



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

A. Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies' compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the "comply or explain" approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

B. Preparation of Report

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

| RECOMMENDED CG PRACTICE/POLICY | COMPLIANT/ NON-COMPLIANT | ADDITIONAL INFORMATION | EXPLANATION |
|--|--|---|---|
| <p>Contains CG Practices/ Policies, labelled as follows:</p> <p>(1) "Recommendations" - derived from the CG Code for PLCs;</p> <p>(2) "Supplement to Recommendation" - derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) "Additional Recommendations" - CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) "Optional Recommendation" - practices taken from the ASEAN Corporate Governance Scorecard</p> <p>*Items under (1) - (3) must be answered/disclosed by the PLCs following the "comply or explain" approach. Answering of items under (4) are left to the discretion of PLCs.</p> | <p>The company shall indicate compliance or non-compliance with the recommended practice.</p> | <p>The company shall provide additional information to support their compliance with the recommended CG practice</p> | <p>The PLCs shall provide the explanations for any non-compliance, pursuant to the "comply or explain" approach.</p> <p>Please note that the explanation given should describe the non-compliance and include how the overall Principle being recommended is still being achieved by the company.</p> <p>*"Not Applicable" or "None" shall not be considered as sufficient explanation</p> |

C. Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission **on or before May 30 of the following year for every year that the company remains listed in the PSE;**
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear **original and manual** signatures
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **Dec 31, 2019**
2. SEC Identification Number **CS200324966** 3. BIR Tax Identification No. **228-423-401-000**
4. Exact name of issuer as specified in its charter **CENTURY PEAK HOLDINGS CORPORATION**
5. **MANILA, PHILIPPINES**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **UNITS 1403 & 1404 EQUITABLE BANK TOWER, 8751 PASEO DE ROXAS, MAKATI CITY**
Address of principal office Postal Code **1227**
8. **+63-2-856-0999**
Issuer's telephone number, including area code
9. **CENTURY PEAK METALS HOLDINGS CORPORATION**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

**COMPLIANT/
NON-COMPLIANT**

ADDITIONAL INFORMATION

EXPLANATION

The Board's Governance Responsibilities

Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.

Recommendation 1.1

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| 1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector. | Compliant | Refer to Item 11, Part III of SEC 17-A – Directors and Executive Officers | |
| 2. Board has an appropriate mix of competence and expertise. | Compliant | Refer to Item 11, Part III of SEC 17-A – Directors and Executive Officers | |
| 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 | Refer to Item 11, Part III of SEC 17-A – Directors and Executive Officers | |

Recommendation 1.2

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| 1. Board is composed of a majority of non-executive directors. | Compliant | Currently, the Board is composed of one (1) Executive Director, four (4) Non-executive Directors, and two (2) Independent Directors. | |
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| Recommendation 1.3 | | | |
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| 1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors. | Compliant | Refer to Sec. 8 of the Revised Manual of Corporate Governance of Century Peak Metals Holdings Corporation ("Corporate Governance Manual") | |
| 2. Company has an orientation program for first time directors. | Compliant | Refer to Sec. 8 of the Corporate Governance Manual. In this connection, the Company has a first-time director for the years 2019 - 2020. The new director, Mr. Rogelio M. Guadalquiver, has undergone the required orientation program conducted with the management. | |
| 3. Company has relevant annual continuing training for all directors. | Non-Compliant | | The Company is still in the process of preparing and scheduling training programs in accordance with the Company's Corporate Governance Manual. The target date for completion of this process is 03/31/2021. |

| Recommendation 1.4 | | | |
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| 1. Board has a policy on board diversity. | Compliant | <p>Refer to Sec. 4.2.1 of the Corporate Governance Manual.</p> <p>The Company maintains Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and background.</p> <p>The Board is composed of directors who have skills and backgrounds which collectively represent and reflect the diverse nature of the business environment in which the Company operates.</p> <p>The board does not have any specificity or qualification indicating gender, both male and female may be elected to the board.</p> | |

| Optional: Recommendation 1.4 | | | |
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| 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>The By-Laws and Corporate Governance Manual of the Company provide specific qualifications relating to the skillset of the possible nominee and nothing on the gender.</p> <p>The Company does not provide any qualifications regarding gender.</p> | |

| Recommendation 1.5 | | | |
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| 1. Board is assisted by a Corporate Secretary. | Compliant | The Company has one Corporate Secretary who is a Lawyer and an Assistant Corporate Secretary. | |
| 2. Corporate Secretary is a separate individual from the Compliance Officer. | Compliant | The Company's Corporate Secretary is not the Compliance Officer. As of the current date, the Company is still in the process of searching for a competent Compliance Officer. | |
| 3. Corporate Secretary is not a member of the Board of Directors. | Compliant | Both the Corporate Secretary and the Assistant Corporate Secretary are not members of the Board. | |
| 4. Corporate Secretary attends training/s on corporate governance. | Compliant | Senior management including Corporate Secretary and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippine Mineral Reporting Code and Seminar on Disclosure Rules. | |
| Optional: Recommendation 1.5 | | | |
| 1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting. | | | |

| Recommendation 1.6 | | | |
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| 1. Board is assisted by a Compliance Officer. | Non-Compliant | | As of the current date, the Company is still in the process of searching for a qualified person who will be appointed as Compliance Officer. The target date for completion of this process is 03/31/2021. |
| 2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation. | Non-Compliant | | |
| 3. Compliance Officer is not a member of the board. | Non-Compliant | | |
| 4. Compliance Officer attends training/s on corporate governance. | Non-Compliant | | The qualifications, duties and functions of the Compliance Officer are discussed on the Company's Corporate Governance Manual. |
| 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 | | | |

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| <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>The Board acts based on the information and updates provided by the Management of the Company's projects and operations.</p> <p>Sec. 4.2.1.5 of the Corporate Governance Manual requires Management to provide board members sufficient information to comply with its responsibilities to stockholders. Board members are also given individual access to the management and the corporate secretary where information volunteered by management is insufficient.</p> <p>Refer to Annex B/Secretary's Certificate for quarterly meetings.</p> | |
| Recommendation 2.2 | | | |
| <p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p> | <p>Compliant</p> | <p>The Board oversees the development of company strategies and objectives through their active participation in board meetings.</p> <p>Refer to Annex B/Secretary's Certificate for quarterly meetings</p> | |

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| <p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p> | <p>Compliant</p> | <p>The Board oversees the implementation of company strategies and objectives through their active participation in board meetings.</p> <p>Refer to Annex B/Secretary's Certificate for quarterly meetings</p> | |
| <p>Supplement to Recommendation 2.2</p> | | | |

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| <p>1. Board has a clearly defined and updated vision, mission and core values.</p> | <p>Compliant</p> | <p>The Board reviews the vision & mission of the Company on a yearly basis and may take up matters on updating on any meetings.</p> <p>Vision Statement An integrated mining company dedicated to operational excellence, conscious of its social and environmental responsibilities, and committed to delivering superior shareholder returns.</p> <p>Mission Statement We shall invest in and operate a diversified and cost competitive portfolio of mines, tenements and businesses. We shall be committed to operational excellence, the safety of our employees and host communities, and the prudent stewardship of the areas we operate in. We shall be a socially responsible organization committed to engaging and uplifting the lives of people in our communities. We shall be mindful of the welfare of our employees and be partners in actualizing their potential and in the development of their careers. We shall always be aware of the concerns of all our stakeholders and be open to solutions and resolutions that are mutually beneficial. We believe and shall act in accordance with the idea that maximizing shareholder value and being a responsible corporate entity are not mutually exclusive propositions.</p> | |
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| <p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p> | <p>Compliant</p> | <p>The Company has indicated a process of Monitoring and Assessment under Section 11 of the Corporate Governance Manual which will be implemented in the succeeding year.</p> <p>In addition, the Company's Board of Directors periodically evaluate and monitor the implementation of the Company's policies and strategies, including the business plans, operating budgets and the Company's management's overall performance. The Board also provide sound strategic policies and guidelines to the Company on major capital expenditure.</p> | |
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Recommendation 2.3

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| 1. Board is headed by a competent and qualified Chairperson. | Compliant | <p>Wilfredo D. Keng, 54, Filipino, is the President of Century Hua Guang Smelting Incorporated ("CHGSI") and Century Peak Corporation ("CPC"). Moreover, he is currently the President of Colony Investors, Inc., Good Earth Plaza, U-Need Shopping Center, Carriedo Plaza and Balikbayan Shopping Mall. In addition, his business interests in China include Fil-China (Tianjin) Textile, Inc., Colony Real Property Development (Weifang), Inc. and Wuzhou Long (Quanzhou) Automotive Mfg. Co. Ltd.</p> <p>The Board of Directors, through the Nomination and Remuneration Committee, is responsible for installing a process of selection that will ensure a mix of competent and qualified officers.</p> | |
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Recommendation 2.4

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| 1. Board ensures and adopts an effective succession planning program for directors, key officers and management. | Compliant | Refer to Sec. 4.2.1.2 (o) and 15.2 of the Corporate Governance Manual. | |
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| <p>2. Board adopts a policy on the retirement for directors and key officers.</p> | <p>Compliant</p> | <p>Refer to Sec. 15.2 of the Corporate Government Manual.</p> <p>Director retirement and tenure policies are tools available to board to ease transitions. This policies help to depersonalize the process of asking directors to leave the board. Practices for aiding board renewal include robust performance evaluations, assessments that map director qualifications against a board skills matrix, and creating a board culture where directors do not expect to serve until retirement.</p> | |
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| <p>Recommendation 2.5</p> | | | |
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| <p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p> | <p>Compliant</p> | <p>Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual.</p> <p>It is the Company's policy, compliance of which is ensured by the Company's Nomination and Remuneration Committee, that the compensation and remuneration of directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.</p> | |

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| 2. Board adopts a policy specifying the relationship between remuneration and performance. | Compliant | The Company has fixed remuneration for top management or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders. | |
| 3. Directors do not participate in discussions or deliberations involving his/her own remuneration. | Compliant | Refer to Sec. 4.2.2.1.5 (f) of the Corporate Governance Manual, which requires the Company, through the Nomination and Remuneration Committee, to disallow any director from deciding his/her own remuneration. | |
| Optional: Recommendation 2.5 | | | |
| 1. Board approves the remuneration of senior executives. | Compliant | <p>The Board, through the Nomination and Remuneration Committee, has the responsibility to designate and approve the amount of remuneration sufficient to attract and retain directors and officers needed by the Company.</p> <p>Please refer to Sec. 4.2.2.1.5. (d) of the Corporate Governance Manual.</p> | |

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| <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> | <p>Compliant</p> | <p>Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual, which requires the Company, through the Nomination and Remuneration Committee, to disallow any director from deciding his/her own remuneration and to establish a formal and transparent procedure for fixing the remunerations packages of the directors and corporate officers.</p> <p>It is the Company's policy that the compensation and remuneration of executive directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.</p> | |
| <p>Recommendation 2.6</p> | | | |
| <p>1. Board has a formal and transparent board nomination and election policy.</p> | <p>Compliant</p> | <p>Refer to Sec. 4.2.2.1 of the Corporate Governance Manual.</p> <p>The Company also ensures compliance with SEC Memorandum Circular No. 16, series of 2002 on the Nomination and Pre-Screening of independent directors.</p> | |

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| 2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance. | Compliant | Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual. | |
| 3. Board nomination and election policy includes how the company accepted nominations from minority shareholders. | Compliant | <p>Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual</p> <p>Sec. 4.2.2.1.1 of the Corporate Governance Manual provides the procedure for nomination and election applies equally to shareholders, including minority shareholders.</p> <p>Sec. 10.1.1 of the Corporate Governance Manual protects the voting rights of all shareholders, including minority shareholders.</p> | |
| 4. Board nomination and election policy includes how the board shortlists candidates. | Compliant | <p>Sec. 4.2.2.1.1 of the Corporate Governance Manual outlines how the Board, through the Nomination and Remuneration Committee, chooses candidates for directorship.</p> <p>Refer to SEC Form 20-IS for the shortlist of nominees for the last election of directors.</p> | |
| 5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director. | Compliant | <p>Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual.</p> <p>Company policies set standards for the process of nomination, election, and replacement of directors.</p> | |

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| <p>6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.</p> | <p>Compliant</p> | <p>The Board lays out stringent processes and standards in choosing its members, which ensure their alignment with the strategic direction of the Company.</p> <p>In addition, the Board, through the Nomination and Remuneration Committee, ensures that nominees for directorship have sufficient experience in managing the Company's business. The Committee is also empowered to provide additional requirements in the interest of good corporate governance. Please refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual.</p> | |
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| Optional: Recommendation to 2.6 | | | |
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| <p>1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.</p> | | | |

Recommendation 2.7

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| <p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p> | <p>Compliant</p> | <p>Refer to Sec. 4.2.1.2 (I) of the Corporate Governance Manual.</p> <p>All transactions are on arm's length basis.</p> <p>One of the subsidiaries provide assistance to other wholly-owned subsidiaries in the importation of equipment, parts and supplies as some subsidiaries do not have credit lines with banks. The assisted subsidiaries are then billed for the total costs of the importation including but not limited to applicable taxes. No mark-up or service fees are charged to such subsidiaries for the reason that it is treated as an accommodation by assisting subsidiary to the assisted subsidiary concerned. Further mining costs, use of facilities like, housing and other equipment and manpower are given as accommodation in exchange for assistance in the operation. All transactions between the Parent Company and its subsidiaries are covered by formal written contracts.</p> | |
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| <p>2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p> | <p>Compliant</p> | <p>The Company is guided by the Corporate Governance Manual. Directors and officers are required to make full disclosure, and alternative dispute resolution methods will be used to address issues.</p> <p>Information on related party transactions can be found in Item 5 of SEC Form 20-IS.</p> | |
| <p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p> | <p>Compliant</p> | <p>The Company is guided by the Corporate Governance Manual. Directors and officers are required to make full disclosure, and alternative dispute resolution methods will be used to address issues. Refer to SEC Form 20-IS and Sec. 4.2.1.2 (I) of the Corporate Governance Manual.</p> | |
| Supplement to Recommendations 2.7 | | | |
| <p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p> | <p>Compliant</p> | <p>The Board has the duty to formulate and implement policies and procedure that ensure the integrity and transparency of related party transactions, which includes setting thresholds for disclosure and approval of related party transactions. Please refer to Sec. 4.2.1.2 (I) of the Corporate Governance Manual.</p> <p>RPT disclosure is included in Note 19 of the Annual Audited Financial Statement. Information on related party transactions can also be found in Item 5 of SEC Form 20-IS.</p> | |

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| <p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p> | <p>Compliant</p> | <p>The Board is required to formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions, while ensuring the protection of the minority rights. Please refer to Sec. 4.2.1.2 (l) and Sec. 10 of the Corporate Governance Manual.</p> <p>All transactions are on an arm's length basis, and the Corporation requires full disclosure and transparency imposed by policies of the Corporation.</p> | |
| <p>Recommendation 2.8</p> | | | |
| <p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p> | <p>Compliant</p> | <p>The Board oversees the selection of the person who possesses the ability, integrity and expertise for the position of the CEO and the Management officers, and evaluates the senior Management appointments. Please refer to Sec. 4.2.1.4 (b) to 4.2.1.4 (d) of the Corporate Governance Manual.</p> | |

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| <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> | <p>Compliant</p> | <p>The Board has the overall responsibility for the establishment and oversight of the performance of key management officers through its annual key performance analysis report.</p> <p>The Board's duty to periodically evaluate and monitor the implementation of company policies and strategies, includes evaluation of the Management's overall performance. Please refer to Sec. 4.2.1.2 (r) of the Corporate Governance Manual.</p> | |
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| Recommendation 2.9 | | | |
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| <p>1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.</p> | <p>Compliant</p> | <p>The Board and management have overall responsibility for the establishment and oversight of the Group's risk management framework.</p> | |

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| <p>2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.</p> | <p>Compliant</p> | <p>As the Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations, the Group implements a risk management policy to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board also reviews the Company's human resource policies, conflict of interest situations and compensation programs for the employees, considering the changes in market conditions and the Group's activities on which the performance standard is based.</p> <p>In connection with the implementation, the Board ensures that the Company's personnel performance is at par with the set standards.</p> | |
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Recommendation 2.10

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| <p>1. Board oversees that an appropriate internal control system is in place.</p> | <p>Compliant</p> | <p>The Company, through the Audit Committee, monitors and evaluates the adequacy and effectiveness of the Company's internal control system. Refer to Sec. 4.2.1.4 of the Corporate Governance Manual.</p> <p>The Directors have reviewed the effectiveness of internal control system and they have considered it to be effective and adequate.</p> | |
| <p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p> | <p>Compliant</p> | <p>Refer to Sec 4.2.1.4 (e) of the Corporate Governance Manual.</p> <p>The Board of Directors annually reviews the effectiveness, and such review ensures the adequacy of the framework, and ensures that no such conflict of interest may arise.</p> | |
| <p>3. Board approves the Internal Audit Charter.</p> | <p>Compliant</p> | <p>The Internal Auditor of the Company reports directly to the Audit Committee. The audit plan is approved by the Audit Committee. Please refer to Sec. 4.2.2.2 of the Corporate Governance Manual.</p> | |

Recommendation 2.11

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| <p>1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assesses and manage key business risks.</p> | <p>Compliant</p> | <p>The Board and management have overall responsibility for the establishment and oversight of the Group's risk management framework.</p> <p>The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.</p> | |
| <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.</p> | <p>Compliant</p> | <p>The Corporate Governance Manual provides for an enterprise risk management, <i>i.e.</i>, a process, effected by an entity's Board of Directors, management, and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risks to be within the risk appetite and provide reasonable assurance regarding the achievement of entity objectives.</p> <p>Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.</p> | |

Recommendation 2.12

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| <p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.</p> | <p>Compliant</p> | <p>As stated in the Corporate Governances Manual that clearly sets out the respective roles, responsibilities and authorities of the board of directors (both individually and collectively) and management in setting the direction, the management and the control of the organization.</p> <p>Please refer to Sec. 4.2.1 of the Corporate Governance Manual.</p> | |
| <p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p> | <p>Compliant</p> | | |
| <p>3. Board Charter is publicly available and posted on the company's website.</p> | <p>Compliant</p> | <p>The company website is currently undergoing updates and renovation. After its completion, the Corporate Governance Manual will be made available on the website: www.centurypeakmetals.com</p> | |

Additional Recommendation to Principle 2

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| 1. Board has a clear insider trading policy. | Compliant | <p>The Directors of the Company ensures that all trade secrets and non-public information are kept confidential with utmost privacy to protect the general interest of the corporation.</p> <p>All the members of the senior management and employees signed an agreement with the Company stating that each of them will not use any learned non- public information to their advantage and to the prejudice of the Company.</p> <p>All company funds, assets and information are solely the corporation's disposal and should not be used for personal consumption. Any violation of this policy will be accordingly penalized upon proper investigation.</p> | |
| Optional: Principle 2 | | | |
| 1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates. | | | |
| 2. Company discloses the types of decision requiring board of directors' approval. | | | |
| <p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p> | | | |

| Recommendation 3.1 | | | |
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| 1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. | Compliant | The Corporate Governance Manual mandates the creation of a Nomination and Remuneration Committee, and an Audit Committee. Refer to Sec. 4.2.2.1 and 4.2.2.2 of the Corporate Governance Manual. | |
| Recommendation 3.2 | | | |
| 1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. | Compliant | <p>The Corporate Governance Manual mandates the creation of an Audit Committee which performs the following functions:</p> <ul style="list-style-type: none"> (a) Quarterly review of performance; (b) Oversight of financial management functions specifically in the risk areas; (c) Assist the Board in the performance of its oversight responsibility for monitoring compliance with applicable laws, rules and regulations <p>Refer to Sec. 4.2.2.2 of the Corporate Governance Manual.</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 | Refer to Part III of SEC 17-A – Directors and Executive Officers Audit Committee members 1. Rogelio Guadalquivir 2. Daniel Pascual 3. Jose Rey Cedo | |
| 3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance. | Compliant | Refer to Part III of SEC 17-A – Directors and Executive Officers | |
| 4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee. | Compliant | Refer to Part III of SEC 17-A – Directors and Executive Officers | |
| Supplement to Recommendation 3.2 | | | |
| 1. Audit Committee approves all non-audit services conducted by the external auditor. | Compliant | Refer to Part II, Item 10 of SEC17-A and Sec. 4.2.2.2.2 (q) of the Corporate Governance Manual. | |
| 2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present. | Compliant | Refer to SEC 20-IS | |
| Optional: Recommendation 3.2 | | | |
| 1. Audit Committee meets at least four times during the year. | Compliant | The Audit Committee met four (4) times for the year 2019. Refer to Annex / Secretary Certificate on the minutes of the Audit Committee meeting for 2019. | |

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| 2. Audit Committee approves the appointment and removal of the internal auditor. | Compliant | The appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the Audit Committee. Refer to Sec. 4.2.2.2.2 (k) of the Corporate Governance Manual. | |
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| Recommendation 3.3 | | | |
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| 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. | Non-Compliant | | The Company is still in the process of setting up a Corporate Governance Committee for compliance. The target date for completion of this process is 03/31/2021. However, the Audit Committee has assisted the Board to oversee the Corporate Governance Committee. The Chairman of the Audit Committee is independent director. |
| 2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors. | Non-Compliant | | |
| 3. Chairman of the Corporate Governance Committee is an independent director. | Non-Compliant | | |
| Optional: Recommendation 3.3. | | | |
| 1. Corporate Governance Committee meets at least twice during the year. | | | |
| Recommendation 3.4 | | | |
| 1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. | Non-Compliant | | The Company is still in the process of setting up a Board Risk Oversight Committee for compliance and to appoint its members. The target date for completion of this process is 03/31/2021. |

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| 3. Committee Charters were fully disclosed on the company's website. | Non-Compliant | | |
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Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

| Recommendation 4.1 | | | |
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| 1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission. | Compliant | Refer to ACGR Annex / Minutes of the Board of Directors committee meeting and to SEC Form 20-IS | |
| 2. The directors review meeting materials for all Board and Committee meetings. | Compliant | Refer to SEC 20-IS | |
| 3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings. | Compliant | Refer to SEC 20-IS | |

| Recommendation 4.2 | | | |
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| 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 | No non-executive directors of the Company serve in more than five publicly-listed companies. Refer to Item 11 of SEC Form 17-A for an enumeration of the other companies that non-executive directors serve in. | |

Recommendation 4.3

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| 2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman. | Non-Compliant | | However, the Audit Committee aids in the oversight of the Company's Risk Management System. |
| 3. The Chairman of the BROC is not the Chairman of the Board or of any other committee. | Non-Compliant | | |
| 4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management. | Non-Compliant | | |
| Recommendation 3.5 | | | |
| 1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company. | Non-Compliant | | The Company is still in the process of setting up a Board Related Party Transaction Committee for compliance and to appoint its members. The target date for completion of this process is 03/31/2021 However, the Audit Committee aids in the oversight of the Company's transactions on related parties. |
| 2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman. | Non-Compliant | | |
| Recommendation 3.6 | | | |
| 1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information. | Non-Compliant | | The Company is still in the process of establishing a Committee Charter. The target date for completion of this process is 03/31/2021. However, the functions and duties of the established committees are defined in the Corporate Governance Manual. |
| 2. Committee Charters provide standards for evaluating the performance of the Committees. | Non-Compliant | | |

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| 1. The directors notify the company's board before accepting a directorship in another company. | Compliant | <p>In accordance to the Company's internal regulations, transparency is a requirement in the acceptance of directorship in another company.</p> <p>Sec. 4.2.2.1.4 of the Corporate Governance Manual also limits the directors' membership in other corporate boards. The factors in determining this limit is provided in Sec. 4.2.2.1.3 of the Corporate Governance Manual.</p> | |
| Optional: Principle 4 | | | |
| 1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group. | Compliant | Refer to Item 11 of SEC Form 17-A for an enumeration of the other companies that the directors serve in. | |
| 2. Company schedules board of directors' meetings before the start of the financial year. | Compliant | <p>Article III, Sec.3 of the By-Laws mandates a regular monthly meeting of the Board of Directors.</p> <p>It is the Corporate Secretary's duty to get a complete schedule of such meetings, as mandated in Sec. 4.3.3.5 (b) of the Corporate Governance Manual.</p> | |
| 3. Board of directors meets at least six times during the year. | Compliant | Refer to Annex / Secretary's Certificate on board meetings for the year 2019 | |
| 4. Company requires as minimum quorum of at least 2/3 for board decisions. | | | |

Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

| Recommendation 5.1 | | | |
|---|----------------------|---|---|
| <p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p> | <p>Non-Compliant</p> | | <p>The Board currently has seven (7) directors, two (2) of whom are independent directors in compliance with Sec. 38 of SRC.</p> <p>The Board has reviewed the Company's present complement of directors, its productivity and goals achievement over the past three years and the availability of a qualified person who would be suitable and an appropriate fit for the corporate organization. The Board has deferred the election of a third independent director to a more opportune and appropriate time.</p> <p>The objective that the Board should exercise independent judgment is achieved notwithstanding the fact that the Board has two rather than three independent directors.</p> <p>All directors of the Company are cognizant of their fiduciary duties to the corporation and their duty to vote according to his/her own independent judgment and conscience as to what is in the best interests of the corporation.</p> |
| Recommendation 5.2 | | | |
| <p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p> | <p>Compliant</p> | <p>Refer to Part III of SEC 17-A – Directors and Executive Officers</p> | |
| Supplement to Recommendation 5.2 | | | |

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| 1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently. | Compliant | There is no such shareholder agreement, by laws, provisions, or other arrangements that constrains the directors' ability to vote independently. | |
| Recommendation 5.3 | | | |
| 1. The independent directors serve for a cumulative term of nine years (reckoned from 2012). | Compliant | Mr. Rogelio Guadalquiver has served as Independent Director from December 10, 2019 up to present. Mr. Jose Cedo has served as Independent Director for a total of 3 years & 8 months. | |
| 2. The company bars an independent director from serving in such capacity after the term limit of nine years. | Non-Compliant | | The Company does not yet have a policy on term limits but this matter will be studied by the Board. The Company plans to have such policy in place by 03/31/2021. However, no independent director has served the Company for more than nine (9) years. |
| 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 | No independent director has served the Company for more than nine (9) years. | |

| Recommendation 5.4 | | | |
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| 1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. | Non-Compliant | | Currently, the Chairman of the Board and the CEO are one and the same. The Board believes that at this time, having one person assume the role of Chairman and CEO ensures efficiency in management of the Corporation. However, for compliance, the Chairman of the Board – Wilfredo D. Keng, will consider appointing a CEO in succeeding year. |
| 2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities. | Compliant | The duties and responsibilities of the Chairman of the Board can be referred to Sec. 4.2.1.6 of the Corporate Governance Manual while the duties and responsibilities of the CEO are redefined by the Nomination and Remuneration Committee under Sec. 4.2.2.1.2 of the Corporate Governance Manual and are under the Board's oversight function as stated in Sec. 4.2.1.4 (a) of the Corporate Governance Manual. | |
| Recommendation 5.5 | | | |
| 1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors. | Compliant | <p>The Chairman of the Board – Wilfredo D. Keng, is an Executive Director and not an Independent Director.</p> <p>The Lead Director designated by the Board is Mr. Rogelio Guadalquiver.</p> | |

| Recommendation 5.6 | | | |
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| 1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction. | Compliant. | <p>The Board has the duty to ensure the Company complies with all relevant laws. This includes the Sec. 31 and 52 of the Revised Corporation Code that governs related party transactions and requires the directors to recuse from voting on related party transactions in which they may have potential interest. Please refer to Sec. 4.2.1.2 (f) of the Corporate Governance Manual.</p> <p>The Company has set in place rules and regulations indicating arm's length transactions with full transparency.</p> | |
| Recommendation 5.7 | | | |
| 1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present. | Non-Compliant | | The NED members of the Board have not had separate meetings with the external auditor and heads of the internal audit function but such meetings are planned to be held on or before 03/31/2021. |
| 2. The meetings are chaired by the lead independent director. | Non-Compliant | | |
| Optional: Principle 5 | | | |
| 1. None of the directors is a former CEO of the company in the past 2 years. | | | |

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

Recommendation 6.1

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| 1. Board conducts an annual self-assessment of its performance as a whole. | Compliant | The Board of Directors conducts a self-assessment mechanism and it was implemented as per board resolutions and recommendation. | |
| 2. The Chairman conducts a self-assessment of his performance. | Compliant | The Chairman conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation. | |
| 3. The individual members conduct a self-assessment of their performance. | Compliant | The individual member conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation. | |
| 4. Each committee conducts a self-assessment of its performance. | Compliant | Each committee member conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation. | |
| 5. Every three years, the assessments are supported by an external facilitator. | Non-Compliant | | The Company is still assessing the need for an external facilitator and will start the process of looking for one if it is deemed necessary. The target date for completion of this process is on or before 03/31/2021. |

Recommendation 6.2

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| 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 | As per board resolution/recommendation, a self-assessment mechanism is implemented. | |
| 2. The system allows for a feedback mechanism from the shareholders. | Compliant | <p>The Company has a system which allows for a feedback mechanism from the shareholders and provides details as to how the system of the feedback mechanism works.</p> <p>Shareholders can express their feedback during stockholders' meetings which they are encouraged to attend personally, or by proxy. The Board shall take steps to remove unnecessary costs and administrative impediments to stockholder participation in stockholders' meetings. Shareholder complaints shall be given prompt effective redress for any violation of stakeholder's rights.</p> <p>Refer to Sec. 10 and Sec. 17 of the Corporate Governance Manual.</p> | |

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

Recommendation 7.1

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| 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 | Please see Annex / Code of Business Conduct and Ethics | |
| 2. The Code is properly disseminated to the Board, senior management and employees. | Compliant | Through the Company's Human Resources department, the code of business conduct and ethics are disseminated to the Board, senior management & employees | |
| 3. The Code is disclosed and made available to the public through the company website. | Compliant | The company website is currently undergoing updates and renovation. After its completion, the Corporate Governance Manual will be made available on the website: www.centurypeakmetals.com | |

Supplement to Recommendation 7.1

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| 1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes. | Compliant | Based on the Company's policy employees are strictly prohibited from offering, soliciting or accepting gifts and donations or involvement in offering, paying and receiving bribes related to Company's business transactions. | |
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Recommendation 7.2

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| 1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | Compliant | Please see Annex / ACGR and Employee Code of Behavior | |
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| <p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p> | <p>Compliant</p> | <p>The directors constantly review and revise the effectiveness of internal control system accordingly, and they have considered it to be effective and adequate.</p> <p>The Audit Committee has the main of monitoring and evaluating the Company's internal control system. Please refer to Sec. 4.2.2.2 (I) of the Corporate Governance Manual.</p> | |
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Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1

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| <p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that give a fair and complete picture of a company's financial condition, results and business operations.</p> | <p>Compliant</p> | <p>Please see Annex / Complete Set of DIS & Annual Report distributed to all shareholders</p> | |
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Supplement to Recommendations 8.1

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| <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>The Company released its reports on the following dates:</p> <p>Annual Report 2019 – July 15, 2020 Quarterly Report (Mar 2019) – May 20, 2019 Quarterly Report (June 2019) – Aug 19, 2019 Quarterly Report (Sept 2019) – Nov 15, 2019</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> | <p>Compliant</p> | <p>Refer to Item 13 of the SEC Form 17-A.</p> | |
| <p>Recommendation 8.2</p> | | | |
| <p>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.</p> | <p>Compliant</p> | <p>The Board, consistent with Section 9 of the Corporate Governance Manual, requires that all directors to disclose/report to the Company any dealings in the Company's shares within three business days.</p> | |
| <p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p> | <p>Compliant</p> | <p>The Board, consistent with Section 9 of the Corporate Governance Manual, requires that all officers to disclose/report to the Company any dealings in the Company's shares within three business days.</p> | |

| Supplement to Recommendation 8.2 | | | |
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| 1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program). | Compliant | Consistent with Section 9 of the Corporate Governance Manual, the Company mandates the disclosure of all material information, including trading of the Company's shares by directors and officers, and any share buy-back plans. Refer to Item 13 of SEC Form 17-A for a list of shareholdings by directors and officers. | |
| Recommendation 8.3 | | | |
| 1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment. | Compliant | Refer to Part III of SEC 17-A – Directors and Executive Officers | |
| 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 | Refer to Item 11 of SEC 17-A. | |

| Recommendation 8.4 | | | |
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| 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>Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual</p> <p>It is the Company's policy that the compensation and remuneration of directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.</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>Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual</p> <p>Designate amount of remunerations which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Company.</p> | |
| 3. Company discloses the remuneration on an individual basis, including termination and retirement provisions. | Compliant | <p>The Company has a policy of disclosure which includes the individual remuneration of directors, including stock options. Refer to Sec. 9.3 of the Corporate Governance Manual and Item 12 Executive Compensation of SEC 17-A.</p> <p>Fixed remuneration are given to the CEO and the top 4 highest paid Management officers, while per diem allowance are given to Directors</p> | |

Recommendation 8.5

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| <p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p> | <p>Compliant</p> | <p>Refer to Sec. 4.2.1.2 (I), 9.2 and 12.2 of the Corporate Governance Manual.</p> <p>All transactions are on arm's length basis.</p> <p>One of the Company's subsidiaries provides assistance to other wholly-owned subsidiaries in the importation of equipment, parts and supplies as some subsidiaries do not have credit lines with banks. The assisted subsidiaries are then billed for the total costs of the importation including but not limited to applicable taxes. No mark-up or service fees are charged to the subsidiaries for the reason that it is treated as an accommodation by the Sister Company to the subsidiary concerned. Further mining costs, use of facilities like, housing and other equipment and manpower are given as accommodation in exchange for assistance in the operation. All transactions between the Parent Company and its subsidiaries are covered by formal written contracts.</p> | |
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| 2. Company discloses material or significant RPTs reviewed and approved during the year. | Compliant | Disclosed in Note 19 of Audited Financial Statements as of December 31, 2019. | |
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Supplement to Recommendation 8.5

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| 1. Company requires directors to disclose their interests in transactions or any other conflict of interests. | Compliant | <p>A director's office is expected to act with transparency, accountability and fairness. As such, they are required to disclose their interests in company transactions, as well as any conflict of interest.</p> <p>Refer to Sec. 4.2.1.1 of the Corporate Governance Manual.</p> | |
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Optional : Recommendation 8.5

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| 1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length. | Compliant | RPTs are disclosed in Note 19 of the Company's AFS, as well as Item 5 of its SEC Form 20-IS. | |
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Recommendation 8.6

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| 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>As disclosed in Note 8 of Audited Financial Statements as of December 31, 2019</p> <p>The Company is committed to publicly disclosing all material information. Refer to Sec. 9.2 of the Corporate Governance Manual.</p> | |
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| 2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets. | Compliant | <p>The Company has no material acquisition or disposal during 2019 which requires independent part to evaluate the fairness of the transaction.</p> <p>The Board is empowered to appoint independent parties to provide professional advice at the Company's expense. Directors individually are also allowed access to individual professional advice. Refer to Sec. 4.2.1.5 of the Corporate Governance Code.</p> | |
| Supplement to Recommendation 8.6 | | | |
| 1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company. | Compliant | SEC 17-A disclosed with PSE website and also at Company's website. | |
| Recommendation 8.7 | | | |
| 1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG). | Compliant | Corporate Governance Manual disclosed at Company's website | |
| 2. Company's MCG is submitted to the SEC and PSE. | Compliant | Yes. The Corporate Governance Manual was submitted to the SEC and PSE on May 31, 2017. | |

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| 3. Company's MCG is posted on its company website. | Compliant | The Company website is currently undergoing updates and renovation. After its completion, the Corporate Governance Manual will be made available on the website : www.centurypeakmetals.com | |
| Supplement to Recommendation 8.7 | | | |
| 1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices. | Compliant | No changes on the existing Corporate Governance Manual as of report date. The Company will submit such updated Manual if changes are made. | |
| Optional: Principle 8 | | | |
| 1. Does the company's Annual Report disclose the following information: | | | |
| a. Corporate Objectives | Compliant | Refer to Item 1 of the Company's Annual Report | |
| b. Financial performance indicators | Compliant | Refer to Item 6 of the Company's Annual Report. This is also disclosed in the Company's Audited Financial Statements. | |
| c. Non-financial performance indicators | Compliant | Refer to Item 6 of the Company's Annual Report | |
| d. Dividend Policy | Compliant | Refer to Item 5 of the Company's Annual Report | |
| e. Biographical details (at least age, | Compliant | Refer to Item 11 of the Company's | |

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| academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors | | Annual Report | |
| f. Attendance details of each director in all directors meetings held during the year | | | |
| g. Total remuneration of each member of the board of directors | | | |
| 2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue. | | | |
| 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. | | | |
| 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. | | | |

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| 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 | Refer to Item 1.5 of the Company's Annual Report. | |
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Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

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| 1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors. | Compliant | Please see Annex / Secretary's Certificate on the approval of Company's external auditor. | |
| 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 | The Stockholders acted on such during its Annual Stockholder's Meeting, in a unanimous vote. Based on the combined actual attendance and proxies report from Stock Transfer service Inc., during the Annual Stockholder's meeting a total of 70.05%. | |
| 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 | No changes on the external auditor for this year. The reason for the resignation, dismissal or cessation from service of an external auditor is required to be reported in the Company's annual and current reports. Refer to Sec. 4.3.4.2 of the Corporate Governance Manual. | |

| Supplement to Recommendation 9.1 | | | |
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| <p>1. Company has a policy of rotating the lead audit partner every five years.</p> | <p>Compliant</p> | <p>Section 4.3.4.4 of the Company's Corporate Governance Manual states that "the Company's external auditor shall be rotated, or the handling partner be changed, every 5 years or earlier." Further, no lead audit partner has been engaged by the Company for more than five (5) years.</p> | |

| Recommendation 9.2 | | | |
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| <p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. | <p>Compliant</p> | <p>Sec. 4.2.2.2.2 of the Corporate Governance Manual enumerates the Audit Committee's duties and responsibilities which includes oversight over the external auditors.</p> | |

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| <p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p> | <p>Compliant</p> | <p>Under Sec. 4.2.2.2.2 (g) of the Corporate Governance Manual, it is the Audit Committee's responsibility to recommend the external auditor to the stockholders. This is done annually, as mandated by Article VI, Sec. 1 of the By-Laws.</p> | |
| <p>Supplement to Recommendations 9.2</p> | | | |
| <p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p> | <p>Compliant</p> | <p>The credibility and competence of the external auditor is central factor considered by the Audit Committee's in performing its responsibility to recommend the external auditor to the stockholders. Refer to Sec. 4.2.2.2.2 of the Corporate Governance Manual.</p> | |
| <p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p> | <p>Compliant</p> | <p>The adequacy of the quality control procedures of the external auditor is among the factors considered by the Audit Committee's in performing its responsibility to recommend the external auditor to the stockholders. Refer to Sec. 4.2.2.2.2 of the Corporate Governance Manual.</p> | |

| Recommendation 9.3 | | | |
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| 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 | <p>Under Sec. 4.2.2.2.2 (q) of the Corporate Governance Manual, non-audit work to be performed by the external auditor, if allowed by the Audit Committee, shall be disclosed in the Company's Annual Report.</p> <p>The Company did not engage in non-audit services for this year.</p> | |
| 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>Under Sec. 4.2.2.2.2 (q) of the Corporate Governance Manual, it is the Audit Committee's responsibility to evaluate and determine the non-audit work to be performed by the external auditor. The Audit Committee may disallow non-audit work that may impair the independence of the external auditor.</p> <p>The Company did not engage in non-audit services for this year.</p> | |
| Supplement to Recommendation 9.3 | | | |
| 1. Fees paid for non-audit services do not outweigh the fees paid for audit services. | Compliant | The Company did not engage in non-audit services for this year. | |

Additional Recommendation to Principle 9

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| 1. Company's external auditor is duly accredited by the SEC under Group A category. | Compliant | VERNILO G. YU Partner CPA License No. 108798 SEC Accreditation No. PA-A-874-A, Group A, valid until June 30, 2020 Tax Identification No. 225-454-652 BIR Accreditation No. 08-001987-35- 2018 Issued September 20, 2018; valid until September 19, 2021 PTR No. MKT 8116789 Issued January 2, 2020 at Makati City | |
| 2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA). | Compliant | The Company's external auditor has agreed to be subjected to the SOAR Inspection Program. However, they have not yet been subjected to it. | |

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

Recommendation 10.1

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| <p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p> | <p>Compliant</p> | <p>The Company's commitment to disclosure and transparency covers both financial and non-financial information. Refer to Sec. 12 of the Corporate Governance Manual.</p> | |
| <p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p> | <p>Compliant</p> | <p>In line with the Board's duty to ensure the Company's compliance with all relevant best business practices, the Corporate Governance Manual provides the standard/framework of disclosing information (including sustainability and non-financial issues). Refer to Sec. 4.2.1.2 (f) and Sec. 12 of the Corporate Governance Manual.</p> | |

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

Recommendation 11.1

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| 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 | The Company has a policy of disclosure and transparency that considers essential the public and timely disclosure of material information. The channels for these disclosures include media and analysts' briefings. Please refer to Sec. 12 of the Corporate Governance Manual. | |
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Supplemental to Principle 11

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| 1. Company has a website disclosing up-to-date information on the following: | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| a. Financial statements/reports (latest quarterly) | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| b. Materials provided in briefings to analysts and media | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |

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| c. Downloadable annual report | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| d. Notice of ASM and/or SSM | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| e. Minutes of ASM and/or SSM | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| f. Company's Articles of Incorporation and By-Laws | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |
| Additional Recommendation to Principle 11 | | | |
| 1. Company complies with SEC-prescribed website template. | Compliant | The company website is currently undergoing updates and renovation. Please refer to: www.centurypeakmetals.com | |

Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

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| <p>1. Company has an adequate and effective internal control system in the conduct of its business.</p> | <p>Compliant</p> | <p>Internal control objective is to assure activity designed to add value and to improve the Company's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes.</p> <p>Responsibility over the internal control system is spread among the Board, the Audit Committee, and senior management. Refer to Sec. 4.2.1.4, Sec. 4.2.2.2.2 (f) and Sec. 6.2. It is annually reviewed by the audit committee members.</p> | |
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2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.

Compliant

The Corporate Governance Manual provides for an enterprise risk management, *i.e.*, a process, effected by an entity's Board of Directors, management, and other personnel, applied in strategy setting and across the enterprise that is designed to identify potential events that may affect the entity, manage risks to be within the risk appetite and provide reasonable assurance regarding the achievement of entity objectives.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors approves the yearly budget and in the course of the review of the budget, risk exposures in respect of commodity prices, interest rate, foreign exchange rate, cost items are also studied. Environmental risks are also managed as the Board requires regular reports on environmental concerns, including the maintenance of social development and community rehabilitation projects.

The review is done on an annual basis.

| Supplement to Recommendations 12.1 | | | |
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| <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>The Company complies with all relevant laws and regulations issued by all regulatory bodies such as Mines and Geosciences Bureau, Bureau of Internal Revenue, Securities and Exchange Commission and Philippine Stock Exchange.</p> <p>The review is done on an annual basis if programs are being complied.</p> <p>Refer to Item 1 of SEC Form 17-A.</p> | |
| Optional: Recommendation 12.1 | | | |
| <p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p> | | | |
| Recommendation 12.2 | | | |
| <p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p> | <p>Compliant</p> | <p>The Company has an independent internal audit team, as mandated by Sec. 4.3.5 of the Corporate Governance Manual.</p> <p>The Company has no outsourced internal audit team.</p> | |

| Recommendation 12.3 | | | |
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| 1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. | Non-Compliant | | Based on the Board's assessment, the Company does yet not need a CAE, as these responsibilities are being carried out by the Audit Committee. |
| 2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. | Non-Compliant | | The duties and responsibilities of CAE are carried out by the Audit Committee. |
| 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 | The Company's internal audit is not outsourced. | |
| Recommendation 12.4 | | | |
| 1. Company has a separate risk management function to identify, assess and monitor key risk exposures. | Compliant | The Company has its own risk management functions that assess and monitor key risk exposures. | |
| Supplement to Recommendation 12.4 | | | |
| 1. Company seeks external technical support in risk management when such competence is not available internally. | Compliant | The Company has its own competent technical support. | |
| Recommendation 12.5 | | | |
| 1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM). | Non-Compliant | | The Company is still in the process of searching for a qualified person who will be designated as its Chief Risk Officer. The target date for completion of this process is 03/31/2021. |

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| 2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities. | Non-Compliant | | The Company is still in the process of searching for a qualified person who will be designated as its Chief Risk Officer. The target date for completion of this process is 03/31/2021. |
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Additional Recommendation to Principle 12

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| 1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively. | Non-Compliant | | The Company does not currently have a CAE. |
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Cultivating a Synergic Relationship with Shareholders

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1

| | | | |
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| 1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance. | Compliant | Refer to Section 10 of Corporate Governance Manual. | |
| 2. Board ensures that basic shareholder rights are disclosed on the company's website. | Compliant | The company website is currently undergoing updates and renovation. After its completion, the information will be made available on the website: www.centurypeakmetals.com | |

Supplement to Recommendation 13.1

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| 1. Company's common share has one vote for one share. | Compliant | Each common share is entitled to one vote. | |
| 2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights. | Compliant | Under Sec. 10 of the Corporate Governance Code, the Board is committed to recognize shareholders' rights equally among shareholders. | |

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| 3. Board has an effective, secure, and efficient voting system. | Compliant | The Company adopts the requirements in applicable laws and rules and regulation, and is guided by the Corporate Governance Manual in efficient voting system by way of attendance of proxy. | |
| 4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders. | Compliant | <p>In conformity with the Revised Corporation Code, the Company employs cumulative voting in the election of directors which increases the chances for minority shareholders to elect a director. The Company likewise prohibits the removal of a director without just cause if it will deny minority shareholders of representation.</p> <p>Please refer to Sec. 10.1.1.3 and 10.1.1.4 of the Corporate Governance Manual.</p> | |
| 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 | Refer to Sec. 10.1.3.2 of the Corporate Governance Manual. | |

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| <p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p> | <p>Compliant</p> | <p>The Company is committed to the equal treatment of all shareholders without discrimination. The Company emphasizes that minority shareholders have the right to propose the holding of meetings and the agenda for such meetings/</p> <p>As a stakeholder, the Company respects the rights of minority shareholders established by law, contract or voluntary commitments.</p> <p>Please refer to Sec. 10.5 and Sec. 17 of the Corporate Governance Manual.</p> | |
| <p>7. Company has a transparent and specific dividend policy.</p> | <p>Compliant</p> | <p>Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property or stock to all stockholders on the basis of the outstanding capital stock held by them, as often and at such time as the Board of Directors may determine in accordance with law. Refer to Sec. 10.1.4 of the Corporate Governance Manual.</p> <p>No declaration of dividend as of report date.</p> | |
| <p>Optional: Recommendation 13.1</p> | | | |
| <p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p> | <p>Compliant</p> | <p>Stock Transfer Agent Services, Inc., identified, counted and validated votes at the ASM last December 10, 2019.</p> | |

| Recommendation 13.2 | | | |
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| 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. | Compliant | The Board sends Notices to Shareholders' Meeting at least 28 days before the meeting. Refer to SEC Form 17-C (on the Notice of the Annual Stockholders' Meeting) and SEC Form 20-IS. | |
| Supplemental to Recommendation 13.2 | | | |
| 1. Company's Notice of Annual Stockholders' Meeting contains the following information: | Compliant | The agenda of the Annual Stockholders Meeting can be found in SEC Form 20-IS. | |
| a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies) | Compliant | Yes. Refer to Item 5 of SEC Form 20-IS. | |
| b. Auditors seeking appointment/re-appointment | Compliant | Yes. Refer to the section "Appointment of Auditors" of SEC Form 20-IS. | |
| c. Proxy documents | Compliant | Yes. A copy of the sample proxy documents was attached with the Notice of Annual Stockholders' Meeting. | |
| Optional: Recommendation 13.2 | | | |
| 1. Company provides rationale for the agenda items for the annual stockholders meeting | Compliant | The Company provides rationale for the agenda items for the annual stockholders' meeting. Please refer to SEC Form 20-IS. | |

| Recommendation 13.3 | | | |
|--|-----------|--|--|
| 1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. | Compliant | The result of the Annual Stockholders Meeting is posted in the PSE Edge system and disclosed in the Company's website. | |
| 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 | The company website is currently undergoing updates and renovation. After its completion, the minutes of shareholders' meetings will be made available on the website: www.centurypeakmetals.com | |
| Supplement to Recommendation 13.3 | | | |
| 1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM. | Compliant | External auditor and other relevant individuals were present during the Dec. 10, 2019 Annual Stockholders meeting. | |
| Recommendation 13.4 | | | |
| 1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. | Compliant | The Board created a transparent framework in such a manner that it allows such communication, and such concerns may be coursed through The Asst. Corp Sec & Corporate Information Officer Katrina C. Keng Tel # 8856-0999 | |

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| 2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance. | | Please see Sec. 4.2.1.2 (m) of the Corporate Governance Manual. | |
| Recommendation 13.5 | | | |
| 1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. | Non-Compliant | | The Company is still in the process of searching for a qualified person who will be designated as its Investor Relations Officer. The target date for completion of this process is 03/31/2021. |
| 2. IRO is present at every shareholder's meeting. | Non-Compliant | | |
| Supplemental Recommendations to Principle 13 | | | |
| 1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group | Compliant | The Board lays out its duties and functions and measures taken to ensure good corporate governance. | |
| 2. Company has at least thirty percent (30%) public float to increase liquidity in the market. | Compliant | Based on the records of the Corporation's Stock Transfer Agent Services, Inc., as of December 31, 2019, and as of to date, forty-two percent (31.75%) of the total shares in the Corporation is owned by public, or 895,372,948 shares out of the 2,820,330,450 total shares number of shares in the Corporation. | |
| Optional: Principle 13 | | | |
| 1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting | | | |

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| 2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting. | | | |
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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

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| 1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability. | Compliant | <p>It is the Board's duty to identify the Company's major and other stakeholders, and formulate a clear policy on communicating or relating with them.</p> <p>It is the Company's policy to provide prompt effective redress for any violation of stakeholder's rights.</p> <p>Refer to Sec. 4.2.1.2 (g) and Sec. 17 of the Corporate Governance Manual.</p> | |
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Recommendation 14.2

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| 1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders. | Compliant | The Company treats all shareholders equitably, and recognize, protect, and facilitate the exercise of their rights through constant and open communication. Adequate protection is given to minority shareholders against any unfair conduct on the part of the majority. We impose well-defined rules and explicitly prohibit any shareholder, officer or employee from unfairly gaining advantages by withholding information from minority shareholders and the general public. | |
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Recommendation 14.3

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| 1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights. | Compliant | The Board created a transparent framework in such a manner that it allows such communication, and such concerns may be coursed through the Asst. Corporate Secretary and Corporate Information Officer Katrina C. Keng at telephone number 8856-0999 | |
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| Supplement to Recommendation 14.3 | | | |
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| <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>Non-Compliant</p> | | <p>The Company is in the process of establishing an alternative dispute resolution system settlement of conflicts and differences between shareholders. The target date for completion of this process is 03/31/2021.</p> <p>However such concerns may be coursed through the Asst. Corporate Secretary and Corporate Information Officer Katrina C. Keng Tel # 8856-0999</p> |
| 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>There is no request for exemption by the Company.</p> | |

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| 2. Company respects intellectual property rights. | Compliant | <p>The Board of Directors ensures that all trade secrets and non-public information are kept confidential. The Board guards these trade secrets and non-public information with utmost privacy so as to protect the general interest of the corporation.</p> <p>The Board ensures the Company complies with laws, rules and regulations, including laws on intellectual property. Refer to Sec. 4.2.1.2. (f) of the Corporate Governance Manual.</p> | |
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Optional: Principle 14

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| 1. Company discloses its policies and practices that address customers' welfare | | | |
| 2. Company discloses its policies and practices that address supplier/contractor selection procedures | | | |

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

Recommendation 15.1

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| 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 | <p>The Company has in place a merit-based performance incentive mechanism that awards and incentivizes employees in order for them to actively participate in the realization of the Company's goal and its governance.</p> | |
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Supplement to Recommendation 15.1

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| 1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures. | Compliant | The Company has in place a merit-based performance incentive mechanism that awards and incentivizes employees in order for them to actively participate in the realization of the Company's goal and its governance. | |
| 2. Company has policies and practices on health, safety and welfare of its employees. | Compliant | The Company is committed in ensuring that all reasonably practicable efforts are made to safeguard its employees. The Company is observing all relevant statutes, regulations and codes of practice and will take appropriate steps within its authority for the provision and maintenance of plant and equipment that is safe and without risks to health. | |
| 3. Company has policies and practices on training and development of its employees. | Compliant | Senior Management and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippines Mineral Reporting Code and Seminar on Disclosure Rules and the Company will continue to send them to any training that will enhance them to their job as required by the Company's business. Refer to Sec. 8 of the Corporate Governance Manual. | |

Recommendation 15.2

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| 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 | Employees are strictly prohibited from offering, soliciting or accepting gifts and donations, involvement in offering, paying and receiving bribes related to the Company's business in order to avoid any corrupt practices. | |
| 2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture. | Compliant | <p>The Corporate Governance Manual contains the policy and program on trainings.</p> <p>In addition, senior Management and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippines Mineral Reporting Code and Seminar on Disclosure Rules and will continue to send them to any training that will enhance them to their job as required by the Company's business.</p> | |

Supplement to Recommendation 15.2

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| 1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes. | Compliant | Employees are strictly prohibited from offering, soliciting or accepting gifts and donations, involvement in offering, paying and receiving bribes related to the Company's business. | |
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Recommendation 15.3

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| 1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation | Compliant | All senior management officers and employees are expected to comply with the rules and regulations of the Company. They are also obligated to faithfully implement and effectuate each and every company rule with regard to investigations of every violation without exposing the employee making the report to any fear of reprisal. | |
| 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 | The board has a more than competent framework established for employees and catering to handling whistleblowing concerns. | |
| 3. Board supervises and ensures the enforcement of the whistleblowing framework. | Compliant | The Company has a Code of Business Conduct and Ethics that is applicable to all levels. Any amendments/ improvements to this code maybe taken up by Senior Management. Particulars are set out in the code and the Corporate Governance Manual. | |

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1

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| <p>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.</p> | <p>Compliant</p> | <p>The Company implements a Social Development and Management Program (SDMP) which is formulated by a multi-stakeholder group comprised of the Mines and Geosciences Bureau (MGB), the local government (barangay and municipality) which hosts its mining sites in Dinagat Province, NGOs, the Church, among others. The SDMP is formulated and implemented on an annual basis. Funds for this purpose are deposited by the Company and replenished as the need arises. The Program includes livelihood assistance, provision of assistance to day care teachers, repair and maintenance of public infrastructures, community activities, information and education activities, among others. Beneficiary of the said program are residents and community members of Barangays Panamaon and Esperanza in the Municipality of Loreto, Province of Dinagat Islands.</p> | |
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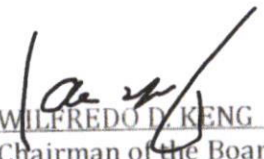
Optional: Principle 16


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| <p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p> | <p>Compliant</p> | <p>Guided by the principle of sustainable development through responsible mining, the Company continuously endeavors to address the proper implementation of its Environmental Management Programs ("EMP").</p> <p>The Company coordinates all the activities in line with the National Greening Program whose main objective is to plant over a billion trees over approximately 1.5 million hectares for the coming years.</p> <p>In coordination with the MGB Region 13, technical personnel and through the guidance of the members of the Mine Monitoring Team, the Company sees to it that the programs incorporated in the Environmental Protection and Enhancement Program are implemented properly and closely monitored.</p> <p>For more information on the Company's compliance with environmental standards, please refer to Item 1 of SEC Form 17-A.</p> | |
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| 2. Company exerts effort to interact positively with the communities in which it operates | Compliant | The Company, through SDMP and Annual Environmental Protection and Enhancement Program (AEPEP), positively interacts with the communities which hosts its operations. | |
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Pursuant to the requirement of the Securities and Exchange Commission and the Philippine Stock Exchange, this integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned thereunto duly authorized in AUG 28 2020 on _____


SIGNATURES


WILFREDO D. KENG
 Chairman of the Board/President


JOSE R. CEDO
 Independent Director


ROGELIO M. GUADALQUIVER
 Independent Director


SIMEON KEN FERRER
 Corporate Secretary

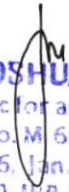

KATRINA C. KENG
 Corporate Information Officer

MAKATI CITY

SUBSCRIBED AND SWORN TO before me, this AUG 28 2020 2020, affiant(s) exhibiting to me their appropriate government issued identification cards, as follows;

| NAME | TIN | DATE OF ISSUE | PLACE OF ISSUE |
|-------------------------|-------------------|---------------|----------------|
| Wilfredo D. Keng | TIN - 103-990-999 | _____ | _____ |
| Rogelio M. Guadalquiver | TIN - 123-305-015 | _____ | _____ |
| Jose R. Cedo | TIN - 105-345-994 | _____ | _____ |
| Katrina C. Keng | TIN - 455-114-341 | _____ | _____ |
| Simeon Ken Ferrer | TIN - 116-283-788 | _____ | _____ |

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 Series of 2020


ATTY. JOSHUA P. LAPUZ
 Notary Public for and in Makati City
 Appointment No. M 66 until 12/31/2021
 PTK No. 8116016, Jan. 2, 2020, Makati City
 Roll No. 45790, IBP, Lifetime N. 04897
 MCLE No. VI-0016565 / Jan. 14, 2019
 G/F Fedman Suites, 199 Salcedo Street
 Legaspi Village, Makati City