

SECURITIES AND EXCHANGE COMMISSION
SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended	Dec 31, 2022
2. SEC Identification Number	35841
3. BIR Tax Identification Number	000-158-664-000
4. Exact name of issuer as specified in its charter	FILSYN CORPORATION
5. Province, country or other jurisdiction of incorporation	MAKATI CITY
6. Industry Classification Code(SEC Use Only)	
7. Address of principal office	UNIT 8, 5B/F PEARLBANK CENTRE, 146 VALERO ST., SALCEDO VILLAGE, MAKATI CITY Postal Code 1227
8. Issuer's telephone number, including area code	8652-5167
9. Former name, former address, and former fiscal year, if changed since last report	N/A

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Filsyn Corporation
FYN

PSE Disclosure Form I-ACGR - Integrated Annual Corporate Governance Report
Reference: SEC Code of Corporate Governance for Publicly-Listed Companies, PSE
Corporate Governance Guidelines, and ASEAN Corporate Governance Scorecard

Description of the Disclosure
2022 INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

Filed on behalf by:	
Name	Apolinario Posio
Designation	Chief Financial Officer



SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines

Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph



The following document has been received:

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Company Information

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Company Type: Stock Corporation

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COVER SHEET

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SEC Registration Number

F I L S Y N C O R P O R A T I O N A N D

S U B S I D I A R I E S

(Company's Full Name)

U N I T 8 5 B P E A R L B A N K C E N T R E

1 4 6 V A L E R O S T M A K A T I C I T Y

(Business Address: No. Street City/Town/Province)

Mr. Apolinario L. Posio

Contact Person

(+632) 8652-5167

Company Telephone Number

SEC FORM I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT
December 31, 2022

1 2

Month

3 1

Day

Fiscal Year

Month

Day

Annual Meeting

Not Applicable

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Not Applicable

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document I.D.

LCU

Cashier

STAMPS

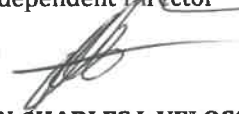
Remarks = please Use Black Ink for scanning purposes

Pursuant to the requirements of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on **SEP 07 2023**

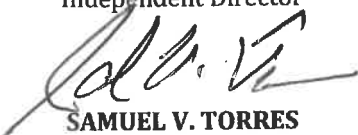
SIGNATURES


FLORENTINO M. HERRERA III
Chairman of the Board and President


RENATO V. DIAZ
Independent Director


ALAIN CHARLES J. VELOSO
Corporate Secretary


CONSOLACION A. SANCHEZ
Independent Director

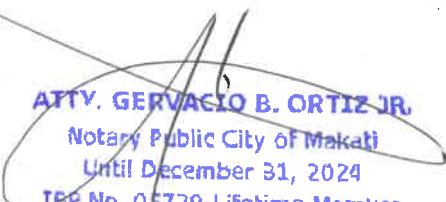

SAMUEL V. TORRES
Independent Director


GIOVANNI C. LAYA
Compliance Officer

MAKATI CITY **SEP 07 2023**
SUBSCRIBED AND SWORN to before me this day, SEP 07 2023, affiants exhibiting to me their identification as follows:

Florentino M. Herrera III	Passport No. P2337037B SENIOR CITIZEN	DFA NCR East / Issued on 26 June 2019
Consolacion A. Sanchez	ID No. 085589	CITY OF MANILA
Renato V. Diaz	Passport No. P2316628B	DFA Manila / Issued on 25 June 2019
Samuel V. Torres	Passport No. P2022842C	DFA Manila / Issued on 12 October 2022
Alain Charles J. Veloso	Passport No. P0173706B	DFA NCR West / Issued on 09 January 2019
Giovanni C. Laya	Passport No. P2854205B	DFA Batangas / Issued on 24 August 2019

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Page No. 13
Book No. 24411
Series of 2023


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2024
IBP No. 05729-Lifetime Member
MCLE Compliance No. VI-0024312
Appointment No. M-39 (2023-2024)
PTR No. 9563522 Jan. 3, 2023
Makati City Roll No. 40091
101 Urban Ave. Campos Nueva Brgy.
Brgy. Plo Del Pilar, Makati City



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Province, Country or other jurisdiction of
incorporation or organization
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Industry Classification Code:
7. Unit 8, 5B Pearlbank Centre, 146 Valero St.
Salcedo Village, Makati City
Address of principal office 1227
Postal Code
8. (+632) 8652-5167
Issuer's telephone number, including area code
9. NOT APPLICABLE
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
COMPLIANT/ NON- COMPLIANT		ADDITIONAL INFORMATION	EXPLANATION
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	Provide information or link/reference to a document containing information on the following:	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
2. Board has an appropriate mix of competence and expertise.	Compliant	1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	Identify or provide link/reference to a document identifying the directors and the type of their directorships	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

2. Company has an orientation program for first time directors.	Non-Compliant	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.	Not applicable. No commercial operations.
3. Company has relevant annual continuing training for all directors.	Non-Compliant		Not applicable. No commercial operations.
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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.	Non-Compliant	Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.	Not applicable. No commercial operations.
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with the SEC on May 19, 2017.

2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	and functions.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with SEC on May 19, 2017.
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with the SEC on May 19, 2017.
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered	Corporate Secretary received a Certificate of Completion on corporate governance training.
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	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022 and the Manual on Corporate Governance filed with the SEC on May 19, 2017.

3. Compliance Officer is not a member of the board.	Compliant		Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	The Compliance Officer will comply with the requirements on training/s on corporate governance.
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Non-Compliant	Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)	Not applicable. No commercial operations.
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Non-Compliant	Indicate frequency of review of business objectives and strategy	Not applicable. No commercial operations.
Supplement to Recommendation 2.2			

1. Board has a clearly defined and updated vision, mission and core values.	Non-Compliant	Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values.	Not applicable. No commercial operations.
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Non-Compliant	Provide information on or link/reference to a document containing information on the strategy execution process.	Not applicable. No commercial operations.
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Non-Compliant	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation	Not applicable. No commercial operations.
2. Board adopts a policy on the retirement for directors and key officers.	Non-Compliant		Not applicable. No commercial operations.
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Provide information on or link/reference to a document containing information on the	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

2. Board adopts a policy specifying the relationship between remuneration and performance.	Non-Compliant	company's remuneration policy and its implementation, including the relationship between remuneration and performance.	Not applicable. No commercial operations.
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Non-Compliant		Not applicable. No commercial operations.
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	Provide proof of board approval	The Compensation Committee approves the remuneration of senior executives.
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	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.	The Compensation Committee adopts 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	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 new directors, how the shortlisted candidates and how it encourages nominations from shareholders. Provide proof if minority shareholders have a right to nominate candidates	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	to the board	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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	Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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 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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Identify transactions that were approved pursuant to the policy.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

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.	Compliant	Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	Provide information on voting system, if any.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

Recommendation 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).	Non-Compliant	Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management. Identity the Management team appointed	Not applicable. No commercial operations.
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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).	Non-Compliant	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance.	Not applicable. No commercial operations.
Recommendation 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.	Non-Compliant	Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.	Not applicable. No commercial operations.
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.	Non-Compliant		Not applicable. No commercial operations.
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Non-Compliant	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	Not applicable. No commercial operations.
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Non-Compliant		Not applicable. No commercial operations.

3. Board approves the Internal Audit Charter.	Non-Compliant	Provide reference or link to the company's Internal Audit Charter	Not applicable. No commercial operations.
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.	Non-Compliant	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 framework.	Not applicable. No commercial operations.
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.	Non-Compliant	Provide proof of effectiveness of risk management strategies, if any.	Not applicable. No commercial operations.
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	Provide link to the company's website where the Board Charter is disclosed.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
3. Board Charter is publicly available and posted on the company's website.	Non-Compliant		The Company will endeavor to post the Board Charter on its website.
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Non-Compliant	Provide information on or link/reference to a document showing company's insider trading policy.	Not applicable. No commercial operations.
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.	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Provide information or link/reference to a document containing information on all the board committees established by the company.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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 Audit Committee will conduct regular meetings and dialogues with the external audit team without anyone from Management present as the need arises.

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.	

Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions	Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	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.	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

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.	
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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.	Compliant	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
3. The Chairman of the BROC 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 BROC	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

Recommendation 3.5

1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

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.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
3. Committee Charters were fully disclosed on the company's website.	Non-Compliant	Provide link to company's website where the Committee Charters are disclosed.	The Company will post the Manual on Corporate Governance filed with the SEC on May 19, 2017 on its website.

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

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.	Compliant	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings. Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		The Company is furnishing copies of the meeting materials to the Directors/Committee Members.
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors	The Minutes of the Meetings of the Company contain information on any questions raised or clarification/explanation sought by the directors.

Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Non-compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.	There is no existing policy.
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant		
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant		
3. Board of directors meet at least six times during the year.	Non-Compliant	Indicate the number of board meetings during the year and provide proof	The Company convenes two (2) meetings during the year. The Board of Directors will comply with this Recommendation as the need arises.

4. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-Compliant	Indicate the required minimum quorum for board decisions	The Company's By-Laws require quorum of at least majority for board decisions.
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.	Compliant	Provide information or link/reference to a document containing information on the number of independent directors in the board	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	Provide information or link/reference to a document containing information on the qualifications of the independent directors.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	Provide link/reference to a document containing information that directors are not constrained to vote independently.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	Provide information or link/reference to a document showing the years IDs have served as such.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Identify the company's Chairman of the Board and Chief Executive Officer	The Chairperson is Ms. Consolacion A. Sanchez while the President is Mr. Jaime M. Sto. Domingo for the period 1 January 2022 to 15 September 2022. The Chairman and President, Atty. Florentino M. Herrera III, was elected during the Organizational Board Meeting held on 15 September 2022. The Company has no Chief Executive Officer.
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	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. Identify the relationship of Chairman and CEO.	Please refer to the Manual on Corporate Governance filed with the SEC on May, 19, 2017. The Company has no Chief Executive Officer.

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	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairman is independent.	The Chairperson, Ms. Consolacion A. Sanchez, for the period 1 January 2022 to 15 September 2022 is an independent director. The Chairman, Atty. Florentino M. Herrera III, who was elected during the Organizational Board Meeting held on 15 September 2022 is not an independent director. The Company will designate a lead director among the independent 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	Provide proof of abstention, if this was the case	Minutes of the Meeting will reflect any abstention of the director, if any.
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	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	Not applicable. No commercial operations.
2. The meetings are chaired by the lead independent director.	Non-Compliant		The Chairperson, Ms. Consolacion A. Sanchez, for the period 1 January 2022 to 15 September 2022 is an independent director. The Chairman, Atty. Florentino M. Herrera III, who was elected during the Organizational Board Meeting held on 15 September 2022 is not an independent director. The Company will designate a

			lead director among the independent directors.
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Compliant	Provide name/s of company CEO for the past 2 years	The Company has no CEO in the past 2 years.
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Non-Compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Company shall endeavor to adopt Recommendation 6.1 as far as practicable.
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	Identify the external facilitator and provide proof of use of an external facilitator.	The Company shall endeavor to adopt this Recommendation as far as practicable.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

2. The system allows for a feedback mechanism from the shareholders.	Compliant	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.	
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.	Non-Compliant	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	Not applicable. No commercial operations.
2. The Code is properly disseminated to the Board, senior management and employees.	Non-Compliant	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.	Not applicable. No commercial operations.
3. The Code is disclosed and made available to the public through the company website.	Non-Compliant	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.	Not applicable. No commercial operations.
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.	Non-Compliant	Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery	Not applicable. No commercial operations.
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Non-Compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	Not applicable. No commercial operations.

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Non-Compliant	Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.	Not applicable. No commercial operations.
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Disclosure and Transparency

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

Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders	Please refer to the Manual on Corporate Governance filed with the SEC on May, 19, 2017. The Company, likewise, adopts the disclosure rules of the SEC and the PSE.
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Supplement to Recommendations 8.1

1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	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.	The Company endeavors that its reports are disclosed with the PSE within the prescribed period.
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2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	Provide link or reference to the company's annual report where the following are disclosed: 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.	Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
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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.	Please refer to the Manual on Corporate Governance filed with the SEC on May, 19, 2017.
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.	Non-Compliant	Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.	Not applicable. No commercial operations.

Supplement to Recommendation 8.2

1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map.	Please see the Company's List of Top 100 Shareholders and the Public Ownership Reports as disclosed with the PSE.
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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	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.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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.	Compliant	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.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for setting board remuneration	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

Recommendation 8.5

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Disclose or provide reference/link to company's RPT policies Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.	Please refer to the Manual on Corporate Governance filed with the SEC on May, 19, 2017.
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs: 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	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Indicate where and when directors disclose their interests in transactions or any other conflict of interests.	Please refer to the Manual on Corporate Governance filed with the SEC on May, 19, 2017.
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.	Compliant	Provide link or reference where this is disclosed, if any	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Non-Compliant	Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.	Not applicable. No commercial operations.
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.	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.

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.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Company's MCG is submitted to the SEC and PSE.	Compliant		Please refer to the Manual on Corporate Governance filed with SEC on May 19, 2017.
3. Company's MCG is posted on its company website.	Non-Compliant		The Company will endeavor to post the Manual on Corporate Governance on its website, www.filsyncorp.com , as soon as practicable.
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.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	Compliant	Provide link or reference to the company's Annual Report containing the said information.	Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
a. Corporate Objectives	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
b. Financial performance indicators	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
c. Non-financial performance indicators	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
d. Dividend Policy	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.

e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
f. Attendance details of each director in all directors meetings held during the year	Non-Compliant		The Company will endeavor to include the attendance details of each director in all directors meetings held during the year.
g. Total remuneration of each member of the board of directors	Compliant		Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	Provide link or reference to where this is contained in the Annual Report	Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
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.	Non-Compliant	Provide link or reference to where this is contained in the Annual Report	The Company will endeavor to disclose in its Annual Report that the Board of Directors conducted a review of the Company's material controls (including operational and compliance controls) and risk management systems.
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.	Non-Compliant	Provide link or reference to where this is contained in the Annual Report	The Company will endeavor to include in its Annual Report a statement from the Board of Directors or Audit Committee commenting on the adequacy of the Company's internal controls/risk management systems.

5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Provide link or reference to where these are contained in the Annual Report	Please refer to the 2022 Annual Report submitted to the SEC and the PSE.
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	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.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017. Please also refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	Sycip Gorres Velayo & Co. was re-appointed by the stockholders as the Company's external auditor during the Annual Stockholders' Meeting held on 15 September 2022.
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	There was no removal or change of external auditor in 2022.
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

Recommendation 9.2

1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Compliant	Provide link/reference to the company's Audit Committee Charter	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Provide link/reference to the company's Audit Committee Charter	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	Disclose the nature of non-audit services performed by the external auditor, if any.	The external auditor does not perform non-audit services.
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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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.	In 2022, the Company's external auditor, Sycip Gorres Velayo and Co., was paid its audit fee amounting to Php1,515,000.00. The Company's external auditor has not rendered any other services to the Company and no other fees were paid to the Company's external auditor for other services.
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm.	Name of Audit Partner – Editha V. Estacio Accreditation No. – 91269-SEC (Group A) Date Accredited – 2021 Expiry Date – 2025 Name of the audit firm - sSycip Gorres Velayo & Co.

			Address of the audit firm - 6760 Ayala Avenue, Makati City 1260 Philippines Telephone Number of the audit firm - (+632) 8910307
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).	Non-Compliant	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC.	SGV & Co. have not yet received a notice from SEC that indicates which specific audit engagements are selected and covered under SOAR Inspections Program.
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	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	Not applicable. No commercial operations.
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Provide link to Sustainability Report, if any. Disclose the standards used.	Please refer to the 2022 Annual Report submitted to the PSE.

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Non-Compliant	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.). Provide links, if any.	The Company maintains a website, www.filsyncorp.com The Company will endeavor to update the information on its website.
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Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:	Non-Compliant	Provide link to company website	The Company's website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
a. Financial statements/reports (latest quarterly)	Non-Compliant		The Company's website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
b. Materials provided in briefings to analysts and media	Non-Compliant		The Company's website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
c. Downloadable annual report	Non-Compliant		The Company's website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
d. Notice of ASM and/or SSM	Non-Compliant		The Company's Website is at: www.filsyncorp.com The Company will endeavor to update

			the information on its website.
e. Minutes of ASM and/or SSM	Non-Compliant		The Company's Website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
f. Company's Articles of Incorporation and By-Laws	Non-Compliant		The Company's Website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Non-Compliant		The Company's Website is at: www.filsyncorp.com The Company will endeavor to update the information on its website.
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Non-Compliant	List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system	Not applicable. No commercial operations.

2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Non-Compliant	Identify international framework used for Enterprise Risk Management Provide information or reference to a document containing information on: 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks Indicate frequency of review of the enterprise risk management framework.	Not applicable. No commercial operations.
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.	Non-Compliant	Provide information on or link/reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review.	Not applicable. No commercial operations.
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.	Non-Compliant	Provide information on IT governance process	Not applicable. No commercial operations.

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.	Not applicable. No commercial operations.
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.	Not applicable. No commercial operations.
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Non-Compliant		Not applicable. No commercial operations.
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.	Not applicable. No commercial operations.
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.	Not applicable. No commercial operations.

Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Non-Compliant	Identify source of external technical support, if any.	Not applicable. No commercial operations.
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.	Not applicable. No commercial operations.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		Mr. Apolinario L. Posio is the Company's Chief Risk Officer. Please also refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	The Company has no CEO and CAE.
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	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Non-Compliant	Provide link to company's website	The Company's Website is at: www.filsyncorp.com

			The Company will endeavor to update the information on its website.
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant		Please refer to the Company's Articles of Incorporation and By-Laws.
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	Provide information on all classes of shares, including their voting rights if any.	Please refer to the Company's Articles of Incorporation and By-Laws.
3. Board has an effective, secure, and efficient voting system.	Compliant	Provide link to voting procedure. Indicate if voting is by poll or show of hands.	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017 and the Please also refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
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	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	Please refer to the Company's Articles of Incorporation and By-Laws.
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Provide information or link/reference to the policies on treatment of minority shareholders	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

7. Company has a transparent and specific dividend policy.	Non-Compliant	Provide information on or link/reference to the company's dividend Policy. 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	The Company has no existing dividend policy.
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Non-Compliant	Identify the independent party that counted/validated the votes at the ASM, if any.	The Company's Stock Transfer Agent, BDO Unibank, Inc. - Trust and Investments Group, validated the votes at the Annual Stockholders' Meeting.
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Non-Compliant	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting. Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)	The Company sends out the Notice and Agenda of the Annual Stockholders' meeting at least 20 days before the meeting.

Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Provide link or reference to the company's notice of Annual Shareholders' Meeting	Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Non-Compliant		The Company will endeavor to include the profiles of directors in the Notice of the Annual Stockholders' Meeting.
b. Auditors seeking appointment/re-appointment	Compliant		Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
c. Proxy documents	Compliant		Please refer to the Definitive Information Statement filed with the SEC and the PSE on August 25, 2022.
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Non-Compliant	Provide link or reference to the rationale for the agenda items	The Company will endeavor to include the rationale for the agenda items for the Annual Stockholders' Meeting in the Notice of the Annual Stockholders' Meeting.
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	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.	Please refer to the Results of the Annual Stockholders' Meeting as disclosed with the PSE.

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.	Non-Compliant	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any	The Company will endeavor to post the Minutes of the Stockholders' Meetings on its website.
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting	The Company's external auditor, Sycip Gorres Velayo & Co., is always present in the meeting.
Recommendation 13.4			
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.	Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.
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	Please refer to the Manual on Corporate Governance filed with the SEC on May 19, 2017.

Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Non-Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address	Not applicable. No commercial operations.
2. IRO is present at every shareholder's meeting.	Non-Compliant	Indicate if the IRO was present during the ASM.	Not applicable. No commercial operations.
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	Non-Compliant	Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.	Not applicable. No commercial operations.
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-Compliant	Indicate the company's public float.	The public ownership percentage as of 31 December 2022 is 26.03%.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Non-Compliant	Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	Not applicable. No commercial operations.
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Non-Compliant	Disclose the process and procedure for secure electronic voting in absentia, if any.	Not applicable. No commercial operations.
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.	Non-Compliant	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.	Not applicable. No commercial operations.
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Non-Compliant	Identify policies and programs for the protection and fair treatment of company's stakeholders	Not applicable. No commercial operations.
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.	Non-Compliant	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. Provide information on whistleblowing policy, practices and procedures for stakeholders	Not applicable. No commercial operations.

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.	Non-Compliant	Provide information on the alternative dispute resolution system established by the company.	Not applicable. No commercial operations.
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	Disclose any requests for exemption by the company and the reason for the request.	The Company did not seek any exemption from the application of a law, rule or regulation, especially with respect to corporate governance issues.
2. Company respects intellectual property rights.	Compliant	Provide specific instances, if any.	The Company endeavors to comply with laws relating to intellectual property rights. As of even date, the Company has no pending case of any violation of intellectual property rights.
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Non-Compliant	Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	Not applicable. No commercial operations.

2. Company discloses its policies and practices that address supplier/contractor selection procedures	Non-Compliant	Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	Not applicable. No commercial operations.
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
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.	Non-Compliant	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	Not applicable. No commercial operations.
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Non-Compliant	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.	Not applicable. No commercial operations.
2. Company has policies and practices on health, safety and welfare of its employees.	Non-Compliant	Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.	Not applicable. No commercial operations.
3. Company has policies and practices on training and development of its employees.	Non-Compliant	Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.	Not applicable. No commercial operations.

Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Non-Compliant	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption	Not applicable. No commercial operations.
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Non-Compliant	Identify how the board disseminated the policy and program to employees across the organization	Not applicable. No commercial operations.
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Non-Compliant	Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.	Not applicable. No commercial operations.
Recommendation 15.3			
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	Non-Compliant	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior.	Not applicable. No commercial operations.
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.	Non-Compliant		Not applicable. No commercial operations.

3. Board supervises and ensures the enforcement of the whistleblowing framework.	Non-Compliant	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.	Not applicable. No commercial operations.
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
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.	Compliant	Provide information or reference to a document containing information on the company's community involvement and environment-related programs.	Please refer to the 2022 Annual Report with Sustainability Report submitted to the SEC and the PSE.
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	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.	Please refer to the 2022 Annual Report with Sustainability Report submitted to the SEC and the PSE.
2. Company exerts effort to interact positively with the communities in which it operates	Non-Compliant	Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.	Not applicable. No commercial operations.