

**POLICY
STATEMENT**

The Company shall ensure its continued effective performance and sustained growth through leadership continuity for the benefit of all its stakeholders.

OBJECTIVES

The objectives of the Succession Planning Programme are:

1. To identify and nominate suitable candidates for the Board's approval to fill the vacancies that arise from time to time.
2. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned developments and learning initiatives.
3. To identify the key job incumbents in Senior Managerial positions and recommend whether the concerned individual may be granted an extension of term/service, or be replaced with an identified internal or external candidate or there is a need to recruit suitable candidate/s.
4. To ensure the systematic and long-term development of individuals in the senior management level as ready replacement when the need arises due to deaths, disabilities, retirements and other unexpected occurrence.

**SCOPE AND
COVERAGE**

The Policy applies to the succession planning and remuneration of the Board of Directors, Key Management Personnel and Senior Management Team members as defined and identified by the Corporate Governance Committee.

**GENERAL
POLICIES**

***Appointment
and Succession
Plan***

1. The Corporate Governance Committee shall periodically review the leadership needs of the Company.
2. The Corporate Governance Committee shall apply a due diligence process to determine the suitability of candidates being considered for appointment or re-appointment as Director based on his educational background, experience and track record, the qualifications defined in the Company's Corporate Governance Manual, Board Diversity and other applicable Company policies, and other qualifications that the Company may require. All re-appointments shall require prior approval of the Corporate Governance Committee.
3. All appointments, re-appointments, removal and tenure of the Directors shall be governed by the provisions of the Company's Nomination and Election Policy.

***Appointment
and Succession
Plan for the
Board***

*Appointment
and Succession
Plan for Senior
Management*

4. All hiring and appointments of Senior Managerial Personnel with the rank of AVP and up (equivalent of Job Grades 16 and up) shall be presented, deliberated and approved by the Executive Committee. The ranks (officer title) and position or functional titles of Senior Managerial Personnel shall be conferred by the Corporate Governance Committee. Corporate Human Resources (CHR) shall facilitate the presentation and deliberation process.
5. After securing approval of Company/BU Heads, all HR Heads shall submit to CHR an inventory of all positions with Job Grades 16 and up. CHR shall review, present and secure appropriate approval of the positions for conferment.
6. The Corporate Governance Committee shall periodically review the list of senior managerial personnel due for retirement/attrition within the year with due consideration of possible new vacancies that may arise from business needs and/or up-gradation and shall assess the availability of suitable candidates. Based on the recommendation of the Chief Executive Officer, President and CHR Head, the Committee:
 - 6.1. Shall recommend to the Board the retention or replacement of incumbents after due evaluation using the following criteria:
 - ☐ 50% Performance: Consistent Demonstration of Competencies and Impact to the Business Results that can be validated on the Advancement Planning ratings.
 - ☐ 50% Demonstration of Leadership Attributes that can be validated through critical incidents and vouching of critical stakeholders on consistent demonstration of the 6 Leadership attributes:
 - Competent;
 - Strategic
 - Innovative;
 - Passionate;
 - Entrepreneurial; and
 - Team Player
 - 6.2. Shall identify the competency requirements of the key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
 - 6.3. May recommend to the Board the appointment of other suitable external candidates based on job roles and competency to provide continuous flow of talented people to meet organizational needs.
7. In cases where the Committee decided to appoint external candidate, timely and planned steps shall be taken for the selection of a suitable candidate to ensure smooth transition.
8. The regular internal promotion and transfer shall be governed by the Company's applicable policies.

***Talent
Identification,
Development
and Mentoring***

9. Each member of the Senior Management Team together with the CHR Head shall:
 - 9.1. Perform the annual exercise of identifying high potential employees who merit faster career progression to positions of higher responsibility and shall formulate, administer, monitor and review the process of skill development to identify the training requirements.
 - 9.2. Endeavor to add capability in-house and mentor officers with potential to handle bigger roles and responsibilities.
10. In the event of any unexpected occurrence to any member of the core management team, the next person in the organization chart shall take interim charge of the position, pending a regular appointment in terms of the succession plan.

***Remuneration
of Executive
and Non-
Executive
Directors***

11. The Corporate Governance Committee shall ensure that appointments are compliant with the rules and regulations set by the Securities and Exchange Commission (SEC) and other applicable regulatory agencies for certain Key Positions.
12. The Corporate Governance Committee shall recommend and the Board of Directors shall approve the remuneration of Executive and Non-Executive Directors.
 - 12.1. Fixed remuneration for Non-Executive directors (including Independent Directors) shall reflect the time commitment and responsibilities of the role.
 - 12.2. The remuneration of Executive Directors may be a combination of fixed monthly salary in terms of their appointment as approved by the Board and variable pay based on the Company's and individual performance. The Corporate Governance Committee shall determine and decide the performance parameters and/or measurable standards applicable to the Executive Directors that will serve as the basis for the variable pay.
 - 12.3. The Corporate Governance Committee may consider aligning Key Executives and Board remuneration with the longer-term interests of the Company and its shareholders.

***Compensation
Structure for
Key
Management
Personnel and
Senior
Management
Team***

13. The compensation structure for Key Management Personnel and Senior Management Team members may consist of fixed salary component and variable performance-based compensation. The compensation structure shall be devised to help the Company attract and retain top talents to efficiently run the Company with a long-term perspective.

SUCCESSION PLANNING AND REMUNERATION POLICY

POLICY REVIEW

The Corporate Governance Committee shall review the Policy annually to assess its effectiveness. The Committee shall discuss and recommend amendments to the Board, as it deemed necessary.

EFFECTIVITY

This Policy shall take effect upon approval by the Board of Directors and shall continue to be in full force unless superseded by new polices and guidelines.

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ALTUS PROPERTY VENTURES, INC.

SECRETARY'S CERTIFICATE

I, ELAINE G. MIRANDA-ARANETA, of legal age, Filipino, with office address at 12/F Cyberscape Alpha, Sapphire and Garnet Roads, Ortigas Center, Pasig City, being the duly elected Corporate Secretary of ALTUS PROPERTY VENTURES, INC., ("Corporation") with office address at Barangay 1, San Francisco, San Nicolas, Ilocos Norte, after having been duly sworn in accordance with law, hereby depose and state that the following resolutions were duly adopted by the Board of Directors of the Corporation on March 18, 2021:

"RESOLVED, that the Board of Directors of ALTUS PROPERTY VENTURES, INC., ("Corporation") hereby approves and adopts the Revised Corporate Governance Manual attached herewith as Annex "A".

RESOLVED FURTHER, that the Board of Directors of the Corporation hereby approves the following Board Committee Charters of the respective committees of the Corporation and its subsidiaries included in the Revised Corporate Governance Manual, attached herewith as Annex "B", Annex "C" and Annex "D":

- a. Corporate Governance Committee Charter
- b. Board Risk Oversight Committee Charter
- c. Audit Committee Charter
- d. Related Party Transactions Committee Charter

RESOLVED, FINALLY, that the Board of Directors of the Corporation hereby approves the following policies in support of the Integrated Annual Corporate Governance Report of the Corporation and its subsidiaries, as set forth below and attached herewith as Annex "E":

- a. Whistleblowing Policy
- b. Board Nomination and Election Policy
- c. Insider Trading Policy
- d. Succession Planning and Remuneration Policy
- e. Board Diversity Policy
- f. Material Related Party Transactions Policy

APPROVED: March 18, 2021."

ELAINE G. MIRANDA-ARANETA
Corporate Secretary

ATTESTED BY:

LANCE Y. GOKONGWEI
Chairman

SUBSCRIBED AND SWORN to before me this **MAR 24 2021** at **QUEZON CITY**, affiant exhibiting to me her SSS ID No. 03-9901046-8.

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Series of 2021.

ATTY. CONCEPCION P. VILLARENA
Notary Public for Quezon City
Until December 31, 2021
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ISP No. 093566 - 10-22-2019/ QC
Roll No. 30457 - 05-09-80
MCLE VI - 0030379
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