

Ex-Date : Nov 13, 2020

## SECURITIES AND EXCHANGE COMMISSION SEC FORM 17-C

### CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)  
Nov 4, 2020
2. SEC Identification Number  
11840
3. BIR Tax Identification No.  
000-100-341-000
4. Exact name of issuer as specified in its charter  
SAN MIGUEL FOOD AND BEVERAGE, INC.
5. Province, country or other jurisdiction of incorporation  
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office  
100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City, Metro Manila  
Postal Code  
1604
8. Issuer's telephone number, including area code  
(632) 5317-5000
9. Former name or former address, if changed since last report  
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON (FB)	5,909,220,090

11. Indicate the item numbers reported herein  
ITEM 9. OTHER EVENTS.

*The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.*



**SAN MIGUEL**  
FOOD AND BEVERAGE, INC.

# San Miguel Food and Beverage, Inc.

## FB

### PSE Disclosure Form 6-1 - Declaration of Cash Dividends

*References: SRC Rule 17 (SEC Form 17-C) and Sections 6 and 4.4 of the Revised Disclosure Rules*

**Subject of the Disclosure**

Declaration of Cash Dividends for Common Shares.

**Background/Description of the Disclosure**

Please be informed that at the meeting of the Board of Directors of San Miguel Food and Beverage, Inc. (respectively, the "Board" and the "Company") held on November 4, 2020, the Board approved the declaration of cash dividends for common shareholders of the Company as of record date of November 18, 2020 at P0.40 per share. Payment date is December 4, 2020.

**Type of Securities**

- Common  
 Preferred    N/A  
 Others        N/A

**Cash Dividend**

<b>Date of Approval by Board of Directors</b>	Nov 4, 2020
<b>Other Relevant Regulatory Agency, if applicable</b>	N/A
<b>Date of Approval by Relevant Regulatory Agency, if applicable</b>	N/A
<b>Type (Regular or Special)</b>	Regular
<b>Amount of Cash Dividend Per Share</b>	Common at P0.40 per share
<b>Record Date</b>	Nov 18, 2020
<b>Payment Date</b>	Dec 4, 2020

**Source of Dividend Payment**

Retained earnings as of September 30, 2020 and receipt of dividend income from subsidiaries.

**Other Relevant Information**

None.

**Filed on behalf by:**

<b>Name</b>	Alexandra Trillana
<b>Designation</b>	Corporate Secretary and Compliance Officer

COVER SHEET

1 1 8 4 0

S. E. C. Registration Number

S A N M I G U E L F O O D A N D

B E V E R A G E , I N C .

(Company's Full Name)

1 0 0 E . R O D R I G U E Z J R .

A V E N U E C - 5 R O A D ,

B A R A N G A Y U G O N G

P A S I G C I T Y 1 6 0 4

M E T R O M A N I L A

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

ALEXANDRA B. TRILLANA

Contact Person

(632) 5317-5450

Company Telephone Number

SEC Form

Month

Day

1 7 - C

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Dept. Requiring this Doc.

Amended Articles Number/Section

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Total No. of Stockholders

Domestic

Domestic

Foreign

Foreign

To be accomplished by SEC Personnel concerned

File Number

File Number

LCU

Document I. D.

Document I. D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE (SRC)  
AND SRC RULE 17(b)(3) THEREUNDER

1. **November 4, 2020**  
Date of Report (Date of earliest event reported)
2. SEC Identification No. **11840**
3. BIR Tax Identification No. **000-100-341-000**
4. **SAN MIGUEL FOOD AND BEVERAGE, INC.**  
Exact name of registrant as specified in its charter
5. **Philippines**  
(Province, country or other jurisdiction of  
Incorporation)
6. (SEC Use Only)  
Industry Classification Code
6. **100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City**  
**1604**  
(Address of principal office) (Postal Code)
7. **(632) 5317-5000** (Registrant's telephone number, including area code)
8. **Registrant has not changed address since its last report to this Honorable Commission**  
(Former name or former address, if changed since last report)
9. Securities registered pursuant to Sections 8 and 12 of SRC

Title of Each Class	Outstanding as of September 30, 2020
Common Shares (FB)	5,909,220,090
Series A Bonds Due March 2025 (In Peso)	8,000,000,000.00
Series B Bonds Due March 2027 (In Peso)	7,000,000,000.00
Total Debt as of Sept. 30, 2020 (In Mil Peso – Conso)	139,766

10. Indicate the item numbers reported herein:

Item 9. Other Events

At the meeting of the Board of Directors of San Miguel Food and Beverage, Inc. (respectively, the "Board" and the "Company") held on November 4, 2020:

1. Upon the endorsement of the Audit Committee, the Board approved (a) the submission to SEC and PSE of the Quarterly Report of the Company (or SEC Form 17-Q), including financial statements as at and for the period ended September 30, 2020; and (b) the submission to the SEC of valid official and alternate email addresses, as well as valid official and alternate cellular phone numbers, as determined by management, for the Company and its food subsidiaries, which shall be under the control of the corporate secretary, and that the Commission is allowed to use such email addresses and cellular phone numbers as provided in SEC Memorandum Circular No. 28, series of 2020.

2. The Board approved the declaration of cash dividends to shareholders of the Company as follows:

Common Shares (FB)

Amount:	P0.40 per share
Record Date:	November 18, 2020
Closing of Books:	November 19 to 23, 2020
Payment Date:	December 4, 2020

3. The Compliance Officer distributed the attached Internal Self-Rating Form to the Directors, together with the policy and procedures, including criteria, for the annual performance assessment of the Board, intended to appraise and improve the performance of the Board of Directors as a governing unit, the individual directors, the different Board Committees, as well as the President, in accordance with the Company's Manual on Corporate Governance.

The attached Self-Assessment Worksheets were also circulated for the members of the Audit Committee, Board Risk Oversight Committee, Corporate Governance Committee and Related Party Transactions Committee to accomplish annually pursuant to their respective Charters, as required by the SEC and/or approved by the Board of Directors at its meeting on August 5, 2020.

The directors were requested to return the accomplished forms to the Office of the Compliance Officer on or before December 4, 2020.

The Board set the dates for the 2021 Board of Directors' and Committee meetings, as well as the Annual Stockholders' Meeting (ASM) of the Company. The ASM is scheduled on June 2, 2021, the first Wednesday of June, in accordance with the Company's By-laws. Stockholders who wish to propose the inclusion of additional items to the usual Agenda of the ASM and/or nominate candidates to the Board, may submit their proposals not later than January 31, 2021 to the Corporate Secretary at the 5<sup>th</sup> Floor, 100 E. Rodriguez Jr. Avenue (C-5 Road), Barangay Ugong, Pasig City 1604, Metro Manila, for the consideration of the Chairman and the appropriate Board Committees.

###

Pursuant to the requirements of the Securities Regulation Code, the registrant duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SAN MIGUEL FOOD AND BEVERAGE, INC.**

**By:**



**ALEXANDRA BENGSON TRILLANA**  
Corporate Secretary and Compliance Officer

November 4, 2020.



**SAN MIGUEL**  
FOOD AND BEVERAGE, INC.

## **ANNUAL BOARD PERFORMANCE ASSESSMENT**

### **POLICY AND PROCEDURES**

San Miguel Food and Beverage, Inc. (formerly San Miguel Pure Foods Company Inc., the “Company”) recognizes that in order to sustain good corporate governance within the organization, the same sound culture must be upheld and cultivated from the top. It is therefore of paramount importance to monitor the governance structure and performance of the Board and top management according to their roles, responsibilities and accountabilities.

Since the year 2011, it has been a policy and practice of the Company for its Board of Directors (“Board”) to conduct an annual self-assessment exercise through a questionnaire given to each director, for the purpose of evaluating and improving the performance of the Board in accordance with the best practices in corporate governance, and the effectiveness of the Company’s governance processes.

The Company continually reviews this assessment process to take into consideration leading practices in corporate governance. The attached self-rating form now covers appraisal of the Board as a governing unit, of individual directors, of the different Board Committees, as well as of management including the President.

#### **Criteria and Process**

The assessment criteria include the structure, efficiency, and effectiveness of the Board, participation and engagement of each member of the Board, contribution of each member director to their respective Committees, and the performance of management. The criteria also reflects the specific duties, responsibilities and accountabilities of each party assessed as provided in the Company’s By-Laws, Manual on Corporate Governance, Board Committee Charters and governing policies.

The following rating system shall be used by the directors in accomplishing the self-rating form:

- E : Excellent**
- G : Good**
- VS : Very Satisfactory**
- S : Satisfactory**
- NI : Needs Improvement**

The form also allows the director to provide comments and suggestions to further enrich the assessment process. For further clarification on this policy and the performance assessment exercise, the Board may address their queries to the Compliance Officer.

Facilitated by the Compliance Officer, the annual self-rating form shall be accomplished and signed by each individual director. The Compliance Officer shall collate the accomplished forms thereafter.

The Compliance Officer may amend the self-rating form as deemed necessary, provided that the same shall be compliant with sound corporate governance standards and practices and applicable law.

**BOARD OF DIRECTORS INTERNAL SELF-RATING FORM**

**San Miguel Food and Beverage, Inc.**

**INSTRUCTIONS:**

Please accomplish this form by checking (✓) the item that corresponds to your answer. Each item represents the following:

- E : Excellent**
- G : Good**
- VS : Very Satisfactory**
- S : Satisfactory**
- NI : Needs Improvement**

**NAME** : \_\_\_\_\_

**SIGNATURE** : \_\_\_\_\_

**DATE** : \_\_\_\_\_

**PART 1  
BOARD APPRAISAL**

1. The Board has the right size and composition to bring the requisite knowledge, abilities, diversity and skills to the table.

E       G       VS       S       NI

Comments:  
\_\_\_\_\_  
\_\_\_\_\_

2. The Board, as a whole, possesses the right skills and background for the current issues facing the company.

E       G       VS       S       NI

Comments:  
\_\_\_\_\_  
\_\_\_\_\_



3. The Board has sufficient diversity and independence among its directors, allowing it to constructively challenge one another and management in carrying out their respective functions and duties aligned with the company's strategic directions.

E       G       VS       S       NI

Comments:

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4. The Board receives ongoing education, allowing directors to stay up to date with developments and to understand their impact.

E       G       VS       S       NI

Comments:

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5. The frequency, duration and scheduling of Board meetings per year were adequate to ensure proper coverage of the Board's responsibilities.

E       G       VS       S       NI

Comments:

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6. Directors receive adequate materials before the Board meeting.

E       G       VS       S       NI

Comments:

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7. Meetings are effective with sufficient materials, limited presentation, and an atmosphere that encourages open dialogue.

E       G       VS       S       NI

Comments:

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8. The non-executive directors have a separate meeting without any executive directors present to ensure that proper checks and balances are in place within the company.

E       G       VS       S       NI

Comments:

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9. The Board receives appropriate information on industry trends and business environment to enable it to have sufficient insight when considering management's proposed plan/strategy.

E       G       VS       S       NI

Comments:

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10. The Board evaluates the proposed plan/strategy including key assumptions, major risks, and required resources, and addresses critical issues.

E       G       VS       S       NI

Comments:

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11. The Board constructively debates the proposed plan/strategy before granting approval.

E       G       VS       S       NI

Comments:

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12. The Board monitors the continued viability of the plan/strategy ensuring that it is adjusted as needed to respond to the evolving environment.

E       G       VS       S       NI

Comments:

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13. The Board thoroughly reviews major capital expenditures before approval and evaluates ultimate outcomes.

E       G       VS       S       NI

Comments:

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14. Directors strengthen the tone at the top by clearly demonstrating the required ethical values.

E       G       VS       S       NI

Comments:

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15. The Board regularly reviews and approves the Company's vision, mission and value statements to ensure continued relevance and applicability thereof.

E       G       VS       S       NI

Comments:

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16. The Board demonstrates commitment to good corporate governance practices and provides oversight to ensure that the Company is operated in a moral, legal, and ethical manner.

E       G       VS       S       NI

Comments:

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17. The Board regularly and consistently considers the interest of minority shareholders to ensure their equitable treatment in the decision making process.

E       G       VS       S       NI

Comments:

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18. The Board ensures that the Company has a sound and effective internal control system in place, and understands management's role implementing such system.

E       G       VS       S       NI

Comments:

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19. There are sound policies, procedures and a system in place for related party transactions, which a dedicated Committee effectively implements.

E       G       VS       S       NI

Comments:

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20. There is a clear distinction in the roles and responsibilities between the Chairman and President.

E       G       VS       S       NI

Comments:

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**PART II**  
**COMMITTEE APPRAISAL**

1. The Board has an effective committee structure.

E       G       VS       S       NI

Comments:

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2. The delegation of power from the Board to its Committees is appropriate with their relevant corresponding Charters.

E       G       VS       S       NI

Comments:

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3. The Committees regularly provide a report to the full Board and sufficiently update the Board on recent developments or such other matters that may require Board action.

E       G       VS       S       NI

Comments:

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4. The frequency of meetings for each Committee is sufficient, allowing its members to perform their responsibilities according to the functions of the Committee.

E       G       VS       S       NI

Comments:

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**PART III**  
**INDIVIDUAL DIRECTOR APPRAISAL**

1. I understand and faithfully uphold the vision, mission, values and strategies of the company.

E       G       VS       S       NI

Comments:

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2. I keep myself updated on the latest best practices in corporate governance and ensure I abide by them.

E       G       VS       S       NI

Comments:

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3. I avoid entering into situations where I may be placed in a conflict of interest with that of the Company and I promptly disclose any conflict, which may occur.

E       G       VS       S       NI

Comments:

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4. I have a good record of Board and Committee (where applicable) meeting attendance.

E       G       VS       S       NI

Comments:

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5. I come to Board/Committee meetings on time, prepared and knowledgeable about the topics to be discussed.

E       G       VS       S       NI

Comments:

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6. I actively participate in Board/Committee discussions with a sense of independence and objectivity.

E       G       VS       S       NI

Comments:

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7. I am aware of all policies and procedures the Board is subjected to and actively adopt these in my function as a member of the Board.

E       G       VS       S       NI

Comments:

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8. I am committed to accomplish all duties and responsibilities of a director and member of my Committee/s, if any, and will perform in the best interest of the Company.

E       G       VS       S       NI

Comments:

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A. I believe the Board should focus on the following priorities for the upcoming year:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

B. Are there changes that would improve the Board's effectiveness that you would suggest?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**PART IV**  
**BOARD - MANAGEMENT RELATIONSHIP APPRAISAL**

1. The Board is comfortable with management's (i.e., President, Chief Finance Officer) plans to implement the approved strategy, goals and targets and is confident and satisfied in management's ability to carry out its responsibilities in the interest of the Company.

E       G       VS       S       NI

Comments:

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2. Management has in place an effective process to identify risks and assess their potential impact.

E       G       VS       S       NI

Comments:

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3. Management informs the Board of all key risks and the Board is confident management addresses them appropriately.

E       G       VS       S       NI

Comments:

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4. The Board sufficiently challenges and supports management.

E       G       VS       S       NI

Comments:

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5. The Board is effective in monitoring management's implementation of the company's strategy.

E       G       VS       S       NI

Comments:

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6. The Board devotes sufficient time and effort to meeting key company executives.

E       G       VS       S       NI

Comments:

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7. There is an open-line of communication and constructive interaction between directors and management.

E       G       VS       S       NI

Comments:

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8. The Board continually monitors management's performance against clear and measurable objectives, providing constructive feedback and reinforces management's role in setting the tone at the top.

E       G       VS       S       NI

Comments:

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**PART V  
PRESIDENT APPRAISAL**

1. The President supervises, directs, controls and manages the business operations, affairs and properties of the company in a sound and prudent manner.

E       G       VS       S       NI

Comments:

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2. The President consistently makes decisions that enable the company achieve its goals better.

E       G       VS       S       NI

Comments:

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3. The President commits to the fundamental principles of good corporate governance and supports the Board in its governance duties.

E       G       VS       S       NI

Comments:

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4. The President helps the Board establish the company's vision, mission, strategic objectives, policies and procedures, including mechanisms for effective monitoring of management's performance.

E       G       VS       S       NI



Comments:

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5. The President maintains an effective working relationship with the Chairman and members of the Board.

E       G       VS       S       NI

Comments:

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6. The President provides the Board complete, adequate and timely information on plans, performance, issues, developments and opportunities which would enable it to make appropriate decisions or directions.

E       G       VS       S       NI

Comments:

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7. The President ensures that all resolutions and directions of the Board are carried into effect.

E       G       VS       S       NI

Comments:

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8. The President effectively monitors the key risks and performance indicators to enable the Company to anticipate and prepare for the possible threats to its operational and financial viability.

E       G       VS       S       NI

Comments:

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9. The President regularly monitors the adequacy and effectiveness of the Company's financial reporting, governance, operations and information systems, including the reliability and integrity of the financial and operational information.

E       G       VS       S       NI

Comments:

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A. List the President's major accomplishments for the year that you think deserves recognition:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

B. List the areas that you think you would like the President to improve or prioritize:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_



**SAN MIGUEL FOOD AND BEVERAGE, INC.  
AUDIT COMMITTEE  
SELF-ASSESSMENT WORKSHEET**

NAME:

DATE:

This Board Committee Self-Assessment Worksheet is intended to assess and improve the performance of the Audit Committee in accordance with the Company’s Manual on Corporate Governance and Charter of the Audit Committee. Kindly accomplish this form by **encircling** the item that corresponds to your answer using the following criteria:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither agree nor disagree
- 2 – Disagree
- 1 – Strongly Disagree

A remarks column is also provided for further comments, if necessary.

***1. Quality and integrity of the Company’s financial statements and financial reporting process***

1.1 The Committee reviews all interim and annual financial statements against its compliance with pertinent Philippine and internationally accepted accounting standards, internal financial management, as well as tax, legal and other regulatory requirements before submission to the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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1.2 The Committee reviews with management and the external auditors the results of the audit, including any difficulties encountered, any material errors and/or fraud identified, unusual or complex transactions and other issues warranting the attention of the

Committee, and resolves any disagreements between management and the external auditors regarding financial reporting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.3 The Committee reviews with management, internal auditors and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.4 The Chairperson of the Committee, or in his/her absence, the member elected by the members present in a meeting, reports to the Board on the decisions and recommendations made by the Committee following each meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.5 An annual report of the Committee’s activities is prepared, which may be included in the Company’s annual report.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**2. *Effectiveness of the Company’s internal control systems***

- 2.1 The Committee may obtain, review and consider reports, communications and analysis submitted to the Committee by management, and the internal and external auditors of the Company, on financial and internal controls and systems of the Company, and those required by the applicable auditing or accounting standards.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.2 The Committee may obtain, review and consider reports, communications and analysis relating to significant or critical financial reporting and internal control issues and practices, including weaknesses and deficiencies noted in these systems, processes and practices.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.3 The Committee may obtain, review and consider reports, communications and analysis relating to the external auditors' responsibility under applicable auditing or accounting standards.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.4 The Committee may obtain, review and consider reports, communications and analysis relating to significant accounting policies and practices, and changes in such policies and practices.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.5 The Committee may obtain, review and consider reports, communications and analysis relating to management's judgments and accounting estimates.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.6 The Committee may obtain, review and consider reports, communications and analysis relating to adjustments arising from audit.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.7 The Committee may obtain, review and consider reports, communications and analysis relating to any material communications between management and the external auditors, including management letters.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.8 The Committee may obtain, review and consider reports, communications and analysis relating to any significant disagreements with management.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.9 The Committee may obtain, review and consider reports, communications and analysis relating to difficulties in the audit or restrictions in the audit scope, and access to information.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.10 The Committee may obtain, review and consider reports, communications and analysis relating to any material queries raised by the auditors to management in respect of the accounting records, financial accounts or systems of control, and management's response thereto.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.11 The Committee may consider and make recommendations relating to any communication or report by regulatory agencies relating to the financial statements of the Company, and ensures that management undertakes corrective actions, where necessary, in a timely manner.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.12 The Committee ensures the development of a transparent financial management system that will ensure the integrity of internal control activities throughout the Company, including a framework for fraud prevention and detection, through a step-by-step procedures and policies handbook that will be used by the entire organization.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.13 The Committee monitors and evaluates the effectiveness of the Company's internal control system, including information technology security.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.14 The Committee supervises management in its formulation of accounting policies, rules and procedures on financial reporting including the extent of management's responsibility in the preparation of financial statements of the Company and the delineation of the responsibilities pertaining to the external auditors.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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2.15 The Committee understands the scope of the internal and external auditors' review of internal controls over financial reporting, ensuring the independence of one from the other, freedom from interference from outside parties, unrestricted access to such records, personnel and properties of the Company necessary to enable them to perform their respective functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**3. *Independence and performance of its internal and external auditors***

3.1 The Committee, together with management and the head of Internal Audit, reviews the qualifications of an internal auditor and the charter, activities, and organizational structure of the internal audit function.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.2 The Committee confirms or has the authority to confirm the appointment or replacement by management of the head of the Internal Audit Group. The head of the Internal Audit Group functionally reports directly to the Committee.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.3 The Committee reviews and confirms the annual audit and strategic plans prepared by Company's Internal Audit Group in consultation with management, and major changes to the plans, if any.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.4 The audit plan of the Internal Audit Group includes the audit scope, resources and budget necessary to implement it.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.5 The scope of the internal audit examination covers the evaluation of adequacy and effectiveness of controls on governance, operations, information systems, protection of assets, and compliance with contracts, laws, rules and regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.6 The Committee reviews significant findings and recommendations of the Internal Audit Group and management's response thereto including a timetable for implementation to correct weaknesses, and any difficulties encountered by the auditors in the course of their audit (such as restrictions on the scope or access to information).

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.7 The Internal Audit Group is required to submit or present an annual report to the Committee and management of its activities and performance relative to the audit plans, completed audit engagements and strategies approved by the Committee, which shall include significant risk exposures, control issues and such other issues as may be requested by the Committee.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.8 The Committee supports the internal audit function and provides high-level follow-up of audit recommendations when such action is needed.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.9 The Committee reviews or has the opportunity to review the effectiveness of the internal audit function, including compliance with the International Standards for the Professional Practice of Internal Auditing.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.10 The Committee makes or has the opportunity to make recommendations to the Board on the appointment, reappointment and removal of the external auditors, to approve the remuneration and terms of engagement of the external auditors, and to raise any questions on the resignation or dismissal of such auditors.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.11 The Committee performs its function to assess and monitor the (i) external auditors' professional qualifications, competence, independence and objectivity, and require the external auditors to make the statements necessary under applicable auditing standards as regards its relationship and services to the Company, discussing any relationship or services which may derogate its independence or objectivity; and (ii) the effectiveness of the audit process in accordance with applicable standards.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.12 The external auditors of the Company give assurance that the conduct of the audit and the manner of the preparation of the financial statements comply with applicable auditing standards and rules of regulatory bodies, including exchanges on which the Company's securities are listed.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.13 The Committee reviews and approves the nature and scope of the audit plans of the external auditors, including scope, audit resources and expenses, and reporting obligations before the audit commences.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.14 The Committee reviews the reports or communications of the external auditors, and ensures that management or the Board will provide a timely response to the issues raised in such reports or communications.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.15 The Committee has the capacity and resources to ensure the development and implementation of policies on the engagement of external auditors to supply non-audit work, including the fees payable therefor, and evaluate any non-audit work undertaken by the external auditors to ensure that the same does not conflict with its audit functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.16 The external auditors of the Company or the signing partner of the auditing firm engaged by the Company is changed every five (5) years or earlier.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**4. *Compliance by the Company with accounting standards, legal and regulatory requirements, including the Company's disclosure policies and procedures***

- 4.1 The Committee ascertains or has the opportunity to ascertain whether the Company has an effective process for determining risks and exposure from litigation and claims from non-compliance with laws and regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.2 The Committee reviews the results of management’s investigation and follows up on any instance of non-compliance (including disciplinary action).

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.3 The Committee reviews findings resulting from examination by regulatory agencies as well as internal and external audits, if any.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**5. *Evaluation of management's process to assess and manage the Company's risk issues on accounting, internal accounting controls, auditing or financial reporting matters***

- 5.1 The Committee is appraised and participates in making policies in the detection of fraud and illegal acts affecting the integrity of internal controls and financial reporting systems and processes, and which cause a material misstatement in the financial statements of the Company.



<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 5.2 The Committee has the power and authority to conduct investigations, and consider and make recommendations relating to any communication or report referred to it under the Whistleblowing Policy procedures of the Company, or relating to any findings of major investigations on internal control or financial reporting matters as delegated by the Board or on the Committee's own initiative, and management's response thereto.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 5.3 The Committee may obtain, review and consider reports, communications and analysis relating to the detection of fraud and illegal acts affecting the integrity of internal controls and financial reporting systems and processes, and which cause a material misstatement in the financial statements of the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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5.4 The Committee ensures that the Company has established risk management policies and procedures, and discusses with management and the internal auditor such policies and procedures adopted, particularly those relating to risk identification, assessment and management of accounting, internal accounting controls, auditing or financial reporting matters.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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5.5 The Committee regularly evaluates the adequacy and effectiveness of management’s activities in managing credit, market, liquidity, operational, legal and other risks of the Company, including receipt of regular reports from management on risk exposures and risk management activities.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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Signature over printed name



**SAN MIGUEL FOOD AND BEVERAGE, INC.  
BOARD RISK OVERSIGHT COMMITTEE  
SELF-ASSESSMENT WORKSHEET**

NAME:

DATE:

This Board Committee Self-Assessment Worksheet is intended to assess and improve the performance of the Board Risk Oversight Committee in accordance with the Company’s Manual on Corporate Governance and Charter of the Board Risk Oversight Committee. Kindly accomplish this form by encircling the item that corresponds to your answer using the following criteria:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither agree nor disagree
- 2 – Disagree
- 1 – Strongly Disagree

A remarks column is also provided for further comments, if necessary.

**1. Membership and Qualifications**

1.1 The Board Risk Oversight Committee has a minimum of three (3) voting members of the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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1.2 Majority of the Committee members are Independent Directors, including the Chairperson.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.3 The Chairperson of the Committee is not the Chairperson of the Board or of any other committee.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.4 At least one (1) member of the Committee has relevant thorough knowledge and experience on risk and risk management.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.5 The Chairperson and the director-members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company, or if there is a vacancy, during any meeting of the Board constituting a quorum.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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## **2. Structure and Operations**

- 2.1 The Committee meets at such times and places as it considers appropriate, but no less than two (2) times a year.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.2 The Committee acts only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum. *[Attendance of at least two (2) Committee members constitutes a quorum for the Committee to transact business.]*

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.3 The Chairperson of the Committee presides in all meetings of the Committee. In the absence of the Committee Chairperson, the Committee members present elect one (1) of the members as Chairperson of the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.4 A notice of each meeting confirming the date, time, venue and agenda is sent to each member of the Committee at least two (2) working days prior to the date of the meeting. The notice includes the agenda items and materials to be taken up during the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.5 As necessary, the Committee may invite members of management and organization staff of the Company and any of its subsidiaries, to attend the Committee meeting and provide pertinent information and data. At the discretion of the Committee, separate meetings with any member of the Company's or its subsidiaries' management may be held, whenever it is deemed appropriate by the Committee for the exercise of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.6 The Committee has full access to management, personnel and records of the Company and its subsidiaries for the performance of its duties and responsibilities. The Committee may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.7 The Committee is provided with sufficient resources by the Company to discharge its duties.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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### **3. Duties and Responsibilities**

- 3.1 The Committee ensures the development of a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks; (b) well-defined risk management goals, objectives and oversight; (c) uniform processes of assessing risks and developing strategies to manage prioritized risks; (d) design and implementation of risk management strategies; and (e) continuing assessments to improve risk strategies, processes and measures.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.2 The Committee oversees the implementation of the enterprise risk management plan. As it deems necessary, the Committee conducts regular discussions on the Company’s prioritized and residual risk exposures based on regular risk management reports and assesses how the concerned units or offices are addressing and managing these risks.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.3 The Committee evaluates the risk management plan to ensure its continued relevance, comprehensiveness and effectiveness. The Committee revisits defined risk management strategies, looks for emerging or changing material exposures, and keeps abreast of significant developments that seriously impact the likelihood of harm or loss.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.4 The Committee advises the Board on its risk appetite levels and risk tolerance limits.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.5 The Committee reviews periodically as it deems necessary the Company’s risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.6 The Committee assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are most likely to occur and to impact the performance and stability of the Company and its stakeholders.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.7 The Committee provides oversight over management’s activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.8 The Committee reports to the Board on a regular basis, or as deemed necessary, the Company’s material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.9 The Committee acts within such powers, duties and authority granted upon it by the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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#### 4. Reporting Process

- 4.1 The Chairperson of the Committee, or in his/her absence, the member elected by the members present in a meeting, reports to the Board on the decisions and recommendations made by the Committee following each meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.2 An annual report of the Committee's activities is prepared, which may be included in the Company's annual report.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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#### 5. Performance Evaluation

- 5.1 The Committee assesses its effectiveness periodically, with a view to ensuring that its performance accords with best practice. Such assessment must compare its performance with the requirements of the Charter of the Board Risk Oversight Committee, which shall be the basis of its formulation of objectives and plans to improve its performance, including any recommendations for amendments to the Charter for approval by the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 5.2 The Charter of the Board Risk Oversight Committee is reviewed annually and updated as required.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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Signature over printed name



**SAN MIGUEL FOOD AND BEVERAGE, INC.  
CORPORATE GOVERNANCE COMMITTEE  
SELF-ASSESSMENT WORKSHEET**

NAME:

DATE:

This Board Committee Self-Assessment Worksheet is intended to assess and improve the performance of the Corporate Governance Committee in accordance with the Company's Manual on Corporate Governance and Charter of the Corporate Governance Committee. Kindly accomplish this form by encircling the item that corresponds to your answer using the following criteria:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither agree nor disagree
- 2 – Disagree
- 1 – Strongly Disagree

A remarks column is also provided for further comments, if necessary.

**1. Membership and Qualifications**

1.1 The Corporate Governance Committee has a minimum of three (3) voting members of the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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1.2 Majority of the Committee members are Independent Directors, including the Chairperson.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.3 The Chairperson and the director-members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company, or if there is a vacancy, during any meeting of the Board constituting a quorum.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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## **2. Structure and Operations**

- 2.1 The Committee meets at such times and places as it considers appropriate, but no less than two (2) times a year – one of which shall be held to initiate the conduct of the annual self-assessment of the performance of the Board as a body, its individual directors, its different board committees and management, including the President of the Company; and the other meeting to be held prior to the finalization of the Company’s information statement in connection with any meeting of the stockholders in which the directors of the Company are to be elected.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.2 The Committee acts only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum. *[Attendance of at least two (2) Committee members constitutes a quorum for the Committee to transact business.]*

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.3 The Chairperson of the Committee presides in all meetings of the Committee. In the absence of the Committee Chairperson, the Committee members present elect one (1) of the members as Chairperson of the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.4 A notice of each meeting confirming the date, time, venue and agenda is sent to each member of the Committee at least two (2) working days prior to the date of the meeting. The notice includes the agenda items and materials to be taken up during the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.5 As necessary, the Committee may invite members of management and organization staff of the Company and any of its subsidiaries, to attend the Committee meeting and provide pertinent information and data. At the discretion of the Committee, separate meetings with any member of the Company's or its subsidiaries' management may be held, whenever it is deemed appropriate by the Committee for the exercise of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.6 The Committee has full access to management, personnel and records of the Company and its subsidiaries for the performance of its duties and responsibilities. The Committee may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.7 The Committee is provided with sufficient resources by the Company to discharge its duties.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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### **3. Duties and Responsibilities**

*In respect of ensuring good corporate governance throughout the organization:*

- 3.1 The Committee oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.2 The Committee oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.3 The Committee ensures that the results of the Board evaluation are shared and discussed to address the identified areas for improvement.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.4 The Committee adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.5 The Committee proposes and plans relevant seminars for the members of the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.6 The Committee reviews and approves the Annual Corporate Governance Report and other submissions or filings of the Company, as may be required by applicable laws or regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*In respect of the remuneration of corporate officers and directors:*

- 3.7 As it deems necessary, the Committee makes recommendations to the Board on the Company's policy and structure for remuneration of directors and senior management that is aligned with the long-term interests of the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.8 The Committee provides oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Company's culture and strategy, as well as the business environment in which it operates.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.9 The Committee ensures that the Company's annual reports and information statements provide a clear, concise and understandable disclosure of compensation that was and may be paid, directly or indirectly, to its directors and senior executive officers for the previous fiscal year and the ensuing year.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.10 The Committee ensures that no director is involved in deciding his or her own remuneration.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*In respect of the business interest disclosures and conflict of interest:*

- 3.11 The Committee ensures that the Full Business Interest Disclosure is accomplished by directors and key officers, which among others, compels them to declare all their existing business interests or shareholdings that may directly or indirectly conflict in the performance of their duties.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.12 The Committee reviews the Company's policy on conflict of interest.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.13 As it deems necessary, the Committee reviews the existing Company Rules and Regulations for its personnel, to strengthen the provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*In respect of career advancement:*

- 3.14 The Committee reviews and recommends to the Board all promotions and appointments of the officers of the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.15 As it deems necessary, the Committee reviews the Company policies on promotion and career advancement directives and compliance of personnel concerned.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*In respect of succession planning:*

- 3.16 The Committee ensures the adoption of an effective succession planning program for directors, key officers and management to ensure growth and a continued increase in shareholder value.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.17 The Committee ensures the implementation of a process to appoint competent, professional, honest and highly motivated management officers aligned with the strategic direction of the organization and who can add value to the Company.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*In respect of Board nomination and election:*

- 3.18 The Committee determines the nomination and election process for the Company's directors and has the special duty of ensuring appropriate knowledge, competencies and expertise that complement the existing skills of the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.19 The Committee screens and shortlists all candidates nominated to become a member of the Board in accordance with the qualifications and disqualifications as provided in the By-laws of the Company, the Manual on Corporate Governance, applicable laws, rules and regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.20 The Committee identifies and recommends qualified individuals for nomination and election as additional directors or to fill Board vacancies as and when they arise. The election of such additional or replacement directors shall be done in accordance with applicable laws and regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.21 The Committee ensures that the Company has the required number of Independent Directors with the qualifications and none of the disqualifications as provided in applicable laws, regulations and listing rules.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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3.22 The Committee makes recommendations to the Board from time to time, as to changes which the Committee believes desirable to the size of the Board, including the establishment of guidelines in the number of directorships which a member of the Board may hold in accordance with the policy on holding multiple board seats under the Manual on Corporate Governance.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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*Others:*

3.23 The Committee performs other duties and activities that the Committee or the Board considers appropriate in the context of the Charter of the Corporate Governance Committee.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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#### **4. Reporting Process**

4.1 The Chairperson of the Committee, or in his/her absence, the member elected by the members present in a meeting, reports to the Board on the decisions and recommendations made by the Committee following each meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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4.2 An annual report of the Committee's activities is prepared, which may be included in the Company's annual report.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**5. Performance Evaluation**

5.1 The Committee assesses its effectiveness periodically, with a view to ensuring that its performance accords with best practice. Such assessment must compare its performance with the requirements of the Charter of the Corporate Governance Committee, which shall be the basis of its formulation of objectives and plans to improve its performance, including any recommendations for amendments to the Charter for approval by the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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5.2 The Charter of the Corporate Governance Committee is reviewed annually and updated as required.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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Signature over printed name



**SAN MIGUEL FOOD AND BEVERAGE, INC.  
RELATED PARTY TRANSACTIONS COMMITTEE  
SELF-ASSESSMENT WORKSHEET**

NAME:

DATE:

This Board Committee Self-Assessment Worksheet is intended to assess and improve the performance of the Related Party Transactions Committee in accordance with the Company's Manual on Corporate Governance, Charter of the Related Party Transactions Committee, and Policy on Related Party Transactions. Kindly accomplish this form by **encircling** the item that corresponds to your answer using the following criteria:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither agree nor disagree
- 2 – Disagree
- 1 – Strongly Disagree

A remarks column is also provided for further comments, if necessary.

**1. Membership and Qualifications**

1.1 The Related Party Transactions Committee has a minimum of three (3) voting members of the Board, all of whom are non-executive directors.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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1.2 At least two (2) of the Committee members are Independent Directors, including the Chairperson.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 1.3 The Chairperson and the director-members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company, or if there is a vacancy, during any meeting of the Board constituting a quorum.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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**2. Structure and Operations**

- 2.1 The Committee meets at such times and places as it considers appropriate, but no less than two (2) times a year.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.2 The Committee acts only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum. *[Attendance of at least two (2) Committee members constitutes a quorum for the Committee to transact business.]*

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.3 The Chairperson of the Committee presides in all meetings of the Committee. In the absence of the Committee Chairperson, the Committee members present elect one (1) of the members as Chairperson of the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.4 A notice of each meeting confirming the date, time, venue and agenda is sent to each member of the Committee at least two (2) working days prior to the date of the meeting. The notice includes the agenda items and materials to be taken up during the meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.5 As necessary, the Committee may invite members of management and organization staff of the Company and any of its subsidiaries, to attend the Committee meeting and provide pertinent information and data. At the discretion of the Committee, separate meetings with any member of the Company's or its subsidiaries' management may be held, whenever it is deemed appropriate by the Committee for the exercise of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.6 The Committee has full access to management, personnel and records of the Company and its subsidiaries for the performance of its duties and responsibilities. The Committee may also obtain external legal counsel or independent professional advice if it considers it necessary in the performance of its functions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 2.7 The Committee is provided with sufficient resources by the Company to discharge its duties.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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### **3. Duties and Responsibilities**

- 3.1 The Committee ensures the evaluation on an ongoing basis of existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, related party transactions are monitored, and subsequent changes in relationships with counterparties (from non-related to related, and vice versa) are captured.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.2 Related parties, related party transactions and changes in relationships are reflected in the relevant reports to the Board and regulators or supervisors.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.3 The Committee evaluates all material related party transactions to ensure that these are not undertaken on more favorable economic terms (e.g. price, commissions, interest rates, fees, tenor, collateral requirements) to such related parties than similar transactions with non-related parties, and that no corporate business resources of the Company are misappropriated or misapplied.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.4 The Committee evaluates all material related party transactions to determine any potential reputational risk issues that may arise as a result of or in connection with such transactions.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.5 The Committee ensures that appropriate reports or disclosure is made, and/or information is provided to the Board and regulating and supervising authorities relating to the Company's related party transactions exposures and policies on conflicts of interest or potential conflicts of interest.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.6 The Committee ensures that transactions with related parties, including write-off of exposures, are subject to a periodic independent review or audit process.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.7 The Committee oversees the implementation of the system for identifying, monitoring, measuring, controlling and reporting related party transactions, including a periodic review of related party transaction policies and procedures.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.8 The Committee has the authority to recommend to the Board for appropriate action, the invalidation of a transaction, including measures that would cut losses and allow recovery of losses or opportunity costs incurred by the Company arising out of or in connection with an abusive material related party transaction, and other penalties that may be imposed on directors, officers and employees who have been remiss in their duties in handling material related party transactions in accordance with the Policy on Related Party Transactions, other Company policies and applicable laws, rules and regulations.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 3.9 The Committee acts within such powers, duties and authority granted upon it by the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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#### **4. Compliance with Guidelines to Ensure Arm's Length Terms**

- 4.1 In evaluating material related party transactions, the Committee considers the terms of the transaction, including the proposed aggregate value of the transaction, i.e., whether the terms of the transaction are no less favorable than those generally available to non-related parties under the same or similar circumstances.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.2 In evaluating material related party transactions, the Committee considers the related party's relationship to the Company and the extent of the related party's interest in the transaction, i.e. whether the transaction would present an improper conflict of interest or special risk or contingency for the Company or any of its subsidiaries or affiliates, or the counterpart related party, taking into account the size of the transaction and the overall financial position of the counterpart related party.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.3 In evaluating material related party transactions, the Committee considers the purpose and timing of the transaction.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.4 In evaluating material related party transactions, the Committee considers any material information or other factors the Committee deems relevant, including but not limited to the following: (a) the benefits to the Company of the proposed related party transaction; and (b) the availability of other sources of comparable products or services.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.5 The Committee reviews all material related party transactions in accordance with the principles of transparency, integrity and fairness, to ensure that they are at arm's length, their terms are fair, and they will inure to the best interest of the Company and its subsidiaries or affiliates and their shareholders, including minority shareholders.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 4.6 Material related party transactions which pass the review of the Committee are endorsed by the Committee to the Board for final approval.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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## **5. Reporting Process**

- 5.1 The Chairperson of the Committee, or in his/her absence, the member elected by the members present in a meeting, reports to the Board on the decisions and recommendations made by the Committee following each meeting.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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- 5.2 An annual report of the Committee's activities is prepared, which may be included in the Company's annual report.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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## **6. Performance Evaluation**

- 6.1 The Committee assesses its effectiveness periodically, with a view to ensuring that its performance accords with best practice. Such assessment must compare its performance with the requirements of the Charter of the Related Party Transactions Committee, which shall be the basis of its formulation of objectives and plans to improve its performance,

including any recommendations for amendments to the Charter for approval by the Board.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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6.2 The Charter of the Related Party Transactions Committee is reviewed annually and updated as required.

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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Comments:

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