance , see Item IX: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf	

Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	No exemption sought.	
2. Company respects intellectual property rights.	Compliant	The Company ensures approval of Intellectual Property use from endorsers before using their logo.	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare			
2. Company discloses its policies and practices that address supplier/contractor selection procedures			

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>Compliant</p>	<p>The Company encourages employees to actively participate in the realization of its goals and governance.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
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Supplement to Recommendation 15.1

<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p>Compliant</p>	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. Company Policy and Procedure No. 021: Staff Promotion.</p>	
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<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf Company Policy and Procedure Nos. 013: Medical Benefits and 014: Insurance Schemes. 	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf Company Policy and Procedure No. 022: Training and Development 	
Recommendation 15.2			
<p>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.</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (1) and (2.3); and Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 	

		<p>2. Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf</p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	Compliant	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	Compliant	<p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item II (B) (1) and (2.3); and Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p> <p>2. Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf</p>	


Recommendation 15.3


<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p>Links / References:</p> <ol style="list-style-type: none"> 1. New Manual on Corporate Governance, See Item II (B) (1) and (2.3); and Item X: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf 2. Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf 3. Whistleblower Policy: http://keppelland.com.ph/WB-STATEMENT-CONTENT.asp 	
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	<p>Compliant</p>		
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>Compliant</p>		


Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>The Company ensures that its interactions serve its environment stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p> <p>Links / References:</p> <ol style="list-style-type: none"> New Manual on Corporate Governance, See Item XI: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf Code of Business Conduct: http://www.keppelland.com.ph/pdf/CG-CC-Code-of-business-conduct.pdf 	


Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>The Company ensures that its interactions serve its environment stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p> <p>Links / References:</p> <p>1. New Manual on Corporate Governance, See Item XI: http://www.keppelland.com.ph/pdf/2017-NewManualonCorporateGovernance.pdf</p>	
2. Company exerts effort to interact positively with the communities in which it operates.	Compliant		

Signed this _____ 2020, at _____ City, Philippines.


NG OOIHOOI
 Chairman of the Board


OH LOCK SOON
 President


RAMON J. ABEJUELA
Independent Director


CELSO P. VIVAS
Independent Director



LEONARDO R. ARGUELLES, JR.
Independent Director


MA. MELVA E. VALDEZ
Compliance Officer/Corporate Secretary

SUBSCRIBED AND SWORN TO BEFORE ME, this 28 August 2020, affiants exhibited to me their competent evidence of identity as follows:

NAME	ID NUMBER	DATE / PLACE OF ISSUE
Ramon J. Abejuela	TIN 172-761-781	DFA NCR South / 14 March 2019
Celso P. Vivas	TIN 123-305-216	DFA Manila / 01 February 2018
Leonardo R. Arguelles, Jr.	Passport No. P1051724B	
Ma. Melva E. Valdez	Passport No. P5860159A	

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Book No. 1
Series of 2020.


STEPHANIE MAREE N. DYSANGCO
Notarial Public- Pasig City
Appointment No. 136 (2020-2021)
17th Floor, Robinsons Equitable Tower., ADB Avenue
cor. P. Poveda Drive., Ortigas Center Pasig City
IBP Lifetime No. 002740/ Quezon City
PTR No. 6533689 / Pasig City / 17 January 2020
MCLE Compliance No: VI-0007417 / 14 April 2022
Attorney's Roll No. 69713

CERTIFICATION

I, **OH LOCK SOON**, the President, Director, and duly authorized representative of **KEPPEL PHILIPPINES PROPERTIES, INC.** (the "Company"), a corporation with SEC Registration No. PW00000305 and principal office address at 18th Floor, Units 1802B-1803, The Podium West Tower 12, ADB Avenue, Ortigas Center, Mandaluyong City, do hereby state that:

1. On behalf of the Company, I have caused the preparation of the 2019 Integrated Annual Corporate Governance Report dated 28 August 2020;
2. I read and understood its contents, which are true and correct based on the records of the Company and to the best of my knowledge;
3. The Company will comply with the requirements of the Securities and Exchange Commission for the complete and official submission of reports and documents through electronic mail and subsequently the physical copy of the same;
4. I am aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received upon payment of a filing fee.
5. I am executing this Certification on 28 August 2020 to attest to the truthfulness of the foregoing facts and for whatever legal purpose it may serve.

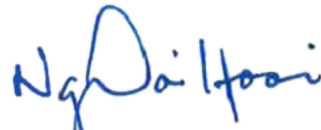


OH LOCK SOON
President and Director

CERTIFICATION

I, **NG OOI HOOI**, the Chairman, Director, and duly authorized representative of **KEPPEL PHILIPPINES PROPERTIES, INC.** (the "Company"), a corporation with SEC Registration No. PW00000305 and principal office address at 18th Floor, Units 1802B-1803, The Podium West Tower 12, ADB Avenue, Ortigas Center, Mandaluyong City, do hereby state that:

1. On behalf of the Company, I have caused the preparation of the 2019 Integrated Annual Corporate Governance Report dated 28 August 2020;
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4. I am aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received upon payment of a filing fee.
5. I am executing this Certification on 28 August 2020 to attest to the truthfulness of the foregoing facts and for whatever legal purpose it may serve.



NG OOI HOOI

Chairman and Director



**Risks, Opportunities, Assessment and
Management (ROAM), Inc.**

awards this

CERTIFICATE OF COMPLETION

to

Atty. Melva E. Valdez

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Atty. Myla Gloria A. Amboy

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Sam Moon Thong

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Oh Lock Soon

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CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



**Risks, Opportunities, Assessment and
Management (ROAM), Inc.**

awards this

CERTIFICATE OF COMPLETION

to

Tan Boon Ping

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Lim Jean Loong

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Pang Chan Fan

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Atty. Joseph Paul B. Pelaez

for having completed the seminar on

CORPORATE GOVERNANCE

held on 14 June 2019 at
RCBC Plaza, Ayala Avenue, Makati City

Benjamin I. Espiritu, Ph.D.
President

Philippine Corporate Enhancement & Governance, Inc.

6th Flr. Angelus Plaza, 104 V.A. Rufino St., Legaspi Village

Makati City, Philippines

Tel No. 957-9990 – Cellphone No. 0917-877-3156

Email: phil.CEGI@yahoo.com

CERTIFICATE OF ATTENDANCE

This is to certify that

Assistant Corporate Secretary
(Designation)

of

STEPHANIE MAREE N. DYSANGCO

(Name of Participant)

Mabuhay Vinyl Corporation

(Name of Company)

has attended the


CORPORATE GOVERNANCE SEMINAR

(Title of Seminar)

held at Dusit Thani Hotel, Ayala Center, Makati City, Philippines, on December 19, 2019, with the following particulars:

	TOPICS	SPEAKERS
1:15 - 3:15	SOCIAL RESPONSIBILITY AND SUSTAINABILITY 1. Social Responsibility Growing Trend in Business 2. Sustainability and the Three P's 3. Climate change 4. Sustainability in Business 5. Strategic Business Direction: Integration of Sustainable Business Practices 6. Action Plans: Board of Directors Must Engage Itself in Ensuring Sustainability. 7. Board of Directors Responsible for Sustainability Reporting	MERCEDES B. SULEIK <i>Former Deputy Director, Bangko Sentral ng Pilipinas (BSP)</i> <i>Former Vice-President, DBP</i> <i>B.S.C., C.P.A., M. A. Economics, Ph.D. (cand.)</i> <i>Fellow, Institute of Corporate Directors (FICD)</i>
3:30 - 05:30	CORPORATE GOVERNANCE REFORMS AND OTHER CHALLENGES UNDER THE REVISED CORPORATION CODE	CESAR L. VILLANUEVA <i>Former Chairman, Governance Commission For GOCCS (GCG)</i> <i>Former Dean Ateneo De Manila Law School</i> <i>Former Chairman, Commercial Law Department, Philippine Judicial Academy (PHILJA) Supreme Court, Manila</i> <i>Author: Philippine Corporate Law; Handbook on the Corporate Jurisdictions of the RTC and the SEC; Law and Practice on Philippine Corporate Governance; and other Corporate/ Commercial Law Books and Articles</i>

Given this 19th day of December, 2019, at Makati City, Philippines


ATTY. FIDEL V. ESQUIERES
President