

COVER SHEET

A S O 9 4 0 0 1 4 2 0
SEC Registration Number

F I R S T A B A C U S F I N A N C I A L
H O L D I N G S C O R P O R A T I O N
(Company's Full Name)

2 9 0 4 - A E A S T T O W E R P S E C E N T E R
E X C H A N G E R O A D O R T I G A S
P A S I G C I T Y
(Business Address: No. Street City / Town / Province)

ANNA FRANCESCA C. RESPICIO

632-0905
Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

First Thursday 0 9
Month Day
Annual Meeting

S E C F O R M I - A C G R
I N T E G R A T E D A N N U A L C O R P O R A T E
G O V E R N A N C E R E P O R T

Secondary License Type, if applicable

Department Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings
Domestic Foreign

To be Accomplished by SEC Personnel Concerned

File Number

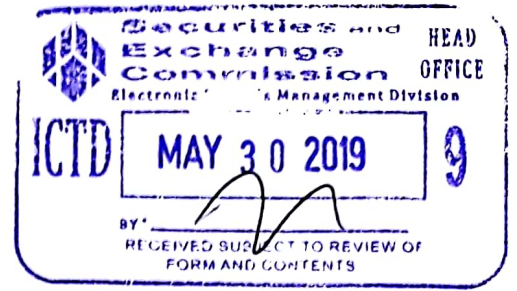
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Remarks = pls. use black ink for scanning purposes



SEC FORM – I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 31 December 2018
2. SEC Identification Number ASO94-001420
3. BIR Tax Identification No. 043-003-507-219
4. Exact name of issuer as specified in its charter

FIRST ABACUS FINANCIAL HOLDINGS CORPORATION

5. Pasig City, Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Unit 2904-A East Tower, PSE Centre, Exchange Road
Ortigas Center, Pasig City
Address of principal office
8. (632) 634-5104 / (632) 625-7986 to 87
Issuer's telephone number, including area code
9. Not applicable
Former name, former address, and former fiscal year, if changed since last report.

1605
Postal Code

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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The Board's Governance Responsibilities

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

Recommendation 1.1

1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the following:</p> <p>1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors</p> <p><i>Please refer to pages 7-9 of the Company's Information Statement and pages 20-22 of 2018 Annual Report:</i> http://firstabacusfinancial.com.ph/?page_id=143</p> <p>2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</p> <p><i>Please refer to the Section 11 of Company's Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	COMPLIANT		

Recommendation 1.2

1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>Identify or provide link/reference to a document identifying the directors and the type of their directorships.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%;">Name</th> <th style="width: 30%;">Position</th> <th style="width: 35%;">Type of Director</th> </tr> </thead> <tbody> <tr> <td>Paulino S. Soo</td> <td>Chairman and CEO</td> <td>ED</td> </tr> <tr> <td>Jack T. Huang</td> <td>President</td> <td>ED</td> </tr> <tr> <td>Jimmy S. Soo</td> <td>Director</td> <td>NED</td> </tr> <tr> <td>Vicente Co Chien, Jr.</td> <td>Treasurer</td> <td>ED</td> </tr> <tr> <td>Ma. Christina B. Encarnacion</td> <td>Director</td> <td>NED</td> </tr> <tr> <td>Ma. Therese G. Santos</td> <td>Independent Director</td> <td>NED</td> </tr> <tr> <td>Jimmy Chua Alabanza</td> <td>Independent Director</td> <td>NED</td> </tr> </tbody> </table>	Name	Position	Type of Director	Paulino S. Soo	Chairman and CEO	ED	Jack T. Huang	President	ED	Jimmy S. Soo	Director	NED	Vicente Co Chien, Jr.	Treasurer	ED	Ma. Christina B. Encarnacion	Director	NED	Ma. Therese G. Santos	Independent Director	NED	Jimmy Chua Alabanza	Independent Director	NED	
Name	Position	Type of Director																									
Paulino S. Soo	Chairman and CEO	ED																									
Jack T. Huang	President	ED																									
Jimmy S. Soo	Director	NED																									
Vicente Co Chien, Jr.	Treasurer	ED																									
Ma. Christina B. Encarnacion	Director	NED																									
Ma. Therese G. Santos	Independent Director	NED																									
Jimmy Chua Alabanza	Independent Director	NED																									

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		<i>Out of seven (7) directors, four (4) directors are considered non-executive directors, including two (2) independent directors.</i>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</p> <p><i>Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	
2. Company has an orientation program for first time directors.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</p> <p><i>New directors are given an orientation on the business of the Company. They are also given access to the Directors and Officers of the Company to address any questions and clarifications that the new director may have.</i></p>	
3. Company has relevant annual continuing training for all directors.	NON-COMPLIANT		The Company has not conducted any special in-house training for directors and senior management. They are reminded by the compliance officer to undergo workshops or seminars on corporate governance to ensure that they meet the regulatory requirements of the SEC and PSE. Fees for such are shouldered by the Company.
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the company's board diversity policy.</p> <p><i>Please refer to Part II, Section B.1 of the Company's Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Indicate gender composition of the board.</p> <p><i>As of 31 December 2018, the Board is composed of two (2) females and five (5) male directors.</i></p>	
Optional Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		<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>	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</p> <p><i>The company's corporate secretary is Atty. Anna Francesca C. Respicio, a Senior Associate in Tan Venturanza Valdez law office. She has extensive experience in corporate housekeeping having handled local and multinational firms including those listed in the Philippine Stock Exchange. She earned her Juris Doctor degree, as well as his Bachelor of Arts degree in Philosophy, from the Ateneo de Manila University.</i></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT		
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.</p> <p><i>Atty. Respicio attended a 4-hour corporate governance seminar conducted by the Institute of Corporate Directors entitled "Advanced Corporate Governance Training Program." on July, 27 2018.</i></p>	
Optional: Recommendation 1.5			
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.	

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Optional: Recommendation 1.5			
1. Board is assisted by a Compliance Officer.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</p> <p><i>Mr. Melanio C. Dela Cruz is the Company's Compliance Officer. He is Vice President for Finance of the Company.</i></p> <p><i>The duties and responsibilities of the Compliance Officer may be found in Part II A of the Company's Manual on Corporate Governance</i></p> <p>The incumbent Compliance Officer has adequate stature and authority in the Company.</p>	
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.	NON-COMPLIANT	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered.	Mr. dela Cruz was unable to attend a Corporate Governance Seminar in 2018. As the Compliance Officer however, he keeps himself abreast with the new rules and regulations pertaining to compliance with the law. He is scheduled to attend a seminar this year.

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<p>Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.</p>			
<p>Recommendation 2.1</p>			
<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p> <p><i>Please refer to the Secretary's Certificate on the attendance and participation of the Directors in Board Meetings.</i></p>	
<p>Recommendation 2.2</p>			
<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p>	
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	<p>COMPLIANT</p>	<p><i>Please see the following:</i></p> <ol style="list-style-type: none"> 1. Part II B,7 of the Company's Manual on Corporate Governance; and 2. Secretary's Certificate on the attendance and participation of the Directors in Board Meetings. <p>Indicate frequency of review of business objectives and strategy.</p> <p><i>The review of the company's business objectives is done on an annual basis, upon the approval of the Corporation's financial statements.</i></p>	
<p>Supplement to Recommendation 2.2</p>			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>COMPLIANT</p>	<p>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</p> <p><i>Please refer to the Company's website: http://firstabacusfinancial.com.ph/?page_id=189</i></p> <p>Indicate frequency of review of the vision, mission and core values.</p> <p><i>The review of the company's business objectives is done on an annual basis, upon the approval of the Corporation's financial statements.</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to a document containing information on the strategy execution process.</p> <p><i>The Board is guided by its 6-step strategy execution process as follows:</i></p> <ol style="list-style-type: none"> 1. <i>Create a strategic plan which includes the Company's ultimate goal, steps, framework to keep the team involved focused, timetable and scheduling.</i> 2. <i>Engage the Organization by communicating the strategy to Management and Employees.</i> 3. <i>Setting tangible goals for each involved department</i> 4. <i>Tracking and regular reporting of said goals.</i> 5. <i>Manage the performance of the goals (i.e. quality control);</i> 6. <i>Rewarding the team with incentives based on its performance.</i> 	
<p>Recommendation 2.3</p>			
<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications</p> <p><i>Mr. Paulino S. Soo is the Chairman of the Company. He holds a Master in Business Administration degree from the University of Pittsburgh Graduate School of Business and Bachelor of Science degree in Industrial Management Engineering from the De La Salle College. He is the President of Philippine Gaming Management Corporation, Berjaya Pizza Phils. Inc., Perdana Land Philippines Inc., Perdana Hotel Philippines Inc., Cosway Philippines Inc., and Bagan Resources PTE Inc.</i></p> <p><i>Mr. Soo is a Director of Berjaya Auto Philippines Inc, Friendster Philippines Inc., Uniwiz Trade Sales Inc., and MOL Accessportal Inc. He is the Treasurer of Kailash PMN Management Corporation.</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</p> <p><i>The Company's senior officers work closely with the CEO and President, and under the guidance of the Board of Directors, to ensure that they are given ample training and experience in running the Company. This approach exposes the senior officers to the day-to-day demands of the Company.</i></p>	
2. Board adopts a policy on the retirement for directors and key officers.	NON-COMPLIANT		There is an existing retirement policy established by the company for key officers. The Company is studying the proposed policy for the directors' retirement.
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	<p><i>Please refer to Part II C Section 3.2.12 to 3.2.16 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		
Optional: Recommendation 2.5			
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.	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT		

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	new directors, how the shortlisted candidates and how it encourages nominations from shareholders.	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<i>Please refer to Part II C Section 3.2.12 to 3.2.16 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i> Provide proof if minority shareholders have a right to nominate candidates to the board.	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		<i>Please refer to Part II C Section 3.2.12 to 3.2.16 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i> Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director. <i>The process of nomination, election or replacement of directors is assessed annually by the Corporate Governance Committee</i>
Optional: Recommendation to 2.6			
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.	
Recommendation to 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	COMPLIANT	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	<i>The Company adopts a policy of full disclosure with regard to related party transactions. All related party transactions are reported to the Board of Directors.</i>	
3. RPT Policy encompasses all entities within the group taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT	Identify transactions that were approved pursuant to the policy. <i>Significant related party transactions include; Management Fees, Advances to employees, Lease of Properties, Compensation of Key Management,</i>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><i>Transfer and Acquisition of Equipment and Retirement Plan.</i></p> <p>Please refer to the page 26 of the Company's Annual report: http://firstabacusfinancial.com.ph/?page_id=143</p>	
Supplement to Recommendations 2.7			
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.	NON-COMPLIANT	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p>	<p>The Board has not adopted an RPT policy indicating a materiality threshold, however, the Board ensures that the related party transactions are made at terms equivalent to prevailing market rates and at arm's length transaction length basis.</p> <p>http://firstabacusfinancial.com.ph/?page_id=478</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.	NON-COMPLIANT	Provide information on voting system, if any.	
Recommendation to 2.8			
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	<p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <p><i>The Board is guided by the Company's By-Laws and Manual on Corporate Governance in selecting its officers.</i></p> <p>Identity the Management team appointed.</p> <p><i>Paulino S. Soo – Chief Executive Officer Jack T. Huang – President Vicente Co Chien - Treasurer Melanio de la Cruz – VP and Compliance Officer</i></p>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>indicate frequency of assessment of performance.</p> <p>Please refer to Part II B Section 9.2 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
Recommendation to 2.9			
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	<p>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</p> <p>Please refer to Part II B Section 9.2 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management	COMPLIANT	<p>Please refer to Part II B Section 9.2 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<p>Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system</p> <p>Please refer to Part II B Section 9.14 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT	<p>Provide reference or link to the company's Internal Audit Charter</p> <p>Please refer to Part II CB Section 2.2.8 up to 2.2.29 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	COMPLIANT	<p>Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. The risk management framework guides the board in identifying units / business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT	<p>framework.</p> <p>Provide proof of effectiveness of risk management strategies, if any.</p> <p><i>Please refer to Part II C Sections 2.2.30 to 2.2.36 of the Company's Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p> <p><i>Further, please refer to the Company's Risk Management Policy:</i> http://firstabacusfinancial.com.ph/?page_id=139</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	COMPLIANT	<p>Provide link to the company's website where the Board Charter is disclosed.</p>	
2. Board Charter serves as a guide to the directors in the performance of their functions	COMPLIANT	<p><i>The Board Charter of the Corporation is in its Manual on Corporate Governance, specifically Part II B:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT		
Additional Recommendation to Principle 2			
1. Board has clear insider trading policy	COMPLIANT	<p>Provide information on or link/reference to a document showing company's insider trading policy.</p> <p><i>Company Policies – Insider Trading</i> http://firstabacusfinancial.com.ph/?page_id=141</p>	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		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.	

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<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p>Recommendation 3.1</p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on all the board committees established by the company.</p> <p><i>Audit Committee –</i> <i>Chairman : Jimmy Chua Alabanza</i> <i>Members : Marie Therese G. Santos</i> <i>Jimmy S. Soo</i></p>	
<p>Recommendation 3.2</p>			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</p> <p><i>Please refer to the Company's Manual on Corporate Governance, particularly Part II C.</i> http://firstabacusfinancial.com.ph/?page_id=126</p> <p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> <p><i>Please refer to Part II H of the Corporate Governance Manual of the Company:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</p> <p><i>Audit and Risk Oversight Committee –</i> <i>Chairman : Jimmy Chua Alabanza (ID)</i> <i>Members : Marie Therese G. Santos (ID)</i> <i>Jimmy S. Soo (NED)</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee. <i>Please refer to pages 7-10 of the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	Provide information or link/reference to a document containing information on the Chairman of the Audit Committee <i>Audit and Risk Oversight Committee – Chairman : Jimmy Chua Alabanza (ID) Members : Marie Therese G. Santos (ID) Jimmy S. Soo (NED)</i> <i>Please refer to pages 7-10 of the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor. <i>There were no non-audit services that were conducted by the Company's external auditor.</i>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	NON-COMPLIANT	Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.	The attendance of Management in Audit Committee Meetings are imperative so that the Audit Committee are given ready answers to any transactions it discusses therein.
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.		Indicate the number of Audit Committee meetings during the year and provide proof.	
2. Audit Committee approves the appointment and removal of the internal auditor.		Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 3.3			
<p>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.</p>	COMPLIANT	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions.</p> <p><i>Please refer to the Company's Manual on Corporate Governance, particularly Part II C: http://firstabacusfinancial.com.ph/?page_id=126</i></p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</p> <p><i>The Corporate Governance Committee was only instituted in September 2017, following the Annual Stockholders' Meeting (ASM). The Nomination Committee passed upon the qualifications of the directors to be elected in the said ASM held in September 2017.</i></p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	NON-COMPLIANT	<p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p> <p><i>Corporate Governance Committee – Chairman : Paulino S. Soo (ED) Members : Marie Therese G. Santos (ID) Jimmy Chua Alabanza (ID)</i></p> <p><i>Please refer to the profile of the directors in the Corporation's Annual Report: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	<p>Given the limited number of independent directors, the Committee can be composed of 2 independent directors. The Company, however, is fully compliant with the provisions of the Securities Regulations Code requiring a minimum of 2 independent directors.</p>
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	NON-COMPLIANT	<p>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</p>	<p>The Chairman of the Corporate Governance Committee is Mr. Paulino S. Soo, an ED. The Board of Directors appointed Mr. Soo as the Chairman of the Committee as he is the most knowledgeable of the of the members with regard to the laws and regulations that the Corporation must comply with.</p>

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			The Committee, however, remains independent as majority of the members are independent directors.
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.		Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	NON-COMPLIANT	<p>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</p> <p><i>Please refer to the Company's Manual on Corporate Governance, particularly Part II C. http://firstabacusfinancial.com.ph/?page_id=126</i></p> <p><i>Further, Please refer to Part II H of the Corporate Governance Manual of the Company: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	The Board constituted a joint Audit and Risk Management Committee. Given the size of the company and the limited number of independent directors, the Board constituted the Audit and Risk Oversight Committee, as recommended by the Code on Corporate Governance.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</p> <p><i>Audit and Risk Oversight Committee – Chairman : Jimmy Chua Alabanza (ID) Members : Marie Therese G. Santos (ID) Jimmy S. Soo (NED)</i></p> <p><i>Please refer to the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the Chairman of the BROC</p> <p><i>Please refer to the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management	COMPLIANT	<p>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT				
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION	
		<i>Please refer to the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i>		
Recommendation 3.5				
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	Currently, the functions of the Related Party Transactions (RPT) Committee are exercised by the Audit and Risk Oversight Committee. The Board will constitute a separate Related Party Transaction Committee upon its determination of need thereof based on complexities and volume of related party transactions.	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	NON-COMPLIANT	Provide information or link/reference		
Recommendation 3.6				
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes		
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT		<i>Please refer to the Committee Charters: http://firstabacusfinancial.com.ph/?page_id=135</i>	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT			

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.</p>			
<p>Recommendation 4.1</p>			
<p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p><i>The process on attending meetings via tele/video conferencing is in accordance to the rules of the Securities and Exchange Commission.</i></p> <p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p> <p><i>In 2018, the Board convened three (3) times:</i></p> <ol style="list-style-type: none"> 1. July 10, 2018: Only Dir. Encarnacion was absent 2. September 17, 2018: All present. 3. September 27, 2018 (OBD): All present. 	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>COMPLIANT</p>	<p>Board and Committee materials are sent to the members of the Board prior the meetings.</p>	
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors.</p> <p>During Board and Board Committee meetings, the Directors actively participate in discussions which include asking appropriate questions, seeking clarifications when needed.</p>	
<p>Recommendation 4.2</p>			
<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>COMPLIANT</p>	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p><i>The non-executive directors of the Board may concurrently serve as directors of a maximum of five (5) publicly listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><i>term strategy of the Company</i></p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies.</p> <p><i>Please refer to the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
Recommendation 4.3			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	COMPLIANT	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p><i>The directors did not accept new directorships in other companies in 2018.</i></p>	
Optional: Principle 4			
<p>1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p>			
<p>2. Company schedules board of directors' meetings before the start of the financial year.</p>			
<p>3. Board of directors meet at least six times during the year.</p>		<p>Indicate the number of board meetings during the year and provide proof.</p>	
<p>4. Company requires as minimum quorum of at least 2/3 for board decisions.</p>		<p>Indicate the required minimum quorum for board decisions.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	NON-COMPLIANT	<p>Provide information or link/reference to a document containing information on the number of independent directors in the board</p> <p>The independent directors of the Company are:</p> <ol style="list-style-type: none"> 1. Jimmy Chua Alabanza, and 2. Marie Therese G. Santos <p>Please refer to the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</p>	<p>The Company still comply the minimum requirement of SRC Rule 38.7.1 with regard to number of independent directors, "...issuers of registered securities and public companies are required to have at least two (2) independent directors or at least twenty percent (20%) of its board size, whichever is the lesser. "</p> <p>Even if there were two (2) independent directors, they can still deliver perspectives on issues that needs an independent views and decisions.</p>
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</p> <p>Please refer to pages 7-10 of the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	COMPLIANT	<p>Provide link/reference to a document containing information that directors are not constrained to vote independently.</p> <p>There are no shareholders' agreements, voting trust agreements, confidentiality agreements and other such agreements that mat impact on the control, ownership, and strategic directors of the Corporation registered by any shareholder with the Corporate Secretary.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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Recommendation 5.3

<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	COMPLIANT	<p>Provide information or link/reference to a document showing the years IDs have served as such.</p> <table border="1" data-bbox="982 321 1598 472"> <thead> <tr> <th align="center">NAME</th> <th align="center">DATE OF FIRST ELECTION</th> <th align="center">NUMBER OF YEARS SERVED</th> </tr> </thead> <tbody> <tr> <td align="center">Marie Therese G. Santos</td> <td align="center">2006</td> <td align="center">13</td> </tr> <tr> <td align="center">Jimmy Chua Alabanza</td> <td align="center">2008</td> <td align="center">11</td> </tr> </tbody> </table>	NAME	DATE OF FIRST ELECTION	NUMBER OF YEARS SERVED	Marie Therese G. Santos	2006	13	Jimmy Chua Alabanza	2008	11	
NAME	DATE OF FIRST ELECTION	NUMBER OF YEARS SERVED										
Marie Therese G. Santos	2006	13										
Jimmy Chua Alabanza	2008	11										
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	COMPLIANT	<p>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director.</p> <p><i>Please refer to Part II B 42 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p>										
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	COMPLIANT	<p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p> <p><i>This is not yet applicable in 2019. Ms. M. T. G. Santos and Mr. J. C. Alanbanza shall be barred from re-election as ID in 2021.</i></p>										

Recommendation 5.4

<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	NON-COMPLIANT	<p>Identify the company's Chairman of the Board and Chief Executive Officer</p> <p><i>The Chairman and CEO is Mr. Paulino S. Soo.</i></p>	<p>The CEO, as the manager of the corporation, has a superior knowledge of the operations of the business. This unified leadership structure creates efficiency by allowing the unified executive to operate in both capacities at once.</p>
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	COMPLIANT	<p>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</p> <p><i>Please refer to the Corporation's Manual on Corporate Governance, particularly Part II E.: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	NON-COMPLIANT	<p>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</p> <p><i>Please refer to the Corporation's Manual on Corporate Governance, particularly Part II F: http://firstabacusfinancial.com.ph/?page_id=126</i></p> <p>Indicate if Chairman is independent.</p> <p><i>The Chairman is not an independent director.</i></p>	The Corporation has only two (2) independent directors. The Board did not deem it necessary to appoint a Lead Independent Director (LID) among the two. Despite the absence of the LID the Board maintains its objectivity since majority of the Board is composed of Non-Executive Directors.
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	<p>Provide proof of abstention, if this was the case</p> <p><i>In 2018, there were no transactions discussed in Board meetings involving any of the disclosed material interests of the Directors, which would give rise to a conflict of interest. As such, no abstentions were made in the deliberations and approval of transactions discussed in the said Board meetings.</i></p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	NON-COMPLIANT	<p>Provide proof and details of said meeting, if any.</p> <p>Provide information on the frequency and attendees of meetings.</p>	<p>There was no meeting held by the NEDs with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.</p> <p>Given the size of operations of the Company, the NEDs did not deem it necessary to meet separately. NEDs shall meet as necessary.</p>
2. The meetings are chaired by the lead independent director.	NON-COMPLIANT		Please see explanation for recommendation 5.5.1
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.		Provide name/s of company CEO for the past 2 years	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>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.</p>			
<p>Recommendation 6.1</p>			
1. Board conducts an annual self-assessment of its performance as a whole.	NON-COMPLIANT	<p>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</p> <p>Please refer to Part VI of the Corporation's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	<p>The Board and Committees were unable to conduct its annual self-assessment in 2018. The Board and Committees will endeavor to conduct the assessment annually.</p>
2. The Chairman conducts a self-assessment of his performance.	NON-COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	NON-COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	NON-COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT		
<p>Recommendation 6.2</p>			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders</p> <p><i>The criteria used is based on the Corporation's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p> <p>The Company's contact details are located conspicuously in the website. Shareholders are encouraged to provide feedback through contacting the Company. Mr. Melanio de la Cruz, the compliance officer, is in-charge of investor relations.</p>	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT		

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	COMPLIANT	<p>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</p> <p><i>Please refer to Company's Code of conduct: http://firstabacusfinancial.com.ph/?page_id=469</i></p>	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</p> <p><i>The Company's Code of Conduct is distributed to all employees upon hiring. Upon the approval of amendments to the Code, the Human Resources Department organizes a meeting for managers and supervisors to inform them of such amendments so that the same may be disseminated to their constituents.</i></p>	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	<p>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</p> <p><i>Please refer to Company's Code of conduct: http://firstabacusfinancial.com.ph/?page_id=469</i></p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</p> <p><i>Acceptance of gifts and other favors from customers, suppliers, and other third parties, which might compromise one's ability to make objective decisions or which might affect the performance of one's duty, is strictly prohibited.</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT	<p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p> <p><i>The Code of Conduct applies to all employees of the Company. Please refer to the Scope of the Code of Conduct:</i> http://firstabacusfinancial.com.ph/?page_id=469</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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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

<p>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.</p>	COMPLIANT	<p>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</p> <p>Please refer to the Company's website: http://firstabacusfinancial.com.ph/?page_id=143</p>	
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Supplement to Recommendations 8.1

<p>2. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	NON-COMPLIANT	<p>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Report</th> <th style="text-align: center;">No. of Days</th> </tr> </thead> <tbody> <tr> <td>2017 Annual Report</td> <td style="text-align: center;">120</td> </tr> <tr> <td>2018 1st Quarter Report</td> <td style="text-align: center;">45</td> </tr> <tr> <td>2018 2nd Quarter Report</td> <td style="text-align: center;">45</td> </tr> <tr> <td>2018 3rd Quarter Report</td> <td style="text-align: center;">45</td> </tr> </tbody> </table>	Report	No. of Days	2017 Annual Report	120	2018 1st Quarter Report	45	2018 2nd Quarter Report	45	2018 3rd Quarter Report	45	<p>While the Company was unable to submit its 2018 Annual report within the recommended period, the Company was compliant with the periods set in the Securities Regulation Code and its Implementing Rules and Regulations.</p>
Report	No. of Days												
2017 Annual Report	120												
2018 1st Quarter Report	45												
2018 2nd Quarter Report	45												
2018 3rd Quarter Report	45												
<p>3. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	COMPLIANT	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. <p>Please refer to the page 26 of the Company's Annual Report: http://firstabacusfinancial.com.ph/?page_id=143</p>											

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	<p><i>Part III D of the Company's Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p> <p><i>No dealings were made by the directors and officers of the Corporation's shares in 2018</i></p>	
Supplement to Recommendations 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	<p>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</p> <p><i>Please refer to the Top 100 shareholders of the Company as of 31 December 2018:</i> http://firstabacusfinancial.com.ph/?page_id=149</p> <p>Provide link or reference to the company's Conglomerate Map.</p> <p><i>The Conglomerate Map of the company may be accessed at:</i> http://firstabacusfinancial.com.ph/?page_id=431</p>	
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	<p>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p><i>Please refer to the Directors' Profile here: Please refer to of the Company's Information Statement:</i> http://firstabacusfinancial.com.ph/?page_id=143</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p><i>Please refer to the Directors' Profile here: Please refer to of the Company's Information Statement: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
<p>Recommendation 8.4</p>			
<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>Disclose or provide link/reference to the company policy and practice for setting board remuneration</p> <p><i>The Corporate Governance Committee is tasked to establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates.</i></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><i>The Corporate Governance Committee is tasked to establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates.</i></p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>COMPLIANT</p>	<p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p>	<p>The Company ensures that it provides appropriate and fair wages for its employees in an effort to retain, motivate and provide maximum benefit for them. Wages and other forms of compensation are determined based on a large number of factors, which may not be immediately apparent to every employee (e.g. performance reviews, years of experience, years worked at the Company etc.). It is the policy of the Company to establish the importance of discretion and confidentiality in terms of salary information. For the purposes of transparency, however, the Company, has disclosed the aggregate amount of remuneration of its top Management.</p>

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	COMPLIANT	<p>Disclose or provide reference/link to company's RPT policies</p> <p><i>Please refer to the Company's RPT Policy: http://firstabacusfinancial.com.ph/?page_id=478</i></p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <p><i>In 2018, there were no transactions discussed in Board meetings involving any of the disclosed material interests of the Directors which would give rise to a conflict of interest. As such, no abstentions were made in the deliberations and approval of transactions discussed in the said Board meetings.</i></p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	COMPLIANT	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. other terms and conditions <p><i>Please refer to Item 12, of the Company's 2018 Annual Report: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
Supplemental to Recommendation 8.5			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	COMPLIANT	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <p><i>In 2018, there were no transactions discussed in Board meetings involving any of the disclosed material interests of the Directors which would give rise to a conflict of interest.</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length		Provide link or reference where this is disclosed, if any.	
Recommendation 8.6			
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	Provide link or reference where this is disclosed <i>Please refer to the Company's disclosures: http://firstabacusfinancial.com.ph/?page_id=143</i>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	Identify independent party appointed to evaluate the fairness of the transaction price. <i>There were no transactions requiring an independent party to evaluate the fairness of the transaction price.</i>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	COMPLIANT	Provide link or reference where these are disclosed. <i>There are no shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company registered with the Corporate Secretary.</i>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	Provide link to the company's website where the Manual on Corporate Governance is posted. <i>Access the Company's Revised Manual on Corporate Governance here: http://firstabacusfinancial.com.ph/?page_id=126</i>	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		
3. Company's MCG is posted on its company website.	COMPLIANT		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	Provide proof of submission. <i>Access the Company's Revised Manual on Corporate Governance stamped, "received" by the SEC here: http://firstabacusfinancial.com.ph/?page_id=126</i>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:			
a. Corporate Objectives		Provide link or reference to the company's Annual Report containing the said information.	
b. Financial performance indicators			
c. Non-financial performance indicators			
d. Dividend Policy			
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year			
g. Total remuneration of each member of the board of directors			
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.		Provide link or reference to where this is contained in the Annual Report.	
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.		Provide link or reference to where this is contained in the Annual Report.	
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.		Provide link or reference to where this is contained in the Annual Report.	
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).		Provide link or reference to where these are contained in the Annual Report.	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.</p> <p><i>Please refer to Part II C 2.2.16 to 2.2.29 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></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>	<p>COMPLIANT</p>	<p>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</p> <p><i>The reappointment of Punongbayan & Araullo was approved by 69.19% of the stockholders in the Annual Stockholders' Meeting held on 27 September 2018.</i></p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</p> <p><i>The external auditor was not removed nor changed in the previous year.</i></p>	
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</p> <p><i>Please refer to Part II D 5 of the Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	
<p>Recommendation 9.2</p>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and 	<p>COMPLIANT</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <p><i>The Audit and Risk Committee Charter of the Company may be accessed at: http://firstabacusfinancial.com.ph/?page_id=474</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.			
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter <i>The Audit and Risk Committee Charter of the Company may be accessed at: http://firstabacusfinancial.com.ph/?page_id=474</i>	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter <i>The Audit and Risk Committee Charter of the Company may be accessed at: http://firstabacusfinancial.com.ph/?page_id=474</i>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter <i>The Audit and Risk Committee Charter of the Company may be accessed at: http://firstabacusfinancial.com.ph/?page_id=474</i>	
Recommendations 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	Disclose the nature of non-audit services performed by the external auditor, if any. <i>There were no non-audit services provided by the external auditor in 2018.</i>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	COMPLIANT	Provide link or reference to guidelines or policies on non-audit services. <i>Please refer to Part II C 2.2.26 to 2.2.29 of the Company's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	Provide information on audit and non-audit fees paid. <i>There were no non-audit services provided by the external auditor in 2018.</i>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Additional Recommendation to Principle 9			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>COMPLIANT</p>	<p>Provide information on company's external auditor, such as:</p> <ol style="list-style-type: none"> 1. Name of the audit engagement partner; Christopher M. Ferarezza 2. Accreditation number; SEC Accreditation Number. 0008-A; Firm# 0002-FR-5 3. Date Accredited; Mr. Ferarezza June 19, 2017 November 17, 2018 (P&A) 4. Expiry date of accreditation; and Mr. Ferarezza June 19, 2020. March 26, 2021 (P&A) 5. Name, address, contact number of the audit firm. <i>Punongbayan & Araullo</i> <i>19th & 20th Floor, Tower 1, Ayala Avenue, 1200</i> <i>Makati City</i> <i>Tel. No. (02) 988-22-88</i> 	
<p>2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).</p>	<p>NON-COMPLIANT</p>	<p>Provide information on the following:</p> <ol style="list-style-type: none"> 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and <p>Members of the engagement team inspected by the SEC.</p>	<p>Punongbayan Araullo has not received notice from the SEC in regards the SOAR Inspection Program.</p>

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	NON-COMPLIANT	Provide link to Sustainability Report, if any. Disclose the standards used.	The Company has not yet approved a policy on the disclosure of non-financial information. The Company, however adheres to the policy of full disclosure which includes all material issues, whether financial or non-financial.
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	NON-COMPLIANT	Provide link to Sustainability Report, if any. Disclose the standards used.	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.</p>			
<p>Recommendation 11.1</p>			
<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	NON-COMPLIANT	<p>Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.).</p> <p>Provide links, if any.</p>	<p>Although the Company did not hold any media/analysts' briefing in 2018, it adheres to its disclosure policy to ensure full and fair disclosure of material information and transactions.</p>
<p>Supplemental to Principle 11</p>			
<p>1. Company has a website disclosing up-to-date information on the following:</p>			
<p>a. Financial statements/reports (latest quarterly)</p>	COMPLIANT	<p>Provide link to company website:</p>	
<p>b. Materials provided in briefings to analysts and media</p>	NON-COMPLIANT	<p>http://firstabacusfinancial.com.ph</p>	<p>Although the Company did not hold any media/analysts' briefing in 2018, it adheres to its disclosure policy to ensure full and fair disclosure of material information and transactions.</p>
<p>c. Downloadable annual report</p>	COMPLIANT		
<p>d. Notice of ASM and/or SSM</p>	COMPLIANT		
<p>e. Minutes of ASM and/or SSM</p>	COMPLIANT		
<p>f. Company's Articles of Incorporation</p>	COMPLIANT		
<p>Additional Recommendation to Principle 11</p>			
<p>1. Company complies with SEC-prescribed website template.</p>	COMPLIANT	<p>Please refer to Company's website. http://firstabacusfinancial.com.ph</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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>	NON-COMPLIANT	<p>List quality service programs for the internal audit functions.</p> <p>Indicate frequency of review of the internal control system.</p>	<p>The Manual on Corporate Governance tasks an Internal Audit Department (IAD) to maintain, monitor, and evaluate the adequacy of its internal control system. As of December 31, 2018 the Company has not constituted an Internal Audit Department given the limited manpower and operations of the Company. Nevertheless, the Board committees exercise its oversight functions to ensure integrity, transparency and proper governance in the conduct of its affairs.</p>
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	COMPLIANT	<p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p><i>The Company's risk management procedures, key risks and the manner by which FAF manages said risks can be found in its Risk Management Policy: http://firstabacusfinancial.com.ph/?page_id=139.</i></p> <p>Indicate frequency of review of the enterprise risk management framework:</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Indicate frequency of review of the enterprise risk management framework.</p> <p><i>The Risk Management System of the Company is reviewed by the Directors annually. Please refer to the Company's Manual on Corporate Governance, particularly Part II C 2.2.30 to 2.2.36: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	
Supplement to Recommendations 12.1			
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.	COMPLIANT	<p>Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</p> <p><i>Please refer to Part II and Part VI of the Corporation's Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	
Optional: Recommendation 12.1			
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.		Provide information on IT governance process.	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	NON-COMPLIANT	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.	Given the size of the Corporation and its small manpower complement, the Board does not deem it necessary to appoint a Chief Audit Executive. The Audit and Risk Management Committee oversees the internal audit functions to ensure the integrity, transparency and proper governance in the conduct of its affairs.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	NON-COMPLIANT	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.	Given the size of the Corporation and limited operations as a holdings company, the Board does
2. CAE oversees and is responsible for the internal audit activity of the organization, including that	NON-COMPLIANT		

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
portion that is outsourced to a third party service provider.			not deem it necessary to appoint a Chief Audit Executive. The Audit and Risk Management Committee oversees the internal audit functions to ensure the integrity, transparency and proper governance in the conduct of its affairs
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	NON-COMPLIANT	Identify qualified independent executive or senior management personnel, if applicable.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	NON-COMPLIANT	Provide information on company's risk management function.	Given the size of the Corporation the Board does not deem it necessary to constitute a separate Risk Oversight Committee. The Risk Management Function is exercised by the Audit and Risk Oversight Committee.
Supplemental to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	Identify source of external technical support, if any. <i>The Company engages legal counsel and external auditor and other consultants for technical support in risk management competence when not internally available.</i>	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	NON-COMPLIANT	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	Given the size of the Corporation the Board did not deem it necessary to appoint a Chief Risk Officer. All officers are tasked to adhere to the Corporation's ERM. The Audit and Risk Management Committee oversees the implementation of the Risk Management System.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	NON-COMPLIANT	Publicly-Listed Companies	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	NON-COMPLIANT	Provide link to CEO and CAE's attestation	Given the size of the Corporation and its small manpower complement, the Board does not deem it necessary to appoint a Chief Audit Executive. The Audit and Risk Committee oversees the internal audit functions to ensure the integrity, transparency and proper governance in the conduct of its affairs.

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	<p>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</p> <p><i>Please refer to Part IV of the Corporation's Manual on Corporate Governance:</i> http://firstabacusfinancial.com.ph/?page_id=126</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	<p>Provide link to company's website:</p> <p>http://firstabacusfinancial.com.ph</p>	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	<p><i>Please refer to the Corporation's Definitive Information Statement,</i> http://firstabacusfinancial.com.ph/?page_id=143</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	<p>Provide information on all classes of shares, including their voting rights if any.</p> <p>The Company has only one class of shares. Every stockholder whose voting privileges have not been suspended pursuant to the Corporation's Articles of Incorporation and By-Laws, shall be entitled to one vote for each share of stock. In the case of election of Directors, stockholders are entitled to cumulative voting.</p>	
3. Board has an effective, secure, and efficient voting system.	COMPLIANT	<p>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</p> <p><i>Please refer to the Corporation's Definitive Information Statement,</i> http://firstabacusfinancial.com.ph/?page_id=143</p>	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	COMPLIANT	<p>Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.</p> <p><i>Every stockholder whose voting privileges have not been suspended pursuant to the Corporation's Articles</i></p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><i>of Incorporation and By-Laws, shall be entitled to one vote for each share of stock. Cumulative Voting for directors allow minority stockholders to seat directors in the Board.</i></p> <p><i>The provision on Cumulative voting is also found in the Corporation's Manual on Corporate Governance page 25</i></p>	
<p>5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.</p>	COMPLIANT	<p>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</p> <p><i>Pursuant to the Corporation's By-Laws, a special shareholders meeting may be called upon the request of the stockholders registered as owners of one-third (1/3) of the total outstanding stock having voting powers.</i></p>	
<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	COMPLIANT	<p>Provide information or link/reference to the policies on treatment of minority shareholders</p> <p>Please refer to Part IV of the Revised Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</p>	
<p>7. Company has a transparent and specific dividend policy.</p>	COMPLIANT	<p>Provide information on or link/reference to the company's dividend Policy.</p> <p><i>Please refer to Part IV E of the Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p> <p>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</p> <p><i>There was no dividend declaration in 2018</i></p>	
<p>Optional: Recommendation 13.1</p>			
<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p>		<p>Identify the independent party that counted/validated the votes at the ASM, if any.</p>	

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	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Recommendation 13.2			
<p>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.</p>	COMPLIANT	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p> <p><i>Notice of Meeting was disclosed to the through the PSE EDGE portal on August 30, 2018 for the meeting scheduled on September 27, 2018 .</i></p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p><i>Shareholders' approval of remuneration or any changes therein were not included in the agenda of the meeting</i></p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS).</p> <p><i>Please refer to the 2018 Information Statement here: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>			
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	COMPLIANT	<p>Provide link or reference to the company's notice of Annual Shareholders' Meeting</p> <p><i>Please refer to the 2018 Information Statement here: http://firstabacusfinancial.com.ph/?page_id=143</i></p>	
<p>b. Auditors seeking appointment/re-appointment</p>	COMPLIANT		
<p>c. Proxy documents</p>	COMPLIANT		
Optional: Recommendation 13.2			
<p>1. Company provides rationale for the agenda items for the annual stockholders meeting</p>		<p>Provide link or reference to the rationale for the agenda items.</p>	
Recommendation 13.3			
<p>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.</p>	COMPLIANT	<p>Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																														
		<p>The Chairman during stockholders' meetings opens the floor to questions. In 2018, however, no stockholder raised questions during the Annual Stockholders' Meeting. Please refer to the Minutes of the 2018 ASM here: http://firstabacusfinancial.com.ph/?page_id=147</p>																															
<p>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.</p>	<p>COMPLIANT</p>	<p>Provide link to minutes of meeting in the company website.</p> <p>http://firstabacusfinancial.com.ph/?page_id=147</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Approval of the Minutes of the Previous Annual Shareholders' Meeting</p> <table border="1"> <tr> <td>Approving</td> <td align="right">884,131,770</td> </tr> <tr> <td>Dissenting</td> <td align="right">0</td> </tr> <tr> <td>Abstain</td> <td align="right">0</td> </tr> </table> <p>Approval of President's Report for the Year Ended 31 December 2016</p> <table border="1"> <tr> <td>Approving</td> <td align="right">884,131,770</td> </tr> <tr> <td>Dissenting</td> <td align="right">0</td> </tr> <tr> <td>Abstain</td> <td align="right">0</td> </tr> </table> <p>Approval of the Audited Financial Statements for the Year ended 31 December 2016</p> <table border="1"> <tr> <td>Approving</td> <td align="right">884,131,770</td> </tr> <tr> <td>Dissenting</td> <td align="right">0</td> </tr> <tr> <td>Abstain</td> <td align="right">0</td> </tr> </table> <p>Ratification of all acts of the Board of Directors and Officers from the date of the last meeting up to the date of the present meeting</p> <table border="1"> <tr> <td>Approving</td> <td align="right">884,131,770</td> </tr> <tr> <td>Dissenting</td> <td align="right">0</td> </tr> <tr> <td>Abstain</td> <td align="right">0</td> </tr> </table> <p>Election of Directors</p> <table border="1"> <tr> <td>Paulino S. Soo</td> <td align="right">884,131,770</td> </tr> <tr> <td>Jack T. Huang</td> <td align="right">884,131,770</td> </tr> <tr> <td>Vicente Co Chien, Jr.</td> <td align="right">884,131,770</td> </tr> </table>	Approving	884,131,770	Dissenting	0	Abstain	0	Approving	884,131,770	Dissenting	0	Abstain	0	Approving	884,131,770	Dissenting	0	Abstain	0	Approving	884,131,770	Dissenting	0	Abstain	0	Paulino S. Soo	884,131,770	Jack T. Huang	884,131,770	Vicente Co Chien, Jr.	884,131,770	
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INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION														
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Supplement to Recommendation 13.3																	
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	COMPLIANT	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p> <p><i>The external auditor, Punongbayan Araullo., was present during the ASM.</i></p>															
Recommendation 13.4																	
<p>1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p>	COMPLIANT	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</p>	<p>The Board has yet to provide details on the Corporation's alternative dispute mechanism. While there were no intra-corporate disputes in 2018, the Board is committed to adopt the alternative dispute mechanism to resolve issues in an amicable and effective manner, to protect and facilitate the exercise shareholders' rights</p>														

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	Provide link/reference to where it is found in the Manual on Corporate Governance <i>Please refer to Part II B 9.20 of the Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person: Melanio dela Cruz; 2. Telephone number: (632) 667-8900 3. Fax number: (632) 634-0435 4. E-mail address: milan.delacruz@abacus-sec.com	
2. IRO is present at every shareholder's meeting.	COMPLIANT	Indicate if the IRO was present during the ASM. <i>Mr. Melanio dela Cruz was present during the ASM.</i>	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	COMPLIANT	Provide information on how anti-takeover measures or similar devices were avoided by the board, if any. <i>The Company respects and follows free market forces, subject to legal rules and regulations. There are no anti-takeover provisions in the By-laws of the corporation nor in the Manual on Corporate Governance</i>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT	Indicate the company's public float. <i>As of December 31, 2018 the public float was at 81.063%</i>	The Company is compliant with the MPO requirement of SEC and PSE.
Optional: Principle 13			
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.	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	<p>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</p> <p>The company's identified stakeholders are:</p> <ol style="list-style-type: none"> 1. Customers: The Company is committed to deliver the best value to its customers through professional management, sound investment advisory, strong research team, real market information, and commitment to technology and training. 2. Suppliers: The Company ensures that any supplier/contractor engaged for services related to stock-brokering and property development have sufficient professional experience the tools to carry out the required service. 3. Creditors: The Company ensures that operations and investments are managed well so as not to impair the Company's ability to repay its creditors. 	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders</p> <p><i>Please see above.</i></p>	
Recommendation 14.3			
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>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</p> <p><i>MELANIO DELA CRUZ;</i></p> <p>Tel. No. (632) 667-8900 Fax No. (632) 634-0435 E-mail: milan.delacruz@abacus-sec.com</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Provide information on whistleblowing policy, practices and procedures for stakeholders.</p> <p><i>Access the whistle-blowing policy of the Corporation here: http://firstabacusfinancial.com.ph/?page_id=141</i></p>	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	<p>Provide information on the alternative dispute resolution system established by the company.</p> <p><i>Please refer to Part II B 9.20 of the Manual on Corporate Governance: http://firstabacusfinancial.com.ph/?page_id=126</i></p>	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	COMPLIANT	<p>Disclose any requests for exemption by the company and the reason for the request.</p> <p><i>There were no exemptions sought by the Company in 2018</i></p>	
2. Company respects intellectual property rights.	COMPLIANT	Provide specific instances, if any.	
Optional: Principle 14			
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.	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.</p>			
<p>Recommendation 15.1</p>			
<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</p> <p>Employee suggestions are solicited regularly by Management and addressed in monthly meetings. Employees are also encouraged to speak freely about problems — and provide ideas about how to solve them.</p>	
<p>Supplement to Recommendation 15.1</p>			
<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p>NON-COMPLIANT</p>	<p>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p>	<p>The Company take into consideration both Company and individual employee performance in determining bonus and incentives</p>
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</p> <p><i>Please refer to the Company's Policy on a Drug Free Work Environment: http://firstabacusfinancial.com.ph/?page_id=141</i></p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</p> <p><i>Please refer to Policy on in-house and company-sponsored trainings: http://firstabacusfinancial.com.ph/?page_id=141</i></p>	
<p>Recommendation 15.2</p>			
<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>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption.</p> <p><i>Compliance with applicable laws, rules and regulations, must never be compromised. Moreover, all directors, officers and employees of the company are prohibited</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><i>from giving anything of value to government officials in exchange for favorable treatment.</i></p> <p><i>the Manual on Corporate Governance, specifically sec. 9.25 provides that the Corporation's Board will set the tone and make a stand against corrupt practices by adopting anti-corruption policies and programs ; it shall be disseminated to the employees across the organization through trainings</i></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>	COMPLIANT	<p>Identify how the board disseminated the policy and program to employees across the organization</p> <p><i>The organization is only composed of a handful of employees. Policies are thus disseminated through a Memorandum to be distributed to all employees.</i></p>	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	COMPLIANT	<p>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices.</p> <p><i>Acceptance of gifts and other favors from customers, suppliers, and other third parties, which might compromise one's ability to make objective decisions or which might affect the performance of one's duty, is strictly prohibited.</i></p>	
Recommendation 15.3			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.</p>	COMPLIANT	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p><i>Please refer to the whistle-blowing policy of the Corporation, Part III g & h,:</i> http://firstabacusfinancial.com.ph/?page_id=141</p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Provide contact details to report any illegal or unethical behavior.</p> <p><i>MELANIO DELA CRUZ;</i> Tel. No. (632) 667-8900 Fax No. (632) 634-0435 E-mail: milan.delacruz@abacus-sec.com</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>The whistle-blower may contact the Compliance Office which specifically handles whistle-blowing concerns</p>	
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>COMPLIANT</p>	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p> <p><i>Access the whistle-blowing policy of the Corporation here: http://firstabacusfinancial.com.ph/?page_id=141</i></p> <p><i>There were no incidents of whistle-blowing in 2018</i></p>	

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			
<p>Recommendation 16.1</p>			
<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</p> <p><i>Please refer to the Corporation's Corporate Social Responsibility Policy: http://firstabacusfinancial.com.ph/?page_id=137</i></p>	
<p>Optional: Principle 16</p>			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>		<p>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>		<p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p>	

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Pasig on _____ day of May 2019.

SIGNATURES

PAULINO S. SOO
Chairman and Chief Executive Officer

JIMMY C. ALABANZA
Independent Director

MARIE THERESE G. SANTOS
Independent Director

ANNA FRANCESCA C. RESPICIO
Corporate Secretary

MELANIO C. DELA CRUZ
Compliance Officer

SUBSCRIBED AND SWORN to before me this MAY 30 day of May 2019 in Pasig City, the following affiants exhibited to me their Community Tax Certificates and competent evidences of their identity.

NAME	TAX IDENTIFICATION NUMBER	COMPETENT EVIDENCE OF IDENTITY
Paulino S. Soo	107-047-406	Passport No. P8984265A issued at DFA NCR East, valid until 08 Aug 2022
Jimmy C. Alabanza	163-751-612	Passport No. E04K18918 issued at DFA NCR East, valid until 30 June 2022
Marie Therese G. Santos	123-299-982	DRIVERS LICENSE N 11-76-001139 EXPIRY 2/15/2024
Anna Francesca C. Respicio	419-191-112	Passport No. P0286442A issued at DFA NCR East, valid until 15 Sept 2021
Melanio C. Dela Cruz	182-285-400	Passport No. P8244782A issued at DFA NCR Northeast, valid until 30 May 2022

Doc. No. 57 ;
Page No. 12 ;
Book No. IV ;
Series of 2019.

File this with the Department of Justice, Office of the Secretary, Manila.
NNT-AC Pasig 2019-219

PATRICIA ANN M. CRUZ
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 182 (2018-2019)
Commission Expires on December 31 2019
2704 East Tower, PSE Centre, Exchange Road
Ortigas Center, 1605 Pasig City
PTR No. 2843813/ 01 11.2019 / Mandaluyong
IBP LRN No. 016251 / 06.17 19 / Manila II
Roll of Attorneys No. 68370
MCLEC No. VI-0009727 / 07.03.18

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

SECRETARY'S CERTIFICATE

ANNA FRANCESCA C. RESPICIO, of legal age, Filipino, with office address at 2704 East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City, being the Corporate Secretary of **FIRST ABACUS FINANCIAL HOLDINGS CORPORATION** (the "Corporation"), a corporation organized and existing under the laws of the Philippines, under oath, does hereby certify that the following members of the Board of Directors of the Corporation were present (✓) / absent (-) during the meetings of the Board of Directors of the Corporation for the year 2018, to wit:

Name of Directors	Date of Meeting		
	Jul 10	Sept 17	Sept 27*
PAULINO S. SOO	✓	✓	✓
JACK E. HUANG	✓	✓	✓
VICENTE CO CHIEN, JR.	✓	✓	✓
MARIA CRISTINA B. ENCARNACION	-	✓	✓
JIMMY S. SOO	✓	✓	✓
JIMMY C. ALABANZA	✓	✓	✓
MARIE THERESE G. SANTOS	✓	✓	✓

*Organizational Meeting


IN ATTESTATION OF THE ABOVE, this Certificate was signed this 29th day of May 2019 in Pasig City.


ANNA FRANCESCA C. RESPICIO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 29th day of May 2019 in Pasig City, affiant exhibiting to me her Community Tax Certificate No. 15405576 issued on 16 January 2019 at Manila, Passport No. P0286448A issued at DFA NCR East which expires on 15 September 2021 and TIN 419-191-112 as her competent evidences of identity.

Doc. No. 100;
Page No. 22;
Book No. 11;
Series of 2019.

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ABKTACR\rogie 292-200


ANN MARGARET R. LORENZO
Notary Public for Cities of Pasig and San Juan
and in the Municipality of Pateros
Appointment No. 157 (2018-2019)
Commission Expires on December 31, 2019
2704 East Tower, PSE Centre, Exchange Road
Ortigas Center, 1606 Pasig City
PTR No. 2705647 / 01.09.2118 / Mandaluyong
IBP No. 020584 / 01.03.2018 / RSM
Roll of Attorneys No. 64875
MCLE No. VI-0005951 / 01.25.2018