



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION

Ground Floor, Secretariat Building, PICC
City Of Pasay, Metro Manila

COMPANY REG. NO. A200115151

CERTIFICATE OF FILING OF AMENDED BY-LAWS

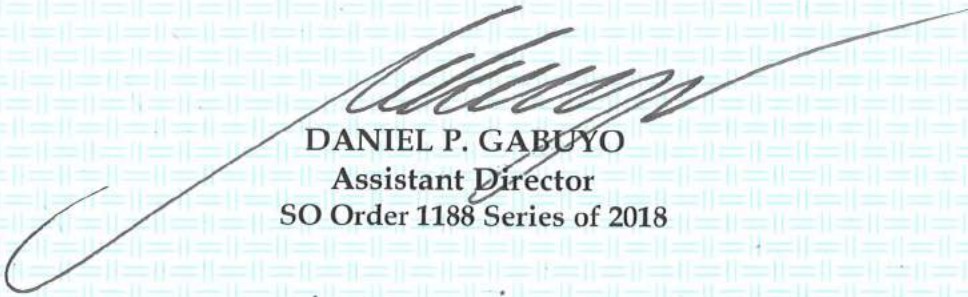
KNOW ALL PERSONS BY THESE PRESENTS:

THIS IS TO CERTIFY that the Amended By-Laws of

FERRONOUX HOLDINGS, INC.

copy annexed, adopted on October 05, 2018 by majority vote of the Board of Directors and on December 03, 2018 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and majority of the said Board was approved by the Commission on this date pursuant to the provisions of Section 47 of the Revised Corporation Code of the Philippines, Republic Act No. 11232, which took effect on February 23, 2019, and copies thereof are filed with the Commission.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 29th day of July, Twenty Nineteen.


DANIEL P. GABUYO
Assistant Director
SO Order 1188 Series of 2018

BA/qba

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COVER SHEET

for Applications at
COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application

Amended AOI and By-Laws

SEC Registration Number

A 2 0 0 1 1 5 1 5 1

Former Company Name

F E R R O N O U X

H O L D I N G S ,

I N C .

(F O R M E R L Y

A G

F I N A N C E)

AMENDED TO:
New Company Name

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

6 T H

F L O O R

H A N S T O N

B U I L D I N G

F .

O R T I G A S

J R .

R D .

O R T I G A S

P A S I G

C I T Y

ZIP CODE

1 6 0 0

COMPANY INFORMATION

Company Email Address

Company's Telephone Number/s

Mobile Number

CONTACT PERSON INFORMATION

The designated person **MUST** be a Director/Trustee/Partner/Officer/Resident Agent of the Corporation

Name of Contact Person

Email Address

Telephone Number/s

Mobile Number

Gwyneth S. Ong

Contact Person's Address

Assigned Processor

To be accomplished by CRMD Personnel

Date

Signature

Document I.D.

Received by Corporate Filing and Records Division (CFRD)

Forwarded to:

Corporate and Partnership Registration Division

Green Lane Unit

Financial Analysis and Audit Division

Licensing Unit

Compliance Monitoring Division

PRESENTED ON:

7/11/19

CORPORATE FILING AND RECORDS DIVISION

Jayar

Mam Dlee Arceo

AMENDED BY - LAWS

OF

FERRONOUX HOLDINGS, INC.

(formerly, AG FINANCE INCORPORATED)

(As amended by the Board of Directors on 11 December 2017 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on 11 December 2017)

ARTICLE I

SUBSCRIPTION, ISSUANCE AND TRANSFER OF SHARES

Section 1. Subscription - Subscribers to the capital stock of the corporation shall pay the value of the stock in accordance with the terms and conditions prescribed by the Board of Directors. Unpaid subscription shall not earn interest unless determined by the Board of Directors.

Section 2. Certificate - The stockholders shall be entitled to one or more certificates for fully paid stock subscription in his name in the books of the corporation. The certificates shall contain the matters required by law and the Articles of Incorporation. They shall be in such form and design as may be determined by the Board of Directors and numbered consecutively. The certificate shall be signed by the President, countersigned by the Secretary or Assistant Secretary, and sealed with the corporate seal.

Section 3. Transfer of Shares - Subject to the restrictions, terms and conditions contained in the Articles of Incorporation, shares may be transferred, sold, assigned or pledged by delivery of the certificates duly indorsed by the stockholder, his attorney-in-fact, or other legally authorized person. The transfer shall be valid and binding on the corporation only upon record thereof in the books of the corporation. The Secretary shall cancel the stock certificates and issue new certificates to the transferee.

No shares of stock against which the corporation holds unpaid claim shall be transferable in the books of the corporation, unless, the transferee assumes all unpaid claims of the corporation.

All certificates surrendered for transfer shall be stamped "Cancelled" on the face thereof, together with the date of cancellation, and attached to the corresponding stub with the certificate book.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Annual/Regular Meetings - The annual/regular meeting of stockholders shall be held at the principal place of business of the Corporation on the last Friday of June of each year, if a legal holiday, then on the day following. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 2. Special Meetings – The special meetings of stockholders, for any purposes, may at any time be called by any one of the following: (a) Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the outstanding capital stock, (b) President.

Section 3. Place of Meeting - Stockholders meeting, whether regular or special, shall be held in the principal office of the corporation, or at any place designated by the Board of Directors in city or municipality where the principal office of the corporation is located.

Section 4. Notice of Meeting - Notices for regular or special meetings of stockholders may be given either:

- (a) by personal delivery, registered mail, facsimile transmission or electronic mail to each stockholder no less than fifteen (15) days prior to the date set for each meeting, which notice shall state the day, hour and place of the meeting; or
- (b) by publication in newspapers of general circulation published in Metro Manila not less than fifteen (15) days prior to the date set for the meeting, Which notice shall state the day, hour and place of the meeting;

provided that, in all cases where the address of the registered stockholder entitled to vote is outside the territorial limits of the Philippines, a written notice sent by air mail, by facsimile transmission or electronic mail not less than fifteen (15) days prior to the date of the meeting shall be sent to such stockholder.

No failure or irregularity of notice of any regular or special meeting at which the stockholders concerned are present or represented and voting without protest shall invalidate such meeting or any proceeding thereat, provided that the matters taken up were within the meters of the Corporation. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

When the meeting of stockholders is adjourned to another time or place, it shall not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. At the reconvened meeting, any business may be transacted that might have been transacted on the original date of the meeting.

Section 5. Quorum - Unless otherwise provided by the law, in all regular or special meeting of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until the requisite amount of stock shall be present.

Section 6. Conduct of Meeting - Meeting of the stockholders shall be presided over by the President, or on his absence, by a chairman to be chosen by the stockholders. The Corporate Secretary shall act as secretary of every meeting, but if not present, the chairman of the meeting shall appoint a secretary to act as such for that particular meeting.

Section 7. Manner of Voting - At all meetings of the stockholders, a stockholder may vote in person or by proxy. Unless otherwise provided, the proxy shall be valid only for the

meeting at which it has been presented to the Secretary. All proxies must be in the hands of the Secretary no later than ten (10) days prior to the date of the meeting. Proxies filed with the Secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the Secretary prior to a scheduled meeting or by their personal presence at the meeting. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders)*

Section 8. Closing of Transfer Books or Fixing of Record Date - For the purpose of determining the stockholders entitled to notice of, or to vote at, any meeting of stockholders or any adjournment thereof or to receive payment of any dividend, the board of Directors may provide that the stock and transfer books be closed for at least ten (10) working days immediately preceding such meeting. In lieu of closing the stock and transfer books, the Board of Directors may fix in advance a certain date as the record date for any such determination of stockholders. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 9. Nomination Period - All nominations for directors to be elected by the stockholders of the mention shall be submitted in writing to the Corporate Secretary at the principal office of the Corporation not earlier than forty (40) working days nor later than twenty (20) working days prior to the date of the regular or special meeting of stockholders for the election of Directors. Nominations which are not submitted within such nomination period shall not be valid. Only a stockholder of record entitled to notice of and to vote at the regular or special meeting of stockholders for the election of director's shall be qualified to be nominated and elected a director of the corporation. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

ARTICLE III

BOARD OF DIRECTORS

Section 1.a. Power of the Board - Unless otherwise provided by law, the corporate powers of the corporation shall be exercised, all business conducted and all property of the corporation controlled and held by the Board of NINE (9) Directors to be elected by and from among the stockholders. Without prejudice to such powers as may be granted by law, the Board of Directors shall also have the following powers: *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018).*

- a. From time to time, to make and change rules and regulations not inconsistent with these by-laws for the management of the corporation's business affairs;
- b. To purchase, receive, take or otherwise acquire for and in the name of the corporation, any and all properties, rights, or privileges, including securities and bonds of the other corporation, for such consideration and upon such terms and conditions as Board may deem proper or convenient;
- c. To invest the funds of the corporation in other corporations or for purposes other than those for which the corporation was organized, subject to such stockholders' approval as may be required by law;

- d. To incur such indebtedness as the Board may deem necessary, to issue evidence of indebtedness including without limitation, notes, deed of trust, bonds, debenture, or securities, subject to such stockholders' approval as may be required by law, and/ or pledge, mortgage, or otherwise encumber all or part of the properties of the corporation;
- e. To establish pension, retirement, bonus, or other types of incentives or compensation plans for the employees, including officers and directors of the corporation;
- f. To prosecute, maintain, defend, compromise or abandon any lawsuit in which the corporation or its officers are either plaintiffs or defendants in connection with the business of the corporation;
- g. To delegate, from time to time, any of the powers of the Board which may lawfully delegated in the course of the current business of the corporation to any standing or special committee or to any officer or agent and to appoint any person to be agent of the corporation with such powers and upon such terms as may be deemed fit;
- h. To implement these by-laws and to act on any matter not covered by these by-laws provided such matter does not require the approval or consent of the stockholders under the Corporation Code;

Section I-b. Independent Director –

- i. The Board of Directors shall have number of Independent Directors required by law. An independent director may only serve for a maximum cumulative term of nine (9) years. Independent director means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:
 - a) Is not a director or officer or substantial stockholder of the corporation or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
 - b) Is not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
 - c) Is not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders;

d) Has not been employed in any executive capacity by that public company, any of its related companies or by any of its substantial shareholders within the last five (5) years;

e) Is not retained as professional adviser, auditor, consultant, agent or counsel by that public company, any of its related companies or any of its substantial shareholders, or is otherwise independent of management and free from any business or other relationship within the three (3) years immediately preceding the date of his election, either personally or through his firm;

f) Has not engaged and does not engage in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arm's length and are immaterial or insignificant.

g) Is not an owner of more than two (2%) percent of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;

h) Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;

i) Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and

j) Is not employed as an executive officer of another company where any of the public company's executives serve as directors.

ii. When used in relation to a company subject to the requirements above:

a) Related company means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and

b) Substantial shareholder means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

iii. The independent director shall have the following qualifications:

a) He shall have at least one (1) share of stock of the Corporation;

b) He shall be at least a college graduate or he shall have been engaged or exposed to the business of the Corporation for at least five (5) years;

- c) He shall possess integrity/probity; and
- d) He shall be assiduous.
- iv. The nomination of independent director shall be conducted by the Corporate Governance Committee prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.
- v. After the nomination, the Corporate Governance Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors. The list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.
- vi. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as an Independent Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.
- vii. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing an independent director. He shall ensure that an independent director is elected during the stockholders' meeting.
- viii. The specific slot for independent directors shall not be filled-up by unqualified nominees.

In case of failure of election for the independent director, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy. (As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)

Section 2. **Election and Term** - The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.

Section 3. **Vacancies** - Any vacancy during occurring in the Board of Directors other than by removal by the stockholders or by expiration of terms may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.

The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further

notice, or at any special meeting of stockholders called for the purpose, further giving notice as prescribed in these by-laws.

Section 4. **Meetings** - Regular meetings of the Board of Directors shall be held once every quarter of the year on such dates and places as may be called by the Chairman of the Board, or upon the request of a majority of the Directors. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 5. **Notice** - Notice of the regular or special meeting of the Board, specifying the date, time and place of the meeting, shall be communicated by the Secretary to each director personally, or by telephone, telegram, or by written message. A director may waive this requirement, either expressly or impliedly.

Section 6. **Quorum** - A majority of the number of directors as fixed herein and in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 7. **Conduct of the Meetings** - Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, by any other director chosen by the Board. The Secretary, shall act as secretary of every meeting, if not present, the Chairman of the meeting shall appoint a secretary of the meeting. The meeting may be held and conducted through teleconferencing or videoconferencing. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 8. **Compensation** - By resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of the stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

Section 9. **Executive Committee** - There shall be an Executive Committee composed of three (3) members to be determined and appointed by the Board of Directors, and any vacancy in said committee shall be filled by the Directors at any meeting of the Board at which a quorum shall be present. The members of the Executive Committee may be removed at any time by the Board of Directors. Their compensation shall be determined by the Board of Directors.

The Executive Committee shall advise and aid the officers of the Corporation in all matters concerning its interest and the management of its business and, in the intervals between the meetings of the Board, shall have and may exercise all the powers of the Board of Directors in the management of the business and affairs of the Corporation, except (a) such power as are granted by statute to the Board of Directors, (b) the power to declare and pay dividends, (c) the power to fill vacancies in the Board of Directors, and (d) such other powers as the Board of Directors may expressly reserve at any time.

The Executive Committee may act by majority vote of all its members. All matters acted upon by the Executive Committee shall be submitted to the Board at its meeting held next after they have been taken and such transactions of the Executive Committee shall be considered ratified by the Board unless otherwise expressly revoked. *(As amended on March 13, 2013 by the Board of Directors and by the Shareholders.)*

Section 10. Corporate Governance Committee - There shall be a Corporate Governance Committee composed of at least three (3) members, all of whom should be independent directors, including the chairman. The Corporate Governance Committee has the following duties and functions, among others:

- a. Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- b. Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- c. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- d. Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- e. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- f. Proposes and plans relevant trainings for the members of the Board;
- g. Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and
- h. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 11. Audit Committee - There shall be an Audit Committee composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting,

auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees. The Audit Committee has the following duties and responsibilities, among others:

- a. Recommend the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- b. Through the Internal Audit (IA) Department, monitor and evaluate the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (a) safeguard the company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data, and (d) ensure compliance with applicable laws and regulations;
- c. Oversee the Internal Audit Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee should also approve the terms and conditions for outsourcing internal audit services;
- d. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;
- e. Review and monitor Management's responsiveness to the Internal Auditor's findings and recommendations;
- f. Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- g. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence (as defined under the Code of Ethics for Professional Accountants). The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;
- h. Review and approve the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Areas where a significant amount of judgment has been exercised
 - Significant adjustments resulting from the audit

- Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- i. Review the disposition of the recommendations in the External Auditor's management letter;
 - j. Perform oversight functions over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
 - k. Coordinate, monitor and facilitate compliance with laws, rules and regulations; and
 - l. Recommend to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

The Audit Committee will meet with the Board at least every quarter without the presence of the President or other management team members, and periodically meet with the head of the internal audit. (As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)

Section 12. Board Risk Oversight Committee – There shall be a Board Risk Oversight Committee (BROC) composed of at least three (3) members, the majority of whom should be independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committee. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management. The Board Risk Oversight Committee has the following duties and responsibilities, among others:

- a. Develop a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;
- b. Oversee the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The BROC conducts regular discussions on the company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;
- c. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROC revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;

- d. Advise the Board on its risk appetite levels and risk tolerance limits;
- e. Review at least annually the company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the company;
- f. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the corporation and its stakeholders;
- g. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and
- h. Reports to the Board on a regular basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary. (As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)

Section 13. Related Party Transaction Committee – There shall be Related Party Transaction (RPT) Committee composed of at least three (3) non-executive directors, two of whom should be independent, including the Chairman. The following are the functions of the RPT Committee, among others:

- a. Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;
- b. Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with nonrelated parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:
 - 1. The related party's relationship to the company and interest in the transaction;
 - 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 - 3. The benefits to the corporation of the proposed RPT;

4. The availability of other sources of comparable products or services; and
5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;
- c. Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
- d. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
- e. Ensure that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
- f. Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 14. Other Committees - The Board of Directors may create such other Committees as it may consider necessary or advisable for the proper conduct and nomination of the affairs of the Corporation and prescribe their respective powers and function. Said committees shall be composed of Directors and of such number as the Board may determine. The members of any such committee created and appointed by the Board of Directors may be removed at any time by the Board and any vacancies in any of said committees shall be filled by the Board of Directors *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Article IV

OFFICER

Section 1. Election Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice- President, the Treasurer, and the Secretary at the said meeting.

The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper. Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary, and Compliance Officer and Secretary at the same time. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 2. **President** - The President shall be the Chief Executive Officer of the corporation and shall exercise the following functions:

- a) To preside at the meeting of the stockholders;
- b) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those executive training, development and compensation;
- c) To supervise and manage the business affairs of the corporation upon the direction of the Board of Directors;
- d) To implement the administrative and operational policies of the corporation under his supervision and control;
- e) To appoint, remove, suspend or discipline employees of the corporation, prescribe their duties, and determine their salaries;
- f) To oversee the preparation of the budgets and the statements of accounts of the corporation;
- g) To represent the corporation at all functions and proceedings;
- h) To execute on behalf of the corporation all contracts, agreements and other instruments affecting the interest of the corporation which require the approval of the Board of Directors.
- i) To make reports to the Board of Directors and stockholders;
- j) To sign certificate of stock;
- k) To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

Section 4. **The Vice-President** - He shall, if qualified, act as President in the absence of the latter. He shall have such other powers and duties as may from time to time be assigned to him by the Board of Directors or by the President.

Section 5. **The Secretary** - The Secretary, who shall be a resident and citizen of the Philippines, shall issue notices of all meetings, shall keep their minutes, shall have charge of the corporate seal and books, shall sign with the President the certificates of stock and such other instruments as require such signature, and shall make such reports and perform such other duties as are incident to his office or are properly required of him by the Board.

The Secretary must be a separate individual from the Compliance Officer, should not be a member of the Board of Directors, and should annually attend a training on corporate governance. The Secretary has, among others, the following duties and responsibilities:

- a. Assist the Board and the board committees in the conduct of their meetings, including preparing an annual schedule of Board and committee meetings and the annual board calendar, and assisting the chairs of the Board and its committees to set agendas for those meetings;
- b. Safekeep and preserve the integrity of the minutes of the meetings of the Board and its committees, as well as other official records of the corporation;
- c. Keep abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;
- d. Work fairly and objectively with the Board, Management and stockholders and contributes to the flow of information between the Board and management, the Board and its committees, and the Board and its stakeholders, including shareholders;
- e. Advise on the establishment of board committees and their terms of reference;
- f. Inform members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- g. Attend all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;
- h. Perform required administrative functions;
- i. Oversee the drafting of the by-laws and ensures that they conform with regulatory requirements; and
- j. Perform such other duties and responsibilities as may be provided by the SEC. (As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)

Section 6. **The Treasurer** - The Treasurer of the corporation shall have the following duties:

- a) To keep full and accurate accounts of receipts and disbursements in the books of corporation;
- b) To have custody of, and be responsible for, all the funds, securities and bonds of the corporation;
- c) To deposit in the name and to the credit of the corporation, in such bank as may be designated from time to time by the Board of Directors, all the moneys, funds, securities,

bonds, and similar valuables effects belonging to the corporation which may come under his control;

- d) To render annual statements showing the financial condition of the corporation and such other financial reports as the Board of Directors, or the President may, from time to time require;
- e) To prepare such financial reports, statements, certifications and other documents, which may, from time to time, be required by government rules and regulations and to submit the same proper government agencies.
- f) To exercise such powers and perform such duties and functions as may be assigned to him by the President.

Section 7. Compliance Officer – The Compliance Officer should have a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. Also, the Compliance Officer should not be a member of the Board of Directors and should annually attend training on corporate governance. He/ she has, among others, the following duties and responsibilities:

- a. Ensure proper onboarding of new directors (i.e., orientation on the company's business, charter, articles of incorporation and by-laws, among others);
- b. Monitor, review, evaluate and ensure the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
- c. Report the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- d. Ensure the integrity and accuracy of all documentary submissions to regulators;
- e. Appear before the SEC when summoned in relation to compliance with this Code;
- f. Collaborate with other departments to properly address compliance issues, which may be subject to investigation;
- g. Identify possible areas of compliance issues and works towards the resolution of the same;
- h. Ensure the attendance of board members and key officers to relevant trainings; and
- i. Perform such other duties and responsibilities as may be provided by the SEC. (As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)

Section 8. Chief Audit Executive – There shall be a Chief Audit Executive appointed by the Board, who shall oversee and be responsible for the internal audit activity of the

Corporation, including that portion that is outsourced to a third party service provider. The Chief Audit Executive has the following responsibilities, among others:

- a. Periodically review the internal audit charter and presents it to senior management and the Board Audit Committee for approval;
- b. Establish a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals;
- c. Communicate the internal audit activity's plans, resource requirements and impact of resource limitations, as well as significant interim changes, to senior management and the Audit Committee for review and approval;
- d. Spearhead the performance of the internal audit activity to ensure it adds value to the organization;
- e. Report periodically to the Audit Committee on the internal audit activity's performance relative to its plan; and
- f. Present findings and recommendations to the Audit Committee and gives advice to senior management and the Board on how to improve internal processes. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 9. Chief Risk Officer – There shall be a Chief Risk Officer with the following functions, among others:

- a. Supervise the entire Enterprise Risk Management (ERM) process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;
- b. Communicate the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee;
- c. Collaborate with the CEO in updating and making recommendations to the Board Risk Oversight Committee;
- d. Suggest ERM policies and related guidance, as may be needed; and
- e. Provide insights on the following:
 - Risk management processes are performing as intended;
 - Risk measures reported are continuously reviewed by risk owners for effectiveness; and
 - Established risk policies and procedures are being complied with. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 10. Terms of Office - The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 11. Vacancies - If any position of the officers becomes vacant by reason of death, resignation, disqualification or for any other cause, the Board of Directors, by majority vote may elect a successor who shall hold office for the unexpired term. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

Section 12. Compensation - The officers shall receive such remuneration as the Board of Directors may determine. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and from receiving compensation therefore. *(As amended by the Board of Directors on 5 October 2018 and by the Stockholders owning at least two-thirds (2/3) of the outstanding capital stock on December 3, 2018)*

ARTICLE V

OFFICES

Section 1. The Principal office of the corporation shall be located at the place stated in Article III of the Articles of Incorporation. The corporation may have such other branch offices, either within or outside the Philippines as the Board of Directors may designate.

ARTICLE VI

AUDIT OF BOOKS, FISCAL YEAR AND DIVIDENDS

Section 1. **External Auditor** - At the regular stockholders' meeting, the external auditor of the corporation for the ensuing year shall be appointed. The external auditor shall examine, verify and report on the earnings and expenses of the corporation.

Section 2. **Fiscal Year** - The fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.

Section 3. **Dividends** - Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property, or stock to all stockholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine and in accordance with law.

ARTICLE VII

SEAL

Section 1. **Forms and Inscriptions**- The corporate seal shall be determined by the Board of Directors.

ARTICLE VIII

AMENDMENTS

Section 1. These by-laws may be amended or repealed by the affirmative vote of at least a majority of the Board of Directors and the stockholders representing a majority of the outstanding capital stock at any stockholders' meeting called for that purpose. However, the power to amend, modify, repeal or adopt new by-laws may be delegated to the Board of Directors by the affirmative vote of stockholders representing not less than two-thirds of the outstanding capital stock; provided, however, that any such delegation of powers to the Board of Directors to amend, repeal or adopt new by-laws may be revoked only by the vote of stockholders representing a majority of the outstanding capital stock at a regular or special meeting.

IN WITNESS WHEREOF, we the undersigned stockholders have adopted the foregoing by-laws and hereunto affixed our signatures this 01 October 2001 at Makati City.

(Signed)
MARIO M. TONGSON

(Signed)
SHARONE O. KING

(original signed)
DOMINADOR R. AYTONA

(original signed)
LORNA P. PANGILINAN

(original signed)
MA. PAZ I. DIOKNO

(original signed)
FERNANDO P. GO

(original signed)
VALENTIN M. PANAGUITON

Signed in the presence of

(illegible)

(illegible)

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)S.S.

Before me, a Notary Public, in and for the City of Makati, Philippines, this 01 day
October 2001, personally appeared:

<u>NAME</u>	<u>CTC No.</u>	<u>Date & Place Issued</u>
Mario M. Tongson		
Sharone O. King		
Dominador R. Aytona		
Lorna P. Pangilinan		
Ma. Paz I. Diokno		
Fernando P. Go		
Valentin M. Panaguiton		

All known to me and to me known to be the same persons who executed the foregoing Articles
of Incorporation and acknowledgment that the same is their free and voluntary act and deed
and of the corporation which he represents.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal on the
date and place first above written.

NOTARY PUBLIC

MICHAEL REX O. CELIX
Notary Public
Until December 31, 2001
Issued on Jan. 2, 2001
Issued at Makati City

Doc. No. 87;
Page No. 18;
Book No. XII;
Series of 2001.

**DIRECTORS' CERTIFICATE OF AMENDMENT
OF THE AMENDED BY-LAWS**

OF

FERRONOUX HOLDINGS, INC.



KNOW ALL MEN BY THESE PRESENTS:

The undersigned Corporate Secretary and at least a majority of the Board of Directors of **Ferronoux Holdings, Inc.** (the "Corporation") do hereby certify that, at the special meeting of the Board of Directors held on October 5, 2018 at 6th Floor, Hanston Building, F. Ortigas, Jr. Road, Ortigas Center, Pasig City, these amendments to Article III, Sections 1-a, 1-b, 10, 11, 12, 13 and 14, Article IV, Sections 1, 5, 7, 8, 9, 10, 11, and 12 were unanimously approved, and at the annual meeting of the shareholders of the Corporation called for the purpose of amending the By-laws held on December 3, 2018 at Club Filipino, Club Filipino Avenue corner Eisenhower Street, Greenhills, San Juan City, at which meeting, shareholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of the Corporation were present or represented, these amendments were, by unanimous vote of the shareholders present/represented, adopted:

"1. Article III, Section 1-a

FROM	TO
Section 1.a. Power of the Board - Unless otherwise provided by law, the corporate powers of the corporation shall be exercised, all business conducted and all property of the corporation controlled and held by the Board of SEVEN (7) Directors to be elected by and from among the stockholders. Without prejudice to such powers as may be granted by law the Board of Directors shall also have the following powers: x x x	Section 1.a. Power of the Board - Unless otherwise provided by law, the corporate powers of the corporation shall be exercised, all business conducted and all property of the corporation controlled and held by the Board of <u>NINE (9)</u> Directors to be elected by and from among the stockholders. Without prejudice to such powers as may be granted by law, the Board of Directors shall also have the following powers: <u>x x x</u>

2. Article III, Section 1-b

FROM	TO
Section 1-b. Independent Director , The Board of Directors shall have number of Independent Directors required by law. An Independent Director is a person who, apart from his fees and shareholdings, which shareholdings does not exceed two percent (2%) of the shares of the Corporation and/or its related companies or any of its substantial shareholders, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in mpg out his	Section 1-b. Independent Director - i. The Board of Directors shall have number of Independent Directors required by law. <u>An independent director may only serve for a maximum cumulative term of nine (9) years. Independent director means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out</u>

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responsibilities as a director of the Corporation, including, among others, any map who:

(i) Is not a director or officer or substantial stockholders of the Corporation or of its related companies or any of its substantial shareholders (other than as an Independent Director of any of any of the foregoing):

(ii) Is not relative of any director, officer or substantial shareholder of the Corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and spouse of such child, brother or sister;

(iii) is not acting as a nominee or representative of a substantial shareholder of the Corporation, any of its related companies or any of its substantial shareholders;

(iv) has not been employed in any executive capacity by the corporation, any of its related companies or by any of its substantial shareholders within the last five (5) years;

(v) is not retained as professional adviser by the Corporation, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or through his firm; and

(vi) has not engaged and does not engage in any transaction with the Corporation or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial or insignificant.

When used in relation to a company subject to the requirements above, "related Company" shall mean another company which is (i) its holding company, (ii) its subsidiary, or (iii) a subsidiary of its holding company; and "substantial shareholder" shall mean any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

The Independent Director shall have the following Qualifications:

his responsibilities as a director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:

a) Is not a director or officer or substantial stockholder of the corporation or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);

b) Is not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;

c) Is not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders;

d) Has not been employed in any executive capacity by that public company, any of its related companies or by any of its substantial shareholders within the last five (5) years;

e) Is not retained as professional adviser, auditor, consultant, agent or counsel by that public company, any of its related companies or any of its substantial shareholders, or is otherwise independent of management and free from any business or other relationship within the three (3) years immediately preceding the date of his election, either personally or through his firm;

f) Has not engaged and does not engage in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are

<ul style="list-style-type: none"> (i) He shall have at least one (1) share of stock of the Corporation; (ii) he shall be at least a college graduate or he shall have been engaged or exposed to the business of the corporation for at least five (5) years; (iii) he shall possess integrity/probity; and (iv) he shall be assiduous. <p>An Independent Director shall be disqualified as such during his tenure under the following instances or causes;</p> <ul style="list-style-type: none"> (i) He becomes an officer or employee of the Corporation, or becomes any of the persons enumerated under Article III € of the Revised Code of Corporate Governance; (ii) His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Corporation; (iii) Fails, without any justifiable cause, to attend at least fifty percent (50%) of the total number of Board meetings during his incumbency; (iv) Such other disqualifications which the Manual of Corporate Governance of the Corporation Provides. 	<p><u>conducted at arm's length and are immaterial or insignificant.</u></p> <ul style="list-style-type: none"> g) <u>Is not an owner of more than two (2%) percent of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;</u> h) <u>Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;</u> i) <u>Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and</u> j) <u>Is not employed as an executive officer of another company where any of the public company's executives serve as directors.</u> <p>ii. <u>When used in relation to a company subject to the requirements above:</u></p> <ul style="list-style-type: none"> a) <u>Related company means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and</u> b) <u>Substantial shareholder means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.</u> <p>iii. <u>The independent director shall have the following qualifications:</u></p> <ul style="list-style-type: none"> a) <u>He shall have at least one (1) share of stock of the Corporation;</u> b) <u>He shall be at least a college graduate or he shall have been engaged</u>
<p>Nomination of Independent Director's shall be concluded by the Nomination Committee Prior to a Stockholders' meeting. All nominations of Independent Directors shall be made in writing and signed by the conformity by the nominating stockholders, and shall include the acceptance and conformity of the would-be nominees.</p> <p>The Nomination Committee shall pre-screen the Qualifications and prepare a Final List of Candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director(s).</p>	

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After the nomination, the Nomination Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors including, but not limited to; (i) name, age and citizenship; (ii) list of positions and offices that each such nominee held, or will hold, if known, with the corporation; (iii) business experience during the past five (5) years; (iv) directorship held in the other companies; (v) involvement in legal proceedings; and (vii) security ownership.

The Final List shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or in such other reports required by the Securities and Exchange Commission. The name of the person or group of person recommended the nomination of the Independent Director shall be identified in such report including any relationship with the nominee.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Directors. No other nominations shall be entertained after the Final List of Candidates shall have been named. No further nominations shall be entertained or allowed on the floor during actual annual stockholders' meeting.

The Chairman of the stockholders' meeting has the responsibility to inform all stockholders in attendance of the mandatory requirement of electing Independent Directors and to emote that the Independent Directors are elected during the stockholders meeting.

Specific slots for Independent Directors shall not be filled up by unqualified nominees.

In case of failure of election for Independent Directors, the chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

Any controversy or issue arising from the selection, nomination or election of Independent Directors from the list of nominees submitted by the Securities and Exchange Commission by appointing Independent Directors from the list of nominees submitted by the stockholders.

or exposed to the business of the Corporation for at least five (5) years;

c) He shall possess integrity/probity; and

d) He shall be assiduous.

iv. The nomination of independent director shall be conducted by the Corporate Governance Committee prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

v. After the nomination, the Corporate Governance Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors. The list shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement, or in such other reports the Corporation is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

vi. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as an Independent Director. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the actual annual stockholders' meeting.

vii. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing an independent director. He shall ensure that an independent director is elected during the stockholders' meeting.

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	<p>viii. <u>The specific slot for independent directors shall not be filled-up by unqualified nominees.</u></p> <p><u>In case of failure of election for the independent director, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.</u></p>
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3. Article III, Section 10

FROM	TO
<p>Section 10. Nomination Committee. - There shall be a Nomination Committee composed of at least three (3) Directors, one of whom shall be an Independent Director. The Nomination Committee shall review and evaluate qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess; the effectiveness of the board's processes and procedures in the election or replacement of directors.</p> <p>The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of nomination of Directors; The decision of mg Nomination Committee page confirmed by the Board of Directors, shall be final and binding upon the stockholders and may no longer be raised during the stockholders' meeting at which directors' shall be elected.</p>	<p>Section 10. Corporate Governance Committee - There shall be a Corporate Governance Committee composed of at least three (3) members, all of whom should be independent directors, including the chairman. <u>The Corporate Governance Committee has the following duties and functions, among others:</u></p> <ol style="list-style-type: none"> <u>Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;</u> <u>Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;</u> <u>Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;</u> <u>Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;</u> <u>Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;</u>


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	<ul style="list-style-type: none"> f. <u>Proposes and plans relevant trainings for the members of the Board;</u> g. <u>Determines the nomination and election process for the company's directors and has the special duty of defining the general profile of board members that the company may need and ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board; and</u> h. <u>Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates.</u>
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5. New provisions were added to Article III, to wit:

Section 11. Audit Committee - There shall be an Audit Committee composed of at least three (3) appropriately qualified non-executive directors, the majority of whom, including the chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees. The Audit Committee has the following duties and responsibilities, among others:

- a. Recommend the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- b. Through the Internal Audit (IA) Department, monitor and evaluate the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place in order to (a) safeguard the company's resources and ensure their effective utilization, (b) prevent occurrence of fraud and other irregularities, (c) protect the accuracy and reliability of the company's financial data, and (d) ensure compliance with applicable laws and regulations;
- c. Oversee the Internal Audit Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee should also approve the terms and conditions for outsourcing internal audit services;
- d. Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. For this purpose, he should directly report to the Audit Committee;
- e. Review and monitor Management's responsiveness to the Internal Auditor's findings and recommendations; 

- f. Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- g. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence (as defined under the Code of Ethics for Professional Accountants). The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;
- h. Review and approve the Interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Areas where a significant amount of judgment has been exercised
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- i. Review the disposition of the recommendations in the External Auditor's management letter;
- j. Perform oversight functions over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
- k. Coordinate, monitor and facilitate compliance with laws, rules and regulations; and
- l. Recommend to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

The Audit Committee will meet with the Board at least every quarter without the presence of the President or other management team members, and periodically meet with the head of the internal audit.

Section 12. Board Risk Oversight Committee – There shall be a Board Risk Oversight Committee (BROC) composed of at least three (3) members, the majority of whom should be independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committee. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management. The Board Risk Oversight Committee has the following duties and responsibilities, among others:

- a. Develop a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;

- b. Oversee the implementation of the enterprise risk management plan through a Management Risk Oversight Committee. The BROC conducts regular discussions on the company's prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks;
- c. Evaluate the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROC revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;
- d. Advise the Board on its risk appetite levels and risk tolerance limits;
- e. Review at least annually the company's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the company;
- f. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the corporation and its stakeholders;
- g. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and
- h. Reports to the Board on a regular basis, or as deemed necessary, the company's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

Section 13. Related Party Transaction Committee – There shall be Related Party Transaction (RPT) Committee composed of at least three (3) non-executive directors, two of whom should be independent, including the Chairman. The following are the functions of the RPT Committee, among others:

- a. Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;
- b. Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with nonrelated parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:
 - 1. The related party's relationship to the company and interest in the transaction;
 - 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 - 3. The benefits to the corporation of the proposed RPT;
 - 4. The availability of other sources of comparable products or services; and *ga*

5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;
- c. Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
- d. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
- e. Ensure that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
- f. Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.
6. Article III, Section 11 in the previously amended By-Laws was renumbered to Section 14, to wit:

Section 14. Other Committees - The Board of Directors may create such other Committees as it may consider necessary or advisable for the proper conduct and nomination of the affairs of the Corporation and prescribe their respective powers and function. Said committees shall be composed of Directors and of such number as the Board may determine. The members of any such committee created and appointed by the Board of Directors may be removed at any time by the Board and any vacancies in any of said committees shall be filled by the Board of Directors.

7. Article IV, Section 1

FROM	TO
<p>Section 1. Election Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice- President, the Treasurer, and the Secretary at the said meeting.</p> <p>The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper. Any two (2) or more positions may be held concurrently by the same person, except that no one shall act as President and Treasurer or Secretary at the same time.</p>	<p>Section 1. Election Appointment - Immediately after their election, the Board of Directors shall formally organize by electing the President, the Vice- President, the Treasurer, and the Secretary at the said meeting.</p> <p>The Board may, from time to time, appoint such other officers as it may determine to be necessary or proper. Any two (2) or more positions may be held concurrently by the same person, except that <u>no one shall act as President and Treasurer or Secretary, and Compliance Officer and Secretary at the same time.</u></p>

8. Article IV, Section 5

FROM	TO
<p>Section 5. The Secretary - The Secretary must be a resident and a citizen of the Philippines.</p>	<p>Section 5. The Secretary - <u>The Secretary, who shall be a resident and citizen of the Philippines, shall issue notices of all</u></p>

He shall have the following specific powers and duties:

- a. To record the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law;
- b. To keep record books showing the details required by law with respect to the stock certificates of the corporation, including ledgers and transfer books showing all shares of the corporation subscribed, issued and transferred;
- c. To keep the corporate seal and affix it all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
- d. To attend to the giving and serving of all notices of the corporation required by law or these by-laws to be given;
- e. To act as inspector at the election of directors and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine questions in connection with the right to vote, count and tabulate all votes, determine the result, and do such acts as are proper to conduct the election.
- f. To perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or the President.

meetings, shall keep their minutes, shall have charge of the corporate seal and books, shall sign with the President the certificates of stock and such other instruments as require such signature, and shall make such report's and perform such other duties as are incident to his office or are properly required of him by the Board.

The Secretary must be a separate individual from the Compliance Officer, should not be a member of the Board of Directors, and should annually attend a training on corporate governance. The Secretary has, among others, the following duties and responsibilities:

- a. Assist the Board and the board committees in the conduct of their meetings, including preparing an annual schedule of Board and committee meetings and the annual board calendar, and assisting the chairs of the Board and its committees to set agendas for those meetings;
- b. Safekeep and preserve the integrity of the minutes of the meetings of the Board and its committees, as well as other official records of the corporation;
- c. Keep abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;
- d. Work fairly and objectively with the Board, Management and stockholders and contributes to the flow of information between the Board and management, the Board and its committees, and the Board and its stakeholders, including shareholders;
- e. Advise on the establishment of board committees and their terms of reference;
- f. Inform members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable

	<p><u>them to arrive at intelligent decisions on matters that require their approval;</u></p> <p>g. <u>Attend all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;</u></p> <p>h. <u>Perform required administrative functions;</u></p> <p>i. <u>Oversee the drafting of the by-laws and ensures that they conform with regulatory requirements; and</u></p> <p>j. <u>Perform such other duties and responsibilities as may be provided by the SEC.</u></p>
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9. New provisions were added to Article IV, to wit:

Section 7. Compliance Officer – The Compliance Officer should have a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. Also, the Compliance Officer should not be a member of the Board of Directors and should annually attend training on corporate governance. He/ she has, among others, the following duties and responsibilities:

- a. Ensure proper onboarding of new directors (i.e., orientation on the company's business, charter, articles of incorporation and by-laws, among others);
- b. Monitor, review, evaluate and ensure the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
- c. Report the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- d. Ensure the integrity and accuracy of all documentary submissions to regulators;
- e. Appear before the SEC when summoned in relation to compliance with this Code;
- f. Collaborate with other departments to properly address compliance issues, which may be subject to investigation;
- g. Identify possible areas of compliance issues and works towards the resolution of the same;
- h. Ensure the attendance of board members and key officers to relevant trainings; and
- i. Perform such other duties and responsibilities as may be provided by the SEC.

Section 8. Chief Audit Executive – There shall be a Chief Audit Executive appointed by the Board, who shall oversee and be responsible for the internal audit activity of the Corporation, including

that portion that is outsourced to a third party service provider. The Chief Audit Executive has the following responsibilities, among others:


- a. Periodically review the internal audit charter and presents it to senior management and the Board Audit Committee for approval;
- b. Establish a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals;
- c. Communicate the internal audit activity's plans, resource requirements and impact of resource limitations, as well as significant interim changes, to senior management and the Audit Committee for review and approval;
- d. Spearhead the performance of the internal audit activity to ensure it adds value to the organization;
- e. Report periodically to the Audit Committee on the internal audit activity's performance relative to its plan; and
- f. Present findings and recommendations to the Audit Committee and gives advice to senior management and the Board on how to improve internal processes.

Section 9. Chief Risk Officer – There shall be a Chief Risk Officer with the following functions, among others:

- a. Supervise the entire Enterprise Risk Management (ERM) process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation;
- b. Communicate the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee;
- c. Collaborate with the CEO in updating and making recommendations to the Board Risk Oversight Committee;
- d. Suggest ERM policies and related guidance, as may be needed; and
- e. Provide insights on the following:
 - Risk management processes are performing as intended;
 - Risk measures reported are continuously reviewed by risk owners for effectiveness; and
 - Established risk policies and procedures are being complied with.

10. Article VIII, Sections 7, 8 and 9 in the previously amended By-Laws were renumbered to Sections 10, 11 and 12, to wit:

Section 10. Terms of Office - The term of office of all officers shall be one (1) year and until their successors are duly elected and qualified.

Section 11. Vacancies - If any position of the officers becomes vacant by reason of death, resignation, disqualification or for any other cause, the Board of Directors, by majority vote may elect a successor who shall hold office for the unexpired term. 

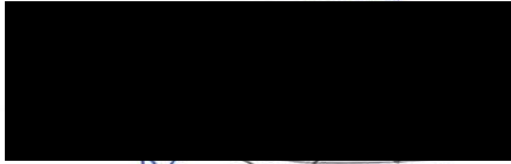
Section 12. Compensation - The officers shall receive such remuneration as the Board of Directors may determine. A director shall not be precluded from serving the corporation in any other capacity as an officer, agent or otherwise, and from receiving compensation therefore.

A copy of the By-Laws embodying the foregoing amendments is hereto attached. 

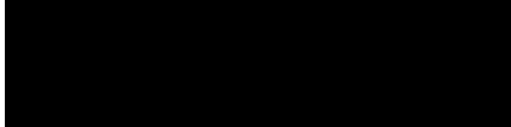
JUN 20 2019

IN WITNESS WHEREOF, we have hereunto signed these presents on this _____ at

Philippines. *Sh*
CITY OF MANILA



M **MICHAEL C. COSIQUIEN**
Chairman



Y **YERIC C. COSIQUIEN**
Director



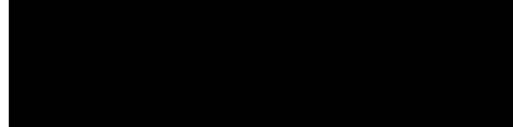
M **MICHELLE JOAN G. TAN**
Director



M **MATHEW-JOHN GONONG ALMOGINO**
Independent Director



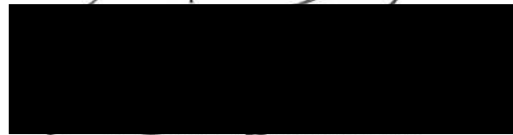
J **JESUS G. CHUA, JR.**
Vice Chairman



I **IRVING C. COSIQUIEN**
Director



A **ALFRED S. JACINTO**
Independent Director




M **MANUEL Z. GONZALEZ**
Corporate Secretary



JUN 20 2019

SUBSCRIBED AND SWORN to before me this _____, affiants exhibiting to me competent proofs of their identity, to wit:

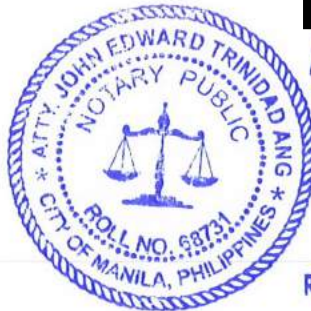
<u>Name</u>	<u>Valid I.D.</u>
Michael C. Cosiquien	
Jesus G. Chua, Jr.	
Yerik C. Cosiquien	
Irving C. Cosiquien	
Michelle Joan G. Tan	
Alfred S. Jacinto	
Mathew-John Gonong Almogino	
Manuel Z. Gonzalez	

known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed.

JUN 20 2019

WITNESS MY HAND AND SEAL, this _____ at _____, Philippines.

Doc. No. 243
Page No. 18
Book No. _____;
Series of 2019.




ATTY. JOHN EDWARD TRINIDAD ANG
Notary Public for Manila - UNTIL 12/31/2019
Notarial Commission No. 2018-117
