



SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **2019**
2. SEC Identification Number **AS094-4462** 3. BIR Tax Identification No. **000-426-523-000**
4. Exact name of issuer as specified in its charter **GLOBAL-ESTATE RESORTS, INC.**
5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **16th Floor, Alliance Global Tower, 36th Street**
cor. 11th Avenue, Uptown Bonifacio,
Taguig City, Metro Manila, Philippines **1634**
Address of principal office Postal Code
8. **(632) 5318 4374**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address, and former fiscal year, if changed since last report.

| INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT | | | |
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| | COMPLIANT/ NON- COMPLIANT | ADDITIONAL INFORMATION | EXPLANATION |
| The Board's Governance Responsibilities | | | |
| Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders. | | | |
| Recommendation 1.1 | | | |
| 1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector. | Compliant | <p>The Board is composed of directors with a collective working knowledge, experience or expertise that is relevant to the real estate industry. The Board ensures that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.</p> <p>The Corporate Governance Committee also ensures that all members possess all the qualifications and none of the disqualifications as mentioned in the New Manual on Corporate Governance.</p> <p>References:</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A). <p>The profiles of each director containing the academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors are indicated on pages 33</p> | |
| 2. Board has an appropriate mix of competence and expertise. | Compliant | | |
| 3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization. | Compliant | | |

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| | | <p>to 34 of the Annual Report.</p> <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> <ul style="list-style-type: none"> Board of Directors <p>https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/</p> <ul style="list-style-type: none"> New Manual on Corporate Governance [Section IV(A)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 1.2 | | | |
| <p>1. Board is composed of a majority of non-executive directors.</p> | <p>Compliant</p> | <p>GERI has 3 non-executive directors, 2 independent directors, and 4 executive directors to wit:</p> <p><i>Executive Directors:</i> Andrew L. Tan (Chairman & CEO) Lourdes T. Gutierrez-Alfonso (Managing Director) Monica T. Salomon (President) Wilbur L. Chan (Director for Hotels and Club)</p> <p><i>Non-Executive Directors:</i> Ferdinand T. Santos (Director)</p> | |

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| | | <p>Kevin Andrew L. Tan (Director) Rollence Elloyd S. Chiusinco¹ (Director)</p> <p><i>Independent Directors:</i> Jesus B. Varela Cresencio P. Aquino</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A). Item 9, page 31 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Board of Directors (Profile of each director) https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/ • GERI ASM 2019 Definitive Information Statement, p.4-6, 12-15 https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf | |
| Recommendation 1.3 | | | |
| 1. Company provides in its Board Charter and Manual on Corporate Governance a | Compliant | To allow the Board to discharge its duties and responsibilities, the Board shall obtain professional | |

¹ Resigned as of April 30, 2020.

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| <p>policy on training of directors.</p> | | <p>training and have continuing education.</p> <p>It is the Corporate Governance Committee's function to recommend and ensure continuing education and training programs for the Company's directors.</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance [Section IV (L)(4)(d) and Section IV (L)(4)(f)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| <p>2. Company has an orientation program for first time directors.</p> | <p>Compliant</p> | <p>The Company provides a comprehensive 8-hour orientation program for new directors.</p> <p>For 2019, Mr. Rollence Elloyd S. Chiusinco was elected as new director. Mr. Chiusinco, however, resigned as director of the Company effective on 30 April 2020.</p> | |
| <p>3. Company has relevant annual continuing training for all directors.</p> | <p>Compliant</p> | <p>Further, all directors and key officers have attended the 2019 Annual Corporate Governance Training Program.</p> <p>Please see below list of the trainings attended by the Board:</p> <p>Andrew L. Tan, Monica T. Salomon, Lourdes T. Gutierrez-Alfonso, Rollence Elloyd S. Chiusinco, Kevin Andrew L. Tan, Cresencio P. Aquino, Jesus B. Varela, Maria Carla T. Uykim, Rolando D.</p> | |

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| | | <p>Siatela, Lailani V. Villanueva, Ma. Emelyn Gertrudes C. Martinez, Jennifer L. Romualdez, Karen B. Maderazo, and Michael R. Roxas, attended "Modernizing Policies for Effective Governance" conducted by Center for Training and Development, Inc., held on 21 November 2019.</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance [Section IV (D)(2)(h)] https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • 2019 Certifications on Attendance of Corporate Governance Seminar on 21 and 27 November 2019 https://geri.com.ph/wp-content/uploads/2020/06/PSE-Disclosure_GERI2019CorpGovernanceCertificateofAttendance.pdf | |
| Recommendation 1.4 | | | |
| 1. Board has a policy on board diversity. | Compliant | The Board has a policy on board diversity, which is a move to avoid groupthink and ensure that optimal decision-making is achieved. Board diversity includes diversity in gender, age, ethnicity, culture, skills, competence, and knowledge. | |

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| | | <p>The current Board is composed of seven (7) male directors and two (2) female directors.</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A). Item 9, page 32-33 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| Recommendation 1.5 | | | |
| 1. Board is assisted by a Corporate Secretary. | Compliant | <p>GERI's Corporate Secretary is Atty. Maria Carla T. Uykim. She was first appointed on 16 April 2019 to replace Atty. Dominic V. Isberto, who resigned as Corporate Secretary and Assistant Information Officer on 16 April 2019. Atty. Uykim was re-elected as Corporate Secretary during the Organizational Meeting held immediately after the Annual Stockholders' Meeting on 27 June 2019.</p> <p>Atty. Uykim is not a member of the Board of Directors. The members of the Board are likewise indicated in the Results of Annual Stockholders' Meeting and GERI's 2019 Annual Report.</p> | |
| 2. Corporate Secretary is a separate individual from the Compliance Officer. | Compliant | | |
| 3. Corporate Secretary is not a member of the Board of Directors. | Compliant | | |

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| | | <p>References:</p> <ul style="list-style-type: none"> Results of 2019 Annual Stockholders' Meeting https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CRResultsASM.pdf GERI's 2019 Annual Report (17-A). Item 9, page 37 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| 4. Corporate Secretary attends training/s on corporate governance. | Compliant | <p>Atty. Maria Carla Uykim attended "Modernizing Policies for Effective Governance" conducted by Center for Training and Development, Inc., held on 21 November 2019.</p> <p>References:</p> <ul style="list-style-type: none"> 2019 Corporate Governance Certificate of Completion https://geri.com.ph/wp-content/uploads/2020/06/PSE-Disclosure_GERI2019CorpGovernanceCertificateofAttendance.pdf | |
| Recommendation 1.6 | | | |
| 1. Board is assisted by a Compliance Officer. | Compliant | GERI's Compliance Officer is Ms. Lailani V. Villanueva. She was elected during the Organizational Meeting conducted last 27 June | |
| 2. Compliance Officer has a rank of Senior Vice President or an equivalent position | Compliant | | |

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| with adequate stature and authority in the corporation. | | 2019. | |
| 3. Compliance Officer is not a member of the board. | Compliant | <p>Ms. Villanueva's profile is also contained in GERI's 2019 Annual Report.</p> <p>As stated in Section IV (N)(2) of the Manual on Corporate Governance, "the Board shall appoint a Compliance Officer who shall have the rank of Vice President or an equivalent position with adequate stature and authority in the corporation."</p> <p>Currently, Ms. Villanueva holds the position of "First Vice President" which is considered of the same stature and authority as a Senior Vice President in the Company.</p> <p>Ms. Villanueva is not a member of the Board of Directors. The members of the Board are likewise indicated in the Results of Annual Stockholders' Meeting and GERI's 2019 Annual Report.</p> <p>References:</p> <ul style="list-style-type: none"> • Results of 2019 Annual Stockholders' Meeting https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CRResultsASM.pdf • GERI's 2019 Annual Report (17-A). Item 9, page 36 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts- | |

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| | | Inc.-SEC-Form-17A-21May2020.pdf | |
| 4. Compliance Officer attends training/s on corporate governance. | Compliant | <p>Ms. Villanueva attended “Modernizing Policies for Effective Governance” conducted by Center for Training and Development, Inc., held on 21 November 2019.</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Corporate Governance Certificate of Completion <p>https://geri.com.ph/wp-content/uploads/2020/06/PSE-Disclosure_GERI2019CorpGovernanceCertificateofAttendance.pdf</p> | |

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

Recommendation 2.1

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| 1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company. | Compliant | <p>As disclosed in the Company's New Manual on Corporate Governance, it is one of the duties and responsibilities of a director to “be knowledgeable of his fiduciary roles, responsibilities and accountabilities under the law, the Corporation's articles and by-laws, and other legal pronouncements and guidelines”, and that “a director should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Corporation and all shareholders”.</p> <p>Board of Directors actively participate during Board meetings and annual stockholders'</p> | |
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| | | <p>meetings. Further, the Chairman of the Board makes certain that the meeting agenda focuses on strategic matters in coordination with the Corporate Secretary, while taking into consideration the advice and suggestions of the Board and Management.</p> <p>The Board performed their duties by acting through resolutions obtained in meetings such as but not limited to the annual stockholders' meeting, board meetings, etc.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance [Section IV(H)(2)(h)] https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • Minutes of the 2019 Annual Stockholders' Meeting https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf | |
| Recommendation 2.2 | | | |
| 1. Board oversees the development, review and approval of the company's business objectives and strategy. | Compliant | The Board oversees the development of and approves the Corporation's business objectives and strategy, and monitors their implementation, in order to sustain the Corporation's long-term viability and strength. | |
| 2. Board oversees and monitors the implementation of the company's business objectives and strategy. | Compliant | | |

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| | | <p>The Company's website provides all the current reports (SEC Form 17-C) submitted by the Company, thereby disclosing all the relevant actions of the Board for monitoring purposes.</p> <p>References:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance [Section IV(H)(2)(h)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> SEC Form 17-C available at GERI's website <p>https://geri.com.ph/company-disclosures/type/sec-form-17-c-current-report/</p> | |
| Supplement to Recommendation 2.2 | | | |
| 1. Board has a clearly defined and updated vision, mission and core values. | Compliant | <p>As can be gleaned in the Company's website, it has been the Company's mission/vision to establish its position as the leading developer of master-planned fully integrated tourism estates in the Philippines catering to both the domestic and foreign markets.</p> <p>Reference:</p> <ul style="list-style-type: none"> Vision and Mission <p>https://geri.com.ph/about/mission-vision/</p> | |
| 2. Board has a strategy execution process that facilitates effective management | Compliant | The Board fosters long-term success of the Corporation and secures its sustained | |

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| <p>performance and is attuned to the company's business environment, and culture.</p> | | <p>competitiveness, profitability and fiduciary responsibility in a manner that is consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.</p> <p>The Board oversees the development of and approves the Corporation's business objectives and strategy, and monitors their implementation, in order to sustain the Corporation's long-term viability and strength.</p> <p>The Board regularly carries out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p> <p>The Board conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance [Section IV (G)(1)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 2.3 | | | |
| <p>1. Board is headed by a competent and qualified Chairperson.</p> | <p>Compliant</p> | <p>GERI's Chairman is Dr. Andrew L. Tan.</p> <p>As disclosed in the GERI's 2019 Annual Report, Dr. Tan has extensive experience in real estate.</p> | |

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| | | <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A). Item 9, pages 32-33 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • Board of Directors, Dr. Andrew L. Tan https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/dr-andrew-l-tan/ | |
| Recommendation 2.4 | | | |
| 1. Board ensures and adopts an effective succession planning program for directors, key officers and management. | Compliant | As mentioned in GERI's New Manual on Corporate Governance, the Board adopts an effective succession planning program for the directors, key officers and management to ensure growth and a continued increase in the shareholders' value. The Corporate Governance Committee also recommends succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance. This includes adopting a retirement policy. | |
| 2. Board adopts a policy on the retirement for directors and key officers. | Compliant | | |

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| | | <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance [Section IV (G)(2)(b)] https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf GERI's 2019 Annual Report (17-A). Item 9 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| Recommendation 2.5 | | | |
| 1. Board aligns the remuneration of key officers and board members with long-term interests of the company. | Compliant | <p>As disclosed in GERI's New Manual on Corporate Governance, it is the Board's responsibility to align the remuneration of key officers and board members with the long-term interests of the Company. It should formulate and adopt a policy specifying the relationship between remuneration and performance, which includes specific financial and non-financial metrics to measure performance and set specific provisions for employees with significant influence on the overall risk profile of the corporation.</p> <p>GERI adopts a performance-based compensation scheme. The total annual compensation paid to the five most highly compensated officers and all other directors and officers are disclosed in GERI's 2019 Annual Report.</p> | |
| 2. Board adopts a policy specifying the relationship between remuneration and performance. | Compliant | | |
| 3. Directors do not participate in discussions or deliberations involving his/her own remuneration. | Compliant | | |

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| | | <p>References:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance [Section IV(K)(1) and (2)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A). Item 10, page 39-41 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| Optional Recommendation 2.5 | | | |
| 1. Board approves the remuneration of senior executives. | Compliant | The Board approves the remuneration of the Company's key officers and senior executives. | |
| 2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses. | Compliant | <p>As stated in the New Manual on Corporate Governance, the Board of Directors ensures that remuneration of key officers and Board members are aligned with the long-term interests of the Company by adopting a policy specifying the relationship between remuneration and performance.</p> <p>On 23 September 2011, the Company approved an Executive Stock Option Plan (ESOP) for key Company executives, directors and senior officers. The purpose of the Plan is to enable the key Company executives, directors and senior officers who are largely responsible for its further</p> | |

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| | | <p>growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company.</p> <p>References:</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance [Section IV(K)(1) and (2)] https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A). Item 10, page 38 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • GERI's ESOP Reports to the PSE https://geri.com.ph/company-disclosures/type/geri-exclusive-stock-plan-esop-reports/ | |
| Recommendation 2.6 | | | |
| 1. Board has a formal and transparent board nomination and election policy. | Compliant | GERI's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the | |

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| 2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance. | Compliant | shortlisted candidates and how it encourages nominations from shareholders are contained in the Company's New Manual on Corporate Governance. | |
| 3. Board nomination and election policy includes how the company accepted nominations from minority shareholders. | Compliant | The Corporate Governance Committee, which also serves as the Company's Nomination Committee, reviews, evaluates, pre-screens and shortlists all candidates nominated to become a member of the Board of Directors and other appointments requiring Board approval to ensure that candidates possess all the required qualifications, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between board members, and none of the disqualifications and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors. GERI's nomination and election process is also contained in GERI's 2019 Definitive Information Statement. References: • GERI's New Manual on Corporate Governance Section IV(L)(2), p. 44 https://geri.com.ph/wp- | |
| 4. Board nomination and election policy includes how the board shortlists candidates. | Compliant | | |
| 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 | | |
| 6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company. | Compliant | | |

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| | | content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| | | <ul style="list-style-type: none"> GERI ASM 2019 Definitive Information Statement | |
| | | https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf | |
| Recommendation 2.7 | | | |
| 1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions. | Compliant | The Board formulates and implements group-wide policy and system governing related party transactions and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality, that would ensure the integrity and transparency of related party transactions between and among the Company and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers, and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board. | |
| 2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions. | Compliant | | |
| 3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations. | Compliant | <p>GERI employees are also required to promptly disclose any business and family-related transaction with the Company to ensure that potential conflicts of Interest surfaces and are brought to the attention of management.</p> <p>In compliance with SEC Memorandum Circular No. 10-2019, the Company adopted its Related Party Transactions Policy, which took effect on October 28, 2019.</p> | |

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| | | <p>Reference:</p> <ul style="list-style-type: none"> GERI's Related Party Transactions Policy https://geri.com.ph/wp-content/uploads/2019/11/Related-Party-Transactions-Policy.pdf GERI's New Manual on Corporate Governance, p. 19 https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf Note 25 of 2019 Audited Financial Statements GERI's 2019 Annual Report (17-A), Item 2 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| 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</p> | <p>Compliant</p> | <p>Under the Company's Related Party Transactions ("RPT") Policy, material related party transactions refer to any RPT, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of a company's total consolidated assets based on its latest audited financial statements.</p> <p>The Company or any Related Party shall report</p> | |

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| <p>purposes of applying the thresholds for disclosure and approval.</p> | | <p>any and all Material RPT to the Board of Directors before entering into the transaction.</p> <p>Directors and officers with personal interest in the transaction shall fully and timely disclose any and all material facts related to Material RPTs, including their respective direct and indirect interests in any transaction or matter that may affect the Company. Such director or officer shall not participate in the discussions or voting on such transaction. In case they refuse to abstain, their attendance and vote shall not be considered for purposes of assessing the quorum and their votes shall not be counted for purposes of determining majority approval.</p> <p>RPT shall be disclosed in the Company's financial statements in accordance with applicable Philippine Financial Reporting Standards.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's Related Party Transactions Policy <p>https://geri.com.ph/wp-content/uploads/2019/11/Related-Party-Transactions-Policy.pdf</p> | |
| <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>All Material RPTs shall be approved by at least two-thirds (2/3) vote of the Company's Board of Directors, with at least a majority of the independent directors voting to approve the same. In case that majority of the independent directors' vote is not secured, the Material RPT may be ratified by the vote of the stockholders</p> | |

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| | | <p>representing at least two-thirds (2/3) of the outstanding capital stock. For aggregate RPT transactions within a twelve (12)-month period that breaches the Materiality Threshold, the same Board approval will be required for the transaction/s that meets and exceeds the Materiality Threshold covering the same related party.</p> <p>Directors with personal interest in the transaction shall abstain from participating in discussions and voting on the same. In case they refuse to abstain, their attendance shall not be counted for the purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's Related Party Transactions Policy <p>https://geri.com.ph/wp-content/uploads/2019/11/Related-Party-Transactions-Policy.pdf</p> | |
| Recommendation 2.8 | | | |
| <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 ensures that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively. To enable it to fulfill its roles and responsibilities and respond to the needs of the Corporation based on the evolving business environment and strategic direction, and to effectively participate and help secure objective, independent judgment on corporate</p> | |

affairs and to substantiate proper checks and balances, the Board only appoints competent, professional, honest and highly-motivated management officers.

The Management Team is composed of Ms. Lourdes T. Gutierrez-Alfonso as Managing Director, Atty. Monica T. Salomon as President, Ms. Lailani V. Villanueva as Chief Finance Officer/Treasurer, Corporate Information Officer, and Chief Compliance Officer, Atty. Cresencio P. Aquino as Chairman of the Audit Committee, and Engr. Felipe L. Mangubat as Head of Operations Management Division, Mr. Michael R. Roxas as Chief Risk Officer and Chief Audit Executive.

Reference:

- GERI's New Manual on Corporate Governance, [Section IV (G)(2)(a)]

<https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf>

- GERI ASM 2019 Definitive Information Statement

<https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019-Definitive-Information-Statement.pdf>

- Results of 2019 Organizational Meeting of the Board of Directors

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| | | https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CR esultsOrgMeeting.pdf | |
| <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 formulates the Corporation's vision, mission, strategic objectives, policies and procedures that guide its activities, including the means to effectively monitor Management's performance through an assessment process. Thus, the Board regularly carries out evaluations to appraise its performance as a body, and assesses whether it possesses the right mix of backgrounds and competencies.</p> <p>The Board also conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.</p> <p>The Board has also put in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees that allows for a feedback mechanism from the shareholders.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, [Section IV(G)(1)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |

Recommendation 2.9

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| 1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management. | Compliant | As disclosed in GERI's New Manual on Corporate Governance, the Board determines GERI's purpose, its vision, mission, strategic objectives, policies and procedures to guide its activities, monitor management's performance and supervise the proper implementation of the same. | |
| 2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management. | Compliant | <p>The Board also identifies key risk areas and key performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial viability.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV (G)(2)(d) and (i) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 2.10 | | | |
| 1. Board oversees that an appropriate internal control system is in place. | Compliant | As disclosed in GERI's New Manual on Corporate Governance, the Board, through the Audit Committee and Internal Audit Department, monitors and evaluates the adequacy and effectiveness of the Company's internal control system. | |
| 2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders. | Compliant | On an annual basis, the Audit Committee confirms that it had reviewed the internal control system of the Company based on the assessment completed and reported by the internal and external auditors and found that the system is | |

adequate and effective.

The minimum internal control mechanisms for the performance of the Board's oversight responsibility include:

- a. Definition of the duties and responsibilities of the CEO who is ultimately accountable for the Corporation's organizational and operational controls;
- b. Selection of the person who possesses the ability, integrity and expertise essential for the position of CEO;
- c. Evaluation of proposed senior management appointments;
- d. Selection and appointment of qualified and competent management officers;
- e. Oversee the implementation of the key control functions, such as risk management, compliance and internal audit; and
- f. Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees, and management succession plan.

Reference:

- GERI's New Manual on Corporate Governance Section IV(I)(3)

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| | | https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| 3. Board approves the Internal Audit Charter. | Compliant | <p>The Board, through the Audit Committee, recommends the approval of the Internal Audit Charter (IA Charter), which formally defines the purpose, role, authority, and responsibility of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(I)(3) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> Internal Audit Charter <p>https://geri.com.ph/wp-content/uploads/2019/07/Internal-Audit-Charter.pdf</p> | |
| Recommendation 2.11 | | | |
| 1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks. | Compliant | The Corporation has an adequate and effective internal control system and an enterprise risk management framework in the conduct of its business, taking into account its size, risk profile and complexity of operations. | |

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| | | <p>With the key risk areas identified, we have been able to ensure that the risk priorities and mitigation activities across the organization are relevant and current with respect to the Company's business objectives and strategies.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV (I)(1) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| 2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. | Compliant | <p>The Audit Committee oversees GERI's financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management. This function includes regular receipt from Management of information on risk exposures and risk management activities.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV (L)(5) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 2.12 | | | |
| 1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities | Compliant | The Board Charter states the roles, responsibilities and accountabilities of the Board, which serves as | |

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| and accountabilities in carrying out its fiduciary role. | | a guide for the directors on how to discharge their functions, and provides the standards for evaluating the performance of the Board. | |
| 2. Board Charter serves as a guide to the directors in the performance of their functions. | | The Board Charter is publicly available and posted on the Company's website. Reference: <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(A) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| 3. Board Charter is publicly available and posted on the company's website. | Compliant | <ul style="list-style-type: none"> Board Charter: https://geri.com.ph/wp-content/uploads/2018/11/Board-Charter_0.pdf | |
| Additional Recommendation to Principle 2 | | | |
| 1. Board has a clear insider trading policy. | Compliant | The Corporation respects the proprietary ownership of trade secrets and observes the confidentiality of non-public information. A director is required to keep secure and confidential trade secrets and all non-public information acquired or learned by reason of his position. He should not reveal confidential information to unauthorized persons without authority of the Board. Reference: | |

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| | | <ul style="list-style-type: none"> Insider Trading Policy <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/insider-trading-policy/</p> | |
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

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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 | <p>In order to aid the Corporation in complying with the principles of good corporate governance and in the optimal performance of its functions, the Board constituted the following Board Committees:</p> <ol style="list-style-type: none"> Executive Committee; Corporate Governance Committee; Board Risk Oversight Committee; Audit Committee; and Related Party Transactions Committee <p>These committees are required to have Committee Charters stating in plain terms their respective purposes, memberships, structures, operations, reporting processes, resources and other relevant information.</p> <p>The Committee Charters are available to public and posted on the Company's website.</p> <p>Reference:</p> | |
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| | | <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(L) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • Board Committee Charters <p>https://geri.com.ph/investor-relations/corporate-governance/board-committees/</p> | |
| Recommendation 3.2 | | | |
| <p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p> | <p>Compliant</p> | <p>The Board created an Audit Committee to enhance its oversight capability over the Corporation's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulation.</p> <p>The Audit Committee recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the Corporation. The Audit Committee also provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate | |

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| | | <p>Governance Section IV(L)(5)</p> <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> Board Committee Charters <p>https://geri.com.ph/wp-content/uploads/2019/07/Internal-Audit-Charter.pdf</p> | |
| <p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p> | <p>Compliant</p> | <p>The Audit Committee is currently composed of Atty. Cresencio Aquino as Chairman, and Jesus B. Varela and Kevin Andrew L. Tan as members. Messrs. Varela and Aquino are both Independent Directors while Mr. Tan is a regular director.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf</p> <ul style="list-style-type: none"> Audit Committee <p>https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/</p> | |

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| <p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p> | <p>Compliant</p> | <p>Each member of the Audit Committee has adequate understanding on the Corporation's financial management systems and environment particularly, in the areas of accounting, audit and finance to generate effective discussion, challenge, and objective decision-making.</p> <p>The qualifications of the members of the Audit Committee are indicated in pages 33-34 of GERI's 2019 Annual Report.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A) https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Profile of Members of the Board of Directors https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/ | |
| <p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p> | <p>Compliant</p> | <p>The Chairman of Audit Committee is Atty. Cresencio Aquino, who is an Independent director.</p> | |

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| | | <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf</p> | |
| Supplement to Recommendation 3.2 | | | |
| <p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p> | <p>Compliant</p> | <p>As disclosed in GERI's New Manual on Corporate Governance, the Audit Committee evaluates and determines the non-audit work, if any, of the External Auditor, and reviews periodically the non-audit fees paid to the External Auditor.</p> <p>The External Auditor performed the audit of the Company's financial statements and the services that are normally provided by the external auditors in connection with statutory and regulatory filings for the calendar year report of 2019, 2018, and 2017.</p> <p>No other assurance and related services have been rendered by the External Auditor to the Company other than the items discussed above.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance [Section IV(L)(5)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-</p> | |

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| | | <p>Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A) <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| 2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present. | Compliant | <p>In compliance with the New Manual on Corporate Governance, the Audit Committee regularly and independently meets with the Company's External Auditor to ensure that proper checks and balances are in place within the corporation.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance [Section IV(L)(5)] <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 3.3 | | | |
| 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. | Compliant | <p>In compliance with GERI's New Manual on Corporate Governance, the Board created a Corporate Governance Committee that will be tasked to assist the Board in the performance of its corporate governance responsibilities.</p> <p>Among its functions include identifying and ensuring the quality of directors aligned with the company's strategic direction, to wit:</p> | |

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| | | <p>“a. Oversee the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;</p> <p>“b. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;</p> <p>“c. Ensure that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement.”</p> <p>Reference:</p> <ul style="list-style-type: none"> • Results of 2019 Organizational Meeting of the Board of Directors https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CResultsOrgMeeting.pdf • GERI's New Manual on Corporate Governance Section IV(L)(4) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
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| <p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p> | <p>Non-compliant</p> | | <p>The members of the Corporate Governance Committee are disclosed in SEC Form 17-C (Results of 2019 Organizational Meeting of the Board of Directors)</p> <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CResultsOrgMeeting.pdf</p> <p>The Corporate Governance Committee is composed of Jesus B. Varela as Chairman, and Mr. Cresencio Aquino and Rollence Elloyd S. Chiusinco as members.</p> <p>Messrs. Varela and Aquino are both Independent Directors while Mr. Chiusinco is a regular director.</p> |
| <p>3. Chairman of the Corporate Governance Committee is an independent director.</p> | <p>Compliant</p> | <p>The Chairman of the Corporate Governance Committee is Mr. Jesus B. Varela, who is an Independent Director.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C</p> | |

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| | | <p>ResultsOrgMeeting.pdf</p> <ul style="list-style-type: none"> Board of Directors, Independent Director <p>https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/</p> | |
| Recommendation 3.4 | | | |
| <p>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.</p> | <p>Compliant</p> | <p>In compliance with GERI's New Manual on Corporate Governance, the Board created a Board Risk Oversight Committee that will oversee GERI's financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management. This function shall include regular receipt from Management of information on risk exposures and risk management activities.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C ResultsOrgMeeting.pdf</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(L)(4) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-</p> | |

| | | Corporate-Governance-2016.pdf | |
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| 2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman. | Compliant | The members of the BROC are composed of Atty. Cresencio P. Aquino, as Chairman, and Mr. Jesus B. Varela and Kevin Andrew L. Tan, as members. | |
| 3. The Chairman of the BROC is not the Chairman of the Board or of any other committee. | Compliant | <p>Messrs. Varela and Aquino are both Independent Directors while Mr. Tan is a regular director.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf</p> | |
| 4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management. | Compliant | <p>Mr. Jesus Varela and Mr. Kevin Andrew L. Tan have extensive experiences in risk management.</p> <p>Reference:</p> <ul style="list-style-type: none"> Profiles of Mr. Jesus Varela and Mr. Kevin Andrew L. Tan <p>https://geri.com.ph/about/board-of-directors/members-of-the-board-of-directors/mr-jesus-b-varela/</p> <p>https://geri.com.ph/about/board-of-directors/members-of-the-board-of-</p> | |

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| | | directors/mr-kevin-andrew-l-tan/ <ul style="list-style-type: none"> GERI's 2019 Definitive Information Statement, pp. 6 and 15. https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf | |
| Recommendation 3.5 | | | |
| 1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company. | Compliant | <p>In compliance with the Company's Related Party Transactions Policy, the Board created a Related Party Transactions Committee, which is tasked with reviewing all material related party transactions of the company.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(L)(4) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| 2. RPT Committee is composed of at least | Compliant | The members of the RPT Committee are | The Company has not yet |

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| <p>three non-executive directors, two of whom should be independent, including the Chairman.</p> | | <p>composed of Atty. Cresencio P. Aquino, as Chairman, and Mr. Jesus B. Varela and Rollence Elloyd S. Chiusinco as members.</p> <p>Messrs. Varela and Aquino are both Independent Directors while Mr. Chiusinco is a regular director.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf</p> | <p>established a Related Party Transactions Committee.</p> |
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Recommendation 3.6

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| <p>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.</p> | <p>Compliant</p> | <p>The functions of each of the Committee are enumerated in the Manual of Corporate Governance and the Committee Charters which are disclosed in the Company's website.</p> <p>Reference:</p> | |
| <p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p> | <p>Compliant</p> | <ul style="list-style-type: none"> Board Committee Charters <p>https://geri.com.ph/investor-relations/corporate-governance/board-committees/</p> | |
| <p>3. Committee Charters were fully disclosed on the company's website.</p> | <p>Compliant</p> | | |

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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| <p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p> | <p>Compliant</p> | <p>The attendance of the Board of Directors as of 31 December 2019 as filed with the SEC is disclosed in the Company's website:</p> <p>Reference:</p> <ul style="list-style-type: none"> • Certification of Attendance of Director <p>https://geri.com.ph/wp-content/uploads/2020/07/RecordOfAttendanceByBODofMEETINGS.2019.pdf</p> | |
| <p>2. The directors review meeting materials for all Board and Committee meetings.</p> | <p>Compliant</p> | <p>All meeting materials are provided to the directors days before the start of the actual meetings.</p> | |
| <p>3. The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p> | <p>Compliant</p> | <p>During Board and Board Committee meetings, directors are encouraged to raise questions and/or clarifications for the reports presented.</p> | |
| <p>Recommendation 4.2</p> | | | |
| <p>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.</p> | <p>Compliant</p> | <p>Based on GERI's New Manual on Corporate Governance, non-executive directors may concurrently serve as directors to a maximum of five (5) publicly listed companies.</p> <p>Information on the directorships of GERI's directors in both listed and non-listed companies are disclosed in GERI's 2019 Annual Report and 2019 Definitive Information Statement.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(B)(3) | |

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| | | <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), pp. 33-36 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| Recommendation 4.3 | | | |
| <p>1. The Directors notify the company's Board before accepting a directorship in another company.</p> | <p>Compliant</p> | <p>The directors are expected to notify the Board during Board meetings all of their nominations for directorship. As a process, the concerned director shall notify the Board through the Corporate Secretary immediately upon receipt of invitation or nomination from a publicly listed company. Alternatively, the concerned director can notify the Board in the next scheduled board meeting if the time permits.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(C)(1) | |

<https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf>

Optional: Principle 4

1. Board of directors meet at least six times during the year.

Compliant

In 2019, GERI's Board of Directors had a total of 32 meetings.

In compliance with SEC Memo Circular No. 1, Series of 2014 and in relation to Memo Circular no. 5 Series of 2013, GERI submitted Letter-Certification on Attendance of Directors held for 2019.

Reference:

- Company Disclosures, SEC Filings, Certification
<https://geri.com.ph/wp-content/uploads/2020/07/RecordOfAttendanceByBODofMEETINGS.2019.pdf>

2. Company requires as minimum quorum of at least 2/3 for board decisions.

Non-compliant

Article III, Section 6, of the Amended By-Laws of the Corporation provides that a majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, while every decision of at least a majority of the directors present at a meeting at which a quorum is present shall be valid as a

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| | | | corporate act, except for the election of officers which requires the vote of a majority of all the members of the Board. |
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

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| 1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher. | Non-compliant | | <p>The Company has two (2) independent directors which is still compliant under the Securities Regulation Code (SRC) and the rules and regulations of the SEC requiring a company to have at least 20% of the number of directors [i.e. nine (9) directors in the Company's case] or two (2), whichever is lower, but in no case less than two.</p> <p>Reference:</p> <ul style="list-style-type: none"> Results of 2019 Annual Stockholders' Meeting <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17CResultsASM.pdf</p> |
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Recommendation 5.2

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| 1. The independent directors possess all the qualifications and none of the | Compliant | As stated in the Certificate of Qualifications submitted by GERI's IDs in compliance with SEC | |
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| <p>disqualifications to hold the positions.</p> | | <p>Notice dated 20 October 2006, as amended by SEC Memorandum Circular No. 5, Series of 2017, GERI's Independent Directors possess all the qualifications and none of the disqualification to hold the position of Independent Director.</p> <p>The Nomination Committee also determined that all the nominees for regular and independent directors have all the qualifications and none of the disqualifications of a director.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> | |
| Supplement to Recommendation 5.2 | | | |
| <p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p> | <p>Compliant</p> | <p>There are no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.</p> <p>The provisions in Company's By-Laws and the New Manual on Corporate Governance are compliant with all applicable Philippine laws and regulations. The New Manual on Corporate Governance, for instance, provides that independent directors are independent of Management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in</p> | |

carrying out his responsibilities as a director. Further, conflicted directors are required to abstain from participating in board meetings to prevent the exercise of undue influence.

Per Company's Code of Business Conduct and Ethics, a director should conduct fair business transactions with the Company and ensure that his personal interest does not bias, conflict, or prejudice Board decisions.

Reference:

- GERI's New Manual on Corporate Governance Section IV(C)(1)

<https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf>

- GERI's Amended By-Laws

<https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws-2019-1.pdf>

- Code of Business Conduct & Ethics

<https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf>

Recommendation 5.3

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| 1. The independent directors serve for a | Compliant | The Company's Independent Directors, namely: | |
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| <p>cumulative term of nine years (reckoned from 2012).</p> | | <p>Mr. Jesus B. Varela and Atty. Cresencio P. Aquino have served as IDs for almost 4 years and 2 years, respectively, as of end-2019 (reckoned from 2012).</p> <p>References:</p> <ul style="list-style-type: none"> • GERI ASM 2019 Definitive Information Statement, page 12, 15. <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), pp. 33,35-36 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| <p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p> | <p>Compliant</p> | <p>Based on the Company's New Manual on Corporate Governance, the Board's independent directors shall serve for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from reelection as such in the Company, but may continue to qualify for nomination and election as a non-independent director.</p> | |
| <p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p> | <p>Compliant</p> | <p>Mr. Jesus B. Varela was first elected as an independent director in June 2016. Mr. Cresencio P. Aquino, on the other hand, was first elected as an independent director in 2010 to 2012.</p> | |

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| | | <p>Both Messrs. Varela and Aquino have not exceeded the term limits for independent director as prescribed under SEC Memorandum Circular No. 9 Series of 2011 as revised by SEC Memorandum Circular No. 4 Series of 2017.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(B)(6) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| Recommendation 5.4 | | | |
| 1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals. | Non-Compliant | | GERI's Chairman and CEO is Dr. Andrew L. Tan. |
| 2. The Chairman of the Board and Chief Executive Officer has clearly defined responsibilities. | Non-Compliant | | Art. IV, Sec. 2, of Amended By-Laws of the Company provides that the Chairman shall also be the CEO and his main responsibility is to define the strategic vision of the Company and align its operations to said vision. He guides the Board in formulating the objectives of the Company, and assists in establishing the operating policies and developing the means to achieve the objectives. |

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| | | | <p>Significantly, the administration and direction of the day-to-day affairs of the Corporation are reposed in the President, per Art. IV, Sec. 4, of the Amended By-Laws. The President has the general supervision and management of the business affairs and property of the Company, and ensures that the administrative and operational policies are carried out under his supervision and control. The President is also a director of the Company and, as such, is able to provide the Board with timely and first-hand feedback on the effectiveness of the policies that the Board adopts.</p> <p>Thus, notwithstanding, that the roles of Chairman and CEO are assumed by the same person, the concentration of the administrative functions in the person of the President ensures that the Board gets the benefit of independent views in formulating, evaluating, and assessing the effectiveness of the policies of the Company.</p> |
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Recommendation 5.5

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| 1. If the Chairman of the Board is not an | Compliant. | The Chairman of the Board, Dr. Andrew L. Tan, is | |
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| <p>independent director, the board designates a lead director among the independent directors.</p> | | <p>not an independent director.</p> <p>In compliance with SEC MC No. 20 Series of 2016, Mr. Jesus B. Varela was appointed as Lead Independent Director during the Organizational Meeting held on 27 June 2019.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(D)(4) and (5) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • Results of 2019 Annual Stockholders' Meeting <p>https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C-ResultsASM.pdf</p> | |
| Recommendation 5.6 | | | |
| <p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p> | <p>Compliant</p> | <p>Per Company's Code of Business Conduct and Ethics and New Manual on Corporate Governance, a director should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on his part, a director should fully and immediately disclose it and should not participate in the decision-making process, or should seriously consider resigning if there exists a continuing material conflict of interest.</p> <p>For 2019, there were no transactions involving</p> | |

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| | | <p>material interest of any of the Company's directors.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance Section IV(C)(1) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> Code of Business Conduct & Ethics <p>https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf</p> | |
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Recommendation 5.7

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| 1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present. | Compliant | <p>In 2019, the non-executive directors held two meetings with GERI's external auditors but with the executives present as observers solely for the purpose of providing information support.</p> <p>The meetings are chaired by Mr. Jesus Varela, who is the lead independent director.</p> | |
| 2. The meetings are chaired by the lead independent director. | Compliant | | |

Optional: Principle 5

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| 1. None of the directors is a former CEO of the company in the past 2 years. | Compliant | GERI's CEO for the past 2 years is Dr. Andrew L. Tan. | |
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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 | <p>As disclosed in the Company's New Manual on Corporate Governance, the best measure of the Board's effectiveness is through an assessment process. Thus, the Board regularly carries out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p> <p>Board performs a self-evaluation measured against the financial performance of the Company and the New Manual on Corporate Governance.</p> <p>Corporate Governance Committee conducts self-annual evaluation in compliance with SEC Circ. No. 4 S. 2012</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(G) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| 2. The Chairman conducts a self-assessment of his performance. | Compliant | | |
| 3. The individual members conduct a self-assessment of their performance. | Compliant | | |
| 4. Each committee conducts a self-assessment of its performance. | Compliant | | |
| 5. Every three years, the assessments are supported by an external facilitator. | Compliant | <p>The Company endeavors to engage the services of an external facilitator in 2020 to support the Company's assessment process for the performance of the Board, Board Committees, Board Chairman and Individual Directors.</p> | |

| Recommendation 6.2 | | | |
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| <p>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.</p> | Compliant | <p>As disclosed in GERI's New Manual on Corporate Governance, the best measure of the Board's effectiveness is through an assessment process. Thus, the Board regularly carries out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p> | |
| <p>2. The system allows for a feedback mechanism from the shareholders.</p> | Compliant | <p>The Board also conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.</p> <p>The Board also has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, the individual directors, committees and allows for a feedback mechanism from the shareholders.</p> <p>Feedback mechanism from the shareholders is also available thru:</p> <ol style="list-style-type: none"> 1. Open Forum during the Annual Stockholder's Meeting 2. GERI's website where the company's Investor Relations or the Customer Service contact information are available. <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(G)(1) <p>https://geri.com.ph/wp-</p> | |

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| | | content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf <ul style="list-style-type: none"> Investor Relations Contact Information https://geri.com.ph/investor-relations/investor-relations-contact-information/ | |
| Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders. | | | |
| Recommendation 7.1 | | | |
| 1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company. | Compliant | <p>GERI's Code of Business Conduct and Ethics is available thru its website.</p> <p>Reference:</p> <ul style="list-style-type: none"> Code of Business Conduct & Ethics https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf | |
| 2. The Code is properly disseminated to the Board, senior management and employees. | Compliant | <p>Copies of the Code of Business Conduct and Ethics are disseminated to the Board, all senior management and employees. The contents thereof are explained to new employees as part of their orientation. The Company's Human Resources Division cascades the training program on Code of Ethics.</p> <p>Reference:</p> <ul style="list-style-type: none"> Code of Business Conduct & Ethics | |

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| | | https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf | |
| 3. The Code is disclosed and made available to the public through the company website. | Compliant | <p>GERI's Code of Ethics is publicly posted in the Company website.</p> <p>Reference:</p> <ul style="list-style-type: none"> Code of Business Conduct & Ethics <p>https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf</p> | |
| Supplement to Recommendation 7.1 | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes. | Compliant | <p>The Company's "No Acceptance of Gifts Policy" prohibits the solicitation or acceptance of gifts in any form from a business partner, directly or indirectly, by any director, officer or employee of the Company. The policy is intended to ensure integrity in procurement practices and the selection of the most appropriate business partner in each instance.</p> <p>Moreover, the Company, through its Human Resources Division, issued a memo on 22 December 2017 entitled "Reiteration of Company Policy on Receiving Gifts from Supplier/Contractor".</p> <p>Reference:</p> <ul style="list-style-type: none"> Code of Business Conduct & Ethics | |

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| | | https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf | |
| Recommendation 7.2 | | | |
| 1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | Compliant | The Company implements and monitors compliance through its Human Resource Division, with the support of the Division Heads who are tasked with cascading Company policies to the employees and monitoring their adherence to the policies. | |
| 2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies. | Compliant | Reference: <ul style="list-style-type: none"> Code of Business Conduct & Ethics https://geri.com.ph/wp-content/uploads/2019/07/CodeOfBusinessConductAndEthics.pdf | |
| Disclosure and Transparency | | | |
| Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations. | | | |
| Recommendation 8.1 | | | |
| 1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations. | Compliant | Prior to the Annual Shareholders' Meeting, the Company distributes to its shareholders the Information Statement, Audited Financial Statements and Management Report, Annual, Quarterly and Current Reports of the Company. The reports are available in the Company website. References: | |

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| | | <ul style="list-style-type: none"> • GERI ASM 2019 Definitive Information Statement, page 23 https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019-Definitive-Information-Statement.pdf • GERI's 2019 Annual Report (17-A), https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Minutes of the <u>2019 Annual Stockholders' Meeting, p. 4</u> https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019-Minutes-of-ASM-27June2019.pdf | |
| Supplement to Recommendations 8.1 | | | |
| <p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p> | Compliant | <p>In accordance with the implementing Rules and Regulations of the Securities Regulation Code, the Company discloses its audited consolidated financial statements as part of the annual report within 105 days after the end of the fiscal year and its interim reports within 45 days after the end of each of the first three (3) quarters of each fiscal year.</p> <p>In 2020, due to the Extreme Community Quarantine enforced by the government to contain the COVID-19 pandemic, the Company</p> | |

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| | | <p>was not able to complete the preparation, audit of its annual financial statements for 2019 in time for the disclosure periods above required. However, the Company was able to file its Annual Report (SEC Form 17-A) and Audited Financial Statements for the fiscal year ended December 31, 2019 on May 21, 2020, within the deadline extension given by the SEC under SEC Memorandum Circular (MC) No. 5 Series of 2020 to all covered companies.</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| <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>Non-compliant</p> | <p>The Security Ownership of Certain Beneficial Owners and Management of the Company is disclosed in SEC Form 17-A. Further, percentage ownership of the Company to its subsidiaries and affiliates are disclosed in the same report and in the Company website.</p> <p>References:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A) https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |

| Recommendation 8.2 | | | |
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| 1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days. | Compliant | As disclosed in GERI's New Manual on Corporate Governance, all directors and officers of the Company are required to disclose any dealings in the Company's shares within three (3) business days. | |
| 2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days. | Compliant | <p>Moreover, GERI's Insider Trading Policy prohibits all directors, officers, employees and other covered persons from engaging in transactions that result in conflicts of interest and are mandated to promptly disclose actual or perceived conflicts of interest.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IX(D) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • Company Policies, Insider Trading <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/</p> | |
| Supplement to Recommendation 8.2 | | | |
| 1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase | Compliant | Shares held by the Company's directors, officers and controlling shareholders are disclosed in the Annual Report (SEC Form 17-A). Moreover, GERI's Group Corporate Structure is also attached to 17-A Annual Report and is publicly | |

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| <p>of its shares from the market (e.g. share buy-back program).</p> | | <p>posted in the Company website.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A) https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Public Ownership Report https://geri.com.ph/company-disclosures/type/public-ownership-reports/ • Foreign Ownership Report https://geri.com.ph/company-disclosures/type/foreign-ownership-monitoring-reports/ • List of Top 100 Stockholders https://geri.com.ph/company-disclosures/type/top-100-stockholders/ • Group Corporate Structure https://geri.com.ph/about/group-corporate-structure/ | |
| Recommendation 8.3 | | | |
| <p>1. Board fully discloses all relevant and material information on individual board</p> | <p>Compliant</p> | <p>The directors' academic qualifications, share ownership in the Company, membership in other</p> | |

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| <p>members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p> | | <p>boards, other executive positions, professional experiences, expertise and relevant trainings attended are available in GERI's 2019 Annual Report and 2019 Definitive Information Statement.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), pp. 33-37 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| <p>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.</p> | <p>Compliant</p> | <p>GERI's key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended are available in GERI's 2019 Annual Report.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), pp. 33-37 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-</p> | |

Recommendation 8.4

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| <p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p> | <p>Compliant</p> | <p>As disclosed in the Company's New Manual on Corporate Governance, a portion of the remuneration of executive directors may be structured or be based on corporate and individual performance. The Board aligns the remuneration of key officers and board members with the long-term interests of the Corporation. The Board formulates and adopts a policy specifying the relationship between remuneration and performance, which includes specific financial and non-financial metrics to measure performance and set specific provisions for employees with significant influence on the overall risk profile of the corporation.</p> | |
| <p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p> | <p>Compliant</p> | <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance Section IV(K)(1) and (2) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A), pp. 38 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| <p>3. Company discloses the remuneration on</p> | <p>Compliant</p> | <p>For executive remuneration, the Company</p> | |

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| <p>an individual basis, including termination and retirement provisions.</p> | | <p>adopts a performance-based compensation scheme. The amount of total annual compensation of the President and top four highly compensated executives or the last three years and the projected total annual compensation for the current year are disclosed in GERI's 2019 Annual Report.</p> <p>The total annual compensation paid to all senior personnel from AVP and up are all payable in cash. The total annual compensation includes the basic salary and 13th month pay.</p> <p>The Company has no other arrangement with regard to the remuneration of its existing officers aside from the compensation received as herein stated.</p> <p>On the other hand, the Directors receive a per diem per attendance at board meetings.</p> <p>In 2011, the Board of Directors of the Company approved an Executive Stock Option Plan. The purpose of the Plan is to enable the key Company executives, directors and senior officers who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), pp. 38-40 <p>https://geri.com.ph/wp-</p> | |
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[content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf](https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf)

Recommendation 8.5

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.

Compliant

The Company's Related Party Transactions (RPT) Policy is publicly posted in the Company website and is disclosed also in the Annual Report.

The Company also discloses its policies governing RPTs and other unusual or infrequently occurring transactions in its New Manual on Corporate Governance. The material or significant RPTs reviewed and approved during the year is also disclosed in its Annual Report.

There were no related party transactions, outside the usual course of business, that have breached the materiality threshold.

Reference:

- GERI's 2019 Annual Report (17-A)

<https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf>

- GERI's New Manual on Corporate Governance Section XI(H)

<https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf>

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| | | <ul style="list-style-type: none"> GERI's Related Party Transaction Policy https://geri.com.ph/investor-relations/corporate-governance/company-policies/related-party-transaction-policy/ | |
| 2. Company discloses material or significant RPTs reviewed and approved during the year. | Compliant | <p>In compliance with its Related Party Transactions policy, the Company discloses in its annual report the balances of its significant related party transactions.</p> <p>For 2019, there were no related party transactions, outside the usual course of business, that have breached the materiality threshold.</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Annual Report (17-A), Item 12 and See Note 25 – Related Party Transactions of 2019 Financial Statements https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| Supplement to Recommendation 8.5 | | | |
| 1. Company requires directors to disclose their interests in transactions or any other conflict of interests. | Compliant | <p>Based on the Company's Conflict of Interest Policy, all directors and employees are prohibited from engaging in transactions that result in conflicts of interest and are mandated to promptly disclose actual or perceived conflicts of interest.</p> <p>As disclosed in the Company's New Manual on</p> | |

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| | | <p>Corporate Governance, "a conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the corporation, or stands to acquire or gain financial advantage at the expense of the Corporation".</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's Conflict of Interest Policy https://geri.com.ph/investor-relations/corporate-governance/company-policies/conflict-of-interest-policy/ • GERI's New Manual on Corporate Governance Section XI(H) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| Optional: Recommendation 8.5 | | | |
| <p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p> | <p>Compliant</p> | <p>Information on RPTs of the Company can be found in Note 25 of the Audited Financial Statements.</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report (17-A), Item 12 and See Note 25 – Related Party Transactions of 2019 Financial Statements https://geri.com.ph/wp- | |

Recommendation 8.6

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| <p>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.</p> | <p>Compliant</p> | <p>As disclosed in the Company's New Manual on Corporate Governance, the Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p> <p>The Company also ensures that it complies with SEC and PSE Disclosure Rules. All required disclosures are immediately posted in the Company website.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • Company Disclosures, GERI Website https://geri.com.ph/investor-relations/company-disclosures/sec-filings/ | |
| <p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of</p> | <p>Compliant</p> | <p>For 2019, there were no transactions on acquisition or disposal of assets, which required shareholders' approval.</p> | |

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| assets. | | | |
| Supplement to Recommendation 8.6 | | | |
| <p>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.</p> | Compliant | <p>There are no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently. The provisions in Company's Amended By-Laws and the New Manual on Corporate Governance are compliant with all applicable Philippine laws and regulations.</p> <p>The New Manual on Corporate Governance, for instance, provides that independent directors are independent of Management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director. Further, conflicted directors are required to abstain from participating in board meetings to prevent the exercise of undue influence.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, p. 3, 7-8 https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's Amended By-Laws https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws- | |

[2019-1.pdf](#)

Recommendation 8.7

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| 1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG). | Compliant | GERI's corporate governance policies, programs and procedures are contained in its New Manual on Corporate Governance, which was submitted to SEC and PSE. | |
| 2. Company's MCG is submitted to the SEC and PSE. | Compliant | The same is available on the Company's website. | |
| 3. Company's MCG is posted on its company website. | Compliant | Reference: <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |

Supplement to Recommendation 8.7

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| 1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices. | Compliant | Per PSE Disclosure Form 17-18, the Company submitted its New Manual on Corporate Governance to PSE on 01 June 2017. Reference: <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
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Optional: Principle 8

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| 1. Does the company's Annual Report disclose the following information: | | | |
| a. Corporate Objectives | Compliant | <p>GERI's corporate objectives are disclosed in the 2019 Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report (17-A), Item 1 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| b. Financial performance indicators | Compliant | <p>GERI's Financial Performance Indicators are disclosed in the 2019 Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report (17-A), Item 6, p. 19 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| c. Non-financial performance indicators | Compliant | <p>GERI's non-financial performance indicators are disclosed in the 2019 Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report (17-A), Item 5, p.15 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-</p> | |

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| | | Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| d. Dividend Policy | Compliant | <p>GERI's Dividend Policy is disclosed in the 2019 Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Annual Report (17-A), Item 5, p. 17 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors | Compliant | <p>The profiles of each director are disclosed in Item 9 of the 2019 Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Annual Report (17-A), Item 9, pp. 33-37 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| f. Attendance details of each director in all directors meetings held during the year | Compliant | <p>The attendance details of each director are disclosed in the Company's SEC Form 20-IS Definitive and Item 13 of the Annual Report (17-A).</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-</p> | |

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| | | <p>content/uploads/2019/07/GERI-ASM-2019-Definitive-Information-Statement.pdf</p> <ul style="list-style-type: none"> 2019 Annual Report (17-A), Item 13 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| g. Total remuneration of each member of the board of directors | Compliant | <p>The Directors receive a per diem per attendance at board meetings.</p> <p>In 2011, the Board of Directors of the Company approved an Executive Stock Option Plan. The purpose of the Plan is to enable the key Company executives, directors and senior officers who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A), pp. 38-40 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| 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, | Compliant | <p>In accordance with the requirements of the SEC Revised Code of Corporate Governance, GERI has revised its Manual on Corporate Governance to incorporate the additions and</p> | |

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| <p>identifies and explains reason for each such issue.</p> | | <p>changes introduced in the new Code to increase the responsibilities of the Board, strengthen the protection of minority shareholders, and increase transparency in both financial and non-financial reporting.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A) https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| <p>3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p> | <p>Compliant</p> | <p>The Board, through the Audit Committee, has reviewed the internal control system of the Company based on the assessments completed and reported by internal and external auditors and found that the system is adequate and effective.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's 2019 Annual Report (17-A), Item 1 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate- | |

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| | | Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| 4. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic). | Compliant | <p>The key risks to which the Company is materially exposed are disclosed in Item 1 of the Annual Report on "Risk Factors Relating to the Company".</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A), Item 1, p. 10-12 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |

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

Recommendation 9.1

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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 | <p>As stated in the Company's New Manual on Corporate Governance, it is the Audit Committee's responsibility to approve and recommend the appointment, reappointment, removal, and fees of GERI's external auditor.</p> <p>The Board and the stockholders approve the Audit Committee's recommendation.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance, Section IV(L)(5) <p>https://geri.com.ph/wp-</p> | |
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| | | <p>content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> GERI's 2019 Annual Report (17-A), Item 8, p. 32 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> <ul style="list-style-type: none"> Minutes of the Annual Shareholders' Meeting held on 27 June 2019 <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf</p> | |
| 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 | Stockholders representing 82.48% of the total subscribed and outstanding capital stock of the Company ratified reappointment of Punongbayan & Araullo as the company's external auditor for the fiscal year ending 2019. | |
| 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 | Reference: <ul style="list-style-type: none"> Minutes of the Annual Shareholders' Meeting held on 27 June 2019 <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf</p> | |
| Supplement to Recommendation 9.1 | | | |
| 1. Company has a policy of rotating the lead | Compliant | In compliance with SEC Memorandum Circular | |

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| <p>audit partner every five years.</p> | | <p>No. 8, Series of 2003, and the Company's Manual of Corporate Governance, which require that the Company's external auditor be rotated or the handling partner changed every five (5) years or earlier, the Company's Board of Directors approved, on June 27, 2019, the designation of Punongbayan and Araullo as the external auditor for the audit of the financial statements of the Company for the year ending 31 December 2019.</p> <p>For the years 2016 to 2020, the partner designated is Mr. Renan Piamonte, an Audit and Assurance partner of Punongbayan and Araullo.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section IV(L)(5) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A), Item 8, p. 32 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Minutes of the Annual Shareholders' Meeting held on 27 June 2019 https://geri.com.ph/wp- | |
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content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf

Recommendation 9.2

1. Audit Committee Charter includes the Audit Committee's responsibility on:

- i. assessing the integrity and independence of external auditors;
- ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and
- iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.

Compliant

As stated in its Charter, the Audit Committee is responsible in reviewing with management and external auditors the results of the audit, including any difficulties encountered and other issues warranting the attention of the Committee, and resolve any disagreements between management and the external auditors regarding financial reporting.

The Audit Committee also conducts assessment on an annual basis or in such short intervals as may be required by the Board.

Reference:

- Audit Committee Charter:

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.

Compliant

<https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/>

Supplement to Recommendations 9.2

1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.

Compliant

As stated in its Charter, the Audit Committee reviews and evaluates the professional qualifications, performance and independence of the external auditor and the lead partner.

Reference:

- Audit Committee Charter:

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| | | https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/ | |
| 2. Audit Committee ensures that the external auditor has adequate quality control procedures. | Compliant | <p>As stated in its Charter, the Audit Committee reviews and approves with the external auditor, before the audit commences, the nature and scope of the audit plans, including scope, audit resources and expenses, and reporting obligations. The Audit Committee also ensures that the external auditor complies with auditing standards.</p> <p>Reference:</p> <ul style="list-style-type: none"> Audit Committee Charter: <p>https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/</p> | |
| Recommendation 9.3 | | | |
| 1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest. | Compliant | <p>As stated in the Company's New Manual on Corporate Governance, non-audit work, if allowed, shall be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report to deal with the potential conflict of interest.</p> <p>For 2019, there were no non-audit professional services rendered by the Company's external auditor. The Company has no tax consultancy services secured from other entities.</p> <p>Reference:</p> | |

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| | | <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section IV(L)(5)(o), p. 31 https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's 2019 Annual Report (17-A), Item 8, p. 32 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| <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.</p> | <p>Compliant</p> | <p>As stated in the Company's New Manual on Corporate Governance, the Audit Committee evaluates and determines the non-audit work, if any, of the External Auditor, and review periodically the non-audit fees paid to the External Auditor in relation to the total fees paid and to the Company's overall consultancy expenses.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section IV(L)(5), https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |

Supplement to Recommendation 9.3

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| <p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p> | <p>Compliant</p> | <p>As stated in the Company's New Manual on Corporate Governance, the non-audit work, if allowed, should be disclosed in the Corporation's Annual Report and Annual Corporate Governance Report.</p> <p>For 2019, there were no non-audit professional services rendered by the Company's external auditor. The Company has no tax consultancy services secured from other entities.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section IV(L)(5)(o), p. 31 <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • Audit Committee Charter <p>https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/</p> | |
| Additional Recommendation to Principle 9 | | | |
| <p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p> | <p>Compliant</p> | <ol style="list-style-type: none"> 1. Name of audit engagement partner: Renan A. Piamonte 2. Accreditation number: Partner - No. 107805-SEC; Firm - No. 0002-FR-5 3. Date Accredited: Partner - March 2, 2017; Firm - March 27, 2018 4. Expiry date of accreditation: Partner - December 31, 2023; Firm - March 26, | |

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| | | <p>2021</p> <p>5. Name, address, contact number of the audit firm: Punongbayan and Araullo; 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Avenue, Makati City; 988-2288</p> | |
| 2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA). | Compliant | The Company's External Auditor, Punongbayan & Araullo, through Megaworld Corporation, was subjected to SOAR Inspection in 2018. The Company, as subsidiary of Megaworld Corporation, was included in the review process. | |
| Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed. | | | |
| Recommendation 10.1 | | | |
| 1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. | Compliant | <p>The Company's sustainability measures and initiatives are consolidated in its Environmental, Social & Governance (ESG) Report FY 2019, which is attached to its 2019 Annual Report.</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, pages 9-14 <p>https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf</p> | |
| 2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues. | Compliant | In 2020, GERI published its first ESG Report FY 2019. The results from this report are in line with common sustainability reporting frameworks such as Global Reporting Initiative (GRI), Climate | |

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| | | <p>Disclosure Projects (CDP), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD), among others, and can satisfy the sustainability reporting requirements for the Philippines Stock Exchange.</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, pages 7-8 <p>https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf</p> | |
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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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| <p>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.</p> | <p>Compliant</p> | <p>Listed below are the various modes of communication used by the Company to disseminate information between employees and management or the Company and its stockholders:</p> <ul style="list-style-type: none"> - Bulletin boards, - Newsletters - Magazines - Electronic mail newsletters or messages - Memos - Reports - Corporate filings filed with the Securities and Exchange Commission and the | |
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| | | <p style="text-align: center;">Philippine Stock Exchange</p> <p>Also, the Company has a company website as communication channel used by the Company in which all its public, material and relevant information are disclosed.</p> <p>The Company discloses its quarterly and annual reports in its Company website. Analyst's/media briefings and press conferences are also conducted right after the Annual Shareholders' Meeting.</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Quarterly Reports https://geri.com.ph/company-disclosures/type/sec-form-17-q-quarterly-report/ • 2019 Annual Report https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • Investor Relations Program https://geri.com.ph/investor-relations/ | |
| Supplemental to Principle 11 | | | |
| 1. Company has a website disclosing up-to-date information on the following: | | Links of the following information are available at: | |

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| a. Financial statements/reports (latest quarterly) | Compliant | Reference: <ul style="list-style-type: none"> 2019 Quarterly Reports https://geri.com.ph/company-disclosures/type/sec-form-17-q-quarterly-report/ 2019 Annual Report https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| b. Materials provided in briefings to analysts and media | Compliant | Reference: <ul style="list-style-type: none"> https://geri.com.ph/news/ | |
| c. Downloadable annual report | Compliant | Reference: <ul style="list-style-type: none"> 2019 Annual Report https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| d. Notice of ASM and/or SSM | Compliant | Reference: <ul style="list-style-type: none"> Notice of Annual Shareholders' Meeting 2019 https://geri.com.ph/wp-content/uploads/2019/07/SEC-17C-NOtice- | |

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| | | of-Annual-Shareholders-Meeting.pdf | |
| e. Minutes of ASM and/or SSM | Compliant | Reference: <ul style="list-style-type: none"> Minutes of Annual Shareholders' Meeting 2019 https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf | |
| f. Company's Articles of Incorporation and By-Laws | Compliant | Reference: <ul style="list-style-type: none"> GERI's Amended Articles of Incorporation and By-laws https://geri.com.ph/about/articles-of-incorporation-by-laws/ | |
| Additional Recommendation to Principle 11 | | | |
| 1. Company complies with SEC-prescribed website template. | Compliant | The Company complies with SEC Memorandum Circular No. 11, series of 2014. Reference: <ul style="list-style-type: none"> Company Website https://geri.com.ph/ | |
| Internal Control System and Risk Management Framework | | | |
| Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework. | | | |
| Recommendation 12.1 | | | |
| 1. Company has an adequate and effective | Compliant | The Audit Committee assists the Board in fulfilling | |

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| <p>internal control system in the conduct of its business.</p> | | <p>its oversight responsibilities for the financial reporting process, internal control, risk management, internal audit, external audit, management and legal, tax and regulatory compliance while the Management is responsible for the implementation of the internal control system of the Company.</p> <p>The Audit Committee reviews periodically the adequacy and effectiveness of the internal control system of the Company and the criteria used for assessment.</p> <p>Further, as stated in the Internal Audit Charter, the Internal Audit Department of GERI provides assurance and consulting services.</p> <p>Reference:</p> <ul style="list-style-type: none"> • Audit Committee Charter https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/ • Internal Audit Charter https://geri.com.ph/wp-content/uploads/2019/07/Internal-Audit-Charter.pdf | |
| <p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p> | <p>Compliant</p> | <p>The Board and Management team remain firmly committed to the effective management and mitigation of strategic operational, financial and compliance related risks throughout the</p> | |

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| | | <p>organization.</p> <p>The directors have reviewed the effectiveness of the risk management system and ensure the adequacy thereof.</p> <p>The risk management system is reviewed annually.</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Annual Report, Item 1 <p>https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf</p> | |
| Supplement to Recommendations 12.1 | | | |
| <p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p> | <p>Compliant</p> | <p>The Audit Committee assists the Board in fulfilling its oversight responsibilities for the financial reporting process, internal control, risk management, internal audit, external audit, management and legal, tax and regulatory compliance while the Management is responsible for the implementation of the internal control system of the Company.</p> <p>There is an ongoing review on the effectiveness of the internal control system.</p> <p>Further, the Company's Human Resources Department also cascaded awareness modules in compliance with the mandatory Occupational Safety and Health programs of Department of Labor and Employment (DOLE)</p> | |

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| | | and the Executive Order of the President of the Philippines. Reference: <ul style="list-style-type: none"> Audit Committee Charter https://geri.com.ph/investor-relations/corporate-governance/board-committees/audit-committee/ | |
| Recommendation 12.2 | | | |
| 1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations. | Compliant | GERI's Internal Audit is in-house and is headed by Mr. Michael Roxas. The Internal Audit Department of the Company is in-house. Reference: <ul style="list-style-type: none"> Minutes of the Organizational Meeting https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C ResultsOrgMeeting.pdf | |
| Recommendation 12.3 | | | |
| 1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. | Compliant | The Company's Chief Audit Executive (CAE) is Mr. Michael R. Roxas. He was appointed by the Board during the Organizational Meeting held immediately after the Annual Stockholders' Meeting on 27 June 2019. As CAE, Mr. Roxas' functions include: <ol style="list-style-type: none"> Evaluating the reliability and integrity of financial information. | |
| 2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider. | Compliant | | |

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| | | <ol style="list-style-type: none"> 2. Evaluating the effectiveness and efficiency of operations and compliance with established policies and procedures. 3. Evaluating the means of safeguarding assets and verifying the existence of such assets. 4. Evaluating specific operations at the request of the Board or management, as appropriate. 5. Reporting the internal audit performance. <p>The Internal Audit Department of the Company is in-house.</p> <p>References:</p> <ul style="list-style-type: none"> • Results of 2019 Organizational Meeting of the Board of Directors https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C_ResultsOrgMeeting.pdf • GERI's New Manual on Corporate Governance Section IV(L)(4) https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| <p>3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal</p> | <p>Not Compliant</p> | | <p>Not applicable. GERI's Internal Audit is in-house.</p> |

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| audit activity. | | | |
| Recommendation 12.4 | | | |
| 1. Company has a separate risk management function to identify, assess and monitor key risk exposures. | Compliant | The Company has a separate risk management function. | |
| Supplement to Recommendation 12.4 | | | |
| 1. Company seeks external technical support in risk management when such competence is not available internally. | Compliant | The Company employs the services of Jardine Lloyd Thompson (JLT), as well as Marsh Philippines for some of its projects. | |
| Recommendation 12.5 | | | |
| 1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM). | Compliant | The Company's Chief Risk Officer is Mr. Michael R. Roxas. He was appointed by the Board during the Organizational Meeting held immediately after the Annual Stockholders' Meeting on 27 June 2019. | |
| 2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities. | Compliant | References: <ul style="list-style-type: none"> Results of 2019 Organizational Meeting of the Board of Directors https://geri.com.ph/wp-content/uploads/2019/07/GERIASM2019_17C ResultsOrgMeeting.pdf | |
| Additional Recommendation to Principle 12 | | | |
| 1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively. | Compliant | In the Company's Annual Corporate Governance Report, a statement that the directors have reviewed the effectiveness of the risk management system and ensure the adequacy; and that the risk management | |

system is reviewed annually.

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 | The Company's New Manual on Corporate Governance discloses the basic shareholder rights. | |
| 2. Board ensures that basic shareholder rights are disclosed on the company's website. | Compliant | <p>GERI's New Manual on Corporate Governance is posted in the Company Website.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section VII <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |

Supplement to Recommendation 13.1

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| 1. Company's common share has one vote for one share. | Compliant | <p>As stated in GERI's Amended By-Laws and 2019 Definitive Information Statement, each shareholder is entitled to one vote for each share of stock standing in his name in the books of the Company.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's Amended By-laws <p>https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws-2019-1.pdf</p> | |
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| | | <ul style="list-style-type: none"> GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> | |
| 2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights. | Compliant | <p>The Company has 10,986,000,000 common shares outstanding as of 30 May 2020. Each of the common shares is entitled to one (1) vote with respect to all matters to be taken up during the Annual Shareholders' Meeting.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI ASM 2019 Definitive Information Statement <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> | |
| 3. Board has an effective, secure, and efficient voting system. | Compliant | <p>The Company's voting procedure is disclosed in the Amended By-Laws and New Manual on Corporate Governance.</p> <p>This is likewise indicated in Item 19 of GERI's 2019 Definitive Information Statement.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI ASM 2019 Definitive Information Statement, Item 19, p. 14 | |

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| | | <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance, Section VII(B)(1) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> <ul style="list-style-type: none"> • GERI's Amended By-laws, Article V, Sections 7-8 <p>https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws-2019-1.pdf</p> | |
| <p>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.</p> | <p>Compliant</p> | <p>While there is a risk that the controlling shareholders' voting power may be restrictive or authorize preferences, the Board is committed to respect the rights of the shareholders as provided for in the Corporation Code. These include the right to vote on all matters that require their consent or approval, such that a director shall not be removed without cause if it will deny minority shareholders representation in the Board.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance | |

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| | | https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf | |
| 5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the Annual Stockholders' Meeting or special meeting. | Compliant | <p>As disclosed in GERI's New Manual on Corporate Governance, the shareholders have the right to propose the holding of meetings and items for inclusion in the agenda. However, to prevent the abuse of this right, the Company may require that the proposal be made by shareholders holding a specified percentage of shares or voting rights.</p> <p>Reference:</p> <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance, Section VII (B)(7)(a) <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| 6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders. | Compliant | <p>As disclosed in GERI's New Manual on Corporate Governance, the minority shareholders is granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.</p> <p>The minority shareholders has the right to access any and all information relating to matters for which management is accountable for and propose to include such matters in the agenda of stockholders' meeting, provided that the same is for "legitimate purposes," and in</p> | |

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| | | accordance with law, jurisprudence, and best practice. | |
| 7. Company has a transparent and specific dividend policy. | Compliant | GERI's Dividend Policy is disclosed in the 2019 Annual Report (17-A) Reference: <ul style="list-style-type: none"> 2019 Annual Report (17-A), Item 5, p. 17-18 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf | |
| Optional: Recommendation 13.1 | | | |
| 1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting. | Compliant | The Company's Stock and Transfer Agent, BDO Unibank, Inc. - Trust & Investments Group Securities Services & Corporate Agencies validate the votes at the Annual Shareholders' Meeting. | |
| Recommendation 13.2 | | | |
| 1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting. | Non-compliant | | Section VII(C)(1) of the Company's Manual on Corporate Governance states: "The Board should encourage active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days before the meeting." |

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| | | | <p>Notice and Agenda of the annual stockholders' meeting (ASM) were sent out to stockholders starting 5 June 2019, or at least 22 days before the ASM on 27 June 2019.</p> <p>Ratification of all acts of the Board of Directors, Board Committees, and Corporate Officers adopted during the preceding year, as well as other matters, are included in the agenda.</p> <p>Link to the Agenda included in the company's Information Statement (SEC Form 20-IS) is:</p> <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf</p> |
| Supplemental to Recommendation 13.2 | | | |
| 1. Company's Notice of Annual Stockholders' Meeting contains the following information: | | | |
| a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies) | Compliant | The profiles of directors, auditors seeking re-appointment and proxy documents are disclosed in SEC Form 20-IS Preliminary and Definitive Information Statement. | |

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| b. Auditors seeking appointment/re-appointment | Compliant | Reference: | |
| c. Proxy documents | Compliant | <ul style="list-style-type: none"> 2019 Preliminary and Definitive Information Statement https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf | |
| Optional: Recommendation 13.2 | | | |
| 1. Company provides rationale for the agenda items for the Annual Stockholders' Meeting | Compliant | <p>The rationale for the agenda items for the Annual Stockholders' Meeting are disclosed in the SEC Form 20-IS Preliminary and Definitive.</p> <p>References:</p> <p>Reference:</p> <ul style="list-style-type: none"> 2019 Preliminary and Definitive Information Statement https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Definitive-Information-Statement.pdf | |
| Recommendation 13.3 | | | |
| 1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. | Compliant | <p>The Minutes of the 2019 Annual Shareholders' Meeting, which is uploaded in the Company's website, contains all the relevant questions raised and answers during the ASM as well as the results of the vote taken.</p> <p>Voting results for all agenda items, including the approving, dissenting and abstaining votes are as follows:</p> | |
| 2. Minutes of the Annual and Special Shareholders' Meetings were available on | Compliant | | |

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| <p>the company website within five business days from the end of the meeting.</p> | | <p>Approval of the Minutes of the Previous Meeting Approving Votes: 82.48% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Approval of the 2018 Audited Financial Statements Approving Votes: 82.48% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Ratification of all acts and resolutions of the BOD, Committees and Corporate Offices Approving Votes: 82.48% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Amendment of By-Laws Approving Votes: 82.48% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Election of Directors Approving Votes: 82.319% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Appointment of External Auditor Approving Votes: 82.48% Dissenting Votes: 0% Abstaining Votes: 0%</p> <p>Voting was done by viva voce or by show of hands of the shareholders.</p> | |
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| | | <p>Opportunity to ask questions was given to all shareholders during the open forum which was conducted immediately after the management report. Questions were answered by the Presiding Officer, Atty. Monica T. Salomon, who was designated as Chairman of the meeting.</p> <p>Reference:</p> <ul style="list-style-type: none"> Minutes of the 2019 Annual Shareholders' Meeting <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf</p> | |
| 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 | <p>In addition to the members of the Board of Directors, the Corporate Secretary, Representatives from Punong Bayan & Araullo and GERI's CFO, were present during the annual meeting to answer shareholders questions.</p> <p>Reference:</p> <ul style="list-style-type: none"> Minutes of the 2019 Annual Shareholders' Meeting <p>https://geri.com.ph/wp-content/uploads/2019/07/GERI-ASM-2019_Minutes-of-ASM_27June2019.pdf</p> | |
| Recommendation 13.4 | | | |
| 1. Board makes available, at the option of a shareholder, an alternative dispute | Compliant | One of the functions of the Board is to establish and maintain an alternative dispute resolution | |

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| <p>mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p> | | <p>system in the company that can amicably settle conflicts or differences between the Company and its stockholders and third parties.</p> <p>No conflicts or differences arose during the last four (4) years between the Company and its stockholders. The Company will study a system to adopt for alternative resolution of disputes.</p> <p>Between the Company and third parties, the Company explores and negotiates amicable settlement through its Customer Relations Department. The conflicts or differences with third parties usually involve buyers of different projects of the Company.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance <p>https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf</p> | |
| <p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p> | <p>Compliant</p> | <p>The alternative dispute mechanism is found in Section IV(G)(2)(m) and Section VII (E) of the Company's Manual on Corporate Governance</p> | |
| Recommendation 13.5 | | | |
| <p>1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.</p> | <p>Compliant</p> | <p>The Company's Investor Relations Officer is:</p> <p>Mr. Dave Michael Valeriano Tel. No. (02) 5894-6331 Fax N/A</p> | |

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| | | <p>Email: dvaleriano@megaworldcorp.com</p> <p>The name and contact details of the Company's Investor Relations Officer can also be found on the Company's website.</p> <p>Reference:</p> <p>https://geri.com.ph/investor-relations/investor-relations-contact-information/</p> | |
| 2. IRO is present at every shareholder's meeting. | | The Company's IRO was present during the 2019 Annual Shareholders' Meeting. | |
| 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 | <p>As stated in GERI's Code of Ethics, the Company complies with all applicable laws and regulations designed to protect the rights of all shareholders, including those holding minority interests. For instance, fundamental corporate acts, such as amendments to the Company's Articles of Incorporation and By-Laws, the authorization of additional shares, and the transfer of all or substantially all assets of the Company, are subject to the approval of shareholders.</p> <p>In addition, GERI's New Manual on Corporate Governance mandates the Board of Directors to promote shareholder rights, remove impediments to the exercise of shareholder rights and allows shareholders the possibilities to seek redress for violation of their rights.</p> <p>Reference:</p> | |

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| | | <ul style="list-style-type: none"> GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf GERI's Code of Business Conduct and Ethics https://geri.com.ph/investor-relations/corporate-governance/code-of-business-conduct-and-ethics/ | |
| 2. Company has at least thirty percent (30%) public float to increase liquidity in the market. | Not compliant | | <p>As of 31 December 2019, the Company's public float is 17.64%.</p> <p>The Company will strive to meet the 30% public float recommended by the PSE.</p> |
| Duties to Stakeholders | | | |
| Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights. | | | |
| Recommendation 14.1 | | | |
| 1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability. | Compliant | The Board is committed to respect and protect the rights of its investors and minority interests. It recognizes the right of the shareholders to elect, remove, and replace directors and vote on certain corporate acts in accordance with the Corporation Code. The following rights of the shareholders are likewise enshrined in the By-Laws and the Manual on Corporate | |

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| | | <p>Governance – right to cumulative voting in the election of directors, pre-emptive right, right to inspect corporate books and records in accordance with law, right to information or to be provided upon request with copies of periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and officers.</p> <p>Reference:</p> <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's Amended By-laws, https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws-2019-1.pdf | |
| Recommendation 14.2 | | | |
| <p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p> | <p>Compliant</p> | <p>The Board shall commit at all times to fully disclose material information dealings. It shall cause the filing of all required information for the interest of its stakeholders.</p> <p>All shareholders shall be allowed to inspect corporate books and records including Minutes</p> | |

of Board meetings and stock registries in accordance with the Corporation Code and shall be furnished with a copy of the annual reports, including financial statements, without cost or restrictions.

The shareholders shall be provided, upon request, with a copy of periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the corporation's shares, dealings with the corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.

The minority shareholders shall be granted the right to propose the holding of meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.

The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes", and in accordance with law, jurisprudence and best practice.

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| | | <ul style="list-style-type: none"> • GERI's New Manual on Corporate Governance https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf • GERI's Amended By-laws, https://geri.com.ph/wp-content/uploads/2020/06/Amended-By-Laws-2019-1.pdf | |
| Recommendation 14.3 | | | |
| <p>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.</p> | Compliant | <p>The Company's investor relations program aims at developing and maintaining effective communication between the Company and its various stakeholders.</p> <p>The Company's website www.global-estate.ph, which is regularly updated, contains all relevant information any investor may need about the Company. This includes projects of the Company, Annual Reports and financial statements.</p> <p>The Company's Whistleblowing policy can be found in its website.</p> <p>Reference:</p> <ul style="list-style-type: none"> • Investor Relations https://geri.com.ph/investor-relations/ | |

- Whistle Blowing Policy
<https://geri.com.ph/investor-relations/corporate-governance/company-policies/whistle-blowing-policy/>

Supplement to Recommendation 14.3

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.

Compliant

One of the functions of the Board is to establish and maintain an alternative dispute resolution system in the company that can amicably settle conflicts or differences between the Company and its stockholders and third parties.

No conflict or difference has yet arisen between the Company and its stockholders. The Company will study a system to adopt for alternative resolution of disputes.

Reference:

- GERI's New Manual on Corporate Governance

<https://geri.com.ph/wp-content/uploads/2019/07/New-Manual-on-Corporate-Governance-2016.pdf>

Additional Recommendations to Principle 14

1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as

Compliant

The Company has not yet sought any exemption for the application of any law, rule or regulation especially when it refers to a corporate governance issue.

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| <p>well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p> | | | |
| <p>2. Company respects intellectual property rights.</p> | <p>Compliant</p> | <p>The Company registered various trademarks with the Intellectual Property Office, as follows:</p> <ol style="list-style-type: none"> 1. Global-Estate Resorts, Inc.; 2. Boracay Newcoast; 3. Twin Lakes; 4. Twin Lakes Hotel; 5. Pahara at Southwoods City; 6. Southwoods City; 7. Southwoods Mall; 8. Elite Communities Property Services; 9. Chancellor; 10. Eastland Heights; 11. Domaine Le Jardin; 12. Lucerne at Domaine Le Jardin; 13. Ocean Garden Villas at Boracay Newcoast. | |



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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| <p>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.</p> | <p>Compliant</p> | <p>The Company considers its entire workforce as significant employees. The Company relies on the contribution of all employees to achieve its corporate objectives.</p> <p>The Company has in place a set of policies and programs that encourage employee participation in the realization of the Company's</p> | |
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goals and its governance through trainings and development; health, safety and welfare program

In September 2012, the Company created an Organization Development and Training Unit ("OD") to spearhead its training and development programs. In the same month, the OD Unit conducted a Project Management Workshop which was participated in the by members of the Contracts, Procurement & Project Management Division and of the Project Development & Property Management Division. The OD Unit, now under the Human Resources Division, likewise launched in February 2013 an organization-wide Work Instruction Creation Program, which lays the ground work for the development of a Training Needs Analysis (TNA) and, ultimately, the creation of a skills-based/competency-based training and behavioral training programs.

The Human Resources Division launched the company's official learning university, Global Estate Center of Excellence (GCE),

In 2019, the following seminars/workshop and trainings were provided:

1. Corporate Orientation Program (for GERI and ELITE employees)
2. GServe 24/7 Happiness Campaign
3. Harmony At Work
4. 2019 Tax Updates
5. Real Property Tax Seminar
6. Occupational, Safety and Health Seminar

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| | | <ol style="list-style-type: none"> 7. Effective Business Writing 8. Communicate To Serve 9. #DestinationGERI 10. Telephone, E-mail, and Social Media Etiquette 11. Winning Attitude and Values Enhancement 12. People Handling Toolbox (PHT) Series: Employee Discipline 13. People Handling Toolbox (PHT) Series: Basics of Mentoring 14. Customer First 15. Risk Management (for AMD and Boracay Employees) 16. Stress Management 17. Time Management 18. Building Self-Confidence <ul style="list-style-type: none"> • 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, p. 13 <p>https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf</p> | |
| Supplement to Recommendation 15.1 | | | |
| <p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p> | <p>Compliant</p> | <p>On September 23, 2011, the Company approved an Executive Stock Option Plan (ESOP) for key Company executives, directors and senior officers. The purpose of the Plan is to enable the key Company executives, directors and senior officers who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company.</p> | |

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| | | <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report (17-A), Item 10, p. 38-39 https://geri.com.ph/wp-content/uploads/2020/05/Global-Estate-Resorts-Inc.-SEC-Form-17A-21May2020.pdf • ESOP Reports https://geri.com.ph/company-disclosures/type/geri-exclusive-stock-plan-esop-reports/ | |
| <p>2. Company has policies and practices on health, safety and welfare of its employees.</p> | <p>Compliant</p> | <p>All employees have been enrolled with an HMO to cover in-patient and out-patient care beginning February 2012. An annual medical check-up of all employees was conducted in from 2012 to 2019 and an annual executive check-up for executives and key officers from September to December 2012 to 2019. The same programs will be implemented in the current year.</p> <p>Human Resources Division also partnered with various institutions to carry out health awareness programs involving lectures, sampling of medicines, vision tests and affordable eye wears, anti-flu vaccination and blood extraction. The Company has a MEDICARD (HMO provider) physician to provide medical consultations at the workplace.</p> <p>G-Fit Health and wellness program was</p> | |

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| | | <p>introduced in 2016 to promote healthy lifestyle and work-life-balance among GERI employees. Employees were encouraged to join various programs such as Zumba, Passport to Wellness program, health and wellness seminars and lectures in partnership with Medicard.</p> <p>Reference:</p> <ul style="list-style-type: none"> • Health, Safety and Welfare of Employees including Company Sponsored Trainings <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/policy-and-data-relating-to-health-safety-and-welfare-of-employees-including-company-sponsored-trainings/</p> | |
| <p>3. Company has policies and practices on training and development of its employees.</p> | <p>Compliant</p> | <p>The Company recognizes that training and education form an important part in the development of employee skills and supporting career development. In 2019, the Company dedicated 6,408 hours on training employees, which entailed a total expenditure of more than 1 million pesos.</p> <p>Additionally, performance reviews are scheduled bi-annually to support in career development, promotion and merit enhancement. GERI also provides several government mandated and voluntary benefits to its employees such as leaves, salary loans, several loans options, medical benefits, etc.</p> | |

In September 2012, the Company created an Organization Development and Training Unit ("OD") to spearhead its training and development programs. In the same month, the OD Unit conducted a Project Management Workshop which was participated in the by members of the Contracts, Procurement & Project Management Division and of the Project Development & Property Management Division. The OD Unit, now under the Human Resources Division, likewise launched in February 2013 an organization-wide Work Instruction Creation Program, which lays the ground work for the development of a Training Needs Analysis (TNA) and, ultimately, the creation of a skills-based/competency-based training and behavioral training programs.

The Human Resources Division launched the company's official learning university, Global Estate Center of Excellence (GCE) in which the following seminars/workshop and trainings were provided:

1. Building Block Seminars (Corporate Orientation)
2. Core Programs and Workshops
3. Job Specific Programs
4. Management Development Programs
5. Leadership Development Programs

For the year 2019, the following are the particular trainings conducted:

1. Corporate Orientation Program (for GERI and ELITE employees)

2. GServe 24/7 Happiness Campaign
3. Harmony At Work
4. 2019 Tax Updates
5. Real Property Tax Seminar
6. Occupational, Safety and Health Seminar
7. Effective Business Writing
8. Communicate To Serve
9. #DestinationGERI
10. Telephone, E-mail, and Social Media Etiquette
11. Winning Attitude and Values Enhancement
12. People Handling Toolbox (PHT) Series: Employee Discipline
13. People Handling Toolbox (PHT) Series: Basics of Mentoring
14. Customer First
15. Risk Management (for AMD and Boracay Employees)
16. Stress Management
17. Time Management
18. Building Self-Confidence

Reference:

- Health, Safety and Welfare of Employees including Company Sponsored Trainings

<https://geri.com.ph/investor-relations/corporate-governance/company-policies/policy-and-data-relating-to-health-safety-and-welfare-of-employees-including-company-sponsored-trainings/>
- 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, p. 13

<https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf>

Recommendation 15.2

1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.

Compliant

According to the Employees' Handbook, where an employee is charged with an infraction that is punishable by suspension or higher, the department head or the immediate superior submits to the Committee of Employee Discipline a Disciplinary Action Memo. The Committee conducts an investigation in accordance with the requirements of due process, and submits its findings and recommendation to Management for approval. The same procedure is followed in offenses involving corruption and unethical behavior.

Management created an email address where concerned employees may send anonymous reports on alleged corruption & unethical behaviors. Reports received through this email address may only be opened by top management, and may be used by Management as basis to initiate an investigation to the extent that one may be warranted by the contents of the report.

Reference:

- Company Policy on Receiving Gifts from Supplies

<https://geri.com.ph/investor->

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| | | relations/corporate-governance/company-policies/reiteration-of-company-policy-on-receiving-gifts-from-supplier-or-contractor/ | |
| 2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture. | Compliant | The Board disseminated the anti-corruption policy to employees across the organization through the Employee Handbook. | |
| Supplement to Recommendation 15.2 | | | |
| 1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes. | Compliant | <p>The Company does not condone dishonest behavior. Concerns may be raised to HR or Senior Executive Officers who are bound to maintain the confidentiality of the same.</p> <p>According to the Employees' Handbook, where an employee is charged with an infraction that is punishable by suspension or higher, the department head or the immediate superior submits to the Committee of Employee Discipline a Disciplinary Action Memo. The Committee conducts an investigation in accordance with the requirements of due process, and submits its findings and recommendation to Management for approval.</p> <p>Management created an email address where concerned employees may send anonymous reports on alleged corruption & unethical behaviors. Reports received through this email address may only be opened by top management, and may be used by Management as basis to initiate an investigation to the extent that one may be warranted by the contents of the report.</p> | |

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| | | <p>As stated in the Company's memo on "Reiteration of Company Policy on Receiving Gifts from Supplier/Contractor", issued by the HR Division on 22 December 2017, any supplier or contractor found guilty of giving, offering, or promising any gift, favor, benefit or anything of value to any employee of the Company, will be blacklisted and barred from having any further dealings with the Company. If an offer is made by a supplier or contractor or a solicitation done by a Company employee, the party concerned must disclose it within 24 hours to the HR Head.</p> <p>Reference:</p> <ul style="list-style-type: none"> • Company Policy on Receiving Gifts from Supplies <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/reiteration-of-company-policy-on-receiving-gifts-from-supplier-or-contractor/</p> | |
| Recommendation 15.3 | | | |
| <p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p> | <p>Compliant</p> | <p>Reports of wrongdoing may be made directly to the Chairman or President for proper disposition to ensure confidentiality of information and protection of the identity of the whistle blower.</p> <p>Reference:</p> <ul style="list-style-type: none"> • Whistleblowing Policy <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/whistleblowing-policy/</p> | |

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| | | policies/whistle-blowing-policy/ | |
| 2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns. | Compliant | <p>Reports of wrongdoing may be made directly to the Chairman or President for proper disposition to ensure confidentiality of information and protection of the identity of the whistle blower.</p> <p>Reference:</p> <ul style="list-style-type: none"> Whistleblowing Policy <p>https://geri.com.ph/investor-relations/corporate-governance/company-policies/whistle-blowing-policy/</p> | |
| 3. Board supervises and ensures the enforcement of the whistleblowing framework. | Compliant | <p>Per Code of Business Conduct and Ethics:</p> <p>For directors, all information received from whistle-blowers and/or anonymous sources or any report of wrongdoing may be made directly to the Chairman for proper disposition to ensure confidentiality of information and protection of the identity of the whistle blower.</p> <p>For senior management and employees, reports of wrongdoing may be made directly to the Chairman or President for proper disposition to ensure confidentiality of information and protection of the identity of the whistle blower.</p> <p>Reference:</p> <ul style="list-style-type: none"> Whistleblowing Policy <p>https://geri.com.ph/investor-</p> | |

[relations/corporate-governance/company-policies/whistle-blowing-policy/](#)

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>For 2019, GERI has undertaken the following Corporate Social Responsibility (CSR) programs:</p> <ol style="list-style-type: none"> 1. Blood Donation Program – _Every year employees donate blood in partnership with Medicard (HMO) and the Philippine Red Cross 2. BYOU (Bring Your Own Utensils!) – _Everyday program where employees are asked to bring their own stainless-steel utensils, in order to reduce plastic usage and safeguard environment 3. Earth Hour & GERI Unplugged – _Earth hour is observed during lunchtime wherein lights are switched off to conserve electricity. GERI Unplugged is a program where employees are asked to unplug cords after office hours to save on electricity 4. Creek & Coastal Clean-up and Tree Planting Activity – _This program aims to promote a CARING culture within the company so that it becomes natural for employees to care for our customers when they care for the environment <p>Reference:</p> | |
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| | | | |
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| | | <ul style="list-style-type: none"> • 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, p. 13 <p>https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf</p> <ul style="list-style-type: none"> • Corporate Social Responsibility <p>https://geri.com.ph/other-releases/corporate-social-responsibility/</p> | |
| Optional: Principle 16 | | | |
| <p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p> | <p>Compliant</p> | <p>GERI has proactively taken measures to reduce emissions and protect the environment. The following are a sample of the initiatives taken by GERI:</p> <ul style="list-style-type: none"> • Installation and proper maintenance of gensets accredited by the Department of Environment and Natural Resources (DENR) • Reduced/efficient usage of electricity • Maximize the usage of company vehicles by planning trips efficiently • Conduct tree planting activities to reduce GHG emissions by creating a carbon sink • Use of solar powered LED streetlights <p>GERI has also taken steps to safeguard the quantity and quality of water in its projects, a sample of which are listed below:</p> | |

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| | | <ul style="list-style-type: none"> • Provision of Sewage Treatment Facility (with disinfection process) • Installation of flowmeters to monitor discharge • Use of environmentally friendly cleaning materials to lessen the nutrient load at source • Implementation and practice of water conservation programs • Strict compliance to RA 9275 and other water and wastewater related regulations • Provision of sewerage line (force property locators to connect to sewer) <p>GERI aspires to be a leader in tourism real estate with properties designed to safeguard the environment.</p> <p>Reference:</p> <ul style="list-style-type: none"> • 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, p. 13 <p>https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf</p> | |
| <p>2. Company exerts effort to interact positively with the communities in which it operates</p> | <p>Compliant</p> | <p>The Company ensures that its projects will have positive social and economic impact on the local community. These include employment, induced economic activity, and creation of revenue streams for the local government. The Company also employs qualified local residents,</p> | |

who are given priority in hiring personnel.

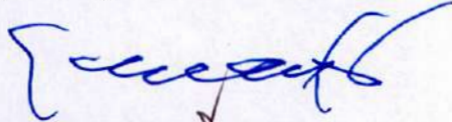
GERI has implemented several policies to ensure that it conducts business in a fair manner. GERI has anti-money laundering policies, anti-corruption policies and mechanisms for raising grievances. All GERI projects have an Environmental Impact Assessment/Statement (EIS), and an Environmental Compliance Certificate from the Environmental Management Bureau of the Department of Environment & Natural Resources (EMB-DENR) on all its developments. In addition, GERI strictly complies with the relevant laws and rules and regulations in the conduct of its business.

Reference:

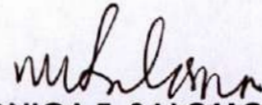
- 2019 Annual Report, GERI Environmental, Social & Governance (ESG) Report FY 2019, p. 13

<https://geri.com.ph/wp-content/uploads/2020/07/GERI-Final-ESG-Report-S31.pdf>

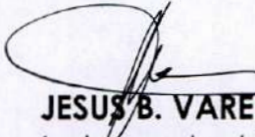
IN WITNESS WHEREOF, we have hereunto affixed our signatures this ___ day of July 2020 at Taguig City, Philippines.



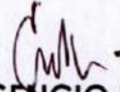
ANDREW L. TAN
Chairman of the Board



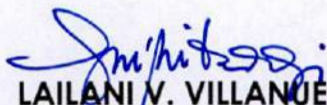
MONICA T. SALOMON
President



JESUS B. VARELA
Independent Director



CRESENCIO P. AQUINO
Independent Director



LAILANI V. VILLANUEVA
Compliance Officer



MARIA CARLA T. UYKIM
Corporate Secretary

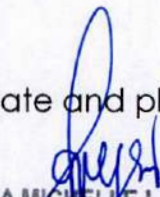
Republic of the Philippines)
Taguig City) s.s.

Subscribed and sworn to before me this AUG 27 2020 at Taguig City, Philippines, affiants personally appeared before me and exhibited to me their respective competent evidences of identity as follows:

| Name | Competent Evidence of Identity | Date/Place issued |
|-----------------------|--------------------------------|-------------------|
| ANDREW L. TAN | TIN. 125-960-003 | |
| MONICA T. SALOMON | TIN. 182-240-560 | |
| JESUS B. VARELA | TIN. 147-974-175 | |
| CRESENCIO P. AQUINO | TIN. 113-313-284 | |
| LAILANI V. VILLANUEVA | TIN. 221-996-849 | |
| MARIA CARLA T. UYKIM | TIN. 159-353-280 | |

WITNESS MY HAND AND NOTARIAL SEAL on the date and place first above written.

Doc. No. 488 ;
Page No. 100 ;
Book No. IV ;
Series of 2020.


CHARISMA MICHELLE L. DE JESUS
 Notary Public
 City of Taguig
 Appointment No. 22 valid until Dec. 31, 2021
 16th Floor, Alliance Global Tower, 36th Street
 corner 11th Avenue, Uptown Bonifacio, Taguig City
 Attorney's Roll No. 66267
 IBP No. 105286/1-7-2020/RSM
 PTP No. A-1782599/1-07-2020/Taguig City
 MCLE Compliance No. VI-0009393