



## SEC FORM – I-ACGR

### INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2021**
2. SEC Identification Number **152747** 3. BIR Tax Identification No. **000-153-790-000**
4. Exact name of issuer as specified in its charter **AYALA LAND, INC.**
5. **Makati City, Philippines**  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. **31F, Tower One, Ayala Triangle, Ayala Avenue, Makati City**  
Address of principal office
- 1226**  
Postal Code
8. **(632) 7908-3111**  
Issuer's telephone number, including area code
9. **Not applicable**  
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> 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.			
<b>Recommendation 1.1</b>			
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:	
2. Board has an appropriate mix of competence and expertise.	Compliant	1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors	
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	<p><b><i>The ALI Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the property sector.</i></b></p> <p><b>Reference:</b> p. 66-71 &gt; ALI 2021 Integrated Report &gt; Board of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>Designation, years appointed and expertise of the Board of Directors</i></b></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters</p>	

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

***Relevant Trainings of Directors***

**Reference:** p. 133 > ALI 2021 Integrated Report > Training and Continuous Education of Ayala Land Board of Directors  
<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance

***Qualification standards for directors to facilitate the selection of potential nominees in the Board.***

**Reference:** p. 1 > Charter of the Board of Directors > 2. Membership > 2.1 Composition  
<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf>

***Process and criteria for nominations to the Board***

**Reference:** p. 139 > ALI 2021 Integrated Report > Process and Criteria for Nominations to the Board

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors.	Compliant	<p>Identify or provide link/reference to a document identifying the directors and the type of their directorships</p> <p><b><i>ALI's Board is composed of a majority of Non-Executive Directors.</i></b></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Board of Directors 2021 table  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</p> <p><b><i>ALI provides in its Manual on Corporate Governance (CG Manual) and Board Charter a policy on training of directors.</i></b></p> <p><b>Reference:</b> p. 13 &gt; ALI CG Manual &gt;1.13 Specific Responsibilities of each Director &gt; item i.  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

		<p><b>Orientation for New Directors</b></p> <p><b>Reference:</b> p. 133 &gt; ALI 2021 Integrated Report &gt; Training and Continuous Education  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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.	
3. Company has relevant annual continuing training for all directors.	Compliant	<p><b>Training and Continuing Education of ALI Board of Directors</b></p> <p><b>Reference:</b> p. 133 &gt; ALI 2021 Integrated Report &gt; Training and Continuing Education Ayala Land Board of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.</p> <p><b>Board Diversity</b></p> <p><b>Reference:</b> p. 3 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.2 Diversity <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

		<p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Board Matters &gt; Skills Competency, and Diversity  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 1 &gt; Board Charter &gt; Item 2 Membership &gt; 2.1 Composition  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p> <p><b>There are two female members of the Board.</b></p> <p><b>Reference:</b> pp. 69-70 &gt; ALI 2021 Integrated Report &gt; Profiles of Rizalina G. Mantaring and Sherisa P. Nuesa  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p>	

***The CG Manual states the policy on board diversity in terms of background, gender and other relevant factors, and appropriate representation for women. With respect to gender, the company shall strive that its board be composed of at least 30% female directors or at least three female directors by 2025.***

**Reference:** p. 3 > ALI CG Manual > Article II Corporate Governance > 1. The Board of Directors > 1.2 Diversity

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf>

#### ***Board Composition***

**Reference:** p. 1 > Board Charter > Item 2 Membership > 2.1 Composition

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf>

#### ***ALI Board Skills Matrix***

**Reference:** p. 130 > ALI 2021 Integrated Report > Board Matters > 2021 Board of Directors Skills Matrix

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</p> <p><b><i>The Board is assisted by a Corporate Secretary that is a separate individual from the Chief Compliance Officer and is not a member of the Board.</i></b></p> <p><b>Reference:</b> p. 128 &gt; ALI 2021 Integrated Report &gt; Governance Structure &gt; Corporate Secretary <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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		
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p><b><i>The Corporate Secretary attends training/s on corporate governance.</i></b></p> <p><b>Reference:</b> p. 3 &gt; Certificate of Attendance of Directors and Reportable Officers &gt; ALI IR Website <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/11/ALI-Corporate-Officers-Certificate-of-Attendance-AG-CGRMS-2021-Summit.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/11/ALI-Corporate-Officers-Certificate-of-Attendance-AG-CGRMS-2021-Summit.pdf</a></p>	



**Optional: Recommendation 1.5**

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</p> <p><b><i>Board materials are distributed to the Board of Directors at least five business days prior to the meeting.</i></b></p> <p><b>Reference:</b> p. 131 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Meetings and Attendance <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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**Recommendation 1.6**

1. Board is assisted by a Compliance Officer.	Compliant	<p>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</p> <p><b><i>The Board is assisted by a Chief Compliance Officer with a rank of Senior Vice President and is not a member of the Board.</i></b></p> <p><b>Reference:</b> p. 129 &gt; ALI 2021 Integrated Report &gt; Chief Compliance Officer <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		

		<p><b><i>Duties and responsibilities of the Compliance Officer</i></b></p> <p><b>Reference:</b> pp. 33-34 &gt; ALI CG Manual &gt; Article V Audit and Compliance &gt; 3. Compliance System &gt; The Compliance Officer shall perform the following duties (items a to k)</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p><b><i>The Chief Compliance Officer attends trainings on corporate governance.</i></b></p> <p><b>Reference:</b> p. 2 &gt; Certificate of Attendance of Directors and Reportable Officers &gt; ALI IR Website</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/11/ALI-Mancom-Certificate-of-Attendance-AG-CGRMS-2021-Summit.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/11/ALI-Mancom-Certificate-of-Attendance-AG-CGRMS-2021-Summit.pdf</a></p>	

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

**Recommendation 2.1**

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>Compliant</p>	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p> <p><b><i>Duties and Responsibilities of Board of Directors</i></b></p> <p><b>Reference:</b> pp. 14-16 &gt; ALI CG Manual &gt; Article II Governance &gt; 1.14 Specific Responsibilities of each Director (items a to o)</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>Accomplishments of each Board Committee</i></b></p> <p><b><i>Executive Committee</i></b></p> <p><b>Reference:</b> p. 134 &gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Executive Committee</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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		<p><b>Audit Committee</b></p> <p><b>Reference:</b> pp. 134-135 &gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Audit Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Board Risk Oversight Committee</b></p> <p><b>Reference:</b> p. 135 &gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Board Risk Oversight Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Corporate Governance and Nomination Committee</b></p> <p><b>Reference:</b> pp. 135-136 &gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Corporate Governance and Nomination Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Personnel and Compensation Committee</b></p> <p><b>Reference:</b> p. 136 &gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Personnel and Compensation Committee</p>	
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<b>Recommendation 2.2</b>			
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 objective and strategy	

		<p><b><i>The Board oversees the development, review and approval of the company's business objectives and strategy.</i></b></p> <p><b>Reference:</b> p. 12 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 1. The Board of Directors &gt; 1.12 General responsibility of the Board for Good Governance &gt; item B  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>The Board held six regular meetings in 2021.</i></b></p> <p><b>Reference:</b> p. 138 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Meetings and Attendance  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>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.</p> <p><b><i>ALI's Vision, Mission and Core Values</i></b></p> <p><b>Reference:</b> ALI IR website &gt; About Us &gt; Our Company &gt; Vision, Mission and Values  <a href="https://ir.ayalaland.com.ph/about-us/our-company/mission-vision-and-values/">https://ir.ayalaland.com.ph/about-us/our-company/mission-vision-and-values/</a></p>	

		<p><b>Reference:</b> p. 3 &gt; ALI CG Manual &gt; Vision and Mission, Core Values  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>The Board reviews the Vision and Mission annually.</b></p> <p><b>Reference:</b> p. 5 &gt; ALI Board of Directors Charter&gt; Article 4 Powers, Duties and Responsibilities &gt; Item b  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>Provide information on or link/reference to a document containing information on the strategy execution process.</p> <p><b>The Board provides sound written policies and strategic guidelines on key capital expenditures, and periodically evaluates and monitors implementation of such strategies.</b></p> <p><b>Reference:</b> p. 14 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 1. The Board of Directors &gt; 1.14 Specific Duties of the Board of Directors&gt; item E  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications</p> <p><b><i>The Board is headed by a competent and qualified Chairperson.</i></b></p> <p><b>Reference:</b> p. 68 &gt; ALI 2021 Integrated Report &gt; Chairman's Profile  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</p>	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p><b><i>The Board ensures and adopts an effective succession planning program for directors and key officers.</i></b></p> <p><b>Reference:</b> p. 14 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 1. The Board of Directors &gt; 1.14 Specific Duties of the Board of Directors&gt; item d &gt; item v</p> <p>And</p> <p>p. 20 - 21 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 2. Board</p>	



		<p>Committees&gt; 2.2 Corporate Governance and Nomination Committee &gt; item d and j  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>The Board adopts a policy on the retirement for directors and key officers.</b></p> <p><b>Reference:</b> p. 5 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 1. The Board of Directors &gt; 1.4 Retirement Age  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>The Corporate Governance and Nomination Committee reviews and discloses the successions plans for members of the Board, and officers for the position of Group Directors to the President/CEO.</b></p> <p><b>Reference:</b> p. 3 &gt; ALI Corporate Governance and Nomination Committee Charter &gt; 2. Powers, Duties and Responsibilities of the Committee &gt; 2.1 Duties and Responsibilities &gt; Item I  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-CGNC-Charter-2020-11-26.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-CGNC-Charter-2020-11-26.pdf</a></p>	
<b>Recommendation 2.5</b>			
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	

2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	implementation, including the relationship between remuneration and performance.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p><b><i>The Personnel and Compensation Committee of the Board aligns the remuneration of key officers and board members with the long-term interests of the company.</i></b></p> <p><b>Reference:</b> p. 2 &gt; ALI Charter of the Personnel and Compensation Committee&gt; Section 2 &gt;Item h  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf</a></p> <p><b><i>ALI adopts a policy specifying the relationship between remuneration and performance.</i></b></p> <p><b>Reference:</b> p. 117 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Employees and Workers &gt; Compensation and rewards  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>No Director is involved in deciding his or her own remuneration.</i></b></p> <p><b>Reference:</b> p. 18 &gt; ALI CG Manual &gt; Article II Corporate Governance &gt; 1. The Board of Directors &gt; 1.17 Compensation and Liability Insurance Coverage of Directors &gt; Item b</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>  <b>Reference:</b> p. 12 > ALI By-Laws > Article IV > Section 12 <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf</a>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	Compliant	<p>Provide proof of board approval</p> <p><b><i>The Board of Directors through the Personnel and Compensation Committee established a formal and transparent procedure for developing and for fixing the remuneration packages of corporate officers and directors.</i></b></p> <p><b>Reference:</b> p.1 &gt; ALI Charter of the Personnel and Compensation Committee&gt; Section 2 Powers, Duties and Responsibilities of the Committee &gt;Item a <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf</a></p> <p><b><i>The Board of Directors approved stock grants to qualified executives, pursuant to ALI's Employee Stock Ownership Plan, as approved and endorsed by the Personnel and Compensation Committee.</i></b></p>	

		<p><b>Reference:</b> 2021 ESOWN Grant (May 2021)  &gt; ALI IR website &gt; Disclosures  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ESOWN-Grant_5.3.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ESOWN-Grant_5.3.21.pdf</a></p>	
<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	Compliant	<p>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.</p> <p><b><i>ALI's senior executives are rewarded based on their performance through bonuses and stock ownership (ESOWN) as part of ALI's compensation policy based on individual key deliverables which are established at the start of the year. The ESOWN is awarded to high-potential officers who consistently exceed their key performance indicators. The ESOWN is a deferred stock ownership program which allows employees to pay for their grants over a multi-year period, and hence, aligns their performance with that of the company's over the long term.</i></b></p> <p><b>Reference:</b> p. 117-118 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Employees and Workers &gt; Compensation and Rewards  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

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.	
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	<p><b>1. The company has a formal and transparent nomination and election policy.</b></p> <p><b>Reference:</b> pp. 3-4 &gt; ALI Charter of the Board of Directors &gt; 2. Membership &gt; 2.3 Election of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	<p><b>2. The Corporate Governance and Nomination Committee determines the nomination and election process as disclosed in the company's CG Manual and observes established process and criteria for nominations to the Board.</b></p>	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	<p><b>Reference:</b> pp. 20-21 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.2 Corporate Governance and Nomination Committee &gt; Items f - j  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		

		<p>Provide proof if minority shareholders have a right to nominate candidates to the board</p> <p><b>3. The company's nomination and election policy includes the process on the acceptance of nominations from minority shareholders.</b></p> <p><b>Reference:</b> pp. 3-4 &gt; ALI Charter of the Board of Directors &gt; 2. Membership &gt; 2.3 Election of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p> <p><b>The process on nominations from minority shareholders is discussed in the CG Manual under Shareholders Rights – Voting right and in the Charter of Board of Directors under Election of Directors.</b></p> <p><b>Reference:</b> p. 43 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.1 Voting Right  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</p>	
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		<p><b>4. The Corporate Governance and Nomination Committee determines the shortlisting of candidates.</b></p> <p><b>Reference:</b> pp. 20-21 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.2 Corporate Governance and Nomination Committee &gt; Items f - j  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>5. The Corporate Governance and Nomination Committee provides assessment on the Board's effectiveness in directing the process of renewing and replacing Board members.</b></p> <p><b>Reference:</b> p. 21 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.2 Corporate Governance and Nomination Committee &gt; Items k -l  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>6. The Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.</b></p> <p><b>Reference:</b> pp. 4-5 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. Board of Directors &gt; 1.1 Composition, 1.2 Diversity and 1.3 Qualifications</p>	
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<b>Optional: Recommendation to 2.6</b>			
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	<p>Identify the professional search firm used or other external sources of candidates</p> <p><b><i>The Corporate Governance and Nomination Committee may likewise identify and recommend qualified individuals for nomination and election to the Board. For this purpose, the Committee shall make use of professional search firms or other external sources of candidates to search for qualified candidates to the Board.</i></b></p> <p><b>Reference:</b> p. 140 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees&gt; Process and Criteria for Nominations, Election, and Re-appointments to the Board  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	



**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	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<b><i>The Board has an overall responsibility in ensuring that there is a group-wide policy system in governing RPTs and other unusual or infrequently occurring transactions through the Related-Party Transactions Review Committee.</i></b>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p><b>Reference:</b> p. 28 &gt; ALI CG Manual &gt; Article II &gt; 2.6 Related Party Transactions Review Committee</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>ALI's RPT Policy includes appropriate review and approval of material RPTs which guarantee fairness and transparency of the transactions.</b></p> <p><b>Reference:</b> pp. 4-5 &gt; ALI RPT Policy &gt; 4. Identification, Review and Approval of the Related Party Transactions</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p> <p><b>ALI's RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile, and complexity of operations.</b></p>	

		<p><b>Reference:</b> pp. 1-3 &gt; ALI RPT Policy &gt; 3. Definitions  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p> <p>Identify transactions that were approved pursuant to the policy.</p> <p><b><i>In 2021, the RPT Review Committee reviewed, discussed, approved and endorsed three transactions.</i></b></p> <p><b>Reference:</b> p. 137&gt; ALI 2021 Integrated Report &gt; Board Committees &gt; Related-Party Transactions Review Committee &gt; Item 2  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Supplement to Recommendations 2.7</b>			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	Compliant	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> <p><b><i>The RPT Policy clearly defines RPTs which are in the nature of normal transactions in the ordinary course of business which are delegated to management for evaluation and those that require the review of the committee for endorsement to the Board for approval. To ensure accountability, the RPTs delegated to management for</i></b></p>	

		<p><b>approval are further reported to the Chief Finance Officer and the Chief Compliance Officer on an annual basis. All RPTs approved by the Board are disclosed in the relevant financial reports required under International Accounting Standard (IAS) 24 on Related Party Disclosures and other applicable disclosure requirements. The RPT Policy was updated in August 2019 in compliance with the new guidelines of the SEC.</b></p> <p><b>Reference:</b> pp. 4-9 &gt; ALI Related Party Transactions Policy &gt; 4. Identification, Review and Approval of Related Party Transactions, 5. RPTs delegated to Management, 6. Identification and review of Material RPTs, and, 7. Approval of RPTs and Material RPTs  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p> <p><b>RPTs approved by the Board (other than a Material RPT- which are disclosed pursuant to applicable rules of the SEC) shall be disclosed as part of the items approved during the Board meeting and shall be indicated in the relevant financial reports of the Corporation as required under IAS 24 on Related Party Disclosures and other applicable disclosure requirements.</b></p> <p><b>Reference:</b> p. 10 &gt; ALI Related Party Transactions Policy &gt; 11. Disclosure of</p>	
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		<p><i>Related Party Transactions and Material RPTs</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p> <p><b><i>Material RPTs - any RPT, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Company's total consolidated assets based on its latest audited financial statements.</i></b></p> <p><b>Reference:</b> p. 2 &gt; ALI Related Party Transactions Policy &gt; 3. DEFINITIONS &gt; Material Related Party Transaction or Material RPT</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	<p>Provide information on voting system, if any.</p> <p><b>All RPTs and Material RPTs shall be reviewed by the RPT Review Committee and approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the independent directors voting to approve the same. In case that the majority of the independent directors' vote is not secured, the Material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.</b></p>	

		<p><b>Reference:</b> pp. 8-9 &gt; <i>ALI Related Party Transactions Policy</i> &gt; 7. Approval of RPTs and Material RPTs&gt; Paragraph 2</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p>	
<b>Recommendation 2.8</b>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p><b><i>The Board is primarily responsible for approving the selection of the President/CEO and other senior officers. Other senior officers include the heads of other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</i></b></p> <p><b>Reference:</b> p. 14 &gt; <i>ALI CG Manual</i> &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.12 Specific duties of the Board of Directors &gt; item c</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>All nominees for election to the certain offices shall be referred to the Corporate Governance and Nomination Committee for evaluation of their qualifications.</i></b></p>	

**Reference:** p.5 > ALI Corporate Governance and Nomination Committee Charter > Item 2.3

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-CGNC-Charter-2020-11-26.pdf>

Identity of the Management team appointed

***For 2021, the Company disclosed the members of the Management Team as part of the disclosure of the results of the Annual Stockholders' Meeting and Organizational Meeting of the Board on April 21, 2021.***

**Reference:** p. 3 > Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 22 April 2020 > IR Website > Disclosures > Results of the Annual Stockholders' Meeting and Organizational Board Meeting

[https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD\\_4.21.21.pdf](https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf)

***For 2022, the Company disclosed the members of the Management Team as part of the disclosure of the results of the Annual Stockholders' Meeting and Organizational Meeting of the Board on April 27, 2022.***

**Reference:** p. 3 > Results of the 2021 Annual Stockholders' Meeting and Organizational

		<p><i>Board Meeting, 22 April 2020 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf</a></p>	
<p>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).</p>	Compliant	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p> <p><b><i>The Board conducts an annual performance assessment of its members, the President and CEO, and Management.</i></b></p> <p><b>Reference:</b> <i>p. 16 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.14 Specific duties of the Board of Directors &gt; item m</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>The CEO and Chief Compliance Officer report directly to the Board. The Chief Audit Executive and Chief Risk Officer report to the Board through the Audit and Board Risk Oversight Committees, respectively.</i></b></p>	

		<p><b>Reference:</b> p. 127 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Our Governance Structure &gt; Chart on ALI's CG Structure</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 2.9</b>			
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.	
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	<p><b><i>The Board establishes the Vision and Mission, strategic objectives, key policies and procedures for the management of the Company, as well as the mechanism for monitoring and evaluating Management's performance.</i></b></p> <p><b>Reference:</b> p. 12 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.12 General Responsibility of the Board for Good Governance &gt; item b</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>ALI has a performance-based rewards and recognition system which is spearheaded by its Corporate Working Group to ensure that the performance of each business group is consistent with ALI's commitment to its Board and stakeholders.</i></b></p>	



		<b>Reference:</b> <i>Rewards and Compensation &gt; ALI IR Website &gt; Corporate Governance &gt; Board Processes</i> <a href="https://ir.ayalaland.com.ph/corporate-governance/board-processes/">https://ir.ayalaland.com.ph/corporate-governance/board-processes/</a>	
<b>Recommendation 2.10</b>			
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	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p><b><i>The Board has an internal control system in place which includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</i></b></p> <p><b>Reference:</b> <i>p. 13 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.12 General Responsibility of the Board for good governance &gt; item d</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b><i>Non-executive Directors shall hold meetings semi-annually for proper check and balance; to ensure the adequacy of the Corporation's internal controls and effectiveness of risk management.</i></b></p> <p><b>Reference:</b> <i>p. 12 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt;</i></p>	

		<p>1.11 Board Meetings and Quorum Requirements</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>ALI has a Conflict of Interest Policy which covers all employees and is available on the company website.</b></p> <p><b>Reference:</b> IR Website &gt; Corporate Governance &gt; Conflict of Interest Policy  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_137_Conflict-of-Interest-Oct-2015.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_137_Conflict-of-Interest-Oct-2015.pdf</a></p> <p><b>All directors and employees of the Corporation and its subsidiaries are required to promptly disclose any business and family-related transactions to the Corporation to ensure potential conflicts of interest are surfaced and brought to the attention of Management.</b></p> <p><b>Reference:</b> pp. 10 &gt; ALI RPT Policy &gt; 10. Conflicts of Interest and Disclosure Requirements for Directors, Officers and Employees  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p>	
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3. Board approves the Internal Audit Charter.	Compliant	<p>Provide reference or link to the company's Internal Audit Charter</p> <p><b>ALI's Internal Audit Charter</b>  <b>Reference:</b> pp. 2-3 &gt; Audit Committee Charter &gt; 3. Roles and Responsibilities &gt; 3.1 Internal Audit  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p>	
<b>Recommendation 2.11</b>			
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	<p>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.</p>	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	<p>Provide proof of effectiveness of risk management strategies, if any.</p> <p><b>The Board oversees that ALI has a sound ERM framework in place.</b></p> <p><b>Reference:</b> pp. 26-27 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.5 Board Risk Oversight Committee &gt; item a-i  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

		<p><b>ALI's ERM framework guides the Board in identifying risk exposures, as well as the effectiveness of risk management strategies.</b></p> <p><b>Reference:</b> pp. 146-153 &gt; ALI 2021 Integrated Report &gt; Risk Management <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 2.12</b>			
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.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<p><b><i>The Board has a 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. It is publicly available on ALI's IR website.</i></b></p> <p><b>Reference:</b> ALI IR Website &gt; Corporate Governance &gt; Board Committees &gt; ALI Board of Directors Charter <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
3. Board Charter is publicly available and posted on the company's website.	Compliant		
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	Provide information on or link/reference to a document showing company's insider trading policy.	

		<p><b>The Board has a clear Insider Trading Policy which also covers key officers of ALI.</b></p> <p><b>Reference:</b> ALI IR Website &gt; Corporate Governance &gt; Insider Trading Policy  <a href="https://ir.ayalaland.com.ph/corporate-governance/insider-trading-policy/">https://ir.ayalaland.com.ph/corporate-governance/insider-trading-policy/</a></p>	
<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	<p>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</p> <p><b>None of the directors in his or her personal capacity has been contracted by ALI for services other than those provided as a director. ALI has no other arrangement regarding the remuneration of its directors and officers aside from the compensation as stated in the CG Manual.</b></p> <p><b>Reference:</b> p. 131 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Remuneration  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p>Indicate the types of decision requiring board of directors' approval and where these are disclosed.</p> <p><b>ALI discloses the list of items that require Board approval under its powers, duties and responsibilities.</b></p>	

		<p><b>Reference:</b> pp. 5-7 &gt; <i>ALI Charter of the Board of Directors</i> &gt; 4. Powers, Duties and Responsibilities &gt; items a-v  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p> <p><b><i>In 2021, the Company disclosed to the SEC the Board approval of the following: declaration of cash dividends, amendments to the RPT Policy, merger of ALI and subsidiaries, amendments to the ESOWN and By-Laws, and disposition of one of its commercial assets to a subsidiary.</i></b></p>	
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**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	<p>Provide information or link/reference to a document containing information on all the board committees established by the company.</p> <p><b><i>The ALI Board established Board Committees to support it in the performance of its functions and in accordance with the By-Laws of the company and to aid in good governance.</i></b></p> <p><b>Reference:</b> pp. 19-29 &gt; <i>ALI CG Manual</i> &gt; 2. Board Committees  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
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### Recommendation 3.2

<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</p> <p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> <p><b><i>The Audit Committee assists the Board of Directors fulfill its oversight responsibility over the Company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The Committee recommends the appointment and removal of the Company's external auditor.</i></b></p> <p><b>Reference:</b> pp. 23-26 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.4 Audit Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> pp. 20-21 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.4 Audit Committee (items s – aa)  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> pp. 2-5 &gt; ALI Audit Committee Charter &gt; 3. Roles and Responsibilities</p>	
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2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</p> <p><b><i>ALI's Audit Committee is composed of non-executive directors, majority of whom are independent directors including the Chairman.</i></b></p> <p><b>Reference:</b> p. 138 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees &gt; Table on Committee Memberships  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 134-135 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees &gt; Audit Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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.	



		<p><b><i>All the members of ALI's Audit Committee have the background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</i></b></p> <p><b>Reference:</b> pp. 70-71 &gt; ALI 2021 Integrated Report &gt; Board of Directors &gt; Profiles of Cesar V. Purisima, Rex Ma. A. Mendoza and Antonino T. Aquino  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Table on 2021 Board of Directors Expertise  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</p> <p><b><i>The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</i></b></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf</a>  <b>Reference:</b> p. 138 > <i>ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees &gt; Table on Committee Memberships</i> <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
<b>Supplement to Recommendation 3.2</b>			
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.  <b><i>ALI's Audit Committee approved all non-audit services conducted by the external auditor.</i></b>  <b>Reference:</b> p. 160, 4 <sup>th</sup> bullet > <i>ALI 2021 Integrated Report &gt; Report of the Audit Committee to the Board of Directors</i> <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
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.  <b><i>The Audit Committee conducts regular meetings and dialogues with SGV &amp; Co., without anyone from management</i></b>	

		<p><i>present. The Committee also reviewed and approved all audit, audit-related, and permitted non-audit services provided by SGV &amp; Co. to the Company and the related fees for such services. The Company also assessed the compatibility of non-audit services with the auditor's roles and responsibilities to ensure that such services will not impair its independence.</i></p> <p><b>Reference:</b> p. 160 &gt; ALI 2021 Integrated Report &gt; Report of the Audit Committee to the Board of Directors &gt; Bullet 4  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	Compliant	<p>Indicate the number of Audit Committee meetings during the year and provide proof</p> <p><b><i>ALI's Audit Committee held four meetings in 2021.</i></b></p> <p><b>Reference:</b> p. 160 &gt; ALI 2021 Integrated Report &gt; Report of the Audit Committee to the Board of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</p>	

		<p><b>ALI's Audit Committee approves the appointment and removal of the internal auditor.</b></p> <p><b>Reference:</b> p. 2 &gt; ALI Charter of the Audit Committee &gt; 3. Roles and Responsibilities &gt; 3.1 Internal Audit &gt; Item b  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p> <p><b>Reference:</b> p. 160 &gt; ALI 2021 Integrated Report &gt; Report of the Audit Committee to the Board of Directors  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 3.3</b>			
<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	Compliant	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p> <p><b>On November 20, 2017, ALI's Board approved the Revised Charter of the Corporate Governance and Nomination Committee to comply with the Code of Corporate Governance for Publicly-Listed Companies.</b></p>	

		<p><b>Reference:</b> p. 2 &gt; SEC-PSE-PDEx Results of Board of Directors Meeting 11-20-2017 &gt; IR Website &gt; Disclosures (item 3)  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2017/11/SEC-PSE-PDEx-Result-of-BOD-Mtg_11.20.17.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2017/11/SEC-PSE-PDEx-Result-of-BOD-Mtg_11.20.17.pdf</a></p> <p><b>ALI's Board established a Corporate Governance and Nomination Committee.</b></p> <p><b>Reference:</b> pp. 20-21 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.2 Corporate Governance and Nomination Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p> <p><b>Reference:</b> p.2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</p>	
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2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p> <p><b><i>ALI's Corporate Governance and Nomination Committee is composed of independent directors.</i></b></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf</a></p>	

		<p><b>Reference:</b> p. 138 &gt; <i>ALI 2021 Integrated Report &gt; Committee Composition and Meeting Attendance 2021</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</p> <p><b><i>The Chairman of ALI's Corporate Governance and Nomination Committee is an independent director.</i></b></p> <p><b>Reference:</b> p. 2 &gt; <i>Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf</a></p> <p><b>Reference:</b> p. 2 &gt; <i>Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf</a></p>	

		<p><b>Reference:</b> p. 138 &gt; ALI 2021 Integrated Report &gt; Committee Composition and Meeting Attendance 2021</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	<p>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</p> <p><b><i>The Corporate Governance and Nomination Committee held four meetings in 2021.</i></b></p> <p><b>Reference:</b> p. 132 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Summary of 2021 Board and Committee Attendance</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 3.4</b>			
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	<p>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</p> <p><b><i>ALI's Board established a Board Risk Oversight Committee responsible for the oversight of the Corporation's Enterprise Risk Management system.</i></b></p>	



		<p>Ref: pg 26-27 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.5 Board Risk Oversight Committee</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	Compliant	<p>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</p> <p><b>ALI's Board Risk Oversight Committee is composed of a majority of independent directors, including the Chairman.</b></p> <p><b>Reference:</b> p. 135 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees &gt; Board Risk Oversight Committee</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational</p>	

		<p><i>Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf</a></p> <p><b>Reference:</b> <i>p. 138 &gt; ALI 2021 Integrated Report &gt; Committee Composition and Meeting Attendance 2021</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Compliant	<p>Provide information or link/reference to a document containing information on the Chairman of the BROCC</p> <p><b><i>The Chairman of ALI's BROCC is not the Chairman of the Board or any other committee.</i></b></p> <p><b>Reference:</b> <i>p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.21.21.pdf</a></p> <p><b>Reference:</b> <i>p. 2 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt;</i></p>	

		<p><i>Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf</a></p> <p><b>Reference:</b> p. 138 &gt; <i>ALI 2021 Integrated Report &gt; Committee Composition and Meeting Attendance 2021</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</p> <p><b><i>At least one member of ALI's BROC has relevant thorough knowledge and experience on risk and risk management.</i></b></p> <p><b>Reference:</b> pp. 69-71 &gt; <i>ALI 2021 Integrated Report &gt; Board of Directors &gt; Profiles of Rizalina G. Mantaring, Sherisa P. Nuesa, and Antonino T. Aquino</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 130 &gt; <i>ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Table on 20201 Board of Directors Expertise</i></p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</p> <p><b><i>ALI's Board established a Related Party Transactions Review Committee.</i></b></p> <p><b>Reference:</b> p. 28 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.6 Related Party Transactions Review Committee</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</p> <p><b><i>ALI's RPT Review Committee is composed of three non-executive, independent directors.</i></b></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a>  <b>Reference:</b> p. 2 > Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 > IR Website > Disclosures > Results of the Annual Stockholders' Meeting and Organizational Board Meeting <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf</a>  <b>Reference:</b> p. 138 > ALI 2021 Integrated Report > Committee Composition and Meeting Attendance 2021 <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
<b>Recommendation 3.6</b>			
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.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	<b><i>All of ALI's established committees at the Board level have a charter. All the charters provide standards for evaluating the performance of the committees and are fully disclosed on the ALI IR website.</i></b>	

		<p><b>Reference:</b> <i>ALI IR Website &gt; Corporate Governance &gt; Board Committees</i>  <a href="https://ir.ayalaland.com.ph/corporate-governance/board-committees/">https://ir.ayalaland.com.ph/corporate-governance/board-committees/</a></p> <p><i>ALI Board Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p> <p><i>ALI Executive Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Executive-Committee-Charter-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Executive-Committee-Charter-2021-10-19.pdf</a></p> <p><i>ALI Audit Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p> <p><i>ALI Board Risk Oversight Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2019/05/ALI-Risk-Oversight-Committee-Charter-2017-08-11-Final.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2019/05/ALI-Risk-Oversight-Committee-Charter-2017-08-11-Final.pdf</a></p> <p><i>ALI Corporate Governance and Nomination Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-CGNC-Charter-2020-11-26.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-CGNC-Charter-2020-11-26.pdf</a></p>	
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		<p><i>ALI Personnel and Compensation Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2018/03/ALI-Charter-of-the-Personnel-and-Compensation-Comm.pdf</a></p> <p><i>ALI Related Party Transactions Review Committee Charter</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2016/02/ALI-RPT-Review-Committee-Charter-2017-06-29-Signed-copy.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2016/02/ALI-RPT-Review-Committee-Charter-2017-06-29-Signed-copy.pdf</a></p> <p><i>ALI Sustainability Committee</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2020/05/Sustainability-Committee-Charter-2017-05-17-Signed.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2020/05/Sustainability-Committee-Charter-2017-05-17-Signed.pdf</a></p>	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<p>Provide link to company's website where the Committee Charters are disclosed.</p> <p><b><i>The charters of the committees were fully disclosed on the Company's website. See above response for Recommendation 3.6, items 1-2.</i></b></p>	
<p><b>Principle 4:</b> 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.</p>			
<p><b>Recommendation 4.1</b></p>			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.	

		<p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p> <p><b><i>ALI's Board of Directors attend and actively participate in all meetings, in person or through remote communication, such as videoconferencing, teleconferencing or other alternative modes of communication allowed by SEC.</i></b></p> <p><b>Reference:</b> pp. 132,138 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Board and Committee Attendance 2021  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 12 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.11 Board Meetings and Quorum Requirements  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p><b><i>Board materials are distributed to ALI's Board of Directors at least five business days to give the directors ample time to review the meeting materials prior to the meeting date.</i></b></p>	



		<p><b><i>ALI used the Diligent Boards application in 2019 and starting 2020, the Azeus Convene application, which allows each director to access the materials online in a secure portal as well as all materials of previous meetings of the Board and the Board Committees.</i></b></p> <p><b>Reference:</b> p. 131 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Meetings and Attendance  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 9 &gt; ALI Board Charter &gt; Item 5.1 Meetings, Quorum and Actions &gt; Item d.  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</p> <p><b><i>Board of Directors act judiciously before deciding on any matter by evaluating the issues, asking relevant questions and seeking clarifications as appropriate.</i></b></p> <p><b>Reference:</b> p. 16 &gt; ALI CG Manual &gt; Article II Governance &gt; Item 1.15 Specific Responsibilities of each Director &gt; Item c.</p>	

		<a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>	
<b>Recommendation 4.2</b>			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p> <p><b><i>The independent directors and non-executive directors of the Company are encouraged to hold no more than five board seats in publicly-listed companies and executive directors to hold no more than two board seats in listed companies outside the ALI group.</i></b></p> <p><b>Reference:</b> p. 11 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.10 Policy on multiple board seats  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> pp. 68-71 &gt; ALI 2021 Integrated Report &gt; Board of Directors Profiles  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

		<p><b>Reference:</b> p. 2 &gt; ALI Board Charter &gt; Item 2.2 Policy on Multiple Board Seats.</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
<b>Recommendation 4.3</b>			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p><b><i>In the ALI CG Manual, all directors are required to notify the Chairman and Corporate Governance and Nomination Committee before accepting a directorship in another company.</i></b></p> <p><b>Reference:</b> p. 18 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.17 Specific responsibilities of each director &gt; item j.</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p><b><i>The President and CEO, Mr. Bernard Vincent O. Dy, does not serve in more than two boards of listed companies outside of the group.</i></b></p> <p><b>Reference:</b> p. 69 &gt; ALI 2021 Integrated Report &gt; Board Profiles</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

<p>2. Company schedules board of directors' meetings before the start of the financial year.</p>	<p>Compliant</p>	<p><b><i>ALI schedules the Board of Directors' meetings are approved by the Board before the start of the financial year.</i></b></p> <p><b>Reference:</b> p. 131 &gt;ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Meetings and Attendance  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<p>3. Board of directors meet at least six times during the year.</p>	<p>Compliant</p>	<p>Indicate the number of board meetings during the year and provide proof</p> <p><b><i>The Board held six regular meetings in 2021.</i></b></p> <p><b>Reference:</b> p. 131 &gt;ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Meetings and Attendance  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 1 &gt; 2021 Attendance of the Board of Directors &gt; IR Website &gt; Disclosures &gt; Other Disclosures  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/12/ALI-SEC-PSE-PDEx-2021-Attendance-of-the-Board-of-Directors_12.27.21-cmbd.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/12/ALI-SEC-PSE-PDEx-2021-Attendance-of-the-Board-of-Directors_12.27.21-cmbd.pdf</a></p> <p><b>Reference:</b> p. 8 &gt; ALI Board Charter &gt; Item 1.5 &gt; Meetings, Quorum and Actions &gt; Item a.</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	<p>Indicate the required minimum quorum for board decisions</p> <p><b><i>Two-thirds (2/3) of the number of ALI directors shall constitute a quorum.</i></b></p> <p><b>Reference:</b> p. 12 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.11 Board Meetings and Quorum Requirements  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p. 8 &gt; ALI Board Charter &gt; Item 1.5 &gt; Meetings, Quorum and Actions &gt; Item b.  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
<b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<b>Recommendation 5.1</b>			
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	

		<p><b>As of 21 April 2021, the Board has four independent directors, constituting more than one-third (1/3) of its composition.</b></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a></p> <p><b>As of 27 April 2022, the Board has four independent directors, constituting more than one-third (1/3) of its composition.</b></p> <p><b>Reference:</b> p. 2 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.27.22-1.pdf</a></p>	
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</p> <p><b>ALI's independent directors possess all the qualifications and none of the disqualifications to hold the position.</b></p>	

		<p><b>Reference:</b> pp. 69-71 &gt; ALI 2021 Integrated Report &gt; Our Leaders &gt; Board Profiles  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 39-46 &gt; 2021 Definitive Information Statement &gt; IR Website &gt; Disclosures &gt; Information Statements (SEC Form 20-IS) &gt; Certification of Independent Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p>Provide link/reference to a document containing information that directors are not constrained to vote independently.</p> <p><b><i>ALI has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Company and must promote the common interest of all shareholders and the Company without regard to their own personal and selfish interests.</i></b></p> <p><b>Reference:</b> pp. 35-36 &gt; ALI CG Manual &gt; Article IV Governance Policy on Conflict of Interest</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>  <b>Reference:</b> p. 4 > ALI Board Charter > Item 3 Board Independence and Conflict of Interest <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a>	
<b>Recommendation 5.3</b>			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p>Provide information or link/reference to a document showing the years IDs have served as such.</p> <p><b><i>ALI's independent directors serve for a cumulative term of nine years.</i></b></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Independent Directors; Table on 2021 Board of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>An independent director, after serving nine years, shall be perpetually barred from being elected as such in the Company, without prejudice to being elected as a non-independent director of the Corporation or an independent director in other companies outside of the business conglomerate, where applicable, under the same conditions provided for in the rules and regulations of the SEC.</i></b></p>	



		<p><b>Reference:</b> p. 7 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.5 Disqualifications &gt; Item i.  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>ALI's independent directors may serve for a period of not more than nine years.</b></p> <p><b>Reference:</b> p. 10 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.9 Independent Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</p> <p><b><i>An independent director, after serving nine years, shall be perpetually barred from being elected as such in the company, without prejudice to being elected as a non-independent director of the Corporation or an independent director in other companies outside of the business conglomerate, where applicable, under the same conditions provided for in the rules and regulations of the SEC.</i></b></p>	

		<p><b>Reference:</b> p. 7 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.5 Disqualifications &gt; Item i</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
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	<p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p> <p><b>ALI's CG Manual only allows for independent directors to serve a maximum term of nine years. In the event that an independent director shall be retained beyond this, ALI's Board will have to provide meritorious justification and seek shareholders' approval during the ASM.</b></p> <p><b>Reference:</b> pp. 9-11 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.9 Independent Directors</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<p>Identify the company's Chairman of the Board and Chief Executive Officer</p> <p><b>ALI's Chairman of the Board and Chief Executive Officer are held by separate individuals.</b></p>	

		<p><b>Reference:</b> p. 128 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Governance Structure &gt; The Chairman, Vice Chairman, and President and CEO  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 130 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Table on 2021 Board of Directors  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>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.</p> <p>Identify the relationship of Chairman and CEO.  <b>ALI's Chairman of the Board and CEO have clearly defined responsibilities.</b></p> <p><b>Reference:</b> p. 9 &gt; ALI CG Manual &gt; Article II Governance &gt; 1 The Board of Directors &gt; 1.7 Chairman of the Board</p> <p><b>Reference:</b> pp. 30-31 &gt; ALI CG Manual &gt; Article III Management &gt; 3. Roles of the executive officers of the corporation &gt; 3.1 President and Chief Executive Officer  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

		<p><b>Reference:</b> p. 128 &gt; <i>ALI 2021 Integrated Report &gt; Corporate Governance &gt; Our Governance Structure &gt; The Chairman, Vice Chairman, and President and CEO</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 5.5</b>			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	Compliant	<p>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</p> <p>Indicate if Chairman is independent.</p> <p><b>On 21 April 2021, Ms. Rizalina G. Mantaring was reappointed as lead independent director.</b></p> <p><b>Reference:</b> p. 3 &gt; <i>Results of the 2021 Annual Stockholders' Meeting and Organizational Board Meeting, 21 April 2021 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/SEC-PSE-PDEx-Result-of-ASM-and-Orq-BOD_4.21.21.pdf</a></p> <p><b>On 27 April 2022, Ms. Rizalina G. Mantaring was reappointed as lead independent director.</b></p>	

		<p><b>Reference:</b> p. 3 &gt; Results of the 2022 Annual Stockholders' Meeting and Organizational Board Meeting, 27 April 2022 &gt; IR Website &gt; Disclosures &gt; Results of the Annual Stockholders' Meeting and Organizational Board Meeting  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/SEC-PSE-PDEx-Result-of-ASM-and-Org-BOD_4.27.22-1.pdf</a></p> <p><b>Roles and responsibilities of the Lead Independent Director</b></p> <p><b>Reference:</b> p. 11 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.9 Independent Directors &gt; item h  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>Provide proof of abstention, if this was the case</p> <p><b><i>There have been no cases of directors with material interest in a transaction affecting the Company. ALI's directors and key management personnel are required to abstain and/or inhibit themselves from participating in discussions on a particular agenda item where they are conflicted.</i></b></p> <p><b>Reference:</b> pp. 132-133 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees&gt; Disclosure of Conflict of Interest</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>  <b>ALI has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Company and must promote the common interest of all shareholders and the Company without regard to their own personal and selfish interests.</b> <b>Reference:</b> p. 37 > ALI CG Manual > Article IV Governance Policy on Conflict of Interest <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>  <b>Reference:</b> p. 4 > ALI Board Charter > Item 3 Board Independence and Conflict of Interest <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a>	
<b>Recommendation 5.7</b>			
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		

***ALI's NEDS met last October 19, 2021, without any executive director present.***

**Reference:** p. 12 > ALI CG Manual > Article II Governance > 1. The Board of Directors > 1.11 Board Meetings and Quorum Requirements > item e  
<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf>

**Reference:** p. 131 > ALI 2021 Integrated Report > Corporate Governance > Board Matters > Meetings and Attendance > Paragraph 2  
<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

**Reference:** p. 2 > 2021 Attendance of the Board of Directors > IR Website > Disclosures > Other Disclosures  
[https://ir.ayalaland.com.ph/wp-content/uploads/2021/12/ALI-SEC-PSE-PDEx-2021-Attendance-of-the-Board-of-Directors\\_12.27.21-cmbd.pdf](https://ir.ayalaland.com.ph/wp-content/uploads/2021/12/ALI-SEC-PSE-PDEx-2021-Attendance-of-the-Board-of-Directors_12.27.21-cmbd.pdf)

***The Lead Independent Director, Rizalina G. Mantaring, chaired the NEDs meeting last October 19, 2021, which was attended by all the NEDs.***

**Reference:** p. 131 > ALI 2021 Integrated Report > Corporate Governance > Board Matters > Board Meeting Attendance 2021 > Non-executive Directors Meeting

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>  <b>ALI's Lead Independent Director convenes and chairs meetings of the non-executive directors.</b>  <b>Reference:</b> p. 11 > ALI CG Manual > Article II Governance > 1. The Board of Directors > 1.9 Independent Directors > item h > ii <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>	
<b>Optional: Principle 5</b>			
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  <b>None. Mr. Bernard Vincent O. Dy is President and CEO of ALI for seven years since his appointment in April 2014.</b>	
<b>Principle 6:</b> 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.			
<b>Recommendation 6.1</b>			
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  <b>The ALI Board, the Chairman, individual members, and each committee conduct an annual self-assessment of their</b>	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		



<p>4. Each committee conducts a self-assessment of its performance.</p>	<p>Compliant</p>	<p><b><i>performance. In 2018, an online version of the self-assessment survey was developed and made available for the members of the Board.</i></b></p> <p><b>Reference:</b> p. 14 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.13 Board Self-Assessment  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p. 133 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters&gt; Annual Self-Assessment  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Summary of Board Self-Assessment Results 2014 – 2021</b></p> <p>ALI IR Website &gt; Corporate Governance &gt; Board Self-Assessment  <a href="https://ir.ayalaland.com.ph/corporate-governance/board-self-assessment/">https://ir.ayalaland.com.ph/corporate-governance/board-self-assessment/</a></p>	
<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p>Compliant</p>	<p>Identify the external facilitator and provide proof of use of an external facilitator.</p> <p><b><i>To strengthen the objectivity of the assessment, the Board will engage an external facilitator to conduct the process every three years beginning 2019. This policy was instituted in May 2017.</i></b></p>	

		<p><b><i>In 2019, AON Hewitt Southeast Asia, an external facilitator, was engaged to conduct the annual assessment exercise. The next third party self-assessment will be for 2022 operations.</i></b></p> <p><b>Reference:</b> p. 14 &gt; ALI CG Manual &gt; Article II Governance &gt; 1. The Board of Directors &gt; 1.13 Board Self-Assessment  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> AON Certification &gt; ALI IR Website &gt; Corporate Governance &gt; Board Self-Assessment  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/Ayala-Land-Inc.-Externally-facilitated-Board-Self-Assessment-Certification-2019.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/05/Ayala-Land-Inc.-Externally-facilitated-Board-Self-Assessment-Certification-2019.pdf</a></p>	
<b>Recommendation 6.2</b>			
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	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p><b><i>ALI's Board has a performance appraisal system that determines the performance of the Board, individual directors and committees. One of the tools used is the self-assessment exercise.</i></b></p>	

**Reference:** p. 133 > ALI 2021 Integrated Report > Corporate Governance > Board Matters> Annual Self-Assessment  
<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

**Summary of Board and Committees Self-Assessment Results 2014-2021**

**Reference:** ALI IR Website > Corporate Governance > Board Self-Assessment  
<https://ir.ayalaland.com.ph/corporate-governance/board-self-assessment/>

**ALI's Board allows for a feedback mechanism from shareholders during the Q&A portion of the Annual Stockholders' Meeting.**

**Reference:** p. 14 > Minutes of the 2021 Annual Stockholders' Meeting > IR Website > Disclosures > Minutes of the meeting, item 12. Other Matters  
<https://ir.ayalaland.com.ph/wp-content/uploads/2021/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-April-2021.pdf>

**ALI has a Contact Us section and published the emails of the respective contact persons on the website for shareholders and the public.**

ALI Website > Contact Us link on Header  
<https://ir.ayalaland.com.ph/>

**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	<p>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</p> <p><b><i>ALI's Board has a Code of Conduct and Ethics.</i></b></p> <p><b>Reference:</b> Code of Conduct and Ethics &gt; IR Website &gt; Corporate Governance  <a href="https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/">https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/</a></p>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</p> <p><b><i>The Code is properly disseminated to the Board, senior management and employees.</i></b></p> <p><b>Reference:</b> Code of Conduct and Ethics &gt; IR Website &gt; Corporate Governance  <a href="https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/">https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/</a></p>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<p>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</p> <p><b><i>ALI's Code of Ethical Behavior is available to the public through the company website.</i></b></p>	

		<p><b>Reference:</b> <i>ALI Code of Ethical Behavior &gt; Code of Conduct and Ethics &gt; IR Website &gt; Corporate Governance</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_72_Code-of-Ethical-Behavior.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_72_Code-of-Ethical-Behavior.pdf</a></p>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</p> <p><b><i>ALI has an Anti-Corruption Program.</i></b></p> <p><b>Reference:</b> <i>pp. 142-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-Corruption Programs and Procedures</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 7.2</b>			
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.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p> <p><b><i>ALI's Board ensures the proper and efficient implementation and monitoring of</i></b></p>	

		<p><b>compliance with its Code of Ethical Behavior and internal policies.</b></p> <p><b>Reference:</b> pp. 142-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-Corruption Programs and Procedures  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			
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	<p>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</p> <p><b>Management, through the Investor Relations Office, shall be responsible for public and timely disclosure of all material information about the Company.</b></p> <p><b>Reference:</b> pp. 40-41 &gt; ALI CG Manual &gt; Article VI Communication and Information &gt; 1. Management's Responsibility for Information and 3. The Investor Relations Function  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

## Supplement to Recommendations 8.1

<p>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.</p>	<p>Compliant</p>	<p>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.</p> <p><b><i>ALI publicly discloses its consolidated financial statements within 60 days from the end of the fiscal year while interim quarterly reports are submitted within 45 days from the end of the reporting period.</i></b></p> <p><b>Reference:</b> <i>ALI Audited Financial Statements as of year ended December 31, 2021 &gt; PSE Edge Website &gt; ALI &gt; Company Disclosures &gt; Material Information/Transactions Mar 01, 2022</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=6894831c75ed09dd3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=6894831c75ed09dd3470cea4b051ca8f</a></p> <p><b>Reference:</b> <i>ALI SEC 17Q 1Q 2021 &gt; PSE Edge Website &gt; ALI &gt; Company Disclosures &gt; Quarterly Report May 4, 2021</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=447912a18354f8085d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=447912a18354f8085d542af6f1e997b9</a></p> <p><b>Reference:</b> <i>ALI SEC 17Q 2Q 2021 &gt; PSE Edge Website &gt; ALI &gt; Company Disclosures &gt; Quarterly Report August 04, 2021</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=778ca94c734151445d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=778ca94c734151445d542af6f1e997b9</a></p>	
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		<p><b>Reference:</b> <i>ALI SEC 17Q 3Q 2021 &gt; PSE Edge Website &gt; ALI &gt; Company Disclosures &gt; Quarterly Report November 03, 2021</i>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1328b4603b6f54805d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1328b4603b6f54805d542af6f1e997b9</a></p>	
<p>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.</p>	Compliant	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> <li>1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</li> <li>2. cross-holdings among company affiliates; and</li> <li>3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.</li> </ol> <p><b><i>ALI discloses the shareholdings of controlling shareholders.</i></b>  <b>Reference:</b> <i>pp. 9-10&gt; ALI SEC 20-IS 2021&gt; IR Website &gt; Disclosures &gt; Information Statement (SEC Form20-IS)</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p> <p><b><i>ALI upholds and protects the rights of minority shareholders.</i></b></p> <p><b>Reference:</b> <i>p. 43 &gt; ALI CG Manual &gt; Article VII Stockholders Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.1 Voting Right</i></p>	



		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>	
<b>Recommendation 8.2</b>			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</p> <p><b><i>All ALI directors and officers are required to disclose/report any dealings in the Company's shares within three business days.</i></b></p> <p><b>Reference:</b> pp. 142-143 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-Corruption Programs and Procedures &gt; Trading Blackout Policy  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>ALI Insider Trading Policy</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/insider-trading-policy/">https://ir.ayalaland.com.ph/corporate-governance/insider-trading-policy/</a></p> <p><b><i>Actual dealings of directors involving the corporation's shares</i></b></p>	

		<p><b>Reference:</b> <i>ALI IR Website &gt; Disclosures &gt; Statement of Changes in Beneficial Ownership (SEC Form 23-A, 23-B)</i>  <a href="https://ir.ayalaland.com.ph/category/disclosures/statement-of-changes-in-beneficial-ownership-of-securities-sec-form-23-a-23-b/">https://ir.ayalaland.com.ph/category/disclosures/statement-of-changes-in-beneficial-ownership-of-securities-sec-form-23-a-23-b/</a></p>	
<b>Supplement to Recommendation 8.2</b>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	Compliant	<p>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</p> <p>Provide link or reference to the company's Conglomerate Map.</p> <p><b><i>ALI discloses the trading of the Company's shares by directors, officers and controlling shareholders.</i></b></p> <p><b>Reference:</b> <i>ALI IR Website &gt; Statement of Changes in Beneficial Ownership of Securities</i>  <a href="https://ir.ayalaland.com.ph/category/disclosures/statement-of-changes-in-beneficial-ownership-of-securities-sec-form-23-a-23-b/">https://ir.ayalaland.com.ph/category/disclosures/statement-of-changes-in-beneficial-ownership-of-securities-sec-form-23-a-23-b/</a></p> <p><b><i>ALI discloses the shareholdings of its directors, management and top 100 shareholders.</i></b></p> <p><b>Reference:</b> <i>ALI Top 100 Shareholders as of 31 March 2022 &gt; ALI IR Website &gt; Disclosures</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Top-100-">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Top-100-</a></p>	

		<a href="#">Stockholders-Report-as-of-March-31-2022.pdf</a>  <b>Reference:</b> ALI Public Ownership Report as of 31 March 2022 > ALI IR Website > Disclosures <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/PSE-BIR-Public-Ownership-Report_3.31.22.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/PSE-BIR-Public-Ownership-Report_3.31.22.pdf</a>	
<b>Recommendation 8.3</b>			
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.  <b>ALI fully discloses the profile of its directors.</b>  <b>Reference:</b> pp. 68-71 > ALI 2021 Integrated Report > Our Leaders > Board of Directors Profiles <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
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.  <b>ALI fully discloses the profile of its key executives.</b>	

		<p><b>Reference:</b> pp. 24-35 &gt; 2021 Definitive Information Statement &gt; ALI IR Website &gt; Disclosures &gt; Information Statements (SEC Form 20-IS)</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-SEC-Form-20-IS-2022-Definitive-2022-04-04.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-SEC-Form-20-IS-2022-Definitive-2022-04-04.pdf</a></p>	
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for setting board remuneration</p> <p><b>ALI provides a clear disclosure on Board remuneration.</b></p> <p><b>Reference:</b> pp. 131-132 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Remuneration</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</p> <p><b>ALI has policies and procedures in place for setting executive remuneration.</b></p> <p><b>Reference:</b> pp. 22 &gt; ALI CG Manual &gt; Article II Governance &gt; 2. Board Committees &gt; 2.3 Personnel and Compensation Committee &gt; items a-c.</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	<p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p> <p><b>Board of Directors 2021 Gross Remuneration</b></p> <p><b>Reference:</b> p. 132 &gt; <i>ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Remuneration</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>ALI discloses on its Definitive Information Statement the remuneration of its top five most highly compensated executives, including the CEO.</b></p> <p><b>Reference:</b> pp. 12-13 &gt; <i>2021 ALI Definitive Information Statement &gt; Item 6 &gt; Compensation of Director and Executive Officers</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p>	

**Recommendation 8.5**

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <p><b><i>ALI discloses its RPT Policy on its website.</i></b></p> <p><b>Reference:</b> <i>ALI Related Party Transactions Review Policy &gt; ALI IR Website &gt; Corporate Governance</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p> <p><b><i>There have been no cases wherein a director in conflict of interest is involved in any of the related party transactions disclosed in the Sec Form No. 17-A.</i></b></p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"><li>1. name of the related counterparty;</li><li>2. relationship with the party;</li><li>3. transaction date;</li><li>4. type/nature of transaction;</li><li>5. amount or contract price;</li><li>6. terms of the transaction;</li><li>7. rationale for entering into the transaction;</li><li>8. the required approval (i.e., names of the board of directors approving, names</li></ol>	

and percentage of shareholders who approved) based on the company's policy; and  
9. other terms and conditions

***ALI discloses the RPTs reviewed and approved during the year.***

**Reference:** p. 137 > ALI 2021 Integrated Report > Corporate Governance > Board Committees > Related Party Transactions Review Committee, item 2.

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf>

***RPTs approved by the Board (other than a Material RPT) shall be disclosed as part of the items approved during the Board meeting and shall be indicated in the relevant financial reports of the Company as required under International Accounting Standard 24 on Related Party Disclosures and other applicable disclosure requirements.***

**Reference:** p. 10 > ALI Related Party Transactions Policy > 11. Disclosure of Related Party Transactions and Material RPTs

<https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf>

## Supplement to Recommendation 8.5

<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>Compliant</p>	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <p><b><i>ALI requires its directors to disclose their interests.</i></b></p> <p><b>Reference:</b> pp. 132-133 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Committees &gt; Disclosure of Conflict of Interest  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>ALI has a governance policy on conflict of interest to ensure that the personal interest of directors and officers should never prevail over the interest of the Company, so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the company and must promote the common interest of all shareholders and the Company without regard to their own personal and selfish interests.</i></b></p> <p><b>Reference:</b> pp. 35-36 &gt; ALI CG Manual &gt; Article IV Governance Policy on Conflict of Interest  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
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		<p><b>Reference:</b> p. 4 &gt; <i>ALI Board Charter &gt; Item 3 Board Independence and Conflict of Interest</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Charter-of-the-Board-of-Directors-2022-02-24.pdf</a></p>	
<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>Provide link or reference where this is disclosed, if any</p> <p><b><i>ALI ensures that all RPTs are conducted on an arms' length basis, at normal prices, and will inure to the best interest of the Company.</i></b></p> <p><b>Reference:</b> p. 1 &gt; 2. <i>Statement of Policy and Coverage &gt; ALI RPT Policy &gt; ALI IR Website &gt; Corporate Governance</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Related-Party-Transaction-Policy-2021-10-19.pdf</a></p>	
<b>Recommendation 8.6</b>			
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	<p>Provide link or reference where this is disclosed</p> <p><b><i>ALI Disclosures</i></b>  <b>Reference:</b> <i>ALI IR Website &gt; Disclosures</i>  <a href="https://ir.ayalaland.com.ph/category/disclosures/">https://ir.ayalaland.com.ph/category/disclosures/</a></p>	
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	

		<p>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</p> <p><b><i>In case of mergers, acquisitions and/or takeovers requiring shareholders' approval, the Board of Directors may appoint an independent party to evaluate the fairness of the terms of the transaction.</i></b></p> <p><b>Reference:</b> p. 142 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Fairness Evaluation in cases of Mergers, Acquisitions and/or takeovers  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>FTI Consulting was engaged to issue a Fairness Opinion in relation to the Asset for Share Swap between Ayala Corporation and Ayala Land</i></b></p> <p><b>Reference:</b> AC-ALI Property for Share Swap Fairness opinion &gt; ALI IR Website  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/AC-ALI-Property-for-Share-Swap-Fairness-Opinion-Appraisal-and-Valuation-Reports.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/AC-ALI-Property-for-Share-Swap-Fairness-Opinion-Appraisal-and-Valuation-Reports.pdf</a></p>	
<b>Supplement to Recommendation 8.6</b>			
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	Compliant	<p>Provide link or reference where these are disclosed.</p> <p><b><i>All material transactions/information are disclosed on the IR website.</i></b></p>	

control, ownership, and strategic direction of the company.		<b>Reference:</b> <i>ALI IR Website &gt; Disclosures</i> <a href="https://ir.ayalaland.com.ph/category/disclosures/">https://ir.ayalaland.com.ph/category/disclosures/</a>	
<b>Recommendation 8.7</b>			
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.  <b><i>ALI's corporate governance policies, programs and procedures are contained in its CG Manual. It is submitted to the SEC and PSE and is posted on the IR website.</i></b>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant	<b>Reference:</b> <i>ALI Corporate Governance Manual &gt; ALI IR Website &gt; Corporate Governance &gt; CG Manual</i> <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>  <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=85f6e869ccc502bf3318251c9257320d#sthash.DMQY1O5b.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=85f6e869ccc502bf3318251c9257320d#sthash.DMQY1O5b.dpbs</a>	
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.		Provide proof of submission.  <b><i>ALI's proof of submission of the CG Manual to the PSE.</i></b>  <b>Reference:</b> <i>ALI CG Manual &gt; PSE edge &gt; ALI &gt; Other SEC Forms, Reports and Requirements May 30, 2017</i> <a href="http://edge.pse.com.ph/openDiscViewer.do">http://edge.pse.com.ph/openDiscViewer.do</a>	

		<a href="#">?edqe_no=85f6e869ccc502bf3318251c9257320d#sthash.cX0Eydq4.dpbs</a>	
<b>Optional: Principle 8</b>			
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.	
a. Corporate Objectives	Compliant	<p><i>ALI 2021 Integrated Report &gt; IR Website &gt; Home &gt; Annual Reports</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Corporate Objectives</b>  Reference: p. 80</p> <p><b>Financial and non-financial performance indicators</b>  Reference: p. 15</p> <p><b>Dividend Declaration</b>  Reference: p. 141</p> <p><b>Biographical Details</b>  Reference: pp. 68-71</p> <p><b>Attendance of each director</b>  Reference: pp. 132 and 138</p> <p><b>Remuneration</b>  Reference: pp. 132</p>	
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		
g. Total remuneration of each member of the board of directors	Compliant		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is	Compliant	Provide link or reference to where this is contained in the Annual Report	

non-compliance, identifies and explains reason for each such issue.		<p><b>Statement confirming the Company's full compliance with the Code of Corporate Governance</b></p> <p><b>Reference:</b> p. 129&gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Corporate Governance Structure &gt; Strategic Business Units and Subsidiaries &gt; last paragraph  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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	<p>Provide link or reference to where this is contained in the Annual Report</p> <p><b>Board of Directors' Statement</b></p> <p><b>Reference:</b> p. 160 &gt; ALI 2021 Integrated Report &gt; Financials &gt; Report of the Audit Committee to the Board of Directors &gt; 9th and 10<sup>th</sup> bullet  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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	<p>Provide link or reference to where this is contained in the Annual Report</p> <p><b>Board of Directors Statement</b></p> <p><b>Reference:</b> p. 160 &gt; ALI 2021 Integrated Report &gt; Financials &gt; Report of the Audit Committee to the Board of Directors &gt; 9th and 10<sup>th</sup> bullet</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
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	<p>Provide link or reference to where these are contained in the Annual Report</p> <p><b>Key Risks</b>  <b>Reference:</b> pp. 149 - 153&gt; ALI 2021 Integrated Report &gt; Risk Management &gt; Key risks and mitigating measures  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

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

#### Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	<p>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.</p> <p><b><i>The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal and fees of the external auditor.</i></b></p> <p><b>Reference:</b> pp. 3-4 &gt; ALI Audit Committee Charter &gt; 3. Roles and Responsibilities &gt; 3.3 Independent Audit &gt; items a, b, c, g</p>	
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		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a>	
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	<p>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</p> <p><b><i>The Board, through the Audit Committee, recommends to the stockholders a duly accredited external auditor who shall undertake an independent audit and shall provide an objective assurance on the preparation of ALI's financial statements.</i></b></p> <p><b>Reference:</b> p. 37 &gt; ALI CG Manual &gt; Article V Audit and Compliance &gt; 2. External Audit &gt; Item a</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
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	<p>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</p> <p><b><i>The reason/s for the resignation, dismissal or cessation from service and date thereof of an external auditor shall be reported in ALI's annual and current reports. Since its incorporation, ALI has not removed nor changed its external auditor.</i></b></p>	

		<p><b>Reference:</b> p. 38 &gt; ALI CG Manual &gt; Article V Audit and Compliance &gt; 2. External Audit &gt; Item e</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<p>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</p> <p><b><i>The Partner-in-charge is rotated every five years or earlier.</i></b></p> <p><b>Reference:</b> p. 38 &gt; ALI CG Manual &gt; Article V Audit and Compliance &gt; 2. External Audit &gt; Item d</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Recommendation 9.2</b>			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	Compliant	<p>Provide link/reference to the company's Audit Committee Charter</p> <p><b><i>ALI's Audit Committee Charter</i></b></p> <p><b>Reference:</b> pp. 4-5 &gt; ALI Charter of the Audit Committee &gt; Roles and Responsibilities &gt; 3.4 Oversight on Independent Audit</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p>	



2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>Refer to response provided in Recommendation 9.2, item 1.</i></b>	
<b>Supplement to Recommendations 9.2</b>			
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  <b><i>Refer to response provided in Recommendation 9.2, item 1.</i></b>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Provide link/reference to the company's Audit Committee Charter  <b><i>Refer to response provided in Recommendation 9.2, item 1.</i></b>	
<b>Recommendation 9.3</b>			
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.  <b><i>ALI discloses the nature of non-audit services performed by the external auditor in the Annual Report.</i></b>  <b>Reference:</b> p. 135 > ALI 2021 Integrated Report > Corporate Governance > Policies and Practices > External Audit, Audit and Audit-related Fees <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	

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	<p>Provide link or reference to guidelines or policies on non-audit services</p> <p><b>Guidelines on Non-Audit Services</b></p> <p><b>Reference:</b> p. 5 &gt; Charter of the Audit Committee &gt; 3. Roles and Responsibilities &gt; 3.4 Independent Audit &gt; Item b  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>Provide information on audit and non-audit fees paid.</p> <p><b>ALI discloses the nature of non-audit services performed by the external auditor in the Annual Report and fees paid for non-audit services do not outweigh the audit services.</b></p> <p><b>Reference:</b> p. 135 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; External Audit, Audit and Audit-related Fees  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner;</li> <li>2. Accreditation number;</li> <li>3. Date Accredited;</li> </ol>	

		<p>4. Expiry date of accreditation; and</p> <p>5. Name, address, contact number of the audit firm.</p> <p><b>Audit Engagement Partner:</b>  Michael C. Sabado  <b>SEC Accreditation number:</b> 0664-AR-4  <b>Date Accredited:</b> Nov 11, 2019  <b>Expiry:</b> Nov 10, 2022  <b>Name, address, contact number of audit firm:</b>  SyCip Gorres Velayo &amp; Co.  6760 Ayala Avenue  1226 Makati City Philippines  Tel (632) 8910307  Website <a href="https://www.ey.com/ph/en/home">https://www.ey.com/ph/en/home</a></p>	
<p>2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).</p>	Compliant	<p>Provide information on the following:</p> <ol style="list-style-type: none"> <li>1. Date it was subjected to SOAR inspection, if subjected;</li> <li>2. Name of the Audit firm; and</li> <li>3. Members of the engagement team inspected by the SEC.</li> </ol> <p><b>SGV &amp; Co. agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program. The inspection was done from Nov 12 – 28, 2018. The names of the members of the engagement team were provided to the SEC during the inspection.</b></p>	

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

**Recommendation 10.1**

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p> <p><b><i>The Board commits at all times to full disclosure of material information, including non-financial information, with emphasis on the management of economic, environment, social and governance issues of the business, which underpin sustainability. It 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.</i></b></p> <p><b>Reference:</b> p. 41&gt; ALI CG Manual &gt; Article VI Communication and Information &gt; 1. Management's Responsibility for Information &gt; last paragraph  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>About the ALI Integrated Report</b></p> <p><b>Reference:</b> p. 7 &gt; 2021 ALI Integrated Report &gt; About this Report</p>	
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2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p> <p><b><i>The sustainability initiatives of the Company are an integral part of its Annual Report.</i></b></p> <p><b><i>About the ALI Integrated Report</i></b></p> <p><b>Reference:</b> pp. 7, 180 - 184&gt; 2021 ALI Integrated Report &gt; About this Report; Statement of Management's Responsibility in the preparation of the 2021 Integrated Report; Independent Assurance Statement  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Principle 11:</b> 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.			
<b>Recommendation 11.1</b>			
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	<p>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.</p> <p><b><i>ALI holds media and analyst briefings to ensure timely and accurate dissemination</i></b></p>	

		<p><b>of public, material and relevant information to its shareholders.</b></p> <p><b>Reference:</b> p. 123 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Media  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> Analyst Briefing Podcasts &gt; ALI IR Website &gt; Home &gt; Podcasts and Videos  <a href="https://ir.ayalaland.com.ph/category/podcasts-and-videos/">https://ir.ayalaland.com.ph/category/podcasts-and-videos/</a></p>	
<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:	Compliant	Provide link to company website	
a. Financial statements/reports (latest quarterly)	Compliant	<p><b>ALI IR Website</b>  <a href="https://ir.ayalaland.com.ph/">https://ir.ayalaland.com.ph/</a></p>	
b. Materials provided in briefings to analysts and media	Compliant	<p><b>Financial Statements</b>  <a href="https://ir.ayalaland.com.ph/category/disclosures/annual-reports/">https://ir.ayalaland.com.ph/category/disclosures/annual-reports/</a></p>	
c. Downloadable annual report	Compliant	<p><b>Analyst Briefing Materials</b>  <a href="https://ir.ayalaland.com.ph/category/presentations/">https://ir.ayalaland.com.ph/category/presentations/</a></p>	
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant	<p><b>Downloadable Annual Report</b>  <a href="https://ir.ayalaland.com.ph/financials/annual-reports/">https://ir.ayalaland.com.ph/financials/annual-reports/</a></p>	
f. Company's Articles of Incorporation and By-Laws	Compliant	<p><b>Notice of ASM</b>  <a href="https://ir.ayalaland.com.ph/category/disclosures/notice-of-asm/">https://ir.ayalaland.com.ph/category/disclosures/notice-of-asm/</a></p>	

		<b>Minutes of ASM</b> <a href="https://ir.ayalaland.com.ph/category/disclosures/minutes-of-meetings/">https://ir.ayalaland.com.ph/category/disclosures/minutes-of-meetings/</a>  <b>Articles of Incorporation and By-laws</b> <a href="https://ir.ayalaland.com.ph/about-us/our-company/articles-of-incorporation-and-by-laws/">https://ir.ayalaland.com.ph/about-us/our-company/articles-of-incorporation-and-by-laws/</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	<b>ALI IR Website</b> <a href="https://ir.ayalaland.com.ph/">https://ir.ayalaland.com.ph/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> 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.			
<b>Recommendation 12.1</b>			
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  <b>ALI has an adequate and effective internal control system.</b>  <b>Reference:</b> p. 2 > Charter of the Audit Committee > 3. Roles and Responsibilities > 3.1 Oversight on Risk Management and Internal Controls <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a>  <b>Reference:</b> p. 145 > ALI 2021 Integrated Report > Ayala Land Group Internal Audit	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> <li>1. Company's risk management procedures and processes</li> <li>2. Key risks the company is currently facing</li> <li>3. How the company manages the key risks</li> </ol> <p>Indicate frequency of review of the enterprise risk management framework.</p> <p><b><i>ALI has an adequate and effective risk management framework.</i></b></p> <p><b>Reference:</b> pp. 146-153 &gt; ALI 2021 Integrated Report &gt; Risk Management  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 26-27 &gt; ALI Corporate Governance Manual &gt; Article II &gt; Item 2.5 Board Risk Oversight Committee  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	



#### Supplement to Recommendations 12.1

<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>Compliant</p>	<p>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p> <p><b><i>ALI has a formal compliance system in place.</i></b></p> <p><b>Reference:</b> p. 39&gt; ALI CG Manual &gt; Article V Audit, Risk Oversight and Compliance &gt; 4. The Compliance System  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p.133 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board Matters &gt; Training and Continuous Education  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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#### Optional: Recommendation 12.1

<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	<p>Compliant</p>	<p>Provide information on IT governance process</p> <p><b><i>ALI has a governance process on IT issues and are reported by the Chief Risk Officer to the Board Risk Oversight Committee.</i></b></p>	
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		<p><b>Reference:</b> p. 152 &gt; ALI 2021 Integrated Report &gt; Risk Management &gt; Key Risks and Mitigating Measures &gt; Cyber Risk  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 12.2</b>			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	Compliant	<p>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</p> <p><b>Internal audit is in-house with specific responsibilities on Independent Audit.</b></p> <p><b>Reference:</b> p. 3-4 &gt; ALI Charter of the Audit Committee &gt; 3. Roles and Responsibilities &gt; 3.3 Oversight on Internal Audit  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Audit-Committee-Charter_Feb-2022_032522-1.pdf</a></p> <p><b>Reference:</b> pp. 23-24 &gt; ALI Corporate Governance Manual &gt; Article II &gt; Item 2.4 Audit Committee &gt; Internal Audit  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
<b>Recommendation 12.3</b>			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	Compliant	<p>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</p> <p><b>ALI has a qualified Chief Audit Executive.</b></p>	

		<p><b>Reference:</b> p. 129 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Governance Structure &gt; Chief Audit Executive</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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	<p><b><i>Refer to the response on Recommendation 12.3, item 1.</i></b></p>	
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	<p>Identify qualified independent executive or senior management personnel, if applicable.</p> <p><b><i>ALI's internal audit function is done 100% internally. However, in the event that the audit function should be outsourced, ALI has a qualified senior management personnel who can oversee the activity. Ms. Annabeth R. Bernardo was appointed as CAE effective January 2021 and can assume this function if needed.</i></b></p> <p><b>Reference:</b> p. 129 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Our Governance Structure &gt; Chief Audit Executive</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

**Recommendation 12.4**

1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p>Provide information on company's risk management function.</p> <p><b><i>ALI has a separate risk management function.</i></b></p> <p><b>Reference:</b> pp. 146-153 &gt; ALI 2021 Integrated Report &gt; Risk Management <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 26-27 &gt; ALI Corporate Governance Manual &gt; Article II &gt; Item 2.5 Board Risk Oversight Committee <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
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**Supplement to Recommendation 12.4**

1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	<p>Identify source of external technical support, if any.</p> <p><b><i>ALI seeks external technical support in risk management from various consultants and third parties.</i></b></p> <ol style="list-style-type: none"><li>1. <b><i>KPMG Singapore</i></b> for the development of ALI's Enterprise-Wide Risk Management (EWRM) framework which raised ALI's program comparable to regional peers</li><li>2. <b><i>Marsh Risk Consulting</i></b> for risk identification and review of key sites as</li></ol>	
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		<p>well as risk mitigation and control for operational and physical hazards</p> <ol style="list-style-type: none"> <li>3. <b>Local and regional insurers and reinsurers</b> for catastrophe analysis and total portfolio exposure analysis</li> <li>4. <b>Sy2 Co. and Mr. Bryan Tan</b> for geotechnical and structural analysis</li> <li>5. <b>Philippine Institute of Volcanology and Seismology (PhiVolcS)</b> for natural hazards and <b>the Philippine National Police (PNP) and the Armed Forces of the Philippines (AFP)</b> for man-made risks</li> <li>6. <b>Aon Singapore</b> for the risk tolerance and maturity study along with the other companies in the network of the Ayala Group</li> </ol>	
<b>Recommendation 12.5</b>			
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	<p>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</p> <p><b>ALI has a Chief Risk Officer.</b></p> <p><b>Reference:</b> p. 129 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Governance Structure &gt; Chief Risk Officer  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> p. 127 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Illustration</p>	

		<p>on Ayala Land's Corporate Governance Structure</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	<p><b>The CRO has adequate authority, stature, resources and support to fulfill his responsibilities.</b></p> <p><b>Reference:</b> p. 129 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Governance Structure &gt; Chief Risk Officer</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Additional Recommendation to Principle 12</b>			
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	<p><b>ALI CEO, CFO and CAE attestation</b></p> <p><b>Reference:</b> ALI IR website &gt; Corporate Governance &gt; CEO, CFO and CAE attestation</p> <p><a href="https://ir.ayalaland.com.ph/corporate-governance/ceo-cfo-cae-attestation/">https://ir.ayalaland.com.ph/corporate-governance/ceo-cfo-cae-attestation/</a></p>	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</p> <p><b>Shareholders' rights are disclosed in the CG Manual.</b></p> <p><b>Reference:</b> pp. 43-45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and</p>	

		<p><i>Protection of Minority Stockholders' Interests</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>Provide link to company's website</p> <p><b><i>Shareholders' rights are disclosed on the IR Website.</i></b></p> <p><b>Reference:</b> pp. 43-45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> Rights of shareholders &gt; ALI IR Website &gt; Corporate Governance</p> <p><a href="https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/">https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/</a></p>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	Compliant	<p><b><i>Each common and preferred share of ALI entitles the person, in whose name the share is registered in the books of the Company, to one vote.</i></b></p> <p><b>Reference:</b> p. 121 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Shareholders and Analysts &gt; Shareholders Voting Rights</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

		<p><b>Reference:</b> <i>Rights of shareholders</i> &gt; ALI IR Website &gt; Corporate Governance  <a href="https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/">https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/</a></p> <p><b>Reference:</b> <a href="#">p.3</a> &gt; ALI By-laws &gt; <a href="#">Article III</a> &gt; <a href="#">Section 7</a>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf</a></p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p>Provide information on all classes of shares, including their voting rights if any.</p> <p><b><i>Each common and preferred share of ALI entitles the person, in whose name the share is registered in the books of the Corporation, to one vote.</i></b></p> <p><b>Reference:</b> <i>p. 121</i> &gt; ALI 2021 Integrated Report &gt; Social Engagement&gt; Shareholders and Analysts &gt; Shareholders' Voting Rights  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> <a href="#">p. 3</a> &gt; ALI By-laws &gt; <a href="#">Article III</a> &gt; <a href="#">Section 7</a>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf</a></p>	



		<p><b><i>ALI's Board ensures that all shareholders are treated equally with respect to their rights.</i></b></p> <p><b>Reference:</b> pp. 43-45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</p> <p><b><i>The Board has an effective, secure, and efficient voting system.</i></b></p> <p><b>Reference:</b> p. 140 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Voting Procedure  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
4. Board has an effective shareholder voting mechanism such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.</p> <p><b><i>ALI's Board ensures the protection of minority shareholders.</i></b></p> <p><b>Reference:</b> pp. 43-45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>  <b>Reference:</b> Rights of shareholders > ALI IR Website > Corporate Governance <a href="https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/">https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/</a>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</p> <p><b><i>The minority shareholders shall have the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.</i></b></p> <p><b>Reference:</b> p. 44 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.4 Right to Information  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> Rights of shareholders &gt; ALI IR Website &gt; Corporate Governance  <a href="https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/">https://ir.ayalaland.com.ph/corporate-governance/rights-of-shareholders/</a></p>	
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	

		<p><b><i>ALI's Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</i></b></p> <p><b>Reference:</b> pp. 43-45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p>Provide information on or link/reference to the company's dividend Policy.</p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</p> <p><b><i>ALI's Dividend Declaration</i></b></p> <p><b>Reference:</b> p. 141 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Dividend Declaration  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>ALI declared its cash dividends on its common shares on February 23, 2021 for shareholders of record as of March 10, 2021</i></b></p>	

		<p><b>with the payment date on March 25, 2021, within 30 days after its declaration.</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=aecb41cad6e709995d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=aecb41cad6e709995d542af6f1e997b9</a></p> <p><b>ALI declared its cash dividends on its common shares on October 19, 2021 for shareholders of record as of November 3, 2021 with the payment date on November 18, 2021, within 30 days after its declaration.</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=a2dd9b001c4d719a5d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=a2dd9b001c4d719a5d542af6f1e997b9</a></p> <p><b>ALI declared dividends for its preferred shares on May 27, 2021 for shareholders of record as of June 10, 2021 with the payment date on June 25, 2021, 30 days after its declaration.</b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=5f5e7e6bd58802dd0de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=5f5e7e6bd58802dd0de8473cebbd6407</a></p>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>Identify the independent party that counted/validated the votes at the ASM, if any.</p> <p><b>SGV &amp; Co. was appointed as the independent party to validate the votes.</b></p> <p><b>Reference: p. 135 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Board</b></p>	

		<p><i>Committees&gt; External Audit, Audit and Audit-related Fees</i></p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Recommendation 13.2</b>			
<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>	Compliant	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out.</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p> <p><b><i>ALI posted the Detailed Notice and Agenda of the 2021 Stockholders' Meeting on 05 March 2021 on the Philippine Stock Exchange, 47 days prior to its ASM</i></b></p> <p><b><i>Reference: Notice of Annual or Special Stockholders' Meeting &gt; PSE Edge &gt; Disclosures</i></b></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=f194e48fb76f47645d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=f194e48fb76f47645d542af6f1e997b9</a></p> <p><b><i>ALI sent the Notice of Annual Shareholders' Meeting to shareholders as an attachment to the SEC 20-IS on March 31, 2021, for the ASM scheduled on April 21, 2021.</i></b></p>	

		<p><b>Reference:</b> 2021 Notice and Agenda of Annual Stockholders' Meeting and DIS &gt; ALI IR Website &gt; Disclosures &gt; 2021 Information Statements (SEC Form 20-IS)</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p>	
<b>Supplemental to Recommendation 13.2</b>			
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	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	<p><b>Link to the Notice of ASM</b></p> <p><b>Reference:</b> Notice of Annual or Special Stockholders' Meeting &gt; PSE Edge &gt; Disclosures</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=03a5991dc098974a3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=03a5991dc098974a3470cea4b051ca8f</a></p>	
b. Auditors seeking appointment/re-appointment	Compliant		
c. Proxy documents	Compliant	<p><b>Reference:</b> 2021 Notice and Agenda of Annual Stockholders' Meeting and DIS &gt; ALI IR Website &gt; Disclosures &gt; 2021 Information Statement (SEC Form 20-IS)</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p> <p><b>Profiles of directors</b></p> <p><b>Reference:</b> Annex B Pages 22 – 25 &gt; 2021 Information Statement</p> <p><b>Independent Accountants for Reelection</b></p> <p><b>Reference:</b> Item 7 Page 15&gt; 2021 Information Statement</p>	

		<b>Proxy Documents</b> <b>Reference:</b> Page 6 > 2021 Information Statement	
<b>Optional: Recommendation 13.2</b>			
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  <b><i>ALI provides the explanation for the agenda items for the ASM.</i></b>  <b>Reference:</b> p. 4-5 > 2021 Notice and Agenda of Annual Stockholders' Meeting and DIS > ALI IR Website > Disclosures > 2020 Information Statements (SEC Form 20-IS) <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a>	
<b>Recommendation 13.3</b>			
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.  <b><i>The voting results are posted on the website on the same day of the ASM.</i></b>  <b>Reference:</b> 2021 ASM Voting Results posted on April 21, 2021 > ALI IR Website > Disclosures > Minutes of Meetings	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/04/ALI-2021-Voting-Results.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/04/ALI-2021-Voting-Results.pdf</a>  <b>Minutes of the ASM</b> <b>Reference:</b> pp. 14-15 > Minutes of the 2021 Annual Stockholders' Meeting > ALI IR Website > Disclosures > Minutes of Meetings <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf</a>	
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	<p>Provide link to minutes of meeting in the company website.</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any</p> <p><b>Minutes of the 2021 ASM was posted on the ALI IR website on April 26, 2021, within five business days from the date of the ASM, April 21, 2021.</b></p> <p><b>Reference:</b> Minutes of the 2021 Annual Stockholders' Meeting &gt; ALI IR Website &gt; Disclosures &gt; Minutes of Meetings  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf</a></p>	



		<a href="#">Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p> <p><b><i>The Partner-in-charge, Michael C. Sabado, and other relevant individuals were present during the ASM.</i></b></p>	
<b>Recommendation 13.4</b>			
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	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</p> <p><b><i>The Corporation adopts the rules and procedures set forth under Republic Act No. 9285, otherwise known as the Alternative Dispute Resolution Act of 2004, as an alternative means to settle disputes with a view towards preventing excessive litigation.</i></b></p> <p><b>Reference:</b> p. 45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.7 Alternative Dispute Mechanism for Intra-Corporate Dispute  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p>	

<p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>Provide link/reference to where it is found in the Manual on Corporate Governance</p> <p><b><i>ALI has an alternative dispute mechanism in place to resolve intra-corporate disputes in an amicable and effective manner that is included in its CG Manual.</i></b></p> <p><b>Reference:</b> p. 45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.7 Alternative Dispute Mechanism for Intra-Corporate Dispute  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p. 10 &gt; ALI By-Laws &gt; Article 10  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf</a></p>	
<p><b>Recommendation 13.5</b></p>			
<p>1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.</p>	<p>Compliant</p>	<p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the person</li> <li>2. Telephone number</li> <li>3. Fax number</li> <li>4. E-mail address</li> </ol> <p><b>Name: Michael Anthony L. Garcia</b>  <b>Tel: (632) 7908 3677</b>  <b>Fax: (632) 7750 6970</b>  <b>Email: <a href="mailto:garcia.mike@ayalaland.com.ph">garcia.mike@ayalaland.com.ph</a></b></p>	

2. IRO is present at every shareholder's meeting.	Compliant	<p>Indicate if the IRO was present during the ASM.</p> <p><b><i>The IRO is present at every Annual Shareholders' Meeting.</i></b></p> <p><b>Reference:</b> pp. 14-15 &gt; Minutes of the 2021 Annual Stockholders' Meeting &gt; ALI IR Website &gt; Disclosures &gt; Minutes of Meetings <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/Ayala-Land-Inc.-Minutes-Annual-Stockholders-Mtg.-21-Apr-2021.pdf</a></p>	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</p> <p><b><i>ALI's Board of Directors avoids anti-takeover measures or similar devices that may entrench ineffective management of the existing controlling shareholder group. An example is the observance of one year-term for its directors. Stockholders are given the opportunity to nominate new candidates for directorship during the ASM. Materials provided to stockholders expressly state that ALI does not solicit proxies.</i></b></p> <p><b>Reference:</b> p.6 &gt; ALI 2021 Information Statement &gt; Item 5 Directors and Executive Officers</p>	

		<a href="https://ir.avalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a>  <b>Reference:</b> pp. 7-8 > ALI 2021 Information Statement > Information required on the information statement <a href="https://ir.avalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p>Indicate the company's public float.</p> <p><b>ALI's public float is 52.72% as of March 31, 2022.</b></p> <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb2a92eb6198fa713470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb2a92eb6198fa713470cea4b051ca8f</a>	
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM</p> <p><b>ALI's CEO, CFO and IRO regularly engage shareholders and analysts through quarterly briefings, one-on-one meetings, conferences and roadshows, conference calls and electronic mail. In addition, contact details of the IRO are readily available on the IR website and the 2020 Integrated Report.</b></p> <p><b>Reference:</b> pp. 120-121 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Shareholders and Analysts</p>	

		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>Disclose the process and procedure for secure electronic voting in absentia, if any.</p> <p><b><i>Stockholders as of record date have the option of electronic voting in absentia after complete registration and successful validation through ALI's Voting in Absentia &amp; Shareholder system.</i></b></p> <p><b>Reference:</b> p. 140 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Voting Procedure and Virtual ASM</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 24-26 &gt; ALI 2021 Information Statement &gt; Annex A Requirements and Procedure for electronic voting in absentia and participation by remote communication</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/03/ALI-2021-DIS_PSE.pdf</a></p>	

## 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

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>Compliant</p>	<p>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.</p> <p><b><i>ALI's social engagement practices.</i></b></p> <p><b>Reference:</b> pp. 110-123 &gt; ALI 2021 Integrated Report &gt; Social Engagement  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
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### Recommendation 14.2

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders</p> <p><b><i>The Board has clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</i></b></p> <p><b>Reference:</b> pp. 110-123 &gt; ALI 2021 Integrated Report &gt; Social Engagement  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> pp. 43-46 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interest</p>	
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		<a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a>	
<b>Recommendation 14.3</b>			
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	<p>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.</p> <p>Provide information on whistleblowing policy, practices and procedures for stakeholders</p> <p><b>Whistleblowing Contact Person:</b>  <b>Name:</b> Annabeth R. Bernardo  <b>Position:</b> Chief Audit Executive appointed January 2, 2021  <b>SMS:</b> (+63917) 311 8510  <b>Email:</b> <a href="mailto:myreport@ayalaland.com.ph">myreport@ayalaland.com.ph</a>  <b>Whistleblowing Policy</b></p> <p><b>Reference:</b> pp. 144-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Whistleblowing Policy  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Reference:</b> ALI IR Website &gt; Contact Us  <a href="https://ir.ayalaland.com.ph/">https://ir.ayalaland.com.ph/</a></p>	

### Supplement to Recommendation 14.3

<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p>Compliant</p>	<p>Provide information on the alternative dispute resolution system established by the company.</p> <p><b><i>ALI has an alternative dispute mechanism in place to resolve intra-corporate disputes in an amicable and effective manner.</i></b></p> <p><b>Reference:</b> p. 45 &gt; ALI CG Manual &gt; Article VII Stockholders' Rights and Protection of Minority Stockholders' Interests &gt; 1. Shareholder Rights &gt; 1.7 Alternative Dispute Mechanism for Intra-Corporate Dispute  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/05/ALI-Corporate-Governance-Manual-2022-02-24.pdf</a></p> <p><b>Reference:</b> p. 10 &gt; ALI By-Laws &gt; Article 10  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2021/07/ALI-SEC-PSE-PDEx-SECs-Approval-of-the-Amended-By-Laws_2.16.21.pdf</a></p>	
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### Additional Recommendations to Principle 14

<p>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.</p>	<p>Compliant</p>	<p>Disclose any requests for exemption by the company and the reason for the request.</p> <p><b><i>No such requests were made by ALI.</i></b></p>	
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2. Company respects intellectual property rights.	Compliant	<p>Provide specific instances, if any.</p> <p><b><i>ALI applies for, obtains, registers, leases, licenses or otherwise acquires to hold, use, own, operate, sell, assign and dispose of any trademark, tradename, trade secrets, formulas, patents, inventions, copyrights and processes used in connection with or secured under letters, patents, copyrights, domestic or foreign.</i></b></p> <p><b>Reference:</b> p. 2 &gt; ALI Articles of Incorporation &gt; Secondary Purpose &gt; Item 6  <a href="https://ir.avalaland.com.ph/wp-content/uploads/2016/02/File_75_Articles-of-Incorporation.pdf">https://ir.avalaland.com.ph/wp-content/uploads/2016/02/File_75_Articles-of-Incorporation.pdf</a></p> <p><b><i>ALI maintains all its registered intellectual property rights through the submission of declarations of actual use before the Intellectual Property Office.</i></b></p> <p><b><i>ALI respects the intellectual property rights of other entities it deals with. For example, ALI's management agreements with third party hotel operators, e.g., Holiday Inn, Fairmont, etc. contain provisions defining terms of ownership and usage of the relevant marks, customer data and system. The joint venture agreements of ALI with partners also contain standard clauses on respecting the intellectual property rights of each partner.</i></b></p>	
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Optional: Principle 14

<p>1. Company discloses its policies and practices that address customers' welfare</p>	<p>Compliant</p>	<p>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</p> <p><b><i>Social Engagement (Property Buyers, Residents, Shoppers, Tenant Employees, Tourists and Hotel Guests)</i></b></p> <p><b>Reference:</b> pp.116-117 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Property Buyers  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p>Compliant</p>	<p>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</p> <p><b><i>Social Engagement (Business Partners, Suppliers and Service Providers)</i></b></p> <p><b>Reference:</b> p. 119 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Business Partners, Suppliers and Service Providers  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b><i>Ayala Land Vendor Qualification Procedures</i></b></p>	

		<b>Reference:</b> <i>Vendor Qualification &gt; ALI Corporate Website</i> <a href="https://www.ayalaland.com.ph/vendor-qualification/">https://www.ayalaland.com.ph/vendor-qualification/</a>	
<b>Principle 15:</b> 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.			
<b>Recommendation 15.1</b>			
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.  <b><i>Social Engagement (Employees and Workers)</i></b>  <b>Reference:</b> <i>pp. 117-119 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Employees and Workers</i> <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a>	
<b>Supplement to Recommendation 15.1</b>			
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.  <b><i>Social Engagement (Compensation and Rewards)</i></b>	

		<p><b>Reference:</b> pp. 117-118 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Compensation and Rewards  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</p> <p><b>Social Engagement (Heath and Safety)</b></p> <p><b>Reference:</b> pp. 112-114 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Health and Safety  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p>Disclose and provide information on policies and practices on training and development of employees.  Include information on any training conducted or attended.</p> <p><b>Social Engagement (Training and Development)</b></p> <p><b>Reference:</b> pp. 114-116 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Training and Development  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	

**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	<p>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</p> <p><b><i>ALI's anti-corruption programs and procedures</i></b></p> <p><b>Reference:</b> pp. 142-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-corruption programs and procedures <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>Identify how the board disseminated the policy and program to employees across the organization</p> <p><b><i>The Board, through the Human Resources office, puts emphasis on integrity as part of ALI's core values. This is part of the on-boarding program of new employees and is embedded in every level-based program as a refresher for tenured employees. In addition, each employee is mandated to submit a disclosure of possible conflicts of interest on an annual basis. The anti-corruption programs and procedures are likewise available on the ALI IR website.</i></b></p> <p><b><i>ALI's Code of Conduct and Business Ethics</i></b> <a href="https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/">https://ir.ayalaland.com.ph/corporate-governance/code-of-conduct-and-ethics/</a></p>	

### Supplement to Recommendation 15.2

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.</p> <p><b>Conflict of Interest Policy</b></p> <p><b>Reference:</b> p. 17 &gt; <i>ALI Code of Ethical Behavior</i> &gt; <i>ALI IR Website</i> &gt; <i>Corporate Governance</i> &gt; <i>Code of Conduct and Ethics</i>  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_72_Code-of-Ethical-Behavior.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2016/01/File_72_Code-of-Ethical-Behavior.pdf</a></p> <p><b>Business Integrity Program</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/ayala-land-business-integrity-program/">https://ir.ayalaland.com.ph/corporate-governance/ayala-land-business-integrity-program/</a></p> <p><b>Whistle Blower Policy</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/whistle-blower-policy/">https://ir.ayalaland.com.ph/corporate-governance/whistle-blower-policy/</a></p> <p><b>Business Gifts Policy</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/business-gifts-policy/">https://ir.ayalaland.com.ph/corporate-governance/business-gifts-policy/</a></p>	
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### Recommendation 15.3

<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p>	
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		<p>Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.</p> <p><b>Whistleblowing Policy and Business Integrity Channel</b>  <b>Reference:</b> pp. 144-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-corruption procedures &gt; Whistleblowing, Business Integrity Channel  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Whistle Blower Policy</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/whistle-blower-policy/">https://ir.ayalaland.com.ph/corporate-governance/whistle-blower-policy/</a></p> <p><b>Business Integrity Program</b>  <a href="https://ir.ayalaland.com.ph/corporate-governance/ayala-land-business-integrity-program/">https://ir.ayalaland.com.ph/corporate-governance/ayala-land-business-integrity-program/</a></p> <p><b>Reference:</b> ALI IR Website &gt; Contact Us  <a href="https://ir.ayalaland.com.ph/">https://ir.ayalaland.com.ph/</a></p>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p><b>Refer to responses on Recommendation 15.3, Item 1.</b></p>	


3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p> <p><b><i>The Business Integrity Channels are spearheaded by the Ayala Land Ethics Committee. The Ethics Committee has a direct reporting line to the Audit Committee of the Board.</i></b></p> <p><b>Reference:</b> pp. 144-145 &gt; ALI 2021 Integrated Report &gt; Corporate Governance &gt; Policies and Practices &gt; Anti-corruption programs and procedures &gt; Whistleblower Policy  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Principle 16:</b> 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.			
<b>Recommendation 16.1</b>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</p> <p><b><i>Community Involvement and Environment-related programs</i></b></p> <p><b>Reference:</b> pp. 90-91 &gt; ALI 2021 Integrated Report &gt; Sustainability Four Focus Areas</p>	

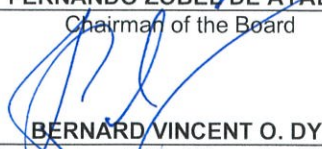



		<p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>Carbon Neutrality</b></p> <p><b>Reference:</b> pp. 104-105 &gt; ALI 2021 Integrated Report &gt; Environmental Stewardship &gt; Carbon Neutrality and Net Zero</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p> <p><b>How we engage communities</b></p> <p><b>Reference:</b> pp. 122-123 &gt; ALI 2021 Integrated Report &gt; Social Engagement &gt; Communities and NGOs</p> <p><a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	
<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p> <p><b>How Ayala Land creates value</b></p> <p><b>Reference:</b> pp. 88-89 &gt; ALI 2021 Integrated Report &gt; How We Create Value</p>	


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2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p> <p><b><i>Community Involvement and Environment-related programs</i></b></p> <p><b>Reference:</b> pp. 90-91 &gt; ALI 2021 Integrated Report &gt; Sustainability Four Focus Areas  <a href="https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf">https://ir.ayalaland.com.ph/wp-content/uploads/2022/04/ALI-2021-Integrated-Report-vF.pdf</a></p>	


# SIGNATURES

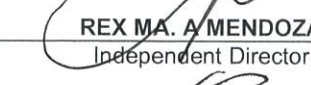
  
**FERNANDO ZOBEL DE AYALA**  
 Chairman of the Board

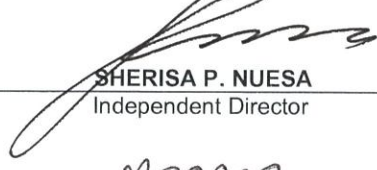
  
**BERNARD VINCENT O. DY**  
 President and Chief Executive Officer


  
**SOLOMON M. HERMOSURA**  
 Corporate Secretary

  
**JUNE VEE D. MONTECLARO-NAVARRO**  
 Chief Compliance Officer

  
**RIZALINA G. MANTARING**  
 Lead Independent Director

  
**REX MA. A. MENDOZA**  
 Independent Director

  
**SHERISA P. NUESA**  
 Independent Director

  
**CESAR V. PURISIMA**  
 Independent Director


SUBSCRIBED AND SWORN to before me this        day of        **MAY 25 2022**        20      , affiant(s) exhibiting to me their       , as follows:

NAME/PASSPORT/DRIVERS LICENSE NO.	DATE OF ISSUE	PLACE OF ISSUE
Fernando Zobel de Ayala – P0349883B	January 22, 2019	Manila
Bernard Vincent O. Dy – P7090533B	July 1, 2021	Manila
Rizalina G. Mantaring – N16-82-035812	December 27, 2017	Pasig City
Rex Ma. A. Mendoza – P6999664A	May 02, 2018	Manila
Sherisa P. Nuesa – P8595622A	September 04, 2018	NCR South
Cesar V. Purisima – P4757199B	February 10, 2020	Manila
June Vee D. Monteclaro-Navarro – P2934191B	September 02, 2019	Manila
Solomon M. Hermosura – P3081434B	October 14, 2019	Manila

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Notarial DST pursuant to  
 Sec. 188 of the Tax Code  
 Affixed on Notary Public's copy



  
**EUNICE C. GO**  
 Notary Public – Makati City  
 Appt. No. M-090 until December 31, 2023  
 Roll of Attorneys No. 59635  
 IBP No. 172499; 01/10/2022; Makati City  
 PTR No. MKT8852822; 01/04/2022; Makati City  
 MCLE Compliance No. VI-0028836; 10/02/19  
 28th Floor, Tower One and Exchange Plaza, Ayala Triangle,  
 Ayala Avenue, Makati City, Philippines