





**SEC FORM – I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **31 DECEMBER 2025**
2. SEC Identification Number **ASO-94-007160** 3. BIR Tax Identification No. **004-450-721-000**
4. Exact name of issuer as specified in its charter **ARTHALAND CORPORATION**
5. **METRO MANILA, PHILIPPINES**  
Province, Country or other jurisdiction of  
incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. **7/F Arthaland Century Pacific Tower, 5<sup>th</sup> Avenue corner 30<sup>th</sup> Street** **1634**  
**Bonifacio Global City, Taguig City**  
Address of principal office Postal Code
8. **(+632) 8403-6910**  
Issuer's telephone number, including area code
9. **Not Applicable**  
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> The company should be headed by a competent working board to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The 2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Board has an appropriate mix of competence and expertise.	Compliant	provides information on the academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of its directors, while the By-laws (Article III, Section 2)	
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	<a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> outlines the qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of their performance.	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors.	Compliant	Out of 9 members of the Board, there were 5 non-executive directors, 2 executive directors and 2 independent directors. These directors are named and described in the 2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	One of the independent directors passed away in April 2026. The vacancy created in the Board will be filled during the Annual Stockholders' Meeting (ASM) scheduled on 26 June 2026.

<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Manual of Corporate Governance, as amended on 18 December 2025 hereinafter the "Manual of Corporate Governance" (Section 10) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
2. Company has an orientation program for first time directors.	Compliant	It is standard practice for Arthaland to conduct an orientation for its first-time directors, officers and employees about the company, its history, vision, mission and values, constitutive and other relevant documents, policies, and everything to do with its business. The Manual of Corporate Governance (Section 10) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> provides that funds shall be allocated for the purpose of conducting training of directors, including an orientation program for first-time directors, and relevant annual continuing training for all directors.	
3. Company has relevant annual continuing training for all directors.	Compliant	The Manual of Corporate Governance (Section 10) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> provides that funds shall be allocated for the purpose of conducting training of directors, including an orientation program for first-time directors, and relevant annual continuing training for all directors.	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	The Manual of Corporate Governance (Section 4(B)1(a)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> provides that the Board shall always ensure it has an appropriate mix of competence and expertise, diversity in age, skills, culture, and knowledge,	

		<p>and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities, enable optimal decision-making, and respond to the needs of the organization based on the evolving business environment and strategic direction.</p> <p>The Board of Arthaland is composed of personalities hailing from different industries such as finance, investments, and architecture, among others. Notably, one of the independent directors is a female. Also, the two (2) nominees for independent directors in the upcoming 2026 ASM are females.</p> <p>The 2025 Annual Report (Part III, Item 9, letter a) shows the diverse composition of the Board  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<b>Optional: Recommendation 1.4</b>			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>		<p>Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p>	
<b>Recommendation 1.5</b>			
<p>1. Board is assisted by a Corporate Secretary.</p>	<p>Compliant</p>		

<p>2. Corporate Secretary is a separate individual from the Compliance Officer.</p>	<p>Not Compliant</p>	<p>2025 Annual Report (Part III, Item 9, letter b)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	<p>The By-laws (Article IV, Section 2) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> allow the same person to hold two or more positions concurrently, except that no person may serve simultaneously as President and Treasurer or as President and Secretary. Since 01 October 2012, the incumbent Corporate Secretary has also overseen the functions of the Compliance Officer. The Board and Management deemed it unnecessary to appoint a separate full-time Compliance Officer. The concurrent appointment of the Corporate Secretary also as Compliance Officer was made official in June 2025. Nevertheless, such was made with the understanding that department heads remain responsible for compliance within their respective functions in the Group.</p>
<p>3. Corporate Secretary is not a member of the Board of Directors.</p>	<p>Compliant</p>		
<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>Compliant</p>	<p>The Corporate Secretary attends and complies every three years with the continuing legal education mandated for her profession, which includes corporate governance. The last training on this matter attended was in April 2025 at the University of the Philippines College of Law.</p>	

<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	2025 Annual Report (Part III, Item 9, letter b) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		
4. Compliance Officer attends training/s on corporate governance.	Compliant	The Corporate Secretary attends and complies every three years with the continuing legal education mandated for her profession, which includes corporate governance. The last training on this matter that she attended was in April 2025 at the University of the Philippines College of Law.	
<b>Principle 2:</b> 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.			
<b>Recommendation 2.1</b>			
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	Manual of Corporate Governance (Section 4(B)1(c)1) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and the By-laws (Article III, Sections 1, 5 and 8) <a href="#">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	

<b>Recommendation 2.2</b>			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)1) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	and the By-laws (Article III, Sections 1, 5 and 8) <a href="#">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>  At the beginning of each year, the Board and Management assess Arthaland's short-, medium-, and long-term objectives, evaluate the extent to which these were achieved in the previous year, and review the effectiveness of the strategies implemented. Based on prevailing circumstances, they determine whether adjustments to the objectives or strategies are necessary.  The Board and Management likewise conduct periodic reviews throughout the year to monitor progress and ensure continued alignment with Arthaland's objectives.	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	Arthaland's vision, mission and core values are in its website <a href="https://arthaland.com/about">https://arthaland.com/about</a> Arthaland complies with the Securities Regulation Code (SRC) on the frequency of reviewing the vision, mission and core values. Such have	

		<p>been revised in the fourth quarter of 2018 and was presented to the stockholders during the annual meeting on 28 June 2019 as shown in the Minutes of the 2019 Annual Stockholders' Meeting  <a href="https://arthaland.com/assets/documents/2019-June-28-ASM-Minutes.pdf">https://arthaland.com/assets/documents/2019-June-28-ASM-Minutes.pdf</a>.</p> <p>Arthaland's vision, mission and core values remain the same to date.</p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment and culture.	Compliant	Arthaland adopts a flexible approach to strategy execution and is not constrained by rigid rules. The Board exercises sound judgment in determining when and to whom specific functions and responsibilities should be delegated to effectively achieve the Group's short-, medium-, and long-term objectives.	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>2025 Annual Report (Part III, Item 9, letters a and b)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p> <p>The qualifications of the incumbent Chairperson are described in detail in the Annual Report.</p>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers, and management.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(a))	

2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> vis-a-vis the latest mandate of the Securities and Exchange Commission (SEC)	After serving as an independent director of Arthaland for nine (9) consecutive years, Atty. Andres B. Sta. Maria ceased to be one and was instead elected as a regular director during the 2025 ASM.
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(b)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and the By-laws (Article III, Section 10)	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	Arthaland conducts annual performance evaluation of its employees, including the executive directors, to enable the Board and Management to determine the propriety of increasing or giving additional remuneration vis-à-vis financial and legal considerations.	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.		Provide proof of board approval	
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.		Provide information on or link/reference to a document containing measurable standards to align performance-based	

		remuneration with the long-term interest of the company.	
<b>Recommendation 2.6</b>			
1. Board has a formal and transparent board nomination and election policy.	Compliant	<p>Manual of Corporate Governance (Sections 4(B)1(c)2(c), 4(B)2(b), and 7(A)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and the By-laws (Article III, Section 2) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p> <p>Arthaland publicly discloses the deadline for the submission of board nominations through the Philippine Stock Exchange and the Securities and Exchange Commission to provide all shareholders, including minority shareholders, the opportunity to nominate candidates for election to the Board. All nominees undergo review and vetting by the Nominations Committee to ensure that they possess the qualifications, competencies, and integrity required for board membership.</p> <p>While no formal or third party assessment of the effectiveness of the Board's nomination, election, or replacement processes was conducted in 2025, Arthaland remains committed to strengthening its</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
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.	Not Compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		

		governance practices. To date, there has been no issue raised on this matter.	
<b>Optional: Recommendation to 2.6</b>			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.		Identify the professional search firm used or other external sources of candidates	
<b>Recommendation 2.7</b>			
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	Manual of Corporate Governance (Section 4(B)1(c)2(d)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and Material Related Party Transactions Policy dated 23 October 2019, hereinafter the "Material Related Party Transactions Policy" <a href="#">ALCO-Material-Related-Party-Transactions-Policy-2019.10.25 2022-12-19-051447 srho.pdf</a>	
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	The RPTs approved and duly disclosed are the advances made by and among Arthaland's group of companies, all of which are duly reported and disclosed in the 2025 Annual Report (Audited Consolidated Financial Statements, Note 24 and Audited Separate Financial Statements Note 20) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Supplement to Recommendations 2.7</b>			

<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>Compliant</p>	<p>The Material Related Party Transactions Policy (Definition of Terms, Material Related Party Transactions)  <a href="https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25%2022-12-19-051447_srho.pdf">https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25 2022-12-19-051447_srho.pdf</a>  provides that any related party transaction/s, either individually or in the aggregate over a twelve (12) month period with the same related party, amounting to ten percent (10%) or higher, of Arthaland's total assets based on its latest audited financial statements is considered a material related party transaction (MRPT).</p> <p>To ensure transparency across Arthaland's group of companies, the Board, through the Audit Committee, which is composed of non-executive and independent directors, approves all RPTs regardless of thresholds of materiality, and these are disclosed accordingly thereafter.</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>The Material Related Party Transactions Policy (Policies and Guidelines, Section 7)  <a href="https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25%2022-12-19-051447_srho.pdf">https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25 2022-12-19-051447_srho.pdf</a> provides that all individual material RPTs (MRPTs) shall be approved by at least two-thirds (2/3) vote of the Board, with at least majority</p>	

		of the independent directors voting to approve the MRPT, and in case that a majority of the independent directors' vote is not secured, the MRPT may be ratified by the vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. The same board approval is required for aggregate RPT transactions within a twelve (12) month period that breaches the materiality threshold.	
<b>Recommendation 2.8</b>			
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).	Compliant	By-laws (Article IV, Section 2)  The 2025 Annual Report (Part III, Item 9, letter c) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a> identifies the members of Management. Their respective appointments were approved by the Board and disclosed accordingly to PSE and SEC.	
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).	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(e)) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and the By-laws (Article IV, Section 7) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> Arthaland undertakes annual performance assessments of its employees, including executive	

		directors, to assist the Board and Management in evaluating the appropriateness of any salary adjustments or additional remuneration, subject to applicable financial and legal considerations.	
<b>Recommendation 2.9</b>			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(f)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
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	Arthaland undertakes annual performance assessments of its employees, including executive directors, to assist the Board and Management in evaluating the appropriateness of any salary adjustments or additional remuneration, subject to applicable financial and legal considerations.	
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(g)) <a href="#">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and the	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	By-laws (Article III, Section 13(a)) <a href="#">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
3. Board approves the Internal Audit Charter.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(h)) <a href="https://arthaland.com/assets/docume">https://arthaland.com/assets/docume</a>	

		<a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">nts/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>  Arthaland's Internal Audit Charter <a href="https://arthaland.com/assets/documents/Internal-Audit-Charter.pdf">https://arthaland.com/assets/documents/Internal-Audit-Charter.pdf</a> was approved by the Board on 21 October 2020.	
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Arthaland conducted its Risk Management Training for its directors, officers, and employees in October 2022.  Arthaland's Risk Management Framework <a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a> approved by the Audit Committee on 19 August 2022 provides the foundations and organizational strategies for designing, implementing, monitoring, reviewing and continually improving the risk management throughout the company.	
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		
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The By-Laws (Article III, Sections 1-11) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> enumerates the functions and responsibilities of the	

2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	Board as a whole and the duties of the directors.	
3. Board Charter is publicly available and posted on the company's website.	Compliant	The Board Charter is available at <a href="https://arthaland.com/corporate-governance/board-charter">https://arthaland.com/corporate-governance/board-charter</a> .	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	Arthaland's Insider Trading Policy (the "Insider Trading Policy") <a href="https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf">https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf</a> was approved by the Board on 04 May 2022.	
<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.	
2. Company discloses the types of decision requiring board of directors' approval.		Indicate the types of decision requiring board of directors' approval and where there are disclosed.	
<b>Principle 3:</b> 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.			

<b>Recommendation 3.1</b>			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	By-laws (Article III, Sections 12-13) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
<b>Recommendation 3.2</b>			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	The By-laws (Article III, Section 13(a)) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> mandates the creation of an Audit Committee.  The Audit Committee, renamed as Audit and Risk Management Committee, is responsible for the appointment of the internal auditor as well as the independent external auditor, among other functions. This includes their removal.	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, is independent.	Compliant	2025 Annual Report (Part III, Item 10(a)) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a> The Audit Committee is composed of three (3) non-executive directors and the Chairman is an independent director.	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Not Compliant	The qualifications of the members of the Audit Committee are stated in the 2025 Annual Report (Part III, Item 9 (a)) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	Arthaland benefits from having Audit Committee members whose expertise extends beyond accounting, auditing, and finance to include architecture and construction, thereby providing broader industry insight and a more comprehensive

			review of matters relevant to the company's operations.
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	2025 Annual Report (Part III, Items 9(b) and 10(a)) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Under the Manual of Corporate Governance (Section 4(B)2(d)1) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> , the Audit Committee is responsible for the appointment of the independent external auditor, among other functions. Non-audit work may be given to the external auditor, provided that such does not conflict with his/its duties as an independent auditor or pose a threat to his/its independence.  Arthaland's 2025 Annual Report [Part III, Item 8] breaks down the fees paid to the external auditor for audit and non-audit fees. <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	Manual of Corporate Governance (Section 4(B)(1)e) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> and By-	

		laws (Article III, Section 13) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meets at least four times during the year.	Compliant	The Audit Committee Charter requires that the committee meets at least four (4) times a year. <a href="https://arthaland.com/assets/documents/Internal-Audit-Charter.pdf">https://arthaland.com/assets/documents/Internal-Audit-Charter.pdf</a>  There were seven (7) Audit Committee meetings in 2025.	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<a href="https://arthaland.com/assets/documents/ALCO-SEC-17C-Appointment-of-Internal-Audit-Head-and-Dividends-Declaration.pdf">https://arthaland.com/assets/documents/ALCO-SEC-17C-Appointment-of-Internal-Audit-Head-and-Dividends-Declaration.pdf</a>	
<b>Recommendation 3.3</b>			
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	The Governance and Nomination Committee was organized by the Board on 25 June 2021 <a href="https://arthaland.com/assets/documents/2025-1218-Governance-and-Nomination-Committee-Charter-Amended-2021-0625-New.pdf">2025-1218-Governance-and-Nomination-Committee-Charter-Amended-2021-0625-New.pdf</a>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Not Compliant	The Governance and Nomination Committee Charter states that the Committee shall be composed of at least three (3) Directors, with at least one (1) Independent Director, and that, where practicable, the majority of its members shall be Independent Directors.	

		<p>For 2025, the Governance and Nomination Committee is composed of two (2) non-executive directors and one independent director, rather than three independent directors.</p> <p><a href="#">2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf</a></p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Not Compliant	<p>The Governance and Nomination Committee is currently composed of two (2) non-executive directors, one of whom is the Committee Chair, and one independent director.</p> <p><a href="#">2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf</a></p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	There were two (2) Governance and Nomination Committee meetings in 2025.	
<b>Recommendation 3.4</b>			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	The Board, through its Audit and Risk Management Committee, oversees the monitoring and periodic review of the adequacy and effectiveness of the Risk Management Framework, as well as the implementation of improvement measures.	

		<a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	The Audit and Risk Management Committee is composed of two (2) independent directors, one of whom is the Committee Chair, and a non-executive director.	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	<p>Upon appointment on 27 June 2025 of Mr. Hans B. Sicat as the Chairman of the Audit and Risk Management Committee, Mr. Sicat also did not chair any other committee.</p> <p>The Chairman of the Board is Mr. Ernest K. Cuyegkeng, a regular but non-executive director.</p> <p><a href="#">2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf</a></p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>2025 Annual Report (Part III, Item 9, letter a)</p> <p><a href="#">2025-ALCO-Annual-Report.pdf</a><a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is	Compliant	The Audit and Risk Management Committee, which is composed of all	

tasked with reviewing all material related party transactions of the company.		independent (and non-executive) directors, reviews and approves all RPTs, regardless of materiality, prior to their presentation to and approval by the Board.	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<a href="https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25_2022-12-19-051447_srho.pdf">https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25_2022-12-19-051447_srho.pdf</a>  <a href="https://www.sec.gov/Archives/edgar/data/1717171/000171717122000001/2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf">2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf</a>	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	The By-laws (Article III, Sections 12-13) <a href="https://arthaland.com/corporate-governance/board-committee-charter">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> and their respective charters	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	outline the composition and the duties and responsibilities of each committee.	
3. Committee Charters were fully disclosed on the company's website.	Compliant	<a href="https://arthaland.com/corporate-governance/board-committee-charter">https://arthaland.com/corporate-governance/board-committee-charter</a>	
<b>Principle 4:</b> To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
<b>Recommendation 4.1</b>			
1. The Directors attend and actively participate in all meetings of the Board, Committees and	Compliant	Manual of Corporate Governance (Section 4(B)1(e))	

shareholders in person or through tele- /videoconferencing conducted in accordance with the rules and regulations of the Commission.		<a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Together with the notice of the meeting, the agenda and all meeting materials are sent by the Corporate Secretary to the directors for their review of the matters to be taken up in the meeting, and thereby enable them to participate, accordingly (Article III, Section 5 of By-laws <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	The minutes of meetings present substantially the discussion during meetings of the Board and committees.	
<b>Recommendation 4.2</b>			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	Manual of Corporate Governance (Section 4(B)1(b)) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">2025-1218-ALCO- Manual-on-Corporate-Governance- Amended-2023-0503-New.pdf</a>  2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Recommendation 4.3</b>			

1. The directors notify the company's board before accepting a directorship in another company.	Not Compliant		Notification is not always in writing. Each director is professional enough to advise the Chairman of the Board at the very least before accepting a directorship in another company, listed or otherwise, to enable the Board to assess if his present responsibilities and commitment to Arthaland will be affected and if said director can still adequately provide what is expected of him/her. No such written notification was received by the Board in 2025.
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	Arthaland's executive directors, Vice Chairman and President Jaime C. González, and Treasurer and Executive Vice President Cornelio S. Mapa, Jr., are not directors of other listed companies. Their affiliations are stated in the 2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	Board meetings for the following year are set during the final Board meeting of the current year, typically held in December. Directors coordinate and agree on their availability for the scheduled meetings in the ensuing year.	
3. Board of directors meet at least six times during the year.	Compliant	Section 3, Article III of the By-laws requires that the Board holds regular meetings at least once every quarter.	

		<a href="#">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
		There were twelve (12) Board meetings in 2025.	
4. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions.	
<b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Not Compliant	2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	The Corporation adopts the requirement of the Revised Corporation Code which states that at least twenty percent (20%) of the Board shall be composed of independent directors. In 2025, the Corporation has two (2) independent directors out of the nine (9) members of the Board.
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	Manual of Corporate Governance (Section 4(B)(1)e) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
<b>Recommendation 5.3</b>			

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	Arthaland complies with the directives of its primary regulators as reflected in the 2025 Annual Report (Part III, Item 9, letter a)	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant		To date, Arthaland has not retained an independent director in the same capacity after 9 years.
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Mr. Ernest K. Cuyegkeng is the Chairman of the Board, while Mr. Jaime C. González is the Vice Chairman and President.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	By-Laws (Article IV, Section 5) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>  The Chairman of the Board of Arthaland is not in any way related to its Vice Chairman and President.	
<b>Recommendation 5.5</b>			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Not Compliant		In the absence of the Chairman of the Board, the lead director appointed is the Vice Chairman and President as provided in Article IV, Section 5(b) of the By-laws <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">2020-1210-ALCO-SEC-Amended-By-Laws-original-</a>

			<a href="#">file.pdf</a> . The Board is given the discretion during its organizational meeting to determine the lead director in the absence of the Chairman of the Board.
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	Manual of Corporate Governance (Section 4(B)(1)e) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a> In RPTs of Arthaland, the affected/involved director always abstains from the discussion and voting on the transaction. Such abstention is disclosed in reports submitted to Arthaland's regulators and reflected in the minutes of meetings.	
<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Not Compliant		All directors, including NEDs, have free access to the external auditor and all executives of Arthaland. It is not necessary to set formal meetings for the purpose and/or minuting the same.
2. The meetings are chaired by the lead independent director.	Not Compliant		
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	

**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**

1. Board conducts an annual self-assessment of its performance as a whole.	Not Compliant		A Third-Party Board Evaluation was facilitated by the Institute of Corporate Directors beginning 2019 and was concluded in September 2020. The Board has not seen the need to conduct another evaluation since then.
2. The Chairman conducts a self-assessment of his performance.	Not Compliant		
3. The individual members conduct a self-assessment of their performance.	Not Compliant		
4. Each committee conducts a self-assessment of its performance.	Not Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Not Compliant		

**Recommendation 6.2**

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.	Not Compliant		The Board arranged for an external assessment for 2019, which was concluded in September 2020. Because of the results thereof, the Board is still considering whether there is a need to establish a system to conduct annual assessments of its performance as a whole, or of its individual directors, or just have another external assessment altogether.
2. The system allows for a feedback mechanism from the shareholders.	Not Compliant		

**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	Compliant	Arthaland has a Code of Business Conduct and Ethics (the "Code") <a href="https://arthaland.com/corporate-">https://arthaland.com/corporate-</a>	
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articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.		<a href="#">governance/code-of-business-conduct-and-ethics</a> which provides standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings thereof.	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Upon election, appointment, or engagement, first-time directors and all newly hired employees undergo an orientation which includes a discussion of the Code.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<a href="https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics">https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Arthaland has a strict policy on conflicts of interests ( <a href="https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics">https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics</a> ) which includes penalizing any involvement in offering, paying and receiving bribes. The penalty includes dismissal and filing of criminal charges, as appropriate.	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	The Board, through the heads of each department of Arthaland, are responsible for monitoring the compliance by all employees with the Code and other internal policies. This is	

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	reflected in the Human Resource (HR) Policies.  There was no violation of the Code in 2025.	
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### Disclosure and Transparency

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

#### Recommendation 8.1

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.	Not Compliant		The Board has not found the necessity to come out with separate disclosure policies and procedures which will just be a replica of those imposed by the company's regulators. Arthaland complies with the requirements of its regulators.
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#### Supplement to Recommendations 8.1

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.	Not Compliant		Annual Reports are made available not later than 105 days from the end of the fiscal year while quarterly/interim reports are filed within 45 days from the end of the reporting period.
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; crossholdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	The 2025 Annual Report discusses matters, including potential risks, associated with the identity and cross-ownership of controlling shareholders. <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	

Recommendation 8.2			
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	Arthaland's Insider Trading Policy requires, among others, that all directors, principal officers, and employees, as defined therein, report to the Office of the Corporate Secretary their shareholdings in Arthaland within three (3) trading days from dealing in such shares.	
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	None of the directors dealt with shares of Arthaland in 2025  <a href="https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf">https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf</a>	
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 of its shares from the market (e.g. share buy-back program).	Compliant	Arthaland complies with the directives of its regulators on disclosures of any dealings in its shares by the directors and officers. There has been no such trading nor any buy-back in 2025. <a href="https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf">https://arthaland.com/assets/documents/2022-0504-ALCO-Insider-Trading-Policy.pdf</a>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.	Compliant	2025 Annual Report (Part III, Item 9, letter a) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Board fully discloses all relevant and material information on key executives to evaluate	Compliant	2025 Annual Report (Part III, Item 9, letters a, b and c)	

<p>their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.</p>		<p><a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">2025-ALCO-Annual-Report.pdf</a>  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<b>Recommendation 8.4</b>			
<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>2025 Annual Report (Part III, Item 10, letter a)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>  and By-laws (Article III, Section 10)  <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></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>The 2025 Annual Report disclosed the per diem received by each Director per Board and committee meeting in relation to their attendance, including the recent increase in per diem, which had been determined in accordance with the By-Laws of the Corporation.  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	<p>Section 10, Article III of ALCO's By-laws provides that the "Board of Directors is empowered and authorized to fix and determine the compensation of its members, including profit sharing and other incentives, subject to the limitations imposed by law."  <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p>
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>2025 Annual Report (Part III, Item 10, letter a)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p> <p>Only the compensation of the directors was disclosed on an individual basis. Those of executive officers are disclosed in total as such is considered confidential in Arthaland, and Management does not have their</p>	

		consent to disclose the same to the public, even to the regulators.	
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Manual of Corporate Governance (Section 4(B)1(c)2(d)) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Arthaland discloses RPTs, regardless of materiality, as and when they are approved by the Board, and reflects the same in its annual reports <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Prior to the Governance and Nomination Committee deliberating on the qualifications of the nominees to the Board for the succeeding term, all directors are required to make full disclosures of their interests in other companies, including the government.  Also, the directors of Arthaland are professional enough to know when there is a conflict of interest on their part, to disclose such conflict to the Board, and to abstain from the deliberation of such particular transaction during meetings. The disclosure and abstention are reflected in the minutes of these meetings.	

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>Provide link or reference where this is disclosed, if any</p>	<p>The Material Related Party Transactions Policy (Definition of Terms, Material Related Party Transactions)  <a href="https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25_2022-12-19-051447_srho.pdf">https://arthaland.com/assets/documents/ALCO-Material-Related-Party-Transactions-Policy-2019.10.25_2022-12-19-051447_srho.pdf</a>  provides that any related party transaction/s, either individually or in the aggregate over a twelve (12) month period with the same related party, amounting to ten percent (10%) or higher, of Arthaland's total assets based on its latest audited financial statements is considered a material related party transaction (MRPT).</p> <p>To ensure transparency across Arthaland's group of companies, the Board, through the Audit and Risk Management Committee, which is composed of non-executive and independent directors, approves all RPTs regardless of thresholds of materiality, and these are disclosed accordingly thereafter.</p> <p>The RPTs approved and duly disclosed are the advances made by and among Arthaland's group of companies, all of which are duly reported and disclosed in the 2025 Annual Report (Audited Consolidated Financial Statements, Note 24 and Audited Separate Financial Statements Note 20)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>

<b>Recommendation 8.6</b>			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	This is done through <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=172">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=172</a> , <a href="https://www.pds.com.ph/">https://www.pds.com.ph/</a> , and SEC Form 17C which are also uploaded to Arthaland's website <a href="https://arthaland.com/investor-relations/disclosures">https://arthaland.com/investor-relations/disclosures</a>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	2025 Annual Report <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>  Arthaland secures the services of independent appraisers in evaluating the fairness of the transaction price. The appraiser, including the rules and procedures used, differs every time.	
<b>Supplement to Recommendation 8.6</b>			
1. Company discloses the existence, justification, and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Arthaland complies with directives of its primary regulators on the subject and agreements entered into are disclosed accordingly.  2025 Annual Report (Part III, Item 11(1)) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Manual of Corporate Governance (Section 4(B)1) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	

2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant		
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	<p>Manual of Corporate Governance  <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a></p> <p>In 2025, the MCG was amended to rename the Nomination Committee as the Governance and Nomination Committee and to include among its responsibilities the function of reviewing the Corporation's annual Sustainability Report prior to endorsing the same to the Board of Directors for final approval and submission to regulators.</p>	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		2025 Annual Report and Sustainability Report <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		<p>Arthaland discloses the following non-financial performance indicators in its Sustainability Report:</p> <ol style="list-style-type: none"> <li>energy consumption and reduction thereof</li> </ol>

			<ul style="list-style-type: none"> <li>2. water consumption</li> <li>3. materials used by the organization</li> <li>4. GHG emissions</li> <li>5. air pollutants</li> <li>6. solid and hazard waste generated</li> <li>7. effluent volume</li> <li>8. environmental compliance</li> <li>9. employment data on hiring, benefits, training and development, diversity and equal opportunity, occupational health and safety</li> <li>10. supply chain management</li> <li>11. significant impacts on local communities</li> <li>12. customer management</li> <li>13. health and safety</li> <li>14. marketing and labelling</li> <li>15. customer privacy, and</li> <li>16. data security.</li> </ul>
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		Disclosure of each Director's attendance in all Board meetings is not formalized in a separate document but are duly reflected in the minutes of Board and committee meetings and seen through the compensation or per diem received by each Director as reported in the Information Statement.

			<a href="https://arthaland.com/assets/documents/ALCO-DEFINITIVE-IS-20-ASM-2025.pdf">https://arthaland.com/assets/documents/ALCO-DEFINITIVE-IS-20-ASM-2025.pdf</a>
g. Total remuneration of each member of the board of directors	Compliant		[
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	2025 Annual Report (Part IV) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
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.	Not Compliant	There was no review of the company's material controls (including operational, financial and compliance controls) and risk management systems conducted in 2025.	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Not Compliant	Arthaland complies with the directives of its primary regulators on what the Annual Report and Annual CG Report should contain, and a statement from the Board of Directors or the Audit Committee on the adequacy of the company's internal controls/risk management systems is not one of them.	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	2025 Annual Report (Part I, Item 1, letter e) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	

<b>Principle 9:</b> 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.			
<b>Recommendation 9.1</b>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	Compliant	<p>By-laws (Article III, Section 13(a))  <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p> <p>Audit Committee Charter  <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a>  provides that the appointment, reappointment, removal, and fees of the external auditor should be recommended by the Audit Committee, approved by the Board and ratified by the stockholders. Further, the reasons for the removal or change of the external auditor should be disclosed to the regulators and the public.</p>	
<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.</p>	Compliant	<p>By-laws (Article III, Section 13(a), and Article V, Section 1)  <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p> <p>Audit Committee Charter  <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a></p> <p>While the Board is granted the full authority to appoint the external</p>	

		auditor annually, the same is submitted for ratification of the shareholders during annual meetings.	
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	Arthaland complies with the directives of its primary regulators. Its external auditor was last changed in 2012 as stated in the 2025 Annual Report (Part II, Item 8) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>  Audit Committee Charter <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a>	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Not Compliant	Arthaland's Manual of Corporate Governance was amended on 03 May 2023 to extend the period within which the External Auditor, or the signing partner of the auditing firm, shall be rotated or changed, from five (5) years to seven (7). <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
<b>Recommendation 9.2</b>			
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	Compliant	The Audit Committee Charter <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a> outlines the responsibilities, among others, of the Audit Committee.	

<p>iii. auditor's independence and objectivity; and exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>			
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	Compliant	<p>Audit Committee Charter  <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a></p>	
<b>Supplement to Recommendations 9.2</b>			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	Compliant	<p>By-laws (Article III, Section 13)  <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p>	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	Compliant	<p><a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>           Audit Committee Charter  <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a></p>	
<b>Recommendation 9.3</b>			
<p>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.</p>	Compliant	<p>2025 Annual Report (Part II, Item 8)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given the</p>	Compliant	<p>The entire organization of Arthaland looks out for potential conflicts of</p>	

<p>guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.</p>		<p>interests in all aspects thereof. Such is not left to the responsibility of the Audit and Risk Management Committee alone. Any possible conflict is immediately elevated, even up to the level of the Board, when necessary.</p>	
<b>Supplement to Recommendation 9.3</b>			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	<p>Compliant</p>	<p>The external auditor's fees are based on the estimated time that would be spent on an engagement and Arthaland is charged on the experience level of the professional staff members who will be assigned to work on the engagement and generally, on the complexity of the issues involved and the work to be performed, as well as the special skills required to complete the work.</p> <p>Audit and non-audit fees paid by Arthaland are always disclosed in its annual reports.</p> <p>2025 Annual Report (Part II, Item 8)  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<b>Additional Recommendation to Principle 9</b>			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>Compliant</p>	<p>Arthaland's external auditor is:</p> <ol style="list-style-type: none"> <li>1. Reyes, Tacandong &amp; Co.</li> <li>2. SEC Accreditation No.: 86981-SEC Group A</li> <li>3. Date accredited: 24 March 2020</li> </ol>	

		4. Valid for Financial Periods 2019 to 2025 5. BDO Towers Valero 8741 Paseo de Roxas Bel-Air, Makati City 1209 +632.8982.9100	
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	Arthaland's external auditor has not been subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	

**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	Arthaland submitted its Sustainability Report together with its 2025 Annual Report.  2025 Annual Report (Part V, Item 14) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Arthaland submitted its Sustainability Report together with its 2025 Annual Report.  2025 Annual Report (Part V, Item 14) <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	

**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**

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	Arthaland communicates to its primary regulators through submissions of reports, its website and as appropriate, through media briefings and press conferences.	
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#### Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:	Compliant	<a href="https://arthaland.com/investor-relations/disclosures">https://arthaland.com/investor-relations/disclosures</a>	
a. Financial statements/reports (latest quarterly)	Compliant	<a href="https://arthaland.com/investor-relations/stockholders-meeting">https://arthaland.com/investor-relations/stockholders-meeting</a>	
b. Materials provided in briefings to analysts and media	Compliant	<a href="https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf">https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf</a>	
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant	<a href="https://arthaland.com/assets/documents/2026-Notice-and-Agenda-of-Annual-Meeting.pdf">https://arthaland.com/assets/documents/2026-Notice-and-Agenda-of-Annual-Meeting.pdf</a>	
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant	<a href="https://arthaland.com/investor-relations/articles-of-incorporation">https://arthaland.com/investor-relations/articles-of-incorporation</a>	

#### Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	Compliant	<a href="https://arthaland.com/">https://arthaland.com/</a>	
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#### 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

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>The Board, with the assistance of the Audit and Risk Management Committee and the Internal Audit and Risk Department, oversees Arthaland's internal control system very closely.</p> <p>The position of internal auditor was filled in August 2020 by Mr. Joseph R. Feliciano. He became Arthaland's Internal Audit and Risk Management Officer on 15 December 2021.</p> <p>The Board approved the Internal Audit Charter on 21 October 2020 <a href="https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf">https://arthaland.com/assets/documents/Audit-Committee-Charter.pdf</a> while the Risk Management Framework <a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a> was approved by the Audit and Risk Committee on 19 August 2022.</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>Arthaland conducted its Risk Management Training for its officers and employees in October 2022.</p> <p>Arthaland's Risk Management Framework <a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a> was approved by the Audit and Risk Committee on 19 August 2022.</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 Corporate Secretary, who is also the Compliance Officer, oversees the overall compliance of Arthaland and its group of companies, while the heads of the various departments monitor the requisite compliances of the company which are within the scope of their respective responsibilities in the organization.</p> <p>Manual of Corporate Governance (Section 10)  <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a></p>	
<p><b>Optional: Recommendation 12.1</b></p>			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	<p>Compliant</p>	<p>Internal systems are currently in place. A complete end-to-end data privacy manual will be completed in 2025 in order to have a single source of reference for IT processes.</p>	
<p><b>Recommendation 12.2</b></p>			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	<p>Compliant</p>	<p>Arthaland has an Internal Audit Department headed by Internal Audit and Risk Management Officer Joseph R. Feliciano.  <a href="https://arthaland.com/assets/documents/ALCO-2025-GIS-Amended-2026-0324.pdf">https://arthaland.com/assets/documents/ALCO-2025-GIS-Amended-2026-0324.pdf</a></p>	
<p><b>Recommendation 12.3</b></p>			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>Compliant</p>	<p>The Internal Auditor was appointed on 05 August 2020</p>	

		<a href="https://arthaland.com/assets/documents/ALCO.GIS-2020-amended-2020-0626.pdf">https://arthaland.com/assets/documents/ALCO.GIS-2020-amended-2020-0626.pdf</a> and he remains such to date.	
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	By-laws (Article V, Section 3) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
3. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	This is not applicable at this time. In the event the internal audit function will be outsourced subsequently, Arthaland will identify qualified independent executive/s or senior management personnel who will manage the matter.	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The Board, through the Audit and Risk Committee, monitors and reviews the appropriateness and effectiveness of the Risk Management Framework and improvement strategies, whereas the Internal Audit and Risk Management Department owns, promotes, and drives the effective implementation of the Risk Management Framework for all functions across the company.  <a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a>	
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The Board, through the Audit and Risk Management Committee, monitors and reviews the appropriateness and	

		effectiveness of the Risk Management Framework and improvement strategies, whereas the Internal Audit and Risk Management Department owns, promotes, and drives the effective implementation of the Risk Management Framework for all functions across the company.  <a href="https://arthaland.com/corporate-governance/enterprise-risk-management">https://arthaland.com/corporate-governance/enterprise-risk-management</a>	
<b>Recommendation 12.5</b>			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	On 15 December 2021, the Head of Internal Audit was appointed as Arthaland's Risk Management Officer concurrently. He holds the rank of Vice President.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	<a href="https://arthaland.com/assets/documents/ALCO-SEC-17C-Series-B-Delisting-Risk-Officer-and-Deputy-CFO.pdf">https://arthaland.com/assets/documents/ALCO-SEC-17C-Series-B-Delisting-Risk-Officer-and-Deputy-CFO.pdf</a>	
<b>Additional Recommendation to Principle 12</b>			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Not Compliant		Arthaland has a sound internal audit control and compliance system in place and working effectively. However, this fact is not attested to in writing by the Chief Executive Officer and the Chief Audit Executive.
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Manual of Corporate Governance (Section 7) <a href="https://arthaland.com/assets/docume">https://arthaland.com/assets/docume</a>	

		<a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">nts/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Arthaland provides the shareholders' rights mandated by law, and these are enumerated in its Manual of Corporate Governance (Section 7) <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	Compliant	By-laws (Article II, Section 4) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant		
3. Board has an effective, secure, and efficient voting system.	Compliant		
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	Arthaland complies with the provisions of the Revised Corporation Code of the Philippines on matters requiring the vote of more than majority.	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Article II, Section 6 of the By-laws states that a special meeting of the stockholders may be called upon written demand to the Corporate Secretary by stockholders owning such	

		<p>minimum percentage of outstanding capital stock as may be provided by applicable law or regulations and submit proposals for consideration.</p> <p><a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p> <p>The threshold percentage set by SEC Memorandum Circular No. 07, Series of 2021 is shareholders holding at least 10% or more of the outstanding capital stock.</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Arthaland complies with the provisions of the Revised Corporation Code of the Philippines on matters involving minority shareholders, which include appraisal rights (By-laws <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a>)</p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p>By-laws (Article VII, Section 2) <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a></p>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>Arthaland's external auditor and stock transfer agent oversee and supervise the counting/validation of the votes at its annual meeting.</p>	

		Information Statement (Part D, Item 19) for the 2025 Annual Stockholders' Meeting	
<b>Recommendation 13.2</b>			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	The notice and agenda of annual meetings are disclosed to primary regulators and made public as early as May of each year, while the annual meeting is fixed on the last Friday of June each year.  <a href="https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf">https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf</a>  <a href="https://arthaland.com/assets/documents/2026-Notice-and-Agenda-of-Annual-Meeting.pdf">https://arthaland.com/assets/documents/2026-Notice-and-Agenda-of-Annual-Meeting.pdf</a>	
<b>Supplemental to Recommendation 13.2</b>			
a. 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	Information Statement (Part B, Item 5, letter a) for the 2025 Annual Stockholders' Meeting  <a href="https://arthaland.com/assets/documents/ALCO-DEFINITIVE-IS-20-ASM-2025.pdf">https://arthaland.com/assets/documents/ALCO-DEFINITIVE-IS-20-ASM-2025.pdf</a>	
b. Auditors seeking appointment/re-appointment	Compliant		
c. Proxy documents	Compliant	<a href="https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf">https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf</a>	

<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting		Provide link or reference to the rationale for the agenda items	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	The results of the 2025 Annual Meeting were promptly disclosed to the regulators and made available on the website the next working day following said meeting.  <a href="https://arthaland.com/assets/documents/2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf">https://arthaland.com/assets/documents/2025-0627-SEC-17-C-ASM-and-Org-Board-Results-AOI-Amendment-Dividend-Common-and-ALCPF-Subscription-to-Zileya.pdf</a>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	The 2025 Annual Stockholders minutes of the meeting <a href="https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf">https://arthaland.com/assets/documents/2025-0627-ALCO-ASM-Notice-and-Agenda.pdf</a> were made available on the website within five (5) business days after the scheduled meetings.	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	The minutes enumerates the relevant parties present during ASM <a href="https://arthaland.com/assets/documents/2025-0627-ASM-Minutes-DRAFT.pdf">https://arthaland.com/assets/documents/2025-0627-ASM-Minutes-DRAFT.pdf</a>	
<b>Recommendation 13.4</b>			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate	Compliant	There is no specific alternative dispute mechanism available at this time other than what the Revised Corporation	

disputes in an amicable and effective manner.		Code provides on appraisal rights, but the Board is always open to adopting any proposal on the subject so long as the same is in the best interests of Arthaland. To date, there is no intra-corporate dispute within Arthaland.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Not Compliant		There is no specific alternative dispute mechanism available at this time other than what the Revised Corporation Code provides on appraisal rights, but the Board is always open to adopting any proposal on the subject so long as the same is in the best interests of Arthaland.
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	The officer/office responsible for investor relations is: 1. Ms. Sheryll P. Verano 2. Phone +632 84036910 3. Fax +632 84036910 4. <a href="mailto:investor.relations@arthaland.com">investor.relations@arthaland.com</a>	
2. IRO is present at every shareholder's meeting.	Compliant	The IRO was present at the 2025 ASM.  <a href="https://arthaland.com/assets/documents/2025-0627-ASM-Minutes-DRAFT.pdf">https://arthaland.com/assets/documents/2025-0627-ASM-Minutes-DRAFT.pdf</a>	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	Compliant	Arthaland respects all its shareholders and gives them their rights as mandated by the Revised Corporation Code of the Philippines.	

2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Not Compliant		The public ownership percentage as of 31 December 2025 is 29.905%.  Part II Item No. 5 (b) of the 2025 Annual Report <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting		Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	
<b>Duties to Stakeholders</b>			
<b>Principle 14:</b> 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.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Arthaland does not have any specific policy or program for any particular stakeholder other than those reflected in its Articles of Incorporation and By-laws <a href="https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf">https://arthaland.com/assets/documents/2020-1210-ALCO-SEC-Amended-By-Laws-original-file.pdf</a> and Manual of Corporate Governance <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a>	

<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Arthaland respects all its shareholders and gives them their rights as mandated by the Revised Corporation Code of the Philippines.	
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>Either the Corporate Secretary or the IRO may be contacted by stakeholders to voice their concerns and/or complaints for possible violation of their rights. Contact details are:</p> <p>1. Phone +632 84036910  2. Fax +632 84036910  3. Email  <a href="mailto:investor.relations@arthaland.com">investor.relations@arthaland.com</a></p>	
<b>Supplement to Recommendation 14.3</b>			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Not Compliant		There is no specific alternative dispute mechanism available at this time other than what the Revised Corporation Code provides on appraisal rights, but the Board is always open to adopting any proposal on the subject so long as the same is in the best interests of Arthaland.
<b>Additional Recommendations to Principle 14</b>			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally	Compliant	Arthaland did not request for any such exemption in 2025.	

comply with the applicable law, rule or regulation.			
2. Company respects intellectual property rights.	Compliant	Arthaland respects intellectual property rights and ensures that it is compliant in all its aspects.	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare		Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures		Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	
<b>Principle 15:</b> A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
<b>Recommendation 15.1</b>			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	Arthaland holds CSR activities and enjoins its employees' participation to impart on them what Arthaland is really all about.  <a href="https://arthaland.com/corporate-governance/corporate-social-responsibility">https://arthaland.com/corporate-governance/corporate-social-responsibility</a>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	Arthaland has an employee stock option plan (ESOP) as discussed in the 2025 Annual Report (Part III, Item 10, letter b)	

		<a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>Manual of Corporate Governance (Section 8)  <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a></p> <p>Policy on Health Safety and Welfare of Employees  <a href="https://arthaland.com/assets/documents/Policy-on-Health-Safety-and-Welfare-of-Employees.pdf">https://arthaland.com/assets/documents/Policy-on-Health-Safety-and-Welfare-of-Employees.pdf</a></p> <p>Arthaland also provides its employees HMO coverage and conducts regular seminars on safety and their welfare.</p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p>Manual of Corporate Governance (Section 10)  <a href="https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf">https://arthaland.com/assets/documents/2025-1218-ALCO-Manual-on-Corporate-Governance-Amended-2023-0503-New.pdf</a></p> <p>Each year, Arthaland sends certain employees to various trainings and seminars relevant to the work they do and for their respective career growth, all of which at the company's expense.</p>	

**Recommendation 15.2**

<p>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.</p>	<p>Compliant</p>	<p>Policies on and practices against corruption are reflected in Arthaland's Code of Business Ethics and Conduct (<a href="https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics">https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics</a>) which are made known to all employees, especially at the time of their respective engagement.</p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>Compliant</p>	<p>Policies on and practices against corruption are reflected in Arthaland's Code of Business Ethics and Conduct (<a href="https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics">https://arthaland.com/corporate-governance/code-of-business-conduct-and-ethics</a>) which are made known to all employees, especially at the time of engagement.</p>	
<p><b>Supplement to Recommendation 15.2</b></p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>Arthaland has a strict policy on conflicts of interests which includes penalizing any involvement in offering, paying and receiving bribes.</p> <p>The penalty includes dismissal and filing of criminal charges, as appropriate.  <a href="https://arthaland.com/assets/documents/Conflict-of-Interest-Policy.pdf">https://arthaland.com/assets/documents/Conflict-of-Interest-Policy.pdf</a></p>	
<p><b>Recommendation 15.3</b></p>			
<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><a href="https://arthaland.com/assets/documents/Whistleblowing-Policy.pdf">https://arthaland.com/assets/documents/Whistleblowing-Policy.pdf</a></p>	

		Everything is treated with utmost confidentiality to protect the affected employees from retaliation.	
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	<a href="https://arthaland.com/assets/documents/Whistleblowing-Policy.pdf">https://arthaland.com/assets/documents/Whistleblowing-Policy.pdf</a>  There are two officers who have access to the email where all allegations or issues are received, which shall be subsequently reported to the Chairman of the Audit and Risk Committee. For allegations/issues relating to senior management, the matter is escalated directly to the Board of Directors.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	There are two officers who have access to the email where all allegations or issues are received, which shall be subsequently reported to the Chairman of the Audit and Risk Committee. For allegations/issues relating to senior management, the matter is escalated directly to the Board of Directors.	
<b>Principle 16:</b> The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
<b>Recommendation 16.1</b>			
1. Company recognizes and places importance on the interdependence between business and society and promotes a mutually beneficial relationship that allows the company to grow its business, while	Compliant	It is Arthaland's policy to hold CSR activities regularly and it enjoins its employees' participation to impart to them what Arthaland is all about. Stockholders are informed about these	

<p>contributing to the advancement of the society where it operates.</p>		<p>during the presentation of the Management Report at annual meetings.</p> <p>Arthaland has a dedicated portion in the website which shows its CSR activities and efforts.</p> <p><a href="https://arthaland.com/corporate-governance/corporate-social-responsibility">https://arthaland.com/corporate-governance/corporate-social-responsibility</a></p> <p>Further, Arthaland has introduced "Arthaland Masterclass", a six-week program for emerging architects wherein they are taught the essential competencies and skills needed for professional green-building roles. This training and initiative spearheaded by Arthaland seeks to educate future architects on the possibility of pursuing professional green-building roles.</p>	
<b>Optional: Principle 16</b>			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>	<p>Compliant</p>	<p>Arthaland works with its general contractors to use sustainable materials and maintain sustainable construction practices by setting the following targets:</p> <p>a. At least 10% of the materials' cost must be sustainable by having recycled content, reused materials, bio-based materials, rapidly renewable materials, Forest</p>	

		<p>Stewardship Council (FSC) certified wood,</p> <p>b. At least 10% of the materials' cost must be sourced within 160 kilometers from the project site, and</p> <p>c. 100% of the liquid applied materials (paints, coatings, adhesives, sealants, etc.) per volume must be within the volatile organic compounds limits of the South Coast Air Quality Management District (SCAQMD), a standard for air quality.</p> <p>2025 Annual Report, Sustainability Report, Materials used by organization  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>Compliant</p>	<p>In Arthaland's Sevina Park at Biñan, Laguna, Courtyard Hall operates as a dormitory where students can reside for convenient access to nearby schools.</p> <p>2025 Annual Report, Sustainability Report, Relationship with community,  <a href="https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf">https://arthaland.com/assets/documents/2025-ALCO-Annual-Report.pdf</a></p> <p>Arthaland also started the "Healthy Hauls" program wherein Arthaland purchases large volumes of produce to provide smallholder farmers predictable income. Arthaland also purchases the safe produce of these</p>	

	<p>farmers which are not taken in by supermarkets due to minor imperfections in order to reduce food waste and to prevent profit losses for the farmers. Purchased produce are then imparted primarily to back-of-house Arthaland employees, building tenants, and selected underprivileged communities.</p> <p>Arthaland also spearheaded the renovation of Don Vicente Rama Memorial Elementary School in Cebu City following damage to the building's structure caused by Typhoon Odette in 2021. The renovated building was turned over in October 2023 and stands as the first EDGE advanced school in the Philippines.</p> <p><a href="https://arthaland.com/news/arthaland-turns-over-first-edge-advanced-school-in-the-philippines">https://arthaland.com/news/arthaland-turns-over-first-edge-advanced-school-in-the-philippines</a></p> <p>Arthaland has introduced its recent initiative on this matter, Project BEAM (Bamboo for Ecological Architecture and Materials), the Philippines first commercial-scale bamboo structure. The first building which will use this kind of bamboo will rise in Sevina Park, advancing the vision of a Life Built for Tomorrow and positioning the country as a leader in bamboo innovation. It represents a shift in how developments can be climate positive, community</p>	
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		<p>uplifting, and future ready. From Central Luzon farms to Visayas craft communities and Mindanao industries, bamboo already supports livelihoods and cultural heritage. Scaling its use in construction can strengthen rural economies and position the country as a leader in the global bamboo value chain.</p> <p><a href="https://arthaland.com/news/bamboo-based-construction-gains-momentum-as-cross-laminated-bamboo-emerges-as-a-viable-alternative-in-the-ph">https://arthaland.com/news/bamboo-based-construction-gains-momentum-as-cross-laminated-bamboo-emerges-as-a-viable-alternative-in-the-ph</a></p>	
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- Nothing follows. -

**SIGNATURE PAGE**

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed in **Taguig City** on the day indicated below.

**ARTHALAND CORPORATION**

By:



**ERNEST K. CUYEGKENG**  
Chairman of the Board



**JAIME C. GONZÁLEZ**  
Vice Chairman and President




**HANS B. SICAT**  
Independent Director



**RIVA KRISTINE V. MAALA**  
Corporate Secretary, Compliance Officer  
and General Counsel

SUBSCRIBED AND SWORN to before me this on this **MAY 26 2026** at **Taguig City, Philippines**, affiants exhibiting to me competent evidence of their respective identities as above indicated.

Doc. No. 278  
Page No. 57  
Book No. 28  
Series of **2026**.

  
**GAUDENCIO A. BARBOZA JR.**  
NOTARY PUBLIC  
UNTIL DEC 31, 2026  
PTR # A-6761296 / JAN 5, 2026 TAGUIG CITY  
IBP No 534880 / 12/02/25 RSM (FOR YR 2026)  
ROLL No 41969  
MCLE COMP NO VIII No 0040608  
SEPTEMBER 3, 2025  
APP NO 29 (2025-2026)

**SEC eFast Initial Acceptance**

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**From** noreply-cifssost@sec.gov.ph <noreply-cifssost@sec.gov.ph>

**Date** Fri 2026-05-29 2:36 PM

Dear **ARTHALAND CORPORATION**,

Greetings!

This serves as a temporary receipt of your submission, subject to verification of the form and the quality of the image of the submitted report.

**SEC Registration No:** AS94007160

**Company Name:** ARTHALAND CORPORATION

**Document Code:** I-ACGR

A separate email will be sent as proof of review and/or final acceptance.

Thank you.

SECURITIES AND EXCHANGE COMMISSION  
SEC Headquarters, 7907 Makati Avenue,  
Salcedo Village, Barangay Bel-Air, Makati City,  
1209, Metro Manila, Philippines

**REMINDER:**

TO ALL FILERS OF REPORTS IN THE e-FAST

Please strictly follow the instructions stated in the form. Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer: 1. General Information Sheet (GIS-Stock); 2. General Information Sheet (GIS-Non-stock); 3. General Information Sheet (GIS- Foreign stock & non-stock); 4. Broker Dealer Financial Statements (BDFS); 5. Financing Company Financial Statements (FCFS); 6. Investment Houses Financial Statements (IHFS); 7. Publicly – Held Company Financial Statement; 8. General Form for Financial Statements; 9. Financing Companies Interim Financial Statements (FCIF;) 10. Lending Companies Interim Financial Statements (LCIF).

Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFAST, if the filed report is compliant with the existing requirements. A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the report's rejection in the remarks box.

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**Re: [EXTERNAL] Arthaland Disclosure | Integrated Annual Corporate Governance Report (I-ACGR) for the year 2025.**

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**From** PDEX Disclosure <[pdex.disclosure@pds.com.ph](mailto:pdex.disclosure@pds.com.ph)>

**Date** Fri 2026-05-29 3:27 PM

Ladies and Gentlemen:

We acknowledge receipt of the disclosure and the attached document.

Thank you and regards,

**Rodolfo "Rod" S. Cristobal III**  
Compliance & Disclosure Associate  
Market Regulatory Services Group

**Philippine Dealing & Exchange Corp.**  
29th Floor BDO Equitable Tower • 8751 Paseo de Roxas, Makati City, 1226 Philippines

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