

POLICY ON MATERIAL RELATED PARTY TRANSACTIONS

In compliance with the requirements of the Memorandum Circular No. 10 covering the Rules on Material Related Party Transactions for Publicly-Listed Companies issued by the Securities and Exchange Commission (SEC) on April 25, 2019, Anchor Land Holdings, Inc. (the “Company”) has adopted the following policy on Material Related Party Transactions (RPTs) between the Company and its related parties.

Policy

Management shall ensure that no preferential treatment shall be given to related parties on transactions that are not extended to non-related parties under similar circumstances.

Related Parties

Individuals and companies that are considered as related parties are identified in the Related Party Registry.

The Company shall carry out a quarterly review and updating of the Related Party Registry so that the Company can capture promptly any organizational and structural changes in the Company and its related parties.

Material RPT

This refers to transactions that are individually or in the aggregate over a twelve (12) - month period with the same related party, amounting to at least 10% of the Group’s consolidated total assets based on the latest audited financial statements.

In the event that a transaction qualifies as a material RPT, the Company shall appoint an external independent party to evaluate the fairness of the price and terms of the material RPT. The external independent party shall employ the latest price discovery mechanism to ensure that the price and terms are in the best interest of the Company and its shareholders.

Approval of Material RPTs

All individual material RPTs shall be approved by at least two-thirds (2/3) vote of the board of directors, with at least a majority of the independent directors voting to approve the material RPT. In case that a majority of the independent directors’ vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. For aggregate RPT transactions within a twelve (12) – month period that breaches the materiality threshold of ten percent (10%) of the Group’s total consolidated assets, the same board approval would be required for the transaction/s that meets and exceeds the materiality threshold covering the same related party.

The Company shall identify, prevent or manage potential or actual conflicts of interest which may arise out of or in connection with the material RPTs. Directors and officers with personal

interest in the transaction shall fully and timely disclose any and all material facts, including their respective interest in the material RPT and abstain from discussions, approval and management of such transaction or matter affecting the Company. 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 majority approval.

Self-assessment and periodic review of policy

Internal Audit

The internal audit shall conduct a periodic review of the effectiveness of the Company's system and internal controls governing material RPTs to assess consistency with the board-approved policies and procedures. The resulting audit reports, including exceptions or breaches in limits, shall be communicated to the Audit Committee.

Compliance Officer

The Company's Compliance Officer shall ensure that the Company complies with relevant rules and regulations and is informed of regulatory developments in areas affecting related parties. He/she shall aid in the review of the Company's transactions and identify any potential material RPT that would be required. He/she shall ensure that the Company's material RPT policy is kept updated and is properly implemented throughout the Company.

Disclosure requirement of material RPTs

The members of the board, substantial shareholders, and officers must be the one responsible for the full disclosure to the Board of Directors of all material facts related to the material RPTs as well as their direct and indirect interest in any transaction or matter that may affect or is affecting the Company. Such disclosure shall be made at the board meeting where the material RPT will be presented for approval and before the completion or execution of the material RPT.

The Company shall submit the following to the SEC:

1. A summary of material RPTs entered into during the reporting year which shall be disclosed in the Company's Integrated Annual Corporate Governance Report (I-ACGR) to be submitted annually every May 30;
2. Advisement Report of any material RPT filed within three (3) calendar days from the execution date of the transaction. The Advisement Report shall be signed by the Company's Corporate Secretary or authorized representation.

Whistle blowing mechanisms

If a stakeholder, in good faith believes that there is a wrong doing or there exist a reportable material RPT, he/she is encouraged to report immediately to the whistle blowing channels of the Company.

Remedies for abusive material RPTs

Abusive material RPTs refer to material RPTs with preferential treatment given to related parties when compared to transactions extended to non-related parties under similar circumstances.

The abusive related party shall reimburse to the Company actual losses or opportunity costs incurred by the Company arising out of or in connection with the abusive material RPT, plus penalty.

Pursuant to Sections 26 and 27 of the Revised Corporation Code, an interested director or officer of a corporation shall be disqualified from being a director, trustee or officer of any other corporation on the basis of a final judgment rendered by a court of competent jurisdiction against the interested director or officer for abusive material RPTs. The disqualification shall be for a period of at least one (1) year or more, as may be determined by the SEC.

The imposition of the foregoing penalties shall be without prejudice to any other administrative penalties that may be imposed by the SEC, and/or civil or criminal penalties, as may be provided by the Revised Corporation Code of the Philippines, Securities Regulation Code, and other related laws.

(SGD.) STEPHEN LEE KENG
Chairman of the Board

(SGD.) ATTY. SARAH JOELLE LINTAG
Compliance Officer