CEBULANDMASTERS
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John Edmar Garde <jggarde@cebulandmasters.com>

Cebu Landmasters, Inc._Integrated Annual Corporate Governance Report (I-ACGR) for FY2020_29 June 2021

ICTD Submission <ictdsubmission+canned.response@sec.gov.ph> Tue, Jun 29, 2021 at 3:59 PM
To: jggarde@cebulandmasters.com

Dear Customer,

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.

(Subject to Verification and Review of the Quality of the Attached Document)

Official copy of the submitted document/report with Bar Code Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

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NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, FS-P, FS-C, Monthly Reports, Quarterly Reports, Letters, etc... through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail or over- the-counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as:

AFS, GIS, GFFS, SFFS, LCFS, LCIF, FCFS. FCIF ANO, ANHAM. All submissions through OST are no longer required to submit the hard copy thru mail or over- the- counter.

FOR MC28, please email to:

(MC28_S2020@sec.gov.ph)

For your information and guidance.

Thank you and keep safe.

John Edmar Garde <jggarde@cebulandmasters.com>

Cebu Landmasters, Inc._Integrated Annual Corporate Governance Report (I-ACGR) for FY2020_29 June 2021

John Edmar Garde <jggarde@cebulandmasters.com> Tue, Jun 29, 2021 at 3:59 PM
To: ICTD Submission <ictdsubmission@sec.gov.ph>
Cc: "Atty. Larri-Nil Veloso" <larri_nil@cebulandmasters.com>

Dear ICTD Team,

Good day.

In compliance with SEC MC No. 3, series of 2021, I hereby file and submit the **Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** for the **fiscal year ended December 31, 2020**.

I hereby declare that the herein submitted *2020 Integrated Annual Corporate Governance Report of Cebu Landmasters, Inc.* (as attached) is authentic.

Further thereto, we also request for a **return receipt** and **delivery status notification**.

We trust that this submission meets the requirements of the SEC. If you have questions and/or clarifications, do let me know. Thanks.

Best regards,

Atty. John Edmar G. Garde
Compliance Officer- Cebu Landmasters, Inc.
10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., Cebu IT Park, Apas, Cebu City
Mobile No: 0966 410 9807

CEBULANDMASTERS
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ATTY. JOHN EDMAR G. GARDE
Legal Counsel - Corporate Finance & CLI Compliance Officer
+63 231.4914 loc. 170 jggarde@cebulandmasters.com
+63 966 410 9807 www.cebulandmasters.com

DISCLAIMER: This email may contain confidential, proprietary or legally privileged information and is intended only for the addressee.

Cebu Landmasters Inc_FY2020 Integrated Annual Corporate Governance Report.pdf
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(Company Name)

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(Business Address: No. Street/City/Province)

Atty. John Edmar G. Garde
Contact Person

032-231-4914
Company Telephone Number

1	2
Month	

3	1
Day	

I-ACGR
Form Type

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Day	

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc		

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number								

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Document I.D.								

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SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2020**

2. SEC Identification Number **CS200321240** 3. BIR Tax Identification No. **227-599-320-000**

4. Exact name of issuer as specified in its charter **CEBU LANDMASTERS, INC.**

5. **Cebu City, Cebu, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. _____ (SEC Use Only)
   Industry Classification Code:

7. **10th Floor, Park Centrale Tower, Jose Ma. del Mar St., Cebu IT Park, Apas, Cebu City** **6000**
   Address of principal office Postal Code

8. **(032) 231 - 4914**
   Issuer's telephone number, including area code

9. **Not Applicable- no changes since last report**
   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			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Provide information or link/reference to a document containing information on the following: 1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors **<u>Information:</u>** The Board of Cebu Landmasters, Inc. ("CLI" or the "Company") is composed of directors with collective working knowledge, experience, and expertise that are relevant to the real estate industry. The CLI Board has an appropriate mix of competence and expertise. The CLI Directors remain qualified for their positions individually and collectively. **a. Background information of the CLI Board of Directors** (academic qualifications, industry knowledge,	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		

		professional experience and expertise) **<u>References and links:</u>** • SEC Form 17-A (Annual Report) for FY2020- pages 41 to 43 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's Definitive Information Statement (SEC Form 20-IS) for the 2021 Annual Stockholders' Meeting (ASM)- pages 12 to 15 https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf **b. Relevant trainings of the CLI Board for FY2020** **<u>Information:</u>** For FY2020, all members of the CLI Board attended various trainings and seminars pertaining to corporate governance and its allied topics which are relevant to the Company (e.g., Risk Management in the Age of COVID-19; SEC Compliance with the Rules on Disclosures; Executive	

		Briefing on Business Continuity Planning; Future Trends; et.al). Complete listing of the 2020 trainings attended by the CLI Directors and Key Officers (e.g., name of seminar, date of seminar, organizer) are disclosed in CLI's 2020 Annual Report. **Reference:** pages 160 to 161 of CLI's 2020 Annual Report **Link:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance **Reference:** CLI's Manual on Corporate Governance (hereinafter referred to as "CLI's CG Manual", or "CG Manual")- pages 9 to 12 **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Non-compliant	Identify or provide link/reference to a document identifying the directors and the type of their directorships	The Board is composed of a majority of executive directors, i.e., five (5) executive directors vis-a-vis four (4) non-executive directors. The election of 4 non-executive directors (NEDs), three of whom are independent directors, and all with robust knowledge, background, experience, and expertise in the real estate industry, sufficiently ensure that proper checks and balances are implemented and objective and independent judgment on corporate affairs are still carried out. Hence, the current composition of CLI's Board is still able to achieve the corporate governance principle being recommended. In any case, the Board will continue to review and evaluate its composition, including the determination of the sufficiency and propriety of the number of the NEDs vis-à-vis the dynamic and evolving needs of CLI and the best practices in corporate governance.
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors. **Information:**	

		CLI provides in its Board Charter and CG Manual a policy on training of directors. All CLI directors are required to attend at least four (4) hours of annual corporate governance training conducted by SEC-accredited Institutional Training Providers. For FY2020, all members of the CLI Board attended various trainings and seminars pertaining to corporate governance and its allied topics (e.g., Risk Management in the Age of COVID-19; SEC Compliance with the Rules on Disclosures; Executive Briefing on Business Continuity Planning; Future Trends; et.al). **References and links:** • Board Charter- page 14 (Section J) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • CLI's CG Manual- page 3 (under "A. General Responsibilities", par. 4), and page 20 (under "D. Corporate Governance Committee", pars. 4 and 6)	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Company has an orientation program for first time directors.	Compliant	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered. **a) Orientation program for new CLI Directors** **Information:** As provided in CLI's Board Charter, all new directors, prior to assuming office, are required to undergo orientation program on the corporation's business and corporate structure, its vision, mission and corporate strategy, the by-laws and CLI's CG Manual, and other relevant matters essential for the effective performance of their duties and responsibilities. In furtherance thereto, all CLI directors, prior to their assumption to office, attended the Institute of Corporate Directors' (ICD) Corporate Governance Orientation Program (CGOP) as well as CLI's in-house	
3. Company has relevant annual continuing training for all directors.	Compliant		

		orientation program for new directors, discussing among others, CLI's business, corporate structure, vision, mission, corporate strategy, by-laws, CLI's CG Manual and other relevant matters essential for the effective performance of their duties and responsibilities as a director. **References and links:** • page 3 (under "A. General Responsibilities", par. 4) and page 21 (under VI., par. e) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • page 14 (Section J) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf **Additional disclosure:** CLI did not have any new or first-time directors during the Board's 2020-2021 term. **b) FY2020 Trainings of CLI Directors**	

		Information: For FY2020, all members of the CLI Board attended various trainings and seminars pertaining to corporate governance and its allied topics which are relevant to the Company (e.g., Risk Management in the Age of COVID-19; SEC Compliance with the Rules on Disclosures; Executive Briefing on Business Continuity Planning; Future Trends; et.al). Complete listing of the 2020 trainings attended by the CLI Directors and Key Officers (e.g., name of seminar, date of seminar, organizer) are disclosed in CLI's 2020 Annual Report. **Reference:** pages 160 to 161 of CLI's 2020 Annual Report *(**2020 Attendance of Directors and Key Officers in Corporate Governance Seminars and Training**)* **Link:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf **Additional disclosure:** The corporate governance trainings of the CLI directors were conducted by SEC-accredited Institutional Training	

		Providers (e.g. Institute of Corporate Directors, et.al.)	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board. **Information:** ***CLI Board Diversity Policy*** As provided in CLI's CG Manual, to avoid groupthink and ensure that optimal decision-making is achieved, CLI observes a board diversity policy. CLI's board diversity policy is not limited to gender diversity but also includes diversity in age, ethnicity, culture, skills, competence, and knowledge. The CLI Board is composed of highly-respected top executives and accomplished real estate professionals with diverse skills, competence, and expertise in the fields of economics, accounting, finance, management, business administration, communication, manufacturing and management engineering, agricultural economics, legal, and landscape architecture,	

		among other academic disciplines and fields of endeavor. Moreover, the CLI Board has an appropriate mix of youth and experience, with ages ranging from 34 to 70, and collectively with robust working knowledge, experience, and expertise relevant to the real estate industry. ***CLI Board Gender Composition*** CLI has actively pursued a policy of nominating a balance number of male and female directors. The CLI Board is composed of five (5) male directors and four (4) female directors. The CLI female directors are Ma. Rosario B. Soberano, Joanna Marie B. Soberano-Bergundthal, Ma. Aurora D. Geotina-Garcia, and Atty. Ma. Jasmine S. Oporto. The male directors are Jose R. Soberano III, Jose Franco B. Soberano, Beauregard Grant L. Cheng, Rufino Luis T. Manotok, and Stephen A. Tan. **<u>References and links</u>:** • page 3, par. 5 of CLI's CG Manual	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • page 1 (Section A, par. 3) and page 7 (Board Competencies and Diversity) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • pages 41 to 43 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	Provide information on or link/reference to a document containing the company's policy and measureable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives. **Information:**	

		CLI has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives. CLI's Policy on Diversity has been achieved and met as evidenced by the fact that it has an almost majority number of female directors (i.e., 4 female and 5 male directors), an optimal mix of youth and experience, and all of whom have diversified skills, culture, ethnicity, competence and knowledge. The progress report is as disclosed in CLI's 2020 Annual Report. **References and links:** • page 3, par. 5 of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • pages 41 to 43 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions. **Information:** The CLI Board is assisted by a Corporate Secretary in the person of Atty. Alan C. Fontanosa. The Corporate Secretary is a separate individual from the Compliance Officer, and is not a member of the CLI Board. Atty. Fontanosa, CLI's Corporate Secretary, is also the partner-in-charge and Cebu Branch Head of SyCip Salazar Hernandez & Gatmaitan. His areas of practice include industrial relations and labor litigation, civil and land cases, real estate transactions, corporate services, and special projects. **References and links:** • page 49 of SEC Form 17-A (Annual Report) for FY2020-	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

		discussions and disclosures about CLI's Corporate Secretary https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 4 of CLI's Amended 2020 General Information Sheet (GIS)- *other details of CLI's Corporate Secretary and Asst. Corporate Secretary* https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Amended-2020-GIS-stamped-received-by-SEC-1.pdf#zoom=90&toolbar=0&scrollbar=0 • page 23 of CLI's CG Manual- *duties and responsibilities of CLI's Corporate Secretary* https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended,	

		including number of hours and topics covered **<u>Information:</u>** CLI's Corporate Secretary attends trainings on corporate governance. For FY2020, Atty. Alan C. Fontanosa, CLI's Corporate Secretary, attended the Institute of Corporate Directors' (ICD) Corporate Governance Orientation Program (CGOP) held on December 08-09, 2020 (total number of 8hrs). **References and links:** • page 161 of CLI's 2020 Annual Report https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • CGOP Certificate of Attendance issued by ICD https://www.cebulandmasters.com/wp-content/uploads/2021/05/Atty-Fontanosa-FY2020-CG-Training.pdf#zoom=90&toolbar=0&scrollbar=0	
Optional: Recommendation 1.5			

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Non-compliant	Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	Materials for board meetings have not been consistently distributed at least five business days before scheduled meetings. In any case, the Office of the Corporate Secretary uploads board materials using the Diligent Board books prior to the scheduled meeting. As such, the Board is still able to review the board materials and actively participate during board meetings. Moreover, the Office of the Corporate Secretary sends out the Notice of Meeting with the agenda items before any meeting. This sufficiently apprises the directors as to the topics and issues for discussion and resolution. Notwithstanding the foregoing, CLI recognizes the importance of complying with the recommended period for distribution of board materials. The Office of the Corporate Secretary shall take charge and ensure compliance with this recommendation.
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions. **Information:**	

		The CLI Board is assisted by a Compliance Officer. **a. Information on the Compliance Officer (name, position, qualifications)** For the 2020-2021 term, the CLI Board appointed Atty. John Edmar G. Garde as CLI's Compliance Officer. **Reference:** page 49 of SEC Form 17-A (Annual Report) for FY2020. **Link:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 **b. Duties and functions of the Compliance Officer** **Reference:** page 24 of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-compliant		Atty. Garde, CLI's Compliance Officer, does not have a rank of Senior Vice President. Atty. Garde currently holds an executive/managerial position in CLI and is also the legal counsel for Corporate Finance. Prior to joining CLI, Atty. Garde served as Manager / Director for Business Tax Services of SGV & Co. (Ernst & Young-Philippines). He graduated *cum laude* from the University of San Carlos (Bachelor of Science in Management Accounting). He also received his law degree from the same university. With the strong support of the CLI Board and Management team, and the robust compliance culture in CLI, Atty. Garde has been able to effectively dispose and perform his compliance functions. Hence, the over-all principle being recommended is still achieved by CLI. In any case, the Board will continue to review and evaluate the Compliance Officer position vis-à-vis the dynamic and evolving needs of CLI and the best practices in corporate governance. **Reference:** page 49 of SEC Form 17-A (Annual Report) for FY2020 ***(information and qualifications of Atty. Garde)*** **Link:** https://www.cebulandmasters.com/wp-

			content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0
3. Compliance Officer is not a member of the board.	Compliant	In keeping with SEC Memorandum Circular No. 19, series of 2016 (CG Code for PLCs), Atty. Garde, CLI's Compliance Officer, is not a member of the Board and is also different from the Corporate Secretary. **References and links:** • page 49 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 4 of CLI's Amended 2020 General Information Sheet (GIS)- *other details of CLI's Compliance Officer vis-à-vis board memberships* https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Amended-2020-GIS-stamped-received-by-SEC-1.pdf#zoom=90&toolbar=0&scrollbar=0	

4. Compliance Officer attends training/s on corporate governance.	Compliant	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered **Information:** CLI's Compliance Officer attends trainings on corporate governance. For FY2020, Atty. Garde, CLI's Compliance Officer, attended various trainings on corporate governance, including the following: • Corporate Governance Orientation Program- August 04-05, 2020 (8 hours) • New Code of Corporate Governance for Public Companies and Registered Issuers- 28 July 2020 (3hrs) • SEC Compliance with the Rules on Disclosures- 30 October 2020 (4hrs) **References and links:** • page 161 of CLI's 2020 Annual Report	

		https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • Copies of Atty. Garde's FY2020 training certificates https://www.cebulandmasters.com/wp-content/uploads/2021/05/Atty-Garde-FY2020-CG-Trainings.pdf#zoom=90&toolbar=0&scrollbar=0	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting) **a. Duties and responsibilities of CLI's Board of Directors** **<u>References and links:</u>** • pages 3 to 6 of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-	

		Companys-Manual-of-Corporate-Governance.pdf • page 8 (Section D, par. 1), and pages 8 to 10 (list of duties and functions) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf **b. Acts of the Board of Directors- *as uploaded to CLI website*** **Link:** https://www.cebulandmasters.com/wp-content/uploads/2020/05/Acts-of-the-Board-of-Directors-in-the-2019-2020-Term-for-Stockholders%E2%80%99-Ratification.pdf **c. FY2020 Board resolutions- *as published and uploaded to PSE EDGE*** **Links:** • 27 March 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=29871f9dde55f7150de8473cebbd6407 • 07 April 2020 board meeting	

		https://edge.pse.com.ph/openDiscViewer.do?edge_no=23a3f8ed9b37695d0de8473cebbd6407 • 03 June 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=9ade8b3cac3312080de8473cebbd6407 • 24 November 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=d815df71713b5d290de8473cebbd6407 https://edge.pse.com.ph/openDiscViewer.do?edge_no=4ce6f1d2d9d7a56c0de8473cebbd6407 • 11 December 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=ff992105f3e7645a0de8473cebbd6407	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		

		Indicate frequency of review of business objectives and strategy **Information:** The Board oversees the development, review, and approval of CLI's business objectives and strategy. The Board also oversees and monitors the implementation of the company's business objectives and strategy. The Board reviews business objectives and strategies every board meeting. CLI's non-executive and independent directors actively engage and participate in the company's management strategy sessions. For the 2020-2021 term, this included their participation and guidance during the two-day strategic planning session held on October 15-16, 2020, with a theme: "Seizing Opportunities & Adapting to Change". **References and links:** • page 4 of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

		• **Acts of the Board of Directors- as uploaded to CLI website** https://www.cebulandmasters.com/wp-content/uploads/2020/05/Acts-of-the-Board-of-Directors-in-the-2019-2020-Term-for-Stockholders%E2%80%99-Ratification.pdf • **FY2020 Board resolutions- *as published and uploaded to PSE EDGE*** a) 27 March 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=29871f9dde55f7150de8473cebbd6407 b) 07 April 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=23a3f8ed9b37695d0de8473cebbd6407 c) 03 June 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=9ade8b3cac3312080de8473cebbd6407 d) 24 November 2020 board meeting	

		https://edge.pse.com.ph/openDiscViewer.do?edge_no=d815df71713b5d290de8473cebbd6407 https://edge.pse.com.ph/openDiscViewer.do?edge_no=4ce6f1d2d9d7a56c0de8473cebbd6407 e) 11 December 2020 board meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=ff992105f3e7645a0de8473cebbd6407	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values. **a. CLI's vision, mission, and core values** • **Reference material:** CLI website (About Us- Our Vision, Our Mission, and Our Core Values) **Link:** https://www.cebulandmasters.com/company/	

		• **Reference:** pages 6 to 7 of CLI's 2020 Annual Report **Link:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-1.pdf **b. The Board reviews CLI's vision, mission, and core values on an annual basis.**	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	Provide information on or link/reference to a document containing information on the strategy execution process. **Information:** CLI rolled-out a 5-year strategic plan to cover fiscal years 2021-2025. For the 2020-2021 term, the Board conducted its two-day strategic planning session held on October 15-16, 2020, with a theme: "Seizing Opportunities & Adapting to Change". **References and Links:** • page 4 of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-	

		Companys-Manual-of-Corporate-Governance.pdf • page 148 of CLI's 2020 Annual Report https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications **Information:** The CLI Board is headed by its Chairperson, Mr. Jose R. Soberano III. Mr. Jose R. Soberano III has more than twenty (20) years of experience in managing and heading companies engaged in real estate development and is highly regarded as an industry leader in real estate. He has been CLI's Chairman, Chief Executive Officer (CEO), and President since its incorporation in 2003. As the founder of CLI, Mr. Soberano possesses institutional knowledge and extensive familiarity	

		and understanding of the business of CLI. **<u>References and links:</u>** • page 41 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 13 of CLI's Definitive Information Statement (SEC Form 20-IS) https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation **<u>Information:</u>** **a. CLI's Succession Planning Policies and Programs**	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		

		Pursuant to CLI's Board Charter and CG Manual, the Board adopts an effective succession planning program for directors, key officers, and management to ensure growth and a continued increase in shareholders' value. In support of the foregoing, CLI has an organizational design and program on succession planning (e.g. training of younger management team, etc.). **References and links:** • page 8 (Section D, item no. 3) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • page 4 of CLI's CG Manual [Article IV (B) (2)] https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf **b. CLI's Policy on the Retirement for Directors and Key Officers**	

		References and links: • page 4 [Article IV (B) (2)] of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance. **Information:** a. The Board aligns the remuneration of key officers and board members with the long-term interests of CLI. **References and links:** • page 16 (Article IV, section H) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		

		• page 13 (Section I., par. 1) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf b. The Board adopts a policy specifying the relationship between remuneration and performance **Reference:** page 16 (Article IV, section H, pars. 1 and 2) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf c. Directors do not participate in discussions or deliberations involving his/her own remuneration **Reference:** page 16 (Article IV, section H, par. 3) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	Provide proof of board approval **Information:** The CLI Board, through the Compensation and Remuneration Committee (which is currently under the function of CLI's Corporate Governance Committee), has oversight function over remuneration of CLI Senior Management and other key personnel. **Reference:** page 20 (Chapter V, Section C, item 1) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
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.	Compliant	Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company. **Information:** CLI grants remuneration to its executive directors and senior executives based on performance, i.e., individual performance, and	

		collective performance of their respective groups / departments, which are pursuant to identified key deliverables and other performance indicators in alignment with CLI's long-term interest and objectives. **Reference and link:** • page 16 (Article IV, section H) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders. Provide proof if minority shareholders have a right to nominate candidates to the board Provide information if there was an assessment of the effectiveness of the Board's processes in the	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the	Compliant		

effectiveness of the Board's processes in the nomination, election or replacement of a director.		nomination, election or replacement of a director.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	**Information:** **a. The Board, through its Nomination Committee, has a formal and transparent nomination and election policy, which includes criteria in selecting new directors and nomination from shareholders** **Reference:** page 1 (Section A "Purpose") and pages 1 to 2 (Section D "Functions") of the Nomination Committee Charter **Link:** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Nomination-Committee-Charter_approved.pdf **b. The Board Nomination and Election Policy is disclosed in CLI's CG Manual** **Reference:** page 19 (Chapter V, Section B) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

		c. The Board nomination and election policy includes how the company accepts nominations from minority shareholders **<u>Reference and link</u>:** • page 19 (Chapter V, Section B, par. 2) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf **d. Minority shareholders of CLI have a right to nominate candidates to the board** **Reference:** page 19 (Chapter V, Section B, par. 2) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf **e. Board nomination and election policy includes how the board shortlists the candidates** **Reference:** page 19 (Chapter V, Section B, par. 2) of CLI's CG Manual	

		Link: https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf **f. 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** **Reference:** page 19 (Chapter V, Section B, par. 1) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf **g. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company** **Reference:** page 19 (Chapter V, Section B; par. 3) of CLI's CG Manual **Link:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-	

		Companys-Manual-of-Corporate-Governance.pdf	
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.	Compliant	Identify the professional search firm used or other external sources of candidates **Information:** CLI engages the services of the Institute of Corporate Directors (ICD) when searching for candidates to the board of directors, specifically for its independent 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	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs Identify transactions that were approved pursuant to the policy. **a. The CLI Board, through its Related Party Transaction (RPT) Committee, has a robust group-wide policy and system governing RPTs and other unusual or infrequently occurring transactions.** **Reference Document:** CLI's RPT Policy	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		

		Link: https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf **b. CLI's RPT Policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions** **Reference:** page 3 [Clause 6], page 5 (items e-f) CLI's RPT Policy (Review and Approval of RPTs) **Link:** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf **c. CLI's RPT Policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations** **Reference:** page 1 [Clause 3 (d) (iii)] of CLI's RPT Policy **Link:** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	

		d. For the 2020-2021 term, there were zero related party transactions that breached the materiality threshold. Hence, there were no material RPTs that needed board approval.	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered *de minimis* or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories **a. RPT thresholds** **<u>Information:</u>** Pursuant to the RPT Policy filed to the SEC, CLI sets an RPT threshold of **PhP50million** ("Covered Transaction"). RPTs involving an amount of at least PhP50million or its equivalent shall be submitted to the RPT Committee for review and subsequently for CLI Board approval. Further thereto, CLI also observes the 10% Material RPT threshold as prescribed by the SEC ("Material RPT threshold"). Material RPT pertains to any RPT, either individually or in aggregate over a 12-month period with the same related party, amounting to **10% or higher of CLI's total assets** based on its latest AFS.	

		All individual Material RPTs and aggregate Material RPTs, shall require the approval of at least 2/3 vote of the CLI Board to be valid, with at least majority of the independent directors voting to approve the Material RPT. Ratification of 2/3 of the outstanding capital stock is required in case a majority of the independent directors' vote is not secured. **References:** page 1 [Clause 3 (b)] vis-à-vis page 3 (Clause 6); page 5 (items d-f) of CLI's RPT Policy **Link:** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf **b. RPT Categories; Approval requirements** **Information:** The following are the RPT categories pursuant to CLI's RPT Policy: • **Covered Transactions** (i.e., breaches any of the "pre-determined thresholds" and involves a "related party or	

		entity"; *may or may not be a Material RPT*). Among the pre-determined thresholds are RPTS involving an amount of at least P50M or its equivalent. A "Covered Transaction" is subject to review and approval of the RPT Committee and CLI Board. • **Material RPTs** (i.e., at least 10% of total assets; individual or aggregate within a 12-month period) A "Material RPT" is also subject to review and approval of the RPT Committee and CLI Board. All Material RPTs, whether individual or aggregate, require approval of at least 2/3 vote of the Board to be valid, with at least a majority of the independent directors voting to approve the material RPT. Ratification of 2/3 of the outstanding capital stock is required in case a majority of the independent directors' vote is not secured.	

		Before the execution of a Material RPT, the Board may appoint an external independent party to evaluate the fairness of the terms thereof and evaluate if the transaction is done on normal market terms. Within three (3) calendar days from the execution of any Material RPT, CLI, through the Corporate Secretary, shall submit to the SEC an Advisement Report. • **Other RPTs not deemed as "Covered Transaction" or "Material RPT"**- required to be disclosed and reported to the RPT Committee via RPT reports (for disclosure and monitoring purposes). However, RPTs belonging to this RPT category do not require approval of the RPT Committee and/or the CLI Board. • **Any other transaction not deemed as RPT**- not subject to RPT report or disclosure requirements.	

		References: page 1 [Clause 3 (b)] vis-à-vis page 3 (Clause 6); page 5 (items d-i) of CLI's RPT Policy **Link:** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Non-compliant	Provide information on voting system, if any.	The voting system for approval of related party transactions does not include a provision on approval by majority of non-related party shareholders. In any case, CLI's existing RPT policy and practice provide sufficient protection to non-related party shareholders. CLI's RPT policy sets out guidelines, categories, threshold, and pre-approval requirements to govern the review, approval, or ratification of related party transactions. Pursuant thereto, all material RPTS (individual and aggregate) are reviewed by CLI's RPT Committee and requires the approval of at least two-thirds (2/3) vote of the Board of Directors to be valid, with at least majority of the independent directors voting to approve the same. CLI directors and key management personnel are mandated to abstain and/or inhibit themselves from participating in discussions on a particular agenda when they have conflict of interest.

			With the foregoing, the interests of non-related party shareholders with respect to RPTs are still safeguarded and protected. **<u>References and links:</u>** • CLI's RPT Policy o page 5 (items e-f) ***Requirements and procedures for approval of material RPTs*** o page 3 (item b of Section 4 "Conflicts of Interest") ***Mandatory requirement to abstain and/or inhibit in case of conflict of interest*** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.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	Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management. Identity the Management team appointed **a) The CLI Board is primarily responsible for approving the selection of management. This is generally conducted by the Board during its Organizational Meeting following the Annual Stockholders' Meeting (ASM).**	

		For the 2020-2021 term, the Organizational Meeting of CLI's Board of Directors was held on June 03, 2020, following the 2020 ASM conducted on the same date. **<u>References and links:</u>** • page 4 (Section B, item 1, par. 2) and page 8 (Section D, par. 2, items 2-4) of CLI's CG Manual (***Duties and Functions of the Board; Minimum Internal Control Mechanisms***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Results of the Organizational Meeting of the Board of Directors held on June 03, 2020. https://edge.pse.com.ph/openDiscViewer.do?edge_no=9ade8b3cac3312080de8473cebbd6407 **b) Information about CLI's Management Team, Executive Officers, and Key Personnel for the 2020-2021 term** **<u>References and links:</u>**	

		• pages 43 to 45 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • pages 144 to 145 CLI's 2020 Annual Report https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.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	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance. **Information:** The Board conducts an annual performance evaluation and assessment which includes a review	

		and rating of the performance of CLI's management team. **References and links:** • page 4 (Chapter IV, Section B, item no. 1, par. 2) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • page 14 (Section K) of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.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	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel. **References and links:** • page 6 (Chapter 4, Section B, item no. 20) of CLI's CG Manual	
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		

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • page 10, Section D, item no. 21 of CLI's Board Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system **Information:** The CLI Board is responsible in overseeing that an appropriate internal control system is in place and which includes the setting up of a mechanism for monitoring and managing potential conflict of interest of the Management, members, and shareholders. CLI has a fully functioning Audit Committee that assists and supports the Board in fulfilling its oversight	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		

		responsibilities over CLI's internal control system. As expressly stated in its Charter, and among its many functions, CLI's Audit Committee "recommends the approval of the Internal Audit (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter". The Audit Committee also "oversees the Internal Audit department and recommends the appointment and/or grounds for approval of the appointment of an Internal Audit Head or Chief Audit Officer". **References and links:** • CLI's CG Manual- page 5 (item no. 10) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Board Charter- page 9 (item no. 14) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	

		• RPT Policy- pages 2-3 (Clause 4, items a-c) https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf • Audit Committee Charter- page 2 (Internal Audit) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
3. Board approves the Internal Audit Charter.	Compliant	Provide reference or link to the company's Internal Audit Charter **Information:** The CLI Board approves the Internal Audit Charter. **Reference and link to CLI's Internal Audit Charter:** • pages 5 to 9 of the Audit & Risk Oversight Committee Charter (as an attachment/annex) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Audit-Risk-Oversight-Committee-Internal-Audit-signed-1.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	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any. **Information:** The CLI Board, through its Risk Oversight Committee, is given the oversight responsibility to ensure that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. **References and links:** • page 6 (Chapter IV, Section B, item no. 21) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • page 10 (item no. 22) of CLI's Board Charter	
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.	Non-compliant		CLI Management, with the oversight of the Risk Oversight Committee, is working on setting up an ERM framework. In support thereto, CLI has engaged the services of SGV & Co. to help build and guide CLI in its ERM Program Roadmap and establish CLI's ERM framework. Moreover, and to lead its risk management function, CLI hired Ms. Marilou P. Plando as the Company's Chief Risk Officer (CRO) and Assistant Vice-President for Risk Management. With the collective and integrated efforts of the CLI Board, the Risk Oversight Committee, CLI Management, and CLI's CRO, the ERM framework is expected to be completed and finalized within fiscal year 2021. While a formal ERM framework is not yet in place, the Board, hand-in-hand with Management and the CRO, is strongly aware of the various risk exposures being faced by CLI and has existing policies and plans to minimize, mitigate, and even avoid any fall-out from such risks that may come to the fore. CLI also has a robust

		https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • pages 2 to 3 of the Risk Oversight Committee Charter https://www.cebulandmasters.com/wp-content/uploads/2020/07/Risk-Oversight-Committee-Charter_approved.pdf	insurance coverage for all its business activities, especially for its contractual obligations. With the foregoing, the over-all principle being recommended is still being achieved by CLI.
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.	Compliant	Provide link to the company's website where the Board Charter is disclosed. **Information**: The Board has a Board Charter that formalizes and clearly states its roles, responsibilities, and accountabilities in carrying out its fiduciary role and serves as a guide to the directors in the performance of their functions. The Board Charter is publicly available and posted on CLI's website. **Link:** https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		
3. Board Charter is publicly available and posted on the company's website.	Compliant		
Additional Recommendation to Principle 2			

1. Board has a clear insider trading policy.	Compliant	Provide information on or link/reference to a document showing company's insider trading policy. **Information:** The CLI Board has a trading block-out policy in place and which is being enforced. CLI's trading block-out policy prohibits all CLI Directors and key officers in trading or dealing in CLI shares during the period within which a material non-public information is obtained and up to two (2) full trading days after the material non-public information is disclosed. The IR Head releases and issues "no trading" correspondences to all CLI Directors and Key Officers.	
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	Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any. **Information:** Loan transactions to CLI directors, if any, are covered under CLI's RPT Policy. Under the RPT Policy, credit transactions such as loan availments are deemed as "covered	

		transactions", whereas "key management personnel", which includes any director of CLI (whether executive or otherwise), are deemed as related parties for purposes of determining and ensuring that these related party transactions (RPTs) are conducted at arm's length basis and at market rates. RPTs involving directors or corporate officers, regardless of amount, shall be submitted to the RPT Committee for review and recommended for board approval. CLI's RPT policy also provides that "before the execution of a material RPT, the Board may appoint an external independent party to evaluate the fairness of the terms thereof and evaluate if the transaction is done on normal market terms". **<u>References and link:</u>** • pages 1-2 [Clause 3 (d) (i) and Clause 3 (g)] of CLI's RPT Policy- ***Key Management Personnel, which includes directors, as among the related parties*** • page 3 [Clause 6 (a) (i)] of CLI's RPT Policy- ***Loan availments as among the covered transactions***	

		• page 5 (item g) of CLI's RPT Policy- ***appointment of external independent party to evaluate fairness of the transaction*** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	Indicate the types of decision requiring board of directors' approval and where there are disclosed. **Information:** All material RPTs, as defined under CLI's RPT Policy, requires the approval of at least two-thirds (2/3) vote of the Board to be valid, with at least a majority of the independent directors voting to approve the material RPT. The approval of the board and concomitant execution of these material RPTs (including loan transactions with directors which breach the materiality threshold) are disclosed to the SEC through the submission of an Advisement Report within 3 calendar days from its execution. **Reference:** page 5 (items e, f, and h) of the RPT Policy.	

		Link: https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Provide information or link/reference to a document containing information on all the board committees established by the company. **Information:** The CLI Board has fully engaged and functioning board committees which support the Board in the effective performance of its functions. CLI's principal Board Committees consist of the 1) Audit Committee, 2) Corporate Governance Committee, 3) Related Party Transaction Committee, 4) Risk Oversight Committee, and 5) Nomination Committee. **References and links:**	

		• CLI CG Manual- page 16 (Chapter V- Board Committees) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's 2020 Annual Report- pages 153 to 154 ***(discussions on CLI's principal Board Committees)*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • CLI's 2020 Annual Report- pages 158 to 159 ***(for the List of Committees and their members)*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit	Compliant	Provide information or link/reference to a document containing information on the Audit Committee, including its functions.	

processes, and compliance with applicable laws and regulations.		Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor. **<u>Information:</u>** The CLI Board has a fully engaged Audit Committee that assists in the performance and fulfillment of its oversight responsibility over CLI's financial reporting process, system of internal control, internal and external audit processes, and monitoring of compliance with applicable laws, rules and regulations. The Audit Committee has oversight over the internal audit team's work and is primarily responsible for recommending the appointment and removal of CLI's external auditor. **<u>References and links:</u>** • CLI's CG Manual o page 17 (Chapter V, Section A, item no. 1)- ***oversight function*** o page 18 (Chapter V, Section A, item no. 13)- ***recommendatory function in the appointment and***	

		removal of the external auditor o pages 17-19 ***for the complete listing of the Audit Committee's functions*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Audit Committee Charter- pages 1 to 3 (***functions and responsibilities of the Audit Committee***) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf • pages 50 to 51 of SEC Form 17-A (Annual Report) for FY2020- ***functions of the Audit Committee*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
2. Audit Committee is composed of at least three appropriately qualified non-	Compliant	Provide information or link/reference to a document containing information on the members of the	

executive directors, the majority of whom, including the Chairman is independent.		Audit Committee, including their qualifications and type of directorship. **Information:** For the 2020-2021 term, CLI's Audit Committee is composed of four (4) qualified non-executive directors, three (3) of whom, including the Chairperson, are independent directors, to wit: • Ma. Aurora D. Geotina-Garcia (Chairperson)- independent director • Rufino Luis T. Manotok (Member)- independent director • Atty. Ma. Jasmine S. Oporto (Member)- independent director • Stephen A. Tan (Member)- non-executive director **References and links:** • CLI 2020 Annual Report- page 158 (***for the listing of the members and their type of directorship***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	

		• SEC Form 17-A (Annual Report) for FY2020
		  ○ page 41 (***for the list of the CLI Board of Directors, including information as to who are the independent directors***)
		  ○ pages 42-43 (***for the qualifications of the members of the Audit Committee***)
		
		https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee. **Information:** All the members of the Audit Committee have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing, and finance. **Reference and link:**	

		• SEC Form 17-A (Annual Report) for FY2020- pages 42 to 43 (***for the qualifications of the members of the Audit Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Audit Committee **Information:** Ma. Aurora D. Geotina-Garcia, the Chairperson of the CLI Audit Committee, is not the Chairperson of the Board or of any other committee. **References and links:** • CLI 2020 Annual Report- pages 158 to 159 (***Listing of the CLI Board Committees and their respective Chairpersons***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	

		• SEC Form 17-A (Annual Report) for FY2020- page 43 (***information and qualifications of Madame Geotina-Garcia, the Audit Committee Chairperson***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor. **Information:** CLI's Audit Committee evaluates and determines the non-audit work, if any, of the external auditor. It approves all non-audit services conducted by the external auditor and disallows the same if it will conflict with its duties as an external auditor or will otherwise pose a threat to its independence. **References and links:** • CLI's CG Manual- page 17 (Chapter V, Section A, item no. 8)	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Audit Committee Charter- page 3 (under "External Audit", items no. 2 and 3) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present. **Reference material:** Minutes of Meetings of the Audit Committee	
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	Compliant	Indicate the number of Audit Committee meetings during the year and provide proof **Information:** CLI's Audit Committee held six (6) audit committee meetings in 2020. **Reference and link:** • CLI's 2020 Annual Report- page 158 (***summary of FY2020***	

		board and committee meetings) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	Provide proof that the Audit Committee approved the appointment and removal of the internal auditor. **Information:** The Audit Committee oversees CLI's Internal Audit Department and recommends the approval for the appointment and/or grounds for approval of the appointment of an Internal Audit Head or Chief Audit Officer. **Reference and link:** • Audit Committee Charter- page 2 (under "Internal Audit", item no. 3) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist	Compliant	Provide information or reference to a document containing information on	

the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.		the Corporate Governance Committee, including its functions. Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable. **Information:** The CLI Board has a fully engaged Corporate Governance Committee assisting the Board in the performance of its corporate governance oversight responsibilities and in ensuring compliance with and proper observance of corporate governance principles and practices. The CLI Board has established the Nomination Committee as a separate and distinct committee from the Corporate Governance Committee. Previously, the CG Committee was responsible for the nomination and vetting of prospective nominee directors for the CLI Board. This function has now been devolved to the Nomination Committee. **References and links:**	

		• CLI's CG Manual- pages 20 to 21 (***Functions of the CG Committee***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI 2020 Annual Report- page 154 https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • SEC Form 17-A (Annual Report) for FY2020- pages 51 to 52 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship. **Information:**	

		For the 2020-2021 term, the CG Committee is composed of four (4) non-executive directors, three of whom are independent directors. The Chairperson, Atty. Ma. Jasmine S. Oporto, is also an independent director. • Atty. Ma. Jasmine S. Oporto (Chairperson)- independent director • Rufino Luis T. Manotok (Member)- independent director • Ma. Aurora D. Geotina-Garcia (Member)- independent director • Stephen A. Tan (Member)- non-executive director **References and links:** • CLI 2020 Annual Report- page 158 (***for the listing of the members and their type of directorship***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • SEC Form 17-A (Annual Report) for FY2020 o page 41 (***for the list of the CLI Board of Directors, including information as to who are the independent directors***)	

		○ pages 42 to 43 (***for the qualifications of the CG Committee Chairperson and committee members***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee. **Information:** Atty. Ma. Jasmine S. Oporto, the Chairperson of the CLI Corporate Governance Committee, is an independent director. **References and links:** • CLI 2020 Annual Report- pages 152 and 158 (***Kind of Directorship; Composition of Corporate Governance Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	

		• SEC Form 17-A (Annual Report) for FY2020- page 42 (***information and qualifications of Atty. Oporto, CLI's Corporate Governance Chairperson***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof. **Information:** CLI's Corporate Governance Committee held four (4) corporate governance committee meetings in 2020. **Reference and link:** • CLI 2020 Annual Report- page 158 (***summary of 2020 board and committee meetings***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	

Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions **Information:** The CLI Board has an existing and effective Risk Oversight Committee which ensures the proper implementation by the Board of its risk oversight functions over management's practices across the Company. The Risk Oversight Committee provides guidance to management in identifying, evaluating, and monitoring existing and emerging risks for proper treatment or mitigation. **Reference and link:** • Risk Oversight Committee Charter- pages 1 to 2 (***functions of the Risk Oversight Committee***) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Risk-Oversight-Committee-Charter_approved.pdf	

		• CLI's Definitive Information Statement (SEC Form 20-IS)- pages 27 to 28 (***Functions of the Risk Oversight Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship **Information:** For the 2020-2021 term, CLI's Risk Oversight Committee is composed of four (4) qualified non-executive directors, three (3) of whom, including the Chairperson, are independent directors, to wit: • Atty. Ma. Jasmine S. Oporto (Chairperson)- independent director • Rufino Luis T. Manotok (Member)- independent director • Ma. Aurora D. Geotina-Garcia (Member)- independent director	

		• Stephen A. Tan (Member)- non-executive director **<u>References and links:</u>** • CLI 2020 Annual Report- page 152 (***for the listing of the members and their type of directorship***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • SEC Form 17-A (Annual Report) for FY2020 o page 41 (***for the list of the CLI Board of Directors, including information as to who are the independent directors***) o pages 42-43 (***for the qualifications of the members of the Risk Oversight Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-compliant	Provide information or link/reference to a document containing information on the Chairman of the BROC	Atty. Ma. Jasmine S. Oporto, the Chairperson of the Risk Oversight Committee, is also the Chairperson of the Corporate Governance Committee. Nonetheless, the mandate and functions of the Risk Oversight Committee, particularly its oversight functions, have been duly dispensed and complied with. The Chairperson of the Risk Oversight Committee is a certified Compliance & Risk Management Professional with the GRC Institute of Australia (i.e., Governance, Risk and Compliance). The Chairperson is also an experienced and highly accomplished corporate governance professional with years of experience in launching and improving the corporate governance practices of Philippine publicly-listed companies. With the individual and combined background, experience, and skills pertinent to risk and risk management of the members of the Risk Oversight Committee, the Board and top management of CLI have been provided with the necessary advice, information, and guidance in making well-informed decisions taking into consideration the risks related to significant business activities, plans, and opportunities. As such, the over-all principle being recommended is still achieved by CLI.

4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC. **Information:** The members of CLI's Risk Oversight Committee, who are all experienced executives and who have held various key positions in other publicly listed companies, all have relevant thorough knowledge and experience on risk and risk management. The Chairperson of the Risk Oversight Committee is a certified Compliance & Risk Management Professional under the GRC Institute of Australia. **Reference and link:** • SEC Form 17-A (Annual Report) for FY2020- pages 42 to 43 (***for the qualifications of the members of the Risk Oversight Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions. **Information:** The CLI Board has a fully functioning Related Party Transaction (RPT) Committee which is tasked with reviewing all material related party transactions of CLI to ensure that these are conducted at arm's length basis and on terms not more favorable than those made to unrelated third parties under similar circumstances. **Reference and link:** • CLI's Definitive Information Statement (SEC Form 20-IS)- pages 28 to 29 (***Functions of the RPT Committee***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their	

		qualifications and type of directorship. **Information:** For the 2020-2021 term, CLI's RPT Committee is composed of four (4) qualified non-executive directors, three (3) of whom, including the Chairperson, are independent directors, to wit: • Rufino Luis T. Manotok (Chairperson)- independent director • Ma. Aurora D. Geotina-Garcia (Member)- independent director • Atty. Ma. Jasmine S. Oporto (Member)- independent director • Stephen A. Tan (Member)- non-executive director **References and links:** • CLI 2020 Annual Report- page 152 (***for the listing of the members and their type of directorship***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	

		• SEC Form 17-A (Annual Report) for FY2020
		  ○ page 41 (***for the list of the CLI Board of Directors, including information as to who are the independent directors***)
		  ○ pages 42 to 43 (***for the qualifications of the members of the RPT Committee***)
		
		https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes. **Information:** All established CLI Committees have their respective Committee Charters which state in plain terms their respective purposes, memberships, structures, operations, reporting	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		

		process, resources, and other relevant information. The CLI Committee Charters provide standards for evaluating the performance of the respective Committees. **Reference:** CLI Committee Charters (as uploaded in CLI's website) **Links:** • **Audit Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf • **Corporate Governance Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Corporate-Governance-Committee-Charter_approved.pdf • **Related Party Transactions Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	

		• **Risk Oversight Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Risk-Oversight-Committee-Charter_approved.pdf • **Nomination Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Nomination-Committee-Charter_approved.pdf	
3. Committee Charters were fully disclosed on the company's website.	Compliant	Provide link to company's website where the Committee Charters are disclosed. **Information:** All CLI Committee Charters are fully disclosed in CLI's website. **Links:** • **Audit Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf • **Corporate Governance Committee Charter**	

		https://www.cebulandmasters.com/wp-content/uploads/2020/07/Corporate-Governance-Committee-Charter_approved.pdf • **Related Party Transactions Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf • **Risk Oversight Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Risk-Oversight-Committee-Charter_approved.pdf • **Nomination Committee Charter** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Nomination-Committee-Charter_approved.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			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee, and shareholders' meetings. **Information:** Among the specific duties and responsibilities of a CLI director is to devote sufficient time and attention to properly and effectively perform his duties and responsibilities. As such, CLI Directors attend and actively participate in all meetings of the Board, Committees, and shareholders in person or through tele-/videoconferencing conducted in accordance with SEC rules and regulations. If a director attends a meeting through teleconferencing or video conferencing, such meeting is properly recorded with appropriate tapes, discs, and/or other recording	

		material which are properly stored for safekeeping, in addition to the secretary of such meeting maintaining written minutes thereof. **References and links:** • CLI CG Manual- page 7 (Chapter IV, Section C, no. 2)- ***Specific Duties and Responsibilities of a Director*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI Board Charter- page 13 (Article G, par. 6)- ***for attendance via teleconference or videoconference*** https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • CLI 2020 Annual Report- pages 157 to 159 (***for the summary of 2020 Board and Committee meetings and attendance***) https://www.cebulandmasters.com/wp-	

		content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf • Minutes of the 2020 Annual Stockholders' Meeting- pages 3 to 4 (***summary of votes of the CLI Directors***) https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	**Information:** Materials for board and committee meetings are distributed to CLI's directors and committee members prior to the meeting date. CLI uses the Diligent Board books which allows each director and committee member to access and review the meeting materials online through a secure portal.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors **Information:** As enunciated in CLI's CG Manual, one of the specific duties and responsibilities of a director is to act	

		judiciously. Before deciding on any matter brought before the Board, a director is mandated to carefully evaluate the issues, and if necessary, make inquiries and request clarification and apply high ethical standards taking into account the interest of stakeholders. **<u>References and links</u>** • CLI's CG Manual- page 7 (Article IV, Section C, no. 3) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Minutes of the CLI Committee and Board 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	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies **<u>Information:</u>**	

		CLI has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Pursuant to CLI's CG Manual, non-executive directors, including Independent Directors, can only serve to a maximum of five (5) publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of CLI. **References and link:** • CLI's CG Manual- page 16 (Article 4, Section G, par. 2) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Notarized Certifications of Independent Directors	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed. **Information:** CLI's CG Manual mandate the directors to notify the Board before	

		accepting a directorship in another corporation. **Reference and link:** • CLI's CG Manual- page 16 (Article 4, Section G, par. 3) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.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	**Information:** CLI does not have any executive director who serve in more than two boards of listed companies outside the CLI Group.	
2. Company schedules board of directors' meetings before the start of the financial year.	Non-compliant		The Company did not schedule board of directors' meetings before the start of FY2020. In any case, the Office of the Corporate Secretary, in coordination with the CLI Board, schedules board and committee meetings ahead of the meeting dates, usually on a quarterly basis during the financial / fiscal year. As such, the CLI Directors are still properly apprised of the scheduled meeting dates. Nevertheless, the Company and the Board do not object to this recommendation and will look into implementing the proposed scheduling this year (2021) for FY2022 board meetings.

3. Board of directors meet at least six times during the year.	Compliant	Indicate the number of board meetings during the year and provide proof **Information:** The CLI Board of Directors held eight (8) board meetings in 2020. **Reference and link:** • CLI's 2020 Annual Report- page 157 (***Summary of 2020 Board meetings and attendance***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-compliant	Indicate the required minimum quorum for board decisions	Based on CLI's Board Charter, it is stipulated that "majority of the directors, or five (5), shall constitute a quorum for the transaction of business". The majority quorum provision is in compliance with Section 52 of the Revised Corporation Code of the Philippines. We submit that a majority quorum for business decisions is able to show and demonstrate the full commitment of the directors to CLI. Also, it is still a faithful representation of the decision and actuation of the Board as a collegial body. As such, we submit that a majority

			quorum for business decisions still complies with the overall principle being recommended. In any case, the Company and the Board do not object to this recommendation and will look into incorporating the recommended minimum quorum. For the 2020-2021 term, all Board meetings have been conducted with the presence of all members of the Board.
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	Provide information or link/reference to a document containing information on the number of independent directors in the board **Information:** For the 2020-2021 board term, and in compliance with the mandate of CLI's CG Manual, the CLI Board has three (3) independent directors, who constitute one-third of the CLI Board. The following are CLI's independent directors: • Rufino Luis T. Manotok • Ma. Aurora D. Geotina-Garcia • Atty. Ma. Jasmine S. Oporto **References and links:**	

		• CLI's CG Manual- page 9 (Article IV, Section E, par. 1)- ***provision as to the required number of independent directors in the CLI Board*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • SEC Form 17-A (Annual Report) for FY2020- page 41 (***list of CLI's Board, including its independent directors***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	Provide information or link/reference to a document containing information on the qualifications of the independent directors. **Information:** CLI's Independent Directors possess all the qualifications and none of the disqualifications to hold such positions.	

		References and links: • SEC Form 17-A (Annual Report)- pages 42 to 43 (***for the qualifications of the independent directors of CLI***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's CG Charter- pages 13 to 14 (***Qualifications of a CLI Independent Director***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Certification of Independent Directors (*see tab for ASM 2020*) https://www.cebulandmasters.com/stockholders-meeting/	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	Provide link/reference to a document containing information that directors are not constrained to vote independently.	

		<u>Information:</u> CLI does not have shareholder agreements, by-law provisions, or other arrangements that constrain the directors' ability to vote independently. In fact, among the specific duties and responsibilities of a CLI director are to: a) avoid situations that may compromise his impartiality (actual or potential conflict of interest situations), and b) exercise independent judgment, i.e., a CLI director should view each problem or situation objectively. He should not be afraid to take an unpopular position. Minutes of Board meetings will show that there are no conflicts of interest based on this principle. **References and link:** • CLI's CG Manual o page 6 (Article IV, Section C, item no. 1)- ***for the duty of impartiality and avoidance of conflict of interest*** o page 7 (Article IV, Section C, item no. 4)-	

		for duty to exercise independent judgment https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	Provide information or link/reference to a document showing the years IDs have served as such. **Information:** Upon their re-election for the 2020-2021 board term, two of CLI's independent directors, namely, Rufino Luis T. Manotok and Ma. Aurora D. Geotina-Garcia, have now served for four (4) years. The other independent director, Atty Ma. Jasmine S. Oporto has now served for three (3) years following her re-election for the 2020-2021 term. With the foregoing, all of CLI's independent directors have not exceeded the maximum cumulative term of nine (9) years for independent directors. **Reference and link:** • CLI's Definitive Information Statement (SEC Form 20-IS)-	

		pages 13-14 [Item 5 (ii), par. 2 under "Re-election of directors"]- ***for information as to the no. of years of service of CLI's independent directors*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director **Information:** Pursuant to the provisions of CLI's CG Manual and Board Charter, CLI bars an independent director from serving in such capacity after the term limit of nine years. **References and links:** • CLI's CG Manual- page 15 (Article IV, Section E, subsection "Independent Directors", item no. 2 "Election of Independent Directors", last paragraph) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-	

		Companys-Manual-of-Corporate-Governance.pdf • CLI's Board Charter- page 4 (Article 5, section entitled "Qualifications of Independent Directors", item no. 13) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting. **Information:** Pursuant to the provisions of CLI's CG Manual and Board Charter, the Board is required to provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting in the instance that CLI wants to retain an independent director who has served for nine (9) years. As of the 2020-2021 board term, none of the independent directors have served for 9 years in CLI's Board. **References and links:**	

		• CLI's CG Manual- page 15 (Article IV, Section E, subsection "Independent Directors", item no. 2 "Election of Independent Directors", last paragraph) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Board Charter- page 4 (Article 5, section entitled "Qualifications of Independent Directors", item no. 13) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- pages 13-14 [Item 5 (ii), par. 2 under "Re-election of directors"]- ***for information as to the no. of years of service of CLI's independent directors*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf	

Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Non-compliant	Identify the company's Chairman of the Board and Chief Executive Officer	For the 2020-2021 term, the positions of the Chairman of the Board and Chief Executive Officer are held by the same individual, i.e. Mr. Jose R. Soberano III. The Board finds it necessary at this time to have Mr. Soberano as its Chairman, President, and CEO. As the founder of CLI, Mr. Soberano knows the business more than any other member of the Board. This institutional knowledge, including his experience in running the Company from the start, are important elements in ensuring that CLI fulfills its representations to investors when it went public. The appointment of a separate CEO or Chairperson would be premature at this time. Moreover, and with the election of Dir. Rufino Luis T. Manotok as Lead Independent Director, a highly touted and respected executive in the business community, having held several key positions in the largest conglomerates and companies in the Philippines (e.g., as Chairman and President; Senior Managing Director; CFO and CIO, et.al.), proper mechanism is in place to ensure that independent views and perspectives are being provided and implemented. With the foregoing and considering that there is a highly competent and well-respected Lead Independent Director in

			the person of Mr. Manotok, the corporate governance principle being recommended is still achieved. In any case, the Company and the Board will continue with the regular review and evaluation of the necessity of separating the positions of Chairman and CEO vis-à-vis the dynamic and evolving needs of CLI and the best practices in corporate governance.
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO. **Information:** As pronounced in CLI's CG Manual, a clear delineation of the functions of the Chairman and CEO has been established. This is complied with through the documentation and enumeration of the respective duties, roles, and responsibilities of the Chairman and the CEO in CLI's CG Manual. Notwithstanding that the positions of the Chairman and CEO are concurrently held by Mr. Soberano, the requirement in CLI's own CG	

		Manual for proper checks and balances is achieved through the election of independent directors, including that of the Lead Independent Director, Mr. Manotok. **Reference and link:** • CLI's CG Manual – page 21 (***Duties and Responsibilities of the Chairman***), and page 22 (***Roles and Responsibilities of the CEO***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairman is independent. **Information:** Mr. Jose R. Soberano III, CLI's Chairman of the Board, is not an independent director.	

		The CLI Board has designated its Lead Independent Director in the person of Dir. Rufino Luis T. Manotok. **<u>References and links:</u>** **a. Information on CLI's Lead Independent Director** • page 4 of CLI's Amended 2020 General Information Sheet (GIS)- ***designating Dir. Manotok as Lead Independent Director*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Amended-2020-GIS-stamped-received-by-SEC-1.pdf#zoom=90&toolbar=0&scrollbar=0 • SEC Form 17-A (Annual Report) for FY2020- page 41 (page 42 (***for the qualifications of Dir. Manotok***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

		b. Roles and responsibilities of the Lead Independent Director • CLI's CG Manual- page 22, last paragraph (***functions of the Lead Director***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	Provide proof of abstention, if this was the case **Information:** Based on the provisions of CLI's CG Manual and Board Charter, directors with material interest in a transaction affecting the corporation and in other conflict of interest situations (actual or potential) are required to fully and immediately disclose the same and are mandated to abstain from taking part in their deliberations. For the 2020-2021 term, there was no transaction where a CLI director had a material interest affecting the corporation. **References and links:**	

		• CLI's CG Manual- pages 6 to 7 (Article IV, Section C, item no. 1) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Board Charter- page 11 (Chapter E, item no. 1) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	
2. The meetings are chaired by the lead independent director.	Compliant	**Information:** The NEDs, through its Audit Committee, meet with the external auditor, company officers, outside counsel and other parties/resource persons and seek any information it requires. For the 2020-2021 term, the separate NED meetings have been chaired by the Lead Independent Director, Dir. Rufino Luis T. Manotok.	

		Reference and link: • Audit Committee Charter- page 2 (Article D, item no. 5) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	Provide name/s of company CEO for the past 2 years **Information:** None of the directors is a former CEO of the company in the past 2 years. Mr. Jose R. Soberano III, has been CLI's CEO, Chairman and President since its incorporation in 2003. Pursuant to Section 24 of the RCC, the President of the Company must be a director. Further thereto, and with the institution of appropriate mechanisms (e.g., one-third of the CLI Board is composed of highly qualified independent directors including the appointment of its lead independent director with robust background, skills and experience; policy and provisions on conflict of interest), the CLI Board is able to exercise an	

		objective and independent judgment on all corporate affairs. **<u>References and links:</u>** • SEC Form 17-A (Annual Report) for FY2020- page 41 (bottom portion)- ***disclosure as to the fact that Mr. Jose R. Soberano III has been CLI's CEO since its incorporation*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • SEC Form 17-A (Annual Report) for FY2020- page 41 (list of CLI's Board, including its independent directors)- ***to evince that 1/3 of CLI's Board is composed of independent directors*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • SEC Form 17-A (Annual Report) for FY2020- page 42 ***for the qualifications of Dir.***	

		Manotok, the lead independent director of CLI https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's CG Manual- pages 6 to 7 (Article IV, Section C, item no. 1)- ***provisions on conflict of interest*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
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	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees **Information:** The CLI Board, its Chairman, the individual members of the Board, and each committee, conducted their respective annual self-assessment of their performance.	
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		

		Editable versions of the assessment forms were developed and sent out to the respective members of the Board and committees, for their fill-out and execution. **<u>References and links:</u>** • CLI's CG Manual- page 20 (Article V, Section D, item no. 2) – ***policy of periodic performance evaluation of the Board and its committees, as well as executive management, to be overseen by the Corporate Governance Committee*** • CLI's CG Manual- page 22 (Chapter VI, under "Duties and Responsibilities of the Chairman", item f)- ***duty of the Chairman to ensure that performance of the Board is evaluated at least once a year and discussed/followed up on*** • Board Charter- page 14 (Section K)- ***annual self-assessment of the Board*** https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	

5. Every three years, the assessments are supported by an external facilitator.	Compliant	Identify the external facilitator and provide proof of use of an external facilitator. **Information:** As of the 2020-2021 term, the assessment conducted and supported by an external facilitator is not yet in effect. The 3-year window for the assessments to be supported by an external facilitator will be within the 2020-2021 to 2022-2023 terms.	
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders **Information:** The Board has in place a system that provides criteria and process to determine the performance of the Board, individual directors, and committees. The system also allows for a feedback mechanism from the shareholders. The Company, through the investor relations department, receives feedback from its shareholders.	
2. The system allows for a feedback mechanism from the shareholders.	Compliant		

		As further disclosed in SEC Form 17-A (Annual Report for FY2020), CLI stockholders who have matters for discussion or concerns directly resulting to the business of the Company may initially elevate such matters or concerns to the (a) Corporate Secretary, (b) the Investors Relations Officer, (c) Management or (d) the Board. **References and links:** • CLI's CG Manual- page 3 (Chapter IV, Section A "General Responsibilities" of the Board, par. 2)- ***means to independently and effectively monitor performance*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI Website (Investor Relations Program of CLI)- ***under the "Shareholder Information > Shareholders Contacts" page, it discusses about the investor relations (IR) program of CLI, including the provision of avenue for investors'***	

		feedback and contact details of the IR Manager of CLI https://www.cebulandmasters.com/share-holder-information/ • SEC Form 17-A (Annual Report) for FY2020- page 54 under "Resolving Stockholders' Disputes" ***discusses as to whom the stockholders may elevate matters or concerns in relation to the business of CLI*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	Provide information on or link/reference to the company's Code of Business Conduct and Ethics. **Information:** During its 2020-2021 term, the Board formally adopted CLI's Code of Business Conduct and Ethical Standards (the "Code", for brevity) to	

		guide the actions of directors, executives, officers, employees, and other stakeholders consistent with CLI values and principles. The Code took effect on 06 November 2020.	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees. **Information:** The Code has been properly disseminated to the Board, senior management and employees. Copy of the Code was internally disseminated (via electronic mail) to all CLI employees on November 06, 2020, and subsequent trainings were also conducted wherein details and provisions of the Code were thoroughly discussed.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed. **Link to CLI's website where the Code is posted / disclosed:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-	

		Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery **Information:** CLI has clear and stringent policies and procedures on curbing and penalizing bribery. Under the *Pledge of Integrity* in CLI's Code of Business Conduct and Ethical Standards, it is expressly stipulated that "all directors, executives, employees and stakeholders of the corporation shall not engage in corruption or bribery involving cash or any other form, and will not offer or yield to any demand or request for illegal or illicit transactions." **Reference and link:** • page 2, item no. 4 (Pledge of Integrity) of CLI's Code of Business Conduct and Ethical Standards	

		https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance. **Information:** The CLI Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics ("Code"). All CLI directors, executives, officers, employees, and other stakeholders are required to comply with the Code of Business Conduct and Ethics. Through e-mail dissemination and subsequent conduct of trainings, the Code has been properly disseminated and implemented.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		

		Pursuant to the Code, the responsibility of ensuring that discipline exists is jointly vested upon CLI's Human Resources Department (HRD), Department Heads, and supervisors. Uncertainties and/or situations involving unusual or special circumstances are submitted to HRD for interpretation in consultation with key officers in charge of business conduct and ethics, who will bring the matters to the Corporate Governance Committee. Through the HRD and Corporate Governance Committee, the Board monitors the compliance of the Company and its employees with CLI's internal policies. The Head of HRD regularly reports to the Board and the Corporate Governance Committee. For FY2020, there was one (1) incident in which the employee was dismissed or disciplined for corruption. This is disclosed in CLI's 2020 Annual Sustainability Report. **<u>References and link:</u>** • Code of Business Conduct and Ethical Standards: o page 1, par.1- ***as to who are required to comply with the Code***	

		○ page 3, item 8- ***joint responsibility for ensuring discipline*** ○ page 4, item 11- ***in case of uncertainty or special circumstances*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0 • page 8 of the 2020 Annual Sustainability Report- ***for the disclosure on incidents of corruption*** *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
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	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders **Information:** The Board has existing corporate disclosure policies and procedures in accordance with best practices and regulatory expectations. All material information about CLI which could adversely affect its viability or the interests of its stockholders and other stakeholders are publicly and timely disclosed. Such information include, among others, earnings results, acquisition or disposition of material assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board and Management. All such information are disclosed through the appropriate Exchange mechanisms and submissions to the SEC. The Board is committed at all times to fully disclose material information dealings, such as any dealings in CLI's shares and any material fact or event that occurs, particularly on the acquisition or disposal of significant	

		assets, as well as material non-financial and sustainability issues. The Board has caused the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the SEC for the interest of its stockholders and other stakeholders. **References and links:** • Board Charter- page 10 (item no. 17, "D. Duties and Functions of the Board") https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • CLI's CG Manual- page 29 (Article XIV "Disclosure and Transparency", pars. 1-3) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Links to CLI's PSE EDGE portal and dedicated disclosure pages- ***for CLI's disclosures of its financial reports and other company disclosures***	

		https://edge.pse.com.ph/openDiscViewer.do?edge_no=b215b4fe5e65a7890de8473cebbd6407 https://edge.pse.com.ph/openDiscViewer.do?edge_no=f1f20f45be46de620de8473cebbd6407 https://edge.pse.com.ph/openDiscViewer.do?edge_no=659ac0d9280aa45d0de8473cebbd6407	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively. **Information:** For FY2020, CLI was able to submit and make available annual and quarterly consolidated reports, cash flow statements, and special audit revisions within the legal deadlines as imposed and/or otherwise extended by the SEC due to the COVID-19 pandemic. In compliance with SEC MC No. 3, series of 2021, CLI's FY2020 consolidated audited financial statements were published and submitted to the SEC, via ICTD, on 15	

		April 2021, ahead of the 01 June 2021 deadline as extended by the SEC. CLI's FY2020 interim reports [SEC Form 17-Q (Quarterly Report)] were also timely published and submitted to the SEC as follows: • Q1 (period ending 31 March 2020)- filed on 09 June 2020, and within the extension deadline set on 30 June 2020 pursuant to SEC Memorandum Circular No. 5, series of 2020. • Q2 (period ending 30 June 2020)- filed on 13 August 2020, and within the deadline of 14 August 2020. • Q3 (period ending 30 September 2020)- filed on 16 November 2020, and within the deadline on 16 November 2020. Copies of these reports can also be viewed and downloaded through CLI's website and/or the PSE EDGE portal/page of CLI. https://www.cebulandmasters.com/financials/ https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668	

2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	Provide link or reference to the company's annual report where the following are disclosed: 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. **Information:** CLI discloses in its annual report (SEC Form 17-A) the ownership interests of its controlling shareholders and degree of ownership concentration. The CLI Group's map detailing the crossholdings among company affiliates and showing the relationship between CLI and its related entities are included as an attachment in the "Report of Independent Auditors to Accompany Supplemental Information Required by the SEC filed separately from the basic Consolidated Financial Statements". The aforementioned Report, including the CLI Group's map, are attached to the FY2020 Annual Report (SEC Form 17-A).	

		There are no imbalances between the controlling shareholders' voting power and overall equity position in CLI. Each holder of CLI shares is entitled to one (1) vote for every outstanding common share in accordance with Section 7, Article III of CLI's By-laws, as amended. This was disclosed and reiterated in CLI's Definitive Information Statement (SEC Form 20-IS). **<u>References and links:</u>** • SEC Form 17-A (Annual Report) for FY2020 o page 33 (***List of Registered Holders and Percentage of Ownership***) o pages 46-47 (item 11)- ***Security ownership of certain beneficial owners and management*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 8 of the "Report of Independent Auditors to Accompany Supplementary	

		Information Required by the SEC Filed Separately from the Basic Consolidated Financial Statements", as an attachment to the Consolidated AFS and SEC Form 17-A- *(**for the Map Showing the Relationship Between and Among CLI and its Related Parties**)* https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's CG Manual- pages 27 to 28 (Article XII- ***Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- page 7 (under "Manner of Voting", par. 1)- ***discloses and reiterates that each holder of CLI shares is entitled to one vote for every outstanding***	

		common share pursuant to the provision in the by-laws https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf • CLI's Amended By-Laws- Article III, Section 7 ***(stipulates for the one vote, one share equality policy of CLI)*** https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI-Amended-By-Laws-3.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.	Non-compliant	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.	CLI currently adheres to the 5-business day period based on PSE rules for the disclosure of all dealings by the directors in CLI shares. Nonetheless, and as mandated in CLI's CG Manual, the Board commits at all times to fully disclose any dealings in CLI shares and cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the SEC (Article XIV- Disclosure and Transparency, page 29 of CLI's CG Manual). Moreover, CLI's Investor Relations department strictly monitors the directors' and officers' dealings of CLI shares.

			Further to above, CLI's RPT Policy has a "3-calendar day" mandatory disclosure policy and requirement for related party transactions (RPT) that exceed 10% of CLI's Balance Sheet. In any case, the Company and the Board do not object to this recommendation, and will look into the adoption and incorporation of the 3-business day period for disclosure of all dealings in CLI shares, whether exceeding the 10% materiality threshold or not.
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.	Non-compliant		CLI currently adheres to the 5-business day period based on PSE rules for the disclosure of all dealings by all officers in CLI shares. Nonetheless, CLI's Investor Relations department strictly monitors the dealings of CLI shares by any and all officers of the company. Further to above, CLI's RPT Policy has a "3-calendar day" mandatory disclosure policy and requirement for related party transactions (RPT) that exceed 10% of CLI's Balance Sheet. In any case, the Company and the Board do not object to this recommendation, and will look into the adoption and incorporation of the 3-business day period for disclosure of all dealings in CLI shares, whether exceeding the 10% materiality threshold or not.

Supplement to Recommendation 8.2			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map. **Information:** CLI discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. CLI also discloses the shareholdings of directors, management, and top 100 shareholders. Further thereto, CLI discloses the company's purchase of its shares from the market pursuant to its share buy-back program. **References and links:** • Statement of Changes in Beneficial Ownership of Securities as well as Disclosures on CLI's share buy-back transactions are published and uploaded to the PSE EDGE and CLI's website	

		PSE EDGE link: https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668 ***CLI website link:*** https://www.cebulandmasters.com/disclosure/ • CLI's Public Ownership Report- as of 31 December 2020, and as uploaded to PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=a58ae2297b5c2ba65d542af6f1e997b9 • pages 46-47 of SEC Form 17-A (Annual Report) for FY2020- ***for the listing of the security ownership of directors and management as of December 31, 2020*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • List of Top 100 Stockholders of CLI (for the period ended December 31, 2020)	

		https://edge.pse.com.ph/openDiscViewer.do?edge_no=87ac1b776cb4f2435d542af6f1e997b9 • Link to CLI's Conglomerate Map- *see page 8 of the "Report of Independent Auditors to Accompany Supplementary Information Required by the SEC Filed Separately from the Basic Consolidated Financial Statements", as an attachment to the Consolidated AFS and SEC Form 17-A- (**for the Map Showing the Relationship Between and Among CLI and its Related Parties**)* https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	

		Information: The CLI Board fully discloses all relevant and material information on individual board members. All members of the Board have the necessary qualifications and experience. There are no potential conflicts of interest that might affect their judgment. **References and links:** • SEC Form 17-A (Annual Report) for FY2020- pages 41 to 43 (***for the directors' academic qualifications, professional experiences, expertise, and relevant trainings attended***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's Public Ownership Report- as of 31 December 2020, and as uploaded to PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=a58ae2297b5c2ba65d542af6f1e997b9	

2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended. **Information:** The CLI Board fully discloses all relevant and material information on key executives. All key executives have the necessary qualifications and experience. There are no potential conflicts of interest that might affect their judgment. **References and links:** • SEC Form 17-A (Annual Report) for FY2020- pages 43 to 45 (***for the key executives' academic qualifications, professional experiences, expertise, and relevant trainings attended***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	

		• CLI's Public Ownership Report- as of 31 December 2020, and as uploaded to PSE EDGE https://edge.pse.com.ph/openDiscViewer.do?edge_no=a58ae2297b5c2ba65d542af6f1e997b9	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for setting board remuneration **Information:** CLI provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same. Key considerations in determining proper compensation include the following: 1) the level of remuneration is commensurate to the responsibilities of the role; 2) no director should participate in deciding on his remuneration; and 3) remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon. **References and links:**	

		• CLI's CG Manual- page 16 (Article IV, Section H "Remuneration of Directors and Officers") https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- pages 19 to 20 https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration **Information:** CLI provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same. CLI determines the level of remuneration that it deems to be sufficient to attract and retain the services of qualified and competent	

		officers and executives through market or industry benchmarks. A portion of the remuneration of executives are structured or based on corporate and individual performance. Remuneration is also determined and linked to the officer / executive's performance, which includes specific financial and nonfinancial metrics. **References and links:** • CLI's CG Manual- page 16 (Article IV, Section H "Remuneration of Directors and Officers") https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- pages 19 to 20 https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO. The breakdown of director remuneration and executive compensation	The Company does not disclose remuneration on an individual basis. CLI, in its Definitive Information Statement (SEC Form 20-IS), disclosed the aggregate compensation paid to the a) President and CEO and the four most highly compensated executive officers, as well as the aggregate compensation of b) all officers and directors as a group excluding the President and four most highly compensated executive officers. The disclosure is done on an aggregate basis and not on an individual basis. CLI's independent directors are paid per diem allowances for committee and board meetings attended. For a CLI Board meeting attended, the independent director is paid a per diem allowance of P40,000.00. For a committee meeting attended, the independent director is paid a per diem allowance of P30,000.00 (regular) or P15,000.00 (special). The other members of the Board who are executives and receiving salaries as such do not get additional per diem or compensation for their attendance in Board and/or committee meetings. **Reference and link:** pages 19 to 21 of SEC Form 20-IS https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf

			With the foregoing, and in conjunction with CLI's remuneration policies, we submit that CLI's remuneration disclosure on an aggregate basis still enable its investors to understand the link between the remuneration paid to its directors and key management personnel and CLI's performance. Hence, the overall principle being recommended is still achieved. Nonetheless, the Company and the board recognize that disclosure on board and executive remuneration on an individual basis is increasingly regarded as good corporate practice. As such, the Board will undertake its regular review and evaluation as to the propriety and necessity of disclosing remuneration on an individual basis, including termination and retirement provisions.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Disclose or provide reference/link to company's RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction. **Information:** CLI discloses its policies governing RPTs and other unusual or infrequently occurring transactions in CLI's CG Manual. Also, CLI has an existing RPT Policy which sets out the	

		guidelines, categories, and thresholds that will govern the review, approval, or ratification of RPTs by the Board and/or CLI shareholders, and ensure that these RPTs are duly accounted for and disclosed in accordance with relevant laws and regulations. As also stipulated in CLI's CG Manual, directors with material interest in a transaction affecting the corporation and in other conflict of interest situations (actual or potential) are required to fully and immediately disclose the same and are mandated to abstain from taking part in their deliberations. For FY2020, there was no transaction where a CLI director had a material interest affecting the corporation. **References and links:** • CLI's CG Manual o page 5 (item no. 12)- ***mandate to the Board to formulate policies and procedures on RPTs which should ensure integrity and transparency of related party transactions***	

		○ page 18 (item no. 14, par. ii)- ***CLI policy to ensure that material RPTs are not undertaken on more favorable economic terms to such related parties*** ○ page 19 (item no. 14, par. iv)- ***policy and mandate to report to the Board on a regular basis, the status, and aggregate exposures of each related party*** ○ page 29 (Article XIV- Disclosure and Transparency)- ***CLI policy on disclosure of related party transactions through the appropriate Exchange mechanisms and submissions to SEC*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's RPT Policy- as duly submitted to the SEC	

		https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs: 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. other terms and conditions **Information:** CLI discloses material or significant RPTs reviewed and approved during the year. **References and links:** • SEC Form 17-A (Annual Report)- page 47 (item 12-	

		Certain Relationships and Related Transactions) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • CLI's Notes to Consolidated Audited Financial Statements (as attachment to Form 17-A)- pages 70 to 71 (***for details of CLI's Related Party Transactions***) https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0 • Other Material transactions / information are also disclosed in CLI's website and PSE EDGE portal ***Link to CLI website*** https://www.cebulandmasters.com/disclosure/ ***Link to PSE EDGE portal***	

		https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Indicate where and when directors disclose their interests in transactions or any other conflict of interests. **Information:** Pursuant to the provisions of CLI's CG Manual and Board Charter, directors are required to fully and immediately disclose their interests in transactions and in other conflict of interest situations (actual or potential) and are mandated to abstain from taking part in their deliberations. It is a fundamental principle in CLI that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interest. He is mandated to avoid situations that may compromise his impartiality. For the 2020-2021 term, there was no transaction where a CLI director had conflict of interest (actual or potential). **References and links:** • CLI's CG Manual- pages 6 to 7 (Article IV, Section C, item no. 1)	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Board Charter- page 11 (Chapter E, item no. 1) https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.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	Provide link or reference where this is disclosed, if any **Information:** CLI discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length. CLI's CG Manual mandates that all material RPTs should not be 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. As expressly stated and disclosed in CLI's SEC Form 17-A (Annual Report), sales and purchases of goods and	

		services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions. **<u>References and links:</u>** • CLI's CG Manual o page 5 (item no. 12)- ***mandate to the Board to formulate policies and procedures on RPTs which should ensure integrity and transparency of related party transactions*** o page 18 (item no. 14, par. ii)- ***CLI policy to ensure that material RPTs are not undertaken on more favorable economic terms to such related parties*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • SEC Form 17-A (Annual Report) for FY2020- page 47 (Item 12. Certain Relationships and Related Transactions)-	

		disclosure that CLI's RPTs are made on an arm's length basis https://www.cebulandmasters.com/wp-content/uploads/2020/05/CLI-SEC-17A-and-AFS-2019.pdf#zoom=90&toolbar=0&scrollbar=0	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	Provide link or reference where this is disclosed **Information:** Pursuant to the provisions of CLI's CG Manual, all material information about the corporation which could adversely affect the viability or interests of its stockholders and other stakeholders are publicly, timely, and fully disclosed. Such information includes, among others, acquisition or disposition of material assets. All such information are disclosed through the PSE EDGE link/portal of CLI, posted in CLI's website, and submitted as well to the SEC. **References and links:** • CLI's CG Manual- page 29 (Article XIV- Disclosure and Transparency)	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • Links to CLI's website and PSE EDGE portal for Disclosures and submissions to SEC ***Link to CLI's website*** https://www.cebulandmasters.com/disclosure/ ***Link to CLI's PESE EDGE Portal*** https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any. **Information:** Before the execution of a Material RPT, the Board may appoint an external independent party to evaluate the fairness of the terms and evaluate if the transaction is done on normal market terms. An external independent party may	

		include, but is not limited to, auditing or accounting firms, third party consultants, and appraisers. **Reference and link:** • CLI's RPT Policy- page 5 (item g) https://www.cebulandmasters.com/wp-content/uploads/2019/11/Related-Party-Transaction-SEC-received.pdf	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Provide link or reference where these are disclosed. **Information:** CLI discloses the existence, justification, and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact the control, ownership and strategic direction of the Company. CLI disclosed in its SEC Form 17-A (Annual Report for FY2020) the joint venture agreements that it executed, including the incorporation in 2020 of Cebu BL-Ramos Ventures, Inc. (a joint venture between CLI and the Borromeo Bros.), and the JVA with Iloilo businessman Alfonso Tan.	

		All other material transactions and information have been duly published and posted on CLI's PSE EDGE portal/page and CLI's own website. **<u>References and links:</u>** • SEC Form 17-A (Annual Report) for FY2020 o page 21 (Strategic joint venture partnerships)- ***disclosure on the JV agreements entered in FY2020*** o pages 25 to 27 (corporate organization)- ***for disclosure on the control and ownership structure of CLI*** o page 32- ***disclosure on the various mortgage agreements*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • Notes to Consolidated Audited Financial Statements	

		(as attachment/annex to Form 17-A) ○ page 33 (item g); pages 49 to 50- ***disclosures and notes on various lease agreements*** ○ page 35; pages 55 to 56- ***disclosure on notes facility agreement with various financial institutions entered on 05 March 2020*** https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0 • Links to CLI's website and PSE EDGE portal for disclosures on material transactions and information ***Link to CLI's website*** https://www.cebulandmasters.com/disclosure/ ***Link to CLI's PSE EDGE portal*** https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668	
Recommendation 8.7			

1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Provide link to the company's website where the Manual on Corporate Governance is posted. **Information:** CLI's corporate governance policies, programs, and procedures are contained in CLI's Manual on Corporate Governance (herein referred to as "CLI's CG Manual"). CLI's CG Manual has been submitted to the SEC and PSE. It is also posted in CLI's website. **Link to CLI's CG Manual:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	Provide proof of submission. **Information:** CLI's CG Manual was submitted to the SEC and PSE as part of the IPO documentation in 2017. The submission was made by ACCRA on behalf of CLI. As of this filing, the original CG Manual has not yet been amended by the Board. In any case, the Board	

		will continue to evaluate and review the provisions of the CG Manual and do the necessary updates based on best corporate governance practices and recommendations. **Reference and link:** • CLI's CG Manual- ***as filed during IPO (Annex Q of the IPO documentation)*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	Compliant	Provide link or reference to the company's Annual Report containing the said information. **Information, References and Links:** CLI's Annual Report discloses the following information: **a. Corporate Objectives** • pages 22 to 25 of SEC Form 17-A (***CLI's Key Strategies***) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-	
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		

f. Attendance details of each director in all directors meetings held during the year	Compliant	Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
g. Total remuneration of each member of the board of directors	Non-compliant	**b. Financial performance indicators** • page 40 of SEC Form 17-A (Annual Report) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 **c. Non-financial performance indicators** • pages 35 to 36 of SEC Form 17-A (Annual Report)- ***Company Milestones and Awards*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 **d. Dividend policy** • page 36 of SEC Form 17-A (Annual Report)	The Company's Annual Report did not disclose remuneration on an individual basis. Rather, the Annual Report disclosed the aggregate compensation of the Company's President and CEO and the five most highly compensated executive officers, and all other officers and directors as a group. The disclosure is done on an aggregate basis and not on an individual basis. CLI's independent directors are paid per diem allowances for committee and board meetings attended. For a CLI Board meeting attended, the independent director is paid a per diem allowance of P40,000.00. For a committee meeting attended, the independent director is paid a per diem allowance of P30,000.00 (regular) or P15,000.00 (special). The other members of the Board who are executives and receiving salaries as such do not get additional per diem or compensation for their attendance in Board and/or committee meetings. **Reference and link:** pages 45-46 of SEC Form 17-A (Annual Report) for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-

		https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 4 of the 2020 Annual Sustainability Report annexed to SEC Form 17-A- *forms an integral part of SEC Form 17-A (Annual Report)* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9 **e. Biographical details of all directors** • pages 41 to 43 of SEC Form 17-A (Annual Report) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 **f. Attendance details of each director in all directors' meetings held during the year** • page 157 of CLI's 2020 Annual Report	17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 With the foregoing, and in conjunction with CLI's remuneration policies, we submit that CLI's remuneration disclosure on an aggregate basis still enable its investors to understand the link between the remuneration paid to its directors and key management personnel and CLI's performance. Hence, the overall principle being recommended is still achieved. Nonetheless, the Company and the board recognize that disclosure on board and executive remuneration on an individual basis is increasingly regarded as good corporate practice. As such, the Board will undertake its regular review and evaluation as to the propriety and necessity of disclosing remuneration on an individual basis.

		https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
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	Provide link or reference to where this is contained in the Annual Report **References and links:** • pages 47 to 48 (Item 13-Corporate Governance) of SEC Form 17-A https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0 • page 24 (item no. 8-Compliance with Leading Practices on Corporate Governance) of CLI's Definitive Information Statement (SEC Form 20-IS) https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	

3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	Provide link or reference to where this is contained in the Annual Report **Reference and link:** • page 40- *discusses the Company's key performance indicates (KPIs) which the Board regularly reviews* • page 41 (Part III- Control and Compensation Information, Item 9, par. 1) of SEC Form 17-A • page 48 (par. 3) of SEC Form 17-A https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	Provide link or reference to where this is contained in the Annual Report **References and link:** • page 28 (par. 1) of SEC Form 17-A • pages 50 to 51 (under "A. Audit Committee") of SEC Form 17-A https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-	

		2020.pdf#zoom=90&toolbar=0&scrollbar=0	
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	Provide link or reference to where these are contained in the Annual Report **Reference and link:** • pages 84 to 87 (Under "Risk Management Objectives and Policies") of the Notes to the Consolidated Audited Financial Statements- *forming an integral part of SEC Form 17-A (Annual Report)* https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0	
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	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	

		Information:
		CLI's Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.
		
		The process includes the review and recommendation by the Audit Committee, review and approval by the CLI Board, and the further approval and ratification by the CLI shareholders.
		
		References and links:
		
		• CLI's CG Manual
		  ○ pages 24 to 25 (Chapter IX- The External Auditor)
		  ○ page 26 (Chapter XI- Accountability and Audit; item no. 5)
		  ○ page 27 (par. 1)
		
		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf
		
		• Audit Committee Charter- pages 2 to 3 (External Audit)
		
		https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	

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	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor. **Information:** The Audit Committee reviews the performance of the external auditor. The appointment, reappointment, removal, and fees of the external auditor are also reviewed by the Audit Committee which in turn makes the appropriate recommendation to the CLI Board. Upon recommendation by the Audit Committee, chaired by Dir. Ma. Aurora D. Geotina-Garcia, the stockholders approved the re-appointment of Punongbayan & Araullo as independent auditor for Fiscal Year 2020. **References and links:** • CLI's CG Manual o page 25 (par. 1, Chapter IX-The External Auditor) o page 27 (par. 1) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

		• Audit Committee Charter- pages 2 to 3 (External Audit) https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf • Minutes of CLI's 2020 Annual Stockholders' Meeting- page 4 (***disclosing the stockholders' approval of the re-appointment of Punongbayan & Araullo as independent external auditor for FY2020***) https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor. **Information:** It is stipulated in CLI's CG Manual that if the external auditor resigns, is dismissed, or ceases to perform his services, the reason/s for and the date of effectivity of such action shall	

		be reported in CLI's annual and current reports. The Company will also endeavor to disclose the above matter, including the reasons for removal or change, to the public by publishing and posting the same through CLI's website and required disclosures (e.g., PSE EDGE portal). Punongbayan & Araullo (P&A) has been the external auditor of CLI and its subsidiaries during the three most recent fiscal years. Thus far, CLI has had no material disagreements with P&A on any matter pertaining to accounting and financial disclosures. P&A stands for re-appointment as external auditor of CLI for FY2021. **References and links:** • CLI's CG Manual- page 27 (2nd par. of Article XI- Accountability and Audit) ***for CLI's disclosure and reporting requirements in case of dismissal or change of external auditors*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	

		• CLI's Definitive Information Statement (SEC Form 20-IS)- page 21 (par. d of Item 7 "Independent Public Accountants") ***for the no. of fiscal years that P&A has served as CLI's external auditor*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years. **Information:** Pursuant to CLI's CG Manual, the external auditor should be rotated or changed every five (5) years, or the signing partner of the external auditing firm assigned to CLI should be changed with the same frequency. **Reference and link:** • CLI's CG Manual- page 26 (item no. 5 of Article XI- Accountability and Audit)	

		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: 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.	Compliant	Provide link/reference to the company's Audit Committee Charter **Link to CLI's Audit Committee Charter:** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.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	Provide link/reference to the company's Audit Committee Charter **Link to CLI's Audit Committee Charter:** https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
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	Provide link/reference to the company's Audit Committee Charter **Link to CLI's Audit Committee Charter:**	

		https://www.cebulandmasters.com/wp-content/uploads/2020/07/Audit-Committee-Charter_approved.pdf	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Provide link/reference to the company's Audit Committee Charter **Link to CLI's Audit Committee Charter:** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Audit-Risk-Oversight-Committee-Internal-Audit-signed-1.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	Disclose the nature of non-audit services performed by the external auditor, if any. **Information:** CLI discloses the nature of non-audit services (if any) in the Annual Report to deal with potential conflict of interest. For FY2020, CLI's external auditor (P&A) did not provide any non-audit services to CLI.	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	Provide link or reference to guidelines or policies on non-audit services **Information:**	

		The Audit Committee evaluates and determines the non-audit work of the external auditor, and periodically reviews the non-audit fees paid to the external auditor in relation to the total fees paid to it and to the Company's overall consultancy expenses. The Audit Committee is mandated to disallow any non-audit work that will conflict with its duties as an external auditor or may pose a threat to its independence. **References and links:** • CLI's CG Manual- page 17 (Chapter V- Board Committees, Section A- Audit Committee, item no. 8) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • SEC Form 17-A (Annual Report) for FY2020- page 50 (item no. 8) https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0	
Supplement to Recommendation 9.3			

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Provide information on audit and non-audit fees paid. **Information:** The fees paid by CLI for non-audit services do not outweigh the fees paid for audit services. For FY2020, CLI's external auditor (P&A) did not provide any non-audit services to CLI. • Audit and Audit Related Fees- **PHP 2,083,200.00** • Non-audit fees- **Nil** TOTAL – PHP 2,083,200.00	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm. **Information:** CLI's external auditor, Punongbayan & Araullo (P&A), is duly accredited by the SEC under Group A category.	

		The following are the requested details of CLI's external auditor for FY2020 (as of 31 December 2020):
		
		• Name of the audit engagement partner: **Christopher M. Ferareza**
		• Accreditation number:
		  o **Partner – No. 1185-AR-2**
		  o **Firm – No. 0002**
		• Date accredited:
		  o **Partner – May 10, 2018**
		  o **Firm – March 27, 2018**
		• Expiry date of accreditation
		  o **Partner – until May 09, 2021**
		  o **Firm – until July 24, 2021**
		• Name, address, contact number of the audit firm
		  o Name- **Punongbayan & Araullo**
		  o Address- **20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue, 1200 Makati City, Philippines**
		  o Contact No. (telephone)- **+63 2 8988 22 88**
		
		References and link:
		
		• Report of Independent Auditor (as attachment to Form 17-A)
		  o page 6- ***for the accreditation details and name of audit engagement partner***	

		○ page 1- ***for the name, address, contact number of the audit firm*** https://www.cebulandmasters.com/wp-content/uploads/2021/04/CLI-SEC-17A-and-AFS-2020.pdf#zoom=90&toolbar=0&scrollbar=0	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC. **Information:** As verified and confirmed with Punongbayan & Araullo (P&A), CLI's external auditor, P&A is covered by and has agreed to be subjected to the SOAR Inspection Program of the SEC, in compliance with SEC Memorandum Circular No. 9, series of 2017. Please see below for the requested information: • Date it was subjected to SOAR Inspection- September 03 to 14, 2018	

		• Name of the Audit firm- Punongbayan & Araullo • The names of the members of the engagement team were provided to the SEC during the SOAR inspection	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues. **Information:** The CLI Board commits at all times to fully disclose material information dealings, including material non-financial and sustainability issues. The CLI Board shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the SEC for the interest of its stockholders and other stakeholders. CLI maintains a comprehensive and cost-efficient communication channel for disseminating relevant information. **Reference and link:**	

		• CLI's CG Manual- page 29 (Article XIV- Disclosure and Transparency; par. 3) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Provide link to Sustainability Report, if any. Disclose the standards used. **Information:** CLI refers to the UN Sustainable Development Goals (SDG) to identify how the impacts to the environment, economy and society is linked to delivering on specific SDG targets. ***CLI Sustainability Report*** The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments. https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any. **<u>Information:</u>** **a. Quarterly Briefings (Investors' and Analysts' Briefing)** CLI conducts quarterly briefings for investors, analysts, and media by teleconference / videoconference when conducted in Cebu, and through an actual meeting when done in Manila. For FY2020, and considering the COVID-19 pandemic, all quarterly briefings were conducted via videoconference. **b. Media engagement** CLI regularly engages the media through press conferences, briefings, news releases, tours and social events. **c. IR Roadshows** CLI's CEO, COO, CFO and/or other senior managers conduct meetings	

		with institutional investors and analysts through pre-arranged seminars or conferences. **d. Property tours and site visits** CLI conducts regular investors, analysts and media tours to show the progress of its properties. However, in 2020, and due to the restrictions brought about by the COVID-19 pandemic, CLI did not conduct property tours and site visits. **e. Maestro E-Newsletter** CLI provides a monthly e-newsletter to update analysts on the progress and performance of the Company. **f. Annual, quarterly, and current reporting are published and uploaded to CLI's website and its PSE EDGE portal/link** **References and links:** • CLI Investors' and Analysts' Briefing Presentations https://www.cebulandmasters.com/investor-relations-programs/presentations/	

		• CLI Investor Relations Programs https://www.cebulandmasters.com/investor-relations-programs/ • Latest issue of Maestro E-Newsletter https://www.cebulandmasters.com/maestro-e-newsletter/ • Financial Highlights, Annual Reports, Quarterly Reports, Audited Financial Statements are published and uploaded to CLI's website https://www.cebulandmasters.com/financials/ • Current reports, financial reports, and all material disclosures are published and uploaded to the PSE EDGE portal/link of CLI https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=668	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	Compliant	Provide link to company website **Please see below links:**	

a. Financial statements/reports (latest quarterly)	Compliant	• CLI website https://www.cebulandmasters.com/ • Financial statements/reports https://www.cebulandmasters.com/financials/ • CLI Investors' and Analysts' Briefing Presentation Materials https://www.cebulandmasters.com/investor-relations-programs/presentations/ • FY2020 Investors' & Analysts' Briefing https://www.cebulandmasters.com/wp-content/uploads/2021/04/FY-2020-CLI-Investors-and-Analysts-Briefing-Presentation.pdf • Downloadable Annual Report (SEC Form 17-A ; Annual Report for FY2020) https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • Notice of the 2020 ASM https://www.cebulandmasters.com/wp-content/uploads/2020/05/00-	
b. Materials provided in briefings to analysts and media	Compliant		
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant		

		Notice-of-Annual-Stockholders-Meeting-latest.pdf • Minutes of the 2020 ASM https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf • CLI's Articles of Incorporation (as amended) https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI_SEC-AMENDED-AOI-as-of-Feb-2-2017.pdf • CLI's By-Laws (as amended) https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI-Amended-By-Laws-3.pdf	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	**Information:** CLI complies with the SEC-prescribed website template. See link below to CLI's website: https://www.cebulandmasters.com/	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	List quality service programs for the internal audit functions.	

		Indicate frequency of review of the internal control system **Information:** CLI has an adequate and effective internal control system in the conduct of its business. The Internal Audit (IA) Department of CLI maintains a "Quality Assurance and Improvement Program" that covers all aspects of the IA Department. The program includes an evaluation of the IA Department's conformance with the standards and an evaluation of whether internal auditors apply The Institute of Internal Auditors' (IIA) Code of Ethics. The program also assesses the efficiency and effectiveness of the IA Department and identify opportunities for improvement. The Audit Committee, through the IA Department, regularly reviews and evaluates the adequacy and effectiveness of CLI's internal control system. **References and links:** • CLI's Internal Audit Charter- page 4, par. 1 (**Quality Assurance and Improvement Program**)-	

		annexed/appended to the Audit & Risk Oversight Committee Charter https://www.cebulandmasters.com/wp-content/uploads/2018/10/Audit-Risk-Oversight-Committee-Internal-Audit-signed-1.pdf • CLI's CG Manual- page 17 (item no. 3 of Chapter V, Section A- Audit Committee)- ***function of the IA Department to monitor and evaluate the adequacy and effectiveness of CLI's internal control system*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Non-compliant	Identify international framework used for Enterprise Risk Management Provide information or reference to a document containing information on: 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks	CLI Management, with the oversight of the Risk Oversight Committee, is working on setting up an ERM framework. In support thereto, CLI has engaged the services of SGV & Co. to help build and guide CLI in its ERM Program Roadmap and establish CLI's ERM framework. Moreover, and to lead its risk management function, CLI hired Ms. Marilou P. Plando as the Company's Chief Risk Officer (CRO) and Assistant Vice-President for Risk Management.

		Indicate frequency of review of the enterprise risk management framework.	With the collective and integrated efforts of the CLI Board, the Risk Oversight Committee, CLI Management, and CLI's CRO, the ERM framework is expected to be completed and finalized within fiscal year 2021. While a formal ERM framework is not yet in place, the Board, hand-in-hand with Management and the CRO, is strongly aware of the various risk exposures being faced by CLI and has existing policies and plans to minimize, mitigate, and even avoid any fall-out from such risks that may come to the fore. CLI also has a robust insurance coverage for all its business activities, especially for its contractual obligations. With the foregoing, the over-all principle being recommended is still being achieved by CLI.
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review. **Information:** CLI has a formal compliance function in place. This is subject to	

		regular review and evaluation as spearheaded by CLI's Compliance Officer, the person in charge of the compliance function. CLI, through its Compliance Officer, monitors, reviews, evaluates and ensures the compliance by CLI, its officers and directors with relevant laws, the pertinent Corporate Governance Codes, rules and regulations and all governance issuances of regulatory agencies. The compliance function also ensures the attendance of board members and key officers to relevant trainings. **<u>References and links:</u>** • CLI's CG Manual o page 4 (item no. 4)- ***duty of the Board to ensure CLI's faithful compliance with all applicable laws, regulations and best business practices*** o page 24 (Article VIII)- ***duties and responsibilities of the Compliance Officer*** o page 30 (Article XV)- ***evaluation system to determine and***	

		measure compliance with the CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- pages 24 to 25 ***Compliance with leading practices on corporate governance; duties and responsibilities of a Compliance Officer*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf	
Optional: Recommendation 12.1			
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.	Compliant	Provide information on IT governance process **Information:** CLI, through its IT Department, 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.	

		CLI's IT Department has crafted and adopted business continuity policies and procedures.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm. **Information:** CLI 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 Corporation's operations. **References and links:** • CLI's CG Manual- page 5 (item no. 18) – ***establishment of an independent internal audit function*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Internal Audit Charter- *annexed/appended to the Audit & Risk Oversight Committee Charter* o page 1- ***purpose and mission of CLI's Internal***	

		Audit Department (assurance and consulting services) o page 3 (***Scope of Internal Audit Activities***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Audit-Risk-Oversight-Committee-Internal-Audit-signed-1.pdf	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities. **Information:** For the 2020-2021 term, CLI's Head of the Internal Audit Department is the *ex officio* Chief Audit Executive. The Head of the Internal Audit Department is the Internal Audit Manager, Ms. Marjorie Jane C. Sistual. The responsibilities of the Chief Audit Executive or the Internal Audit (IA) Head are contained and stipulated in the IA Charter. **References and links:**	

		• CLI's Internal Audit Charter- *annexed/appended to the Audit & Risk Oversight Committee Charter*
		  ○ page 1- ***Authority of the Chief Audit Executive / Internal Audit Head***
		  ○ page 4 (***Responsibilities of the Chief Audit Executive***)
		
		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Audit-Risk-Oversight-Committee-Internal-Audit-signed-1.pdf
		
		• CLI's CG Manual- page 25 (Chapter X- The Chief Audit Officer)- ***responsibilities of the Chief Audit Officer / Executive***
		
		https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf
		
		• page 156 of CLI's 2020 Annual Report- ***details of CLI's Chief Audit Executive***
		
		https://www.cebulandmasters.com/wp-	

		content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	**Information:** The Internal Audit (IA) Head, serving as the *ex officio* Chief Audit Executive (CAE) or Chief Audit Officer (CAO), oversees and is responsible for the internal audit activity of the organization, including the portion that is outsourced to a third party service provider. **Reference and link:** • CLI's CG Manual- page 25, par.1 (Chapter X- The Chief Audit Officer) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	Identify qualified independent executive or senior management personnel, if applicable. **Information:** CLI's entire internal audit (IA) activities and functions are performed internally. As of this time, there are no outsourced IA activity or function.	

		Nonetheless, and in case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel in the person of the Chief Audit Executive / Chief Audit Officer will be assigned the responsibility of managing the fully outsourced internal audit activity. **Reference and link:** • CLI's CG Manual- page 25, par. 2 (Chapter X- The Chief Audit Officer) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Provide information on company's risk management function. **Information:** CLI has recently created a separate risk management function to identify, assess, and monitor key risk exposures. To lead CLI's risk management function, CLI hired Ms. Marilou P. Plando as Chief Risk Officer (CRO)	

		and Assistant Vice-President for Risk Management. Link: https://edge.pse.com.ph/openDiscViewer.do?edge_no=dec240f713f33f6f5d542af6f1e997b9	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Identify source of external technical support, if any. **Information:** CLI has engaged the services of SGV & Co. to help build and guide CLI in its ERM Program Roadmap and establish CLI's ERM framework.	
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).	Compliant	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background. **Information:** CLI has a Chief Risk Officer (CRO) in the person of Ms. Marilou P. Plando, and who is the ultimate champion of ERM. Ms. Plando has 24 years of comprehensive experience and achievements, having served various critical positions prior to joining CLI,	

		including as Assistant Vice-President (AVP) for Enterprise Risk Management and AVP for Legal Business operations in another publicly-listed company.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	**Information:** CLI's CRO, Ms. Marilou P. Plando, has adequate authority, stature, resources and support to fulfill her responsibilities. As CRO, Ms. Plando holds the rank of Assistant Vice-President for Risk Management.	
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	Provide link to CEO and CAE's attestation **Information:** For FY2020, CLI's CEO and CAE executed in writing that a sound internal audit, control, and compliance system is in place and working effectively. **Link to CEO and CAE Attestation:** https://www.cebulandmasters.com/wp-content/uploads/2021/06/FY2020-CEO-and-CAE-Attestation.pdf#zoom=90&toolbar=0&scrollbar=0	

Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed. **Information:** Basic shareholder rights are disclosed in CLI's CG Manual. **Reference and link:** • pages 27 to 28 (Article XII-Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest) of CLI's CG Manual- ***disclosure of basic shareholder rights*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Provide link to company's website **Information:** Basic shareholder rights are disclosed on the company's website (through the CG Manual which is published and posted in CLI's website). **Reference and link:**	

		• pages 27 to 28 (Article XII- Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest) of CLI's CG Manual which is published and posted in CLI's website- ***disclosure of basic shareholder rights*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	**Information:** CLI's common share has one vote for one share in accordance with Section 7, Article III of CLI's By-laws, as amended. This was disclosed and reiterated in CLI's Definitive Information Statement (SEC Form 20-IS). **References and links:** • CLI's CG Manual- pages 27 to 28 (Article XII- ***Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-	

		Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- page 7 (under "Manner of Voting", par. 1)- ***discloses and reiterates that each holder of CLI shares is entitled to one vote for every share pursuant to the provision in the by-laws*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf • CLI's Amended By-Laws- Article III, Section 7 ***(stipulates for the one vote, one share equality policy of CLI)*** https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI-Amended-By-Laws-3.pdf	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	Provide information on all classes of shares, including their voting rights if any. **Information:** As disclosed in CLI's Definitive Information Statement, CLI's outstanding capital stock as of 23 April 2021 is composed of common	

		shares (PHP1,553,300,000) and treasury shares (PHP160,700,000). There are no outstanding preferred shares as of 23 April 2021. All CLI shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights. Each holder of CLI shares is entitled to one (1) vote for every share in accordance with Section 7, Article III of CLI's By-laws, as amended. **References and links:** • CLI's CG Manual- pages 27 to 28 (Article XII- ***Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- page 7 (under "Manner of Voting", par. 1)- ***discloses and reiterates that each holder of CLI shares is entitled to one***	

		vote for every share pursuant to the provision in the by-laws https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- page 7 (under "Number of Outstanding Shares as of 23 April 2021")- ***discloses the no. of outstanding shares*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.pdf • CLI's Amended By-Laws- Article III, Section 7 ***(stipulates for the one vote, one share equality policy of CLI)*** https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI-Amended-By-Laws-3.pdf	
3. Board has an effective, secure, and efficient voting system.	Compliant	Provide link to voting procedure. Indicate if voting is by poll or show of hands. **Information:**	

		The CLI Board has an effective, secure, and efficient voting system. Voting is by poll. **References and links:** • CLI's Definitive Information Statement (SEC Form 20-IS)- page 6 (under "Manner of Voting")- ***discloses the voting procedure for 2020 ASM*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf • CLI's Definitive Information Statement (SEC Form 20-IS)- page 7 (under "Manner of Voting")- ***discloses the voting procedure for 2021 ASM*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.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	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any. **Information:**	

		The CLI Board has an effective shareholding voting mechanism and ensures the protection of minority shareholders. For the election of the Board of Directors, holders of CLI stocks may vote their shares by way of "cumulative voting for one candidate" or "cumulative voting by distribution". **References and links:** • CLI's Definitive Information Statement (SEC Form 20-IS) for 2020 ASM- page 6 (under "Manner of Voting")- ***discloses the manner of voting*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf • CLI's Definitive Information Statement (SEC Form 20-IS) for 2021 ASM- page 7 (under "Manner of Voting")- ***discloses the manner of voting*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/04-CLI-Definitive-Information-Statement-ASM-2021.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	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution) **Information:** The CLI Board gives minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation. **Reference and link:** • CLI's CG Manual- page 28, last paragraph (Article XII- ***Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Provide information or link/reference to the policies on treatment of minority shareholders **Information:** The CLI Board protects the interest and rights of minority stockholders.	

		As mandated in CLI's CG Manual, it is the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and provide an adequate venue for them to seek timely redress for violation of their rights. The Board shall treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights. **Reference and link:** • CLI's CG Manual- pages 27 to 28 (Article XII- ***Stockholders' Benefits and Rights and Protection of Minority Stockholders' Interest***) https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
7. Company has a transparent and specific dividend policy.	Compliant	Provide information on or link/reference to the company's dividend Policy. Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company	

		paid the dividends within 60 days from declaration. **<u>Information:</u>** Dividends are declared and paid by CLI based on assessment and approval of the Board of Directors, subject to availability of retained earnings and taking into account cashflow considerations and other financial conditions of the Company after considering future capital expenditures and project requirements, among others. For FY2020, the Board approved on 19 February 2020 the declaration of a regular cash dividend amounting to PHP 0.25 per share. The record date is on 03 April 2020 while the payment date was scheduled on 30 April 2020. The FY2020 cash dividend was taken out of CLI's unrestricted retained earnings as of December 31, 2019. The Board also approved on 24 November 2020 the declaration of stock dividends of 123% on the outstanding capital stock to be issued out of CLI's unrestricted retained earnings as of 30 September 2020, which stock dividends shall be sourced from the increase in authorized capital stock of CLI.	

		References and links: • page 4 of CLI's 2020 Annual Sustainability Report- ***CLI considerations on dividends*** *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9 • FY2020 Cash Dividends https://edge.pse.com.ph/openDiscViewer.do?edge_no=ae9ddb03f627b1690de8473cebbd6407 • FY2020 Stock Dividends https://edge.pse.com.ph/openDiscViewer.do?edge_no=8607c469a3ac929c5d542af6f1e997b9	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Non-compliant	Identify the independent party that counted/validated the votes at the ASM, if any.	The counting and validation of votes during the 2020 ASM were done internally by CLI.

			The Company and the Board declare that the appropriate safeguards and measures have been put in place to ensure the sanctity of the ballot and that the integrity of the voting results are not compromised. Moreover, the counting of the results is subjected to further review and validation by CLI's management team. Nonetheless, the Company and the Board duly recognize this corporate governance recommendation pursuant to the ASEAN Corporate Governance Scorecard, and will review and consider the appointment of an independent party for the counting and validation of the votes for the subsequent ASMs or SSMs of CLI.
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	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting. Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)	The Notice for the 2020 Annual Shareholders' Meeting (ASM) were sent out and published with the Philippine Daily Inquirer on 11-12 May 2020, or 23 days before the 2020 ASM held on 03 June 2020. Nevertheless, the above period is in compliance with Section 49 of the Revised Corporation Code, which provides that "written notice of regular meetings shall be sent to all stockholders or members of record at least twenty-one (21) days prior to the meeting". Moreover, the agenda, SEC-approved Definitive Information Statement, and other meeting materials were properly published and

			disseminated to the shareholders to give them sufficient and relevant information prior to the ASM. With the foregoing, active shareholder participation was still promoted and attained. The overall principle being recommended is still achieved. Nonetheless, the Board is not opposed to the recommended 28-day timeline and will work with the Office of the Corporate Secretary as to the implementation of the recommended best practice.
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Provide link or reference to the company's notice of Annual Shareholders' Meeting **Information:** CLI's Notice of Annual Stockholders' Meeting contains the recommended information. **Reference and link:** • page 45 (and marked as Annex "E") of the Definitive Information Statement (DIS)- ***Notice of Meeting*** *Notice of Meeting for 2020 ASM is attached to the DIS as an integral part thereof (Annex E)*	

		https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf • Notice of 2020 ASM- as uploaded in CLI website https://www.cebulandmasters.com/wp-content/uploads/2020/05/00-Notice-of-Annual-Stockholders-Meeting-latest.pdf	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	**Reference and link:** • pages 11 to 13 of the Definitive Information Statement for the 2020 ASM- ***Information about Directors*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf	
b. Auditors seeking appointment/re-appointment	Compliant	**Reference and link:** • pages 19-20 (Item 7. Independent Public Accountants) of the Definitive Information Statement for 2020 ASM- *which has the Notice of Annual Meeting as*	

		an integral part thereof (Annex E) https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf	
c. Proxy documents	Compliant	**Reference and link:** • pages 37 to 41 of the Definitive Information Statement (DIS) for 2020 ASM- *sample copies of proxies distributed to the stockholders were attached to the DIS for 2020 ASM (Annex B and Annex C)* https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Provide link or reference to the rationale for the agenda items **References and links:** • page 39 (and marked as Annex "D") of the Definitive Information Statement (DIS) for the 2020 ASM- ***Notice of Meeting***	

		Notice of Meeting for 2020 ASM is attached to the DIS as an integral part thereof (Annex D) https://edge.pse.com.ph/openDiscViewer.do?edge_no=e600a1498ffe22baefdfc15ec263a54d • Minutes of the 2020 Annual Stockholders' Meeting- ***details on the agenda items*** https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM. **Reference and link:** • Minutes of the 2020 Annual Stockholders' Meeting https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-	

		Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any **References and links:** • Minutes of the 2020 Annual Stockholders' Meeting (ASM) https://www.cebulandmasters.com/wp-content/uploads/2021/02/FINAL-Minutes-of-2020-Annual-Stockholders-Meeting-on-03-June-2020.pdf • Summary of Votes- pages 4 to 5 of SEC Form 17-A (Annual Report) for FY2020 **Additional Information:** Voting on resolutions was by poll. Opportunity was given to the	

		stockholders to ask questions. None of the shareholders or their proxies present raised any other matters before adjournment.	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting **Information:** The CLI board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM. For the 2020 ASM, a representative of Punongbayan & Araullo, CLI's external auditor, attended the 2020 ASM. **Reference and link:** • page 30 (item 11, no. 10) of the Definitive Information Statement for the 2020 ASM ***Attendance of Principal Accountant and External Auditor in ASM*** https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-	

		Definitive-Information-Statement-for-ASM-2020.pdf	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes **Information:** It is the policy of CLI to resolve disputes or differences with stockholders, if and when such disputes or differences arise, through mutual consultation or negotiation, mediation, or arbitration. In doing so, CLI complies with, abides and is guided by the policy set forth in Republic Act No. 9285, or the Alternative Dispute Resolution Act of 2004 and shall explore mutually acceptable alternative means or procedures in resolving disputes provided by law prior resorting to court action, to the extent that such is feasible and will not prejudice the right of the Corporation. Stockholders who have matters for discussion or concerns directly resulting to the business of the Corporation may initially elevate such matters or concerns to: (a) the Corporate Secretary; (b) the Investor	

		Relations Officer; (c) Management; or (d) the Board. **Reference and link:** • page 29 (Article XIII- Resolving Stockholders' Disputes) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	Provide link/reference to where it is found in the Manual on Corporate Governance **Information:** The alternative dispute mechanism is included in CLI's CG Manual. **Reference and link:** • page 29 (Article XIII- Resolving Stockholders' Disputes) of CLI's CG Manual https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as:	

		1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address **Information:** CLI has an established and fully engaged IRO and IR program which maintain good and meaningful relationships with its various stakeholders. The IRO provides the investing public with relevant and accurate information about CLI and with full commitment to an open and constant communication policy. CLI's IR program is a two-way street that also acts as an avenue for investors' feedback to key management. The following are the contact details of the officer responsible for CLI's investor relations program : • Name of the person: Clarissa Mae A. Cabalda (Investor Relations Manager) • Telephone number: (032) 231-4914 & (032) 231-4870 local 181 • Fax number- (032) 261-6199 • E-mail address: clarissa@cebulandmasters.com	

		Reference and link: • CLI's Investors Relations Program; Shareholder Contacts https://www.cebulandmasters.com/share-holder-information/	
2. IRO is present at every shareholder's meeting.	Compliant	Indicate if the IRO was present during the ASM. **Information:** The IRO, Ms. Clarissa Mae Cabalda, attends every shareholders' meeting including the 2020 ASM held on 03 June 2020 in Cebu City via Zoom Videoconferencing.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	Provide information on how anti-takeover measures or similar devices were avoided by the board, if any. **Information:** CLI has not instituted and avoids the institution of anti-takeover measures or similar devices that may entrench ineffective management or existing controlling shareholder group. This is safeguarded by having three (3) independent directors as members of the Board, including a lead independent director, all with	

		robust skills, experience, and independence to combat against the entrenchment of ineffective management or controlling shareholder group. Moreover, the members of the CLI Board only serve for a term of one year. Stockholders are given the opportunity to nominate and elect new set of board of directors during the ASM.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-compliant	Indicate the company's public float.	CLI's current public float is less than 30%. Its recent public ownership percentage is as follows: • As of June 30, 2019- 30.01% • As of December 31, 2019- 29.8% • As of December 31, 2020- 23.79% • As of March 31, 2021- 23.78% The decrease of CLI's public float is the result of CLI's share buy-back program. The program allows the Company to build up its reservoir for use in CLI's employee stock option plan, among other purposes. Notwithstanding the foregoing, CLI is still compliant with the minimum public float requirement for listed companies, which is currently set at 10%. Should the government regulators increase the minimum public ownership requirement of listed companies, CLI will

			faithfully abide and comply with the same.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM **Information:** The Investors Relations (IR) Program of CLI encourages shareholders to engage with the company beyond the ASM. The IR program maintains good and meaningful relationships with its various stakeholders, such as CLI's shareholders. Through the IR program, shareholders and investors are provided with relevant and accurate information through quarterly and annual briefings, one-on-one meetings, conference calls and written communications. Investors are also given the avenue to provide feedback to key management. **References and links:**	

		• CLI's Investors Relations Program; Shareholder Contacts https://www.cebulandmasters.com/share-holder-information/ • List of CLI's Investor Relations Programs https://www.cebulandmasters.com/investor-relations-programs/	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Non-compliant	Disclose the process and procedure for secure electronic voting in absentia, if any.	Electronic voting through remote communication or *in absentia* is not yet authorized in CLI's by-laws or by the majority of the board of directors. The Company and the Board will continue to evaluate and assess the propriety of electronic voting *in absentia* and develop policies and procedures to secure the same. In the meantime, and to serve as an alternative means to voting in person, stockholders or their proxies who wish to join the ASM remotely can remotely send their ballots or proxy forms, where they can indicate their votes on every agenda item to the Corporate Secretary so that such votes can be counted prior to the meeting. Copies of the ballots and proxy forms are sent out to the stockholders and posted on CLI's website.

			As such, the shareholders' rights are still promoted and facilitated. Moreover, active shareholder participation particularly in ASMs is still encouraged and cultivated. The overall principle being recommended is still achieved. **Reference and link:** • page 6 ("c. Manner of Voting", par. 6) of the Definitive Information Statement for 2020 ASM https://www.cebulandmasters.com/wp-content/uploads/2020/05/04-CLI-Definitive-Information-Statement-for-ASM-2020.pdf
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders. **Information:** Pursuant to CLI's CG Manual, it has identified and defined its stakeholders as any individual, organization or society at large who can either affect and/or be affected	

		by the Corporation's strategies, policies, business decisions and operations, in general. This includes, among others, customers, creditors, employees, suppliers, investors, as well as the government and community in which it operates. CLI takes an active stance in empowering its employees, inspiring the community, protecting the environment, and promotes cooperation with its various stakeholders through its noteworthy Corporate Social Responsibility. Among CLI's stakeholders is its network of accredited brokers. CLI has a strong relationship with the local broker community and undertakes in the full and active engagement with them. With over 55 sales support personnel, CLI collaborates, coordinates, and supports the over 11,000-strong accredited broker/agent network of CLI. It is CLI's priority to work harmoniously with the seller community by assisting the brokers 24/7 from sales origination to closing. CLI works alongside its brokers in addressing the client inquiries until closing. In support of CLI's brokers vis à-vis the effects of the COVID-19 pandemic, CLI	

		provided spot incentives to its roster of loyal and supportive brokers – with timely release despite work-from-home limitations where officers were closed. **<u>References and links:</u>** • CLI's CG Manual o page 2 ***definition of stakeholders*** o page 4, item no. 6 ***duty of the Board to promote cooperation between CLI and its stakeholders in creating wealth, growth and sustainability*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.pdf • SEC Form 17-A (Annual Report) for FY2020 o pages 25 to 29 ***discussion on CLI's corporate organization and its stakeholders (subsidiaries and affiliates; competition; suppliers; customers; government; employees)***	

		○ page 22 (Operational excellence- Construction and Sales) ***discussion on CLI's full and active engagement with its contractors and sub-contractors, and harmonious working relationship with brokers*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Identify policies and programs for the protection and fair treatment of company's stakeholders **Information:** The Board takes it as its responsibility to foster the long-term success of CLI and to secure its sustained competitiveness in a manner consistent with its fiduciary responsibility and corporate objectives, which it shall exercise in the best interest of CLI, its shareholders and stakeholders. It is a policy and duty of the Board to ensure that the rights of the	

		stakeholders established by law, by contractual relations and through voluntary commitments are respected. All material information which could adversely affect its stakeholders are publicly and timely disclosed through the appropriate Exchange mechanisms and submissions to the SEC. **References and link:** • CLI's CG Manual o page 3 (Chapter IV, Section A, par. 2) ***fiduciary duty of the Board to the stakeholders of CLI*** o page 6- item no. 23 ***rights of stakeholders are respected*** o page 29 (Chapter XIV, pars. 2 to 3) ***policy on disclosure and transparency to CLI stakeholders*** https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.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	Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders **Information:** The CLI Board adopts a clear policy of accurate, timely and effective communication with the stakeholders. The Investor Relations (IR) program of CLI is created to maintain a good and meaningful relationship with its various stakeholders. The IR program serves as an avenue for investors and stakeholders to provide feedback to key management. This ensures that the company and its board of directors are informed of stakeholders' sentiments towards the company. The following are the contact details which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights:	

		• Name of the person: Clarissa Mae A. Cabalda (Investor Relations Manager) • Telephone number: (032) 231-4914 & (032) 231-4870 local 181 • Fax number- (032) 261-6199 • E-mail address: clarissa@cebulandmasters.com Another measure adopted by the Board is the whistle-blowing policy of CLI to strengthen the internal feedback mechanism of the company, especially in reporting suspected fraud, unethical practices, and other improper activities. CLI's whistle-blowing policy allows employees to have direct access to an independent member of the Board or to the designated whistle-blowing officer appointed by the Board and Management. Since its launch, at least two have been disciplined following anonymous tips sent through the whistle-blowing channels. **References and links:** • page 9 (item no. 8) of the CLI Board Charter- ***policy on communication with stakeholders***	

		https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • Link to the CLI website for the contact details of the IRO https://www.cebulandmasters.com/share-holder-information/ • page 157 of CLI's 2020 Annual Report- ***disclosures on CLI's Whistleblowing Policy*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.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	Provide information on the alternative dispute resolution system established by the company. **Information:** It is the policy of CLI to resolve disputes or differences with key stakeholders, if and when such disputes or differences arise, through mutual consultation or negotiation, mediation, or arbitration. The Company, through its Board, establishes and maintains an	

		alternative dispute resolution system that can amicably settle conflicts or differences between CLI and third parties, including the regulatory authorities. In doing so, CLI complies with, abides and is guided by the policy set forth in Republic Act No. 9285, or the Alternative Dispute Resolution Act of 2004 and shall explore mutually acceptable alternative means or procedures in resolving disputes provided by law prior resorting to court action, to the extent that such is feasible and will not prejudice the right of the Corporation. **References and links:** • page 10 (item no. 20) of the CLI Board Charter ***– policy of establishing and maintaining an alternative dispute resolution system*** https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf • page 29 (Article XIII- Resolving Stockholders' Disputes) of CLI's CG Manual- ***alternative dispute resolution for***	

		shareholders is applicable to other stakeholders https://www.cebulandmasters.com/wp-content/uploads/2018/10/Annex-Q-Companys-Manual-of-Corporate-Governance.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	Disclose any requests for exemption by the company and the reason for the request. **Information:** For FY2020, and due to the challenges brought about the COVID-19 pandemic, CLI filed a formal request for Exemptive Relief under Section 72.1 of the Securities Regulation Code. The request was formalized through the filing on 08 May 2020 of SEC Form 17-LC together with the required sworn certification per SEC Memorandum Circular No. 10, series of 2020.	
2. Company respects intellectual property rights.	Compliant	Provide specific instances, if any. **Information:** CLI respects intellectual property rights.	

		The Company ensures that it complies with existing laws and regulations pertaining to branding and advertisements of the different agencies of the government such as the Department of Trade and Industry (DTI) and Ads Standards Committee (ASC) for all ads and promotions that are accessible to the general public outside the company's facilities. Pursuant to CLI's Articles of Incorporation, CLI shall acquire or obtain from any government or authority, national, provincial, municipal or otherwise, or any corporation, company or partnership or person, such charter, contracts, franchise, privileges, exemption, licenses and concessions as may be conducive to any of the objects of CLI. Moreover, in the contracts and agreements that CLI enters with its partners, suppliers and other third parties, it is stipulated as among its provisions the upholding of the intellectual property rights of the owner thereof. **<u>References and links:</u>** • page 27 of CLI's 2020 Annual Sustainability Report	

		The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments. https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9 • CLI's Amended AOI (Secondary Purpose, item no. 6) https://www.cebulandmasters.com/wp-content/uploads/2019/04/CLI_SEC-AMENDED-AOI-as-of-Feb-2-2017.pdf	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same. **Information:** ***Strategic location selection to provide value-for-money proposition to customers*** CLI has stringent location selection criteria. The Company consistently	

		seeks locations with high-value appreciation potential. CLI gives its clients more value for their investment. Its properties are distinguished by the quality of its locations, award-winning planning and design, generous amenities, timely and quality construction, and industry-best customer care, after-sales and property management support at very competitive prices. ***We Build With You in Mind*** This brand tagline of CLI captures the customer-centric focus of CLI and encapsulates the solid partnership between CLI and the buyer/customer. CLI's Customer Care department extends post-turnover services by assisting the tenants and unit owners in title processing and payment of real property taxes on the unit. Cebu Landmasters Property Management, Inc. (CLIPM), the property management arm of CLI, offers integrated property management services including building administration, subdivision maintenance, and special technical services. In pursuance to its sustainability plan, CLI prioritizes its	

		customers by implementing the following: 1) Customer Communications focused on billings, collections and treasury, and documentation; 2) Managing Systems (Customer Portal, Trunk Line, Email, SMS, FB); 3) Responding to general customer queries (FB, Email, IG, Phone). Further thereto, and in consideration of the impact brought about by the COVID-19 pandemic, CLI has extended assistance and consideration to its buyers. CLI extended their equity payments to make their dream of a safe and quality home still within reach even during the crisis. CLI also conducts and has in place its corporate social responsibility programs to support the welfare of its customers and other stakeholders. **<u>References and links:</u>** • SEC Form 17-A (Annual Report) for FY2020 o Pages 18 to 19- ***Strategic location selection to provide value-for-money proposition to customers*** o page 19 (3rd paragraph under "Experienced	

		management team and organizational culture")- ***We Build With You in Mind*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0 • page 25 of CLI's 2020 Annual Sustainability Report- ***Customer Management; Customer Satisfaction*** ***CLI Sustainability Report*** The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments. https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	

		Information: CLI sources construction materials and services from third party suppliers and service providers both in the local and national level who meet the Company's strict quality standards through a pre-qualification and a bidding process. Through its purchasing team, the Company evaluates suppliers who can provide the best value at the highest quality with the least cost, can guarantee safe and on time deliveries, and have the capacity to improve and innovate to meet the Company's requirements. At the same time, the Company has the necessary internal controls, organizational structure, and financial viability to assure the continuous delivery of the raw materials by the supplier. The Company engages contractors to undertake land development and construction on a per project basis. While the Company mostly outsources architectural and engineering services for its projects, it has also started doing engineering and design in-house. **Reference and link:**	

		• Pages 27 to 28 (Suppliers) of SEC Form 17-A for FY2020 https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-SEC-Form-17A-for-FY2020-filed-to-SEC.pdf#zoom=90&toolbar=0&scrollbar=0	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation. **Information:** Pursuant to its Board Charter, the CLI Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of CLI's goals and in its governance. To implement this, CLI has undertaken employee engagement activities, regular training, and tooling programs. ***Employee initiatives and engagement activities during FY2020***	

		During the COVID-19 outbreak in 2020, CLI continued to place the well-being of its employees as top priority. Employees were allowed to work from home with full compensation. In addition, early release of the 14th month pay, extended deadline of unused vacation leave credits, and distribution of health kits to employees were also implemented. To help boost employee morale whole CLI employees worked from home, engagement programs were shifted online. These included the inspiring "Coffee with the CEO" via Zoom, "CLI Training Webinars" for all employees, and wellness-driven "Workout From Home" with our resident gym instructor. **References and links:** • page 9 of CLI's Board Charter (item no. 11)- ***encouragement of active employee participation*** https://www.cebulandmasters.com/wp-content/uploads/2020/07/CLI-Board-Charter_approved.pdf	

		• page 19 of CLI's 2020 Annual Sustainability Report- ***employee initiatives and engagement activities undertaken during FY2020 particularly to boost employee morale during the COVID-19 pandemic*** *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders. **Information:** The Company has an Employee Stock Option Plan (ESOP). CLI's ESOP was approved by the Board during its board meeting on February 21, 2018.	

2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any. **<u>Information:</u>** CLI has policies and programs on health, safety and welfare of its employees. CLI considers of paramount importance its compliance with the labor code and pertinent laws and regulations protecting the rights of all its employees while promoting a healthy and safe environment in the workplace. CLI designed an occupancy health management system to protect the health and safety of its individual workers and employees. Regular trainings are being conducted for key personnel, including engineers, security and property management. Assessments are also routinely made to ensure that safe working practices are adapted and workers are compliant with CLI standards. For FY2020, CLI had zero (0) work-related injuries, fatalities, and ill-health.	

		Reference and link: • pages 20 to 21 of CLI's 2020 Annual Sustainability Report – ***CLI policies and practices on employee, health, safety and welfare; disclosures on statistics and data*** *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
3. Company has policies and practices on training and development of its employees.	Compliant	Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended. **Information:** CLI has policies and practices on training and development of its employees. For FY2020, these included Executive development programs for top, middle and line managers, and in-	

		house seminars and workshops for frontliners. The total training hours provided to CLI employees for FY2020 amassed to 8,185 hours, with 4,911 hours to female employees and 3,274 hours to male employees. **Reference and link:** • page 19 of CLI's 2020 Annual Sustainability Report *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption **Information:** The CLI Board sets the tone and makes a stand against corrupt practices. The Company's anti-	

		corruption policy and program is embodied in CLI's Code of Conduct. During its 2020-2021 term, the Board formally adopted CLI's Code of Business Conduct and Ethical Standards to guide the actions of directors, executives, officers, employees, and other stakeholders consistent with CLI values and principles. Under the *Pledge of Integrity* in CLI's Code of Business Conduct and Ethical Standards, it is mandated that "all directors, executives, employees and stakeholders of the corporation shall not engage in corruption or bribery involving cash or any other form, and will not offer or yield to any demand or request for illegal or illicit transactions." **<u>References and links:</u>** • page 8 (**Anti-Corruption**) of CLI's 2020 Annual Sustainability Report *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.*	

		https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9 • page 2, item no. 4 (Pledge of Integrity) of CLI's Code of Business Conduct and Ethical Standards https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Identify how the board disseminated the policy and program to employees across the organization **Information:** CLI's Code of Business Conduct and Ethical Standards (the "Code", for brevity) has been properly disseminated to the Board, senior management and employees. Copy of the Code was internally disseminated (via electronic mail) to all CLI employees on November 06, 2020, and subsequent trainings were also conducted wherein details and provisions of the Code were thoroughly discussed.	

		Copy of the Code can also be viewed and accessed in CLI's website (Corporate Governance section). **Reference and link:** • page 8 (**Anti-Corruption**) of CLI's 2020 Annual Sustainability Report *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9 • **Link to CLI's website where the Code is posted / disclosed:** https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing	Compliant	Identify or provide link/reference to the company policy and procedures	

employee involvement in offering, paying and receiving bribes.		on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy. **Information:** CLI has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying, and receiving bribes. Under the *Pledge of Integrity* in CLI's Code of Business Conduct and Ethical Standards, it is expressly stipulated that "all directors, executives, employees and stakeholders of the corporation shall not engage in corruption or bribery involving cash or any other form, and will not offer or yield to any demand or request for illegal or illicit transactions." For FY2020, there was one (1) incident in which the employee was dismissed or disciplined for corruption. This is disclosed in CLI's 2020 Sustainability Report. **References and links:** • page 2, item no. 4 (Pledge of Integrity) of CLI's Code of	

		Business Conduct and Ethical Standards https://www.cebulandmasters.com/wp-content/uploads/2021/05/CLI-Code-of-Business-Conduct-and-Ethical-Standards-FNL.pdf#zoom=90&toolbar=0&scrollbar=0 • page 8 (**Anti-Corruption**) of CLI's 2020 Annual Sustainability Report *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.	

		Information: The CLI Board adopted a whistle-blowing policy to strengthen the internal feedback mechanism of the Company, especially in reporting suspected fraud, unethical practices, and other improper activities. Since its launch, at least two have been disciplined following anonymous tips sent through the whistle-blowing channels. CLI ensures the protection of all whistle-blowers from retaliation or retribution. Anyone who retaliates against a whistle-blower who reports an event in good faith shall be subjected to appropriate disciplinary action. The policy also allows a whistle-blower to report anonymously. In all cases, the identity of the whistle-blower, if known, shall remain confidential, unless the issue requires investigation by law enforcement and/or the revelation of his identity is absolutely necessary. **Reference and link:**	

		• page 157 of CLI's 2020 Annual Report- ***disclosure and update on CLI's Whistleblowing Policy*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	**Information:** CLI's Whistle-Blowing Policy allows employees to have direct access to an independent member of the Board or to the designated Whistle-Blowing Officer appointed by the Board and Management. **Reference and link:** • page 157 of CLI's 2020 Annual Report- ***disclosure and update on CLI's Whistleblowing Policy*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.	

		Information: The CLI Board and Management have overall responsibility for the company's whistle-blowing policy. Since its launch, at least two have been disciplined following anonymous tips sent through the whistle-blowing channels. **Reference and link:** • page 157 of CLI's 2020 Annual Report- ***disclosure and update on CLI's Whistleblowing Policy*** https://www.cebulandmasters.com/wp-content/uploads/2021/05/210526-CLI-2020-Annual-Report-Part-2.pdf	
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	Provide information or reference to a document containing information on the company's community involvement and environment-related programs. **Information:** CLI recognizes and places significant importance on the interdependence	

		between its business and society through CLI's community involvement and environment-related programs. ***CLI Business Model: Socially Responsible and Sustainable Developments*** CLI's business model is geared towards socially responsible planning and development which would also assist in the sustainability of the communities to which CLI operates in. Wherever CLI develops, community and infrastructure improvements within the neighborhood are integral parts of the development plans. CLI has robust partnerships with various barangays, local government units and institutions, including the Habitat for Humanity. These developments generate new economic centers that provide homes, creates job opportunities, taxes to the government, and multiplied economic value in the economy and communities where CLI operates. ***Support to Healthcare Frontliners*** CLI was proactive in supporting the healthcare community. The Company turned over medical	

		supplies and relief packs to 18 local government units and 30 barangays around VisMin where CLI is present. And through Its partners from The Abaca Group and Citadines Cebu City, CLI provided food packs to frontliners and health care providers in Cebu. In cooperation with the Cebu City Government, CLI likewise donated two-unit fully air conditioned collapsible vans situated at the Cebu City Quarantine Center in the North Reclamation Area. These served as temporary sleeping quarters for doctors, nurses, and medical personnel during the pandemic. ***Assistance for Contractors and Frontliners*** CLI highly values the services of its frontliners and third-party contractors, especially during the global crisis. To help them and their families, CLI provided financial assistance to those who worked during the pandemic. A total of Php 20 million cash aid was extended to the Company's construction workers, security personnel, housekeeping and maintenance employees, and other suppliers. ***Environment-related programs***	

		CLI's properties are designed to consume less electricity by incorporating skylights and glass curtains that allow for natural lighting, and LED light fixtures. These designs are expected to translate to considerable energy savings. Furthermore, CLI has built LEED-certified office buildings which are designed and constructed with energy efficient features such as double-glazed glass façade which reduces need for cooling, as well as LED lights that lessen power consumption. Furthermore, CLI implements measures to reduce water consumption in its facilities such as water saving fixtures in restrooms and educates its customers and employees on the importance of water conservation. **<u>References and link:</u>** • CLI's 2020 Annual Sustainability Report o page 24- ***Support to Healthcare Frontliners; Assistance for Contractors and Frontliners*** o page 10 (Management Approach)- ***Environment-related programs***	

		The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments. https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development. **Information:** CLI ensures that its value chain (key products and services) is environmentally friendly and is consistent with promoting sustainable development. To achieve this, CLI refers to the UN Sustainable Development Goals (SDGs) to identify how the impacts to the environment, economy, and society is linked to delivering on specific SDG targets. 1. Residential subdivisions and condominiums; office spaces;	

		retail spaces; hotel room and services; mixed-use developments- Societal value / contribution to UN SDGs: **GOAL 11 (Sustainable Cities and Communities)** and **GOAL 8 (Decent work and Economic Growth)** CLI develops housing units to address the region's growing housing backlog in Visayas and Mindanao. CLI also builds commercial centers, such as retail, office, hotel. Its estates are master planned to integrate different product lines to the development creating sustainable communities. These developments generate new economic centers that provide homes, creates job opportunities, taxes to the government, and multiplied economic value in the economy and communities where CLI operates. 2. Property Management- Societal value / contribution to UN SDGs**: GOAL 6 (Clean Water and Sanitation)** and **GOAL 12 (Responsible Consumption and Production)** CLI prioritizes local recruiting, and its programs build employment in the communities where projects are being built. Upon turnover, CLI	

		completed projects are managed by CLIPM, the property management arm of CLI, to ensure quality service throughout the project cycle. **Reference document:** CLI's 2020 Annual Sustainability Report *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates. **Information:** CLI exerts effort to interact positively with the communities in which it operates. Wherever CLI develops, community and infrastructure improvements within the neighborhood are integral parts of the development plans. CLI has partnerships with various barangays, local government units	

		and institutions, including the Habitat for Humanity. **Reference and link:** • page 24 of CLI's 2020 Annual Sustainability Report- ***Relationship with Community Significant Impacts on Local Communities*** *The link below to the PSE EDGE Portal pertains specifically to the Amended SEC Form 17-A for FY2020. In any case, CLI's 2020 Sustainability Report is also submitted therein and a copy of which is included as part of the attachments.* https://edge.pse.com.ph/openDiscViewer.do?edge_no=3864547e6b36c99f5d542af6f1e997b9	

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on June 29, 2021.

JOSE R. SOBERANO III
Chairman of the Board, President and Chief Executive Officer

SUBSCRIBED AND SWORN to before me this June 29, 2021, in Talisay City Cebu, abovenamed Affiant, who presented to me his government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
JOSE R. SOBERANO III	Driver's License No. G01-82-003402	March 14, 2022

and by virtue thereof I sufficiently identified him to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that he understood the contents thereof and that the same is his free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No.: 246;
Page No.: 51;
Book No.: X;
Series of : 2021.

ATTY. LARRI-NIL G. VELOSO
Notary Public
Talisay City and Naga City, Cebu
Commission No. 2017-05-EJ | December 31, 2022
MCLE Compliance No. VI-0008292 | Roll No. 58901
PTR No. 792556, 01/28/2021, Cebu
IBP No. AR 82747431. 11/12/2020, Cebu Province
Block 1, Lot11, San Josemaria Village, Maghaway,
Talisay City, Cebu, Philippines 6045

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on June 28, 2021.

RUFINO LUIS T. MANOTOK
Independent Director / Lead Independent Director

SUBSCRIBED AND SWORN to before me this June 28, 2021, in Talisay City Cebu, abovenamed Affiant, who presented to me his government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
RUFINO LUIS T. MANOTOK	Philippine Passport No. P8946119A	Valid until 28 September 2028

and by virtue thereof I sufficiently identified him to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that he understood the contents thereof and that the same is his free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No.: 244;
Page No.: 50;
Book No.: X;
Series of : 2021.

ATTY. LARRI NIL G. VELOSO
Notary Public
Talisay City and Naga City, Cebu
Commission No. 2017-05-EJ | December 31, 2022
MCLE Compliance No. VI-0008292 | Roll No. 58901
PTR No. 792556, 01/28/2021, Cebu
IBP No. AR 62747431. 11/12/2020, Cebu Province
Block 1, Lot11, San Josemaria Village, Maghaway,
Talisay City, Cebu, Philippines 6045

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on June 28, 2021.

MA. AURORA D. GEOTINA-GARCIA
Independent Director

SUBSCRIBED AND SWORN to before me this June 28, 2021, in Talisay City Cebu, abovenamed Affiant, who presented to me her government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
MA. AURORA D. GEOTINA-GARCIA	UMID ID CRN-0111-0760153-4	Lifetime / no expiry

and by virtue thereof I sufficiently identified her to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that she understood the contents thereof and that the same is her free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : 245 ;
Page No. : 50 ;
Book No.: X ;
Series of : 2021.

ATTY. LARRI-NIL G. VELOSO
Notary Public
Talisay City and Naga City, Cebu
Commission No. 2017-05-EJ | December 31, 2022
MCLE Compliance No. VI-0008292 | Roll No. 58901
PTR No. 792556, 01/28/2021, Cebu
IBP No. AR 82747431. 11/12/2020, Cebu Province
Block 1, Lot11, San Josemaria Village, Maghaway,
Talisay City, Cebu, Philippines 6045

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on _____.

ATTY. MA. JASMINE S. OPORTO
Independent Director

SUBSCRIBED AND SWORN to before me this JUN 28 2021, in CEBU CITY Cebu, abovenamed Affiant, who presented to me her government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
ATTY. MA. JASMINE S. OPORTO	Passport No. P4064745A	(valid until 13-Aug 2022)

and by virtue thereof I sufficiently identified her to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that she understood the contents thereof and that the same is her free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : 56;
Page No. : 13;
Book No.: 3;
Series of : 2021.

ATTY. CHARLES G. DIVINAGRACIA
Notary Public for the City of Cebu
Notarial Commission No. 109-19 valid until 30 June 2021 per BM # 3795 dated 1 December 2020
Unit 601, 5th Floor, JRDC Building, Osmeña Blvd.,
Capital Site, Cebu City, Philippines
Roll of Attorney No. 72431
IBP A.R No. 48328073
PTR No. 2298331; issued on 14 December 2020
MCLE Exempt. Admitted to Philippine Bar on 14 June 2019

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on JUN 28 2021.

ATTY. ALAN C. FONTANOSA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this JUN 28 2021, in CEBU CITY Cebu, abovenamed Affiant, who presented to me his government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
ATTY. ALAN C. FONTANOSA	Driver's License No. G01-91-132562	Valid until 20 September 2022

and by virtue thereof I sufficiently identified him to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that he understood the contents thereof and that the same is his free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : 133;
Page No. : 55;
Book No.: 5;
Series of : 2021.

NEIL JASON TORREGOSA CASAS
ROLL OF ATTORNEYS NO. 62826
NOTARY PUBLIC FOR CEBU CITY
NOTARIAL COMMISSION NO. 110-15
VALID UNTIL DECEMBER 31, 2022
PTR NO. 693920, JANUARY 04, 2021, CEBU CITY
IBP LIFETIME NO. 012770, APRIL 23, 2014, CEBU CITY
SYCIP SALAZAR HERNANDEZ & GATMAITAN
4TH FLOOR, KEPPEL CENTER
CARDINAL ROSALES AVE COR. SAMAR LOOP
CEBU BUSINESS PARK, 6000 CEBU CITY

In compliance with the requirements of the Securities and Exchange Commission, this **2020 Integrated Annual Corporate Governance Report (I-ACGR)** of **Cebu Landmasters, Inc.** is signed under oath by the undersigned affiant on _____.

ATTY. JOHN EDMAR G. GARDE
Compliance Officer

SUBSCRIBED AND SWORN to before me this JUN 28 2021, in CEBU CITY Cebu, abovenamed Affiant, who presented to me his government-issued ID to wit:

NAME	COMPETENT PROOF OF IDENTITY	VALIDITY
ATTY. JOHN EDMAR G. GARDE	Driver's License No. H05-15-000937	Valid until November 11, 2022

and by virtue thereof I sufficiently identified him to be the same person who signed the foregoing *2020 Integrated Annual Corporate Governance Report (I-ACGR) of Cebu Landmasters, Inc.* in my presence and swore as to said document that he understood the contents thereof and that the same is his free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

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Page No. : 13;
Book No.: 3;
Series of : 2021.

ATTY. CHARLES G. DIVINAGRACIA
Notary Public for the City of Cebu
Notarial Commission No. 109-19 valid until 30 June 2021 per BM # 3795 dated 1 December 2020
Unit 503, 5th Floor, JPDC Building, Osmeña Blvd.,
Capitol Site, Cebu City, Philippines
Roll of Attorney No. 72431
IBP A.R No. 4832807
PTR No. 2298331; Issued on 14 December 2020
MCLE Exempt. Admitted to Philippine Bar on 14 June 2019