

ALTERNATIVE DISPUTE RESOLUTION POLICY

2021 version

1. Introduction

The Company commits itself to an alternative dispute resolution (ADR) system and a conflict resolution environment that will minimize conflicts or differences with shareholders and key stakeholders, and will encourage their fair, efficient and equitable resolution.

2. Policy

The Company's Alternative Dispute Resolution Policy (Policy) is to encourage and promote the use of dispute resolution options and processes while avoiding or discouraging recourse to litigation in the settlement of corporate governance related disputes or conflict. The Policy specifies dispute resolution principles and guidelines.

3. Principles

The Policy promotes the following principles in the resolution of disputes.

- Quality

Resolution settlements must be voluntary, fair and equitable to parties concerned.

- Efficiency

Dispute resolution options will be appropriate to the dispute, cost-effective and minimize delay in reaching a resolution.

- Enforceability

Resolution agreements and settlements must be made in good faith and honored by the parties. Resolutions when appropriate shall be in writing and signed by the parties who shall be duly authorized for said purpose.

4. Corporate Governance Related Disputes

The following are categories of corporate governance related disputes. It is recognized that there are other disputes which can equally consider the use of ADR tools and processes in their resolution.

Annual accounts – e.g. disputes between shareholders and the Board and/or external auditor over the (withholding of) shareholder approval;

Business disputes – e.g. disputes between the Company and its suppliers, customers, contractors and/or service providers.

Environmental disputes – e.g. disputes between the Company and affected communities and stakeholders concerning matters of environmental damage and degradation, or overall environmental sustainability.

Minority shareholders rights – e.g. disputes between majority shareholders and minority shareholders in squeeze out scenarios;

Mismanagement – e.g. disputes between shareholders and the Board on supposedly mismanagement of the Company;

Nomination/appointment of Board Directors – e.g. disputes between shareholders and the Nomination Committee and/or the Board over nomination and/or appointment of Board Directors/executives, including over criteria for nomination or appointment;

Self-interested transactions – e.g. related party transactions, insider trading, conflicts of interest by Board Directors, executives and senior management;

Takeover procedures – e.g. disputes between shareholders and the Board regarding terms and conditions of a proposed takeover;

Workplace conflicts – e.g. disputes between the Company and employees, and between employees.

5. Definitions

The following are some of the ADR processes and tools considered useful by this Policy.

Adjudication - Adjudication includes any of the forms of dispute resolution in which the parties to the dispute present proofs and arguments to a neutral third party who has the power to deliver a binding decision, generally based on objective standards. The term subsumes arbitration and litigation.

Arbitration - Arbitration includes any of the forms of dispute resolution involving a mutually acceptable, neutral third party making a decision on the merits of the case, after an informal hearing which usually includes the presentation of evidence and oral argument. The process has four main variations:

- binding or non-binding;
- voluntary or compulsory;
- private, statute-authorized, court-annexed
- one arbitrator or a panel.

Conciliation - Conciliation is an informal process in which a neutral third party is positioned between the parties to create a channel for communications, usually by conveying messages between parties where it is preferable that they do not meet face-

to-face, to identify common ground and to eventually re-establish direct communications between the parties, and possibly achieve settlement.

Facilitation - The object of facilitation is to help a group improve its process for solving problems and making decisions so that it can achieve its goals and increase its overall effectiveness. Although dealing with conflict can be a significant part of facilitation, it is not always the primary focus. In addition, developmental facilitation seeks to help the group permanently improve its process for solving problems. By transferring the skills of the facilitator to the group, the group becomes less dependent on the facilitator.

Mediation - Mediation is a voluntary process in which the disputing parties, with the involvement of a neutral third party (the 'mediator'), endeavour to reach an agreement. The mediator has no decision making power and informally assists the parties to reach their own mutually acceptable settlement of disputed issues, maintain the channels of communication, articulate the interests of each party, and, if appropriate, may advise or make recommendations on disputed issues. He generally meets separately with each party, taking information in confidence. All information disclosed in the course of mediation is to remain confidential. Mediation emphasizes self-resolution of conflict, and may involve more than one mediator.

Mediation Agreement – A written agreement arising from a mediation setting out the terms of settlement reached between the parties in dispute. It is not legally binding but is made in good faith and signed by all of the parties to the Mediation. It is confidential except where the terms of the agreement expressly permit disclosure of part or all of its contents.

Negotiation - Negotiation is any form of communication, direct or indirect, whereby parties who have opposing interests discuss, without resort to arbitration or other judicial processes, the form of any joint action which they might take to manage and ultimately resolve the dispute between them.

6. Dispute Resolution System

This Policy adopts a six-step process for the resolution of most disputes. The process may vary depending on the nature or circumstances of the dispute.

Step 1 : Prevention

Conflict avoidance

Open consultation between the parties can help prevent the onset of disputes. Meetings should allow affected parties to explain details, express points of view, confine issues and resolve differences in an atmosphere conducive to conciliation or negotiation. Early consultation of the Company's development projects with stakeholders may help avoid parties becoming locked into inflexible positions of conflict and prevent their developing into full-scale disputes.

Contract clauses

Mandatory inclusion and incorporation of ADR options and provisions in contracts entered into by the Company will ensure the use of such options and assist in determining whether ADR is appropriate for specific disputes.

Step 2 : Negotiation

Step 3 : Third Party Assistance

- Mediation
- Conciliation
- Expert determination

Step 4 : Third Party Decision through Arbitration

- Advantages of Arbitration

1. Neutrality of Arbitrator/s
2. Technical expertise of Arbitrator/s
3. Privacy and confidentiality
4. Speed of the disposition
5. Non-formal and more flexible procedure
6. Flexibility in the choice of Law/s
7. Better enforcement of Arbitral Awards vs. Judicial Decisions

7. Workplace Conflicts

The Company shall adopt and employ policies that maintain and promote a productive and healthy working environment. Potential disputes shall be identified and settled, at the earliest stage possible and at the lowest possible organizational level before these develop into full blown disputes, in order to avoid a formal and adversarial process. This shall be without prejudice to the right of employees to bring labor standards and labor relations cases to the Department of Labor and Employment through the machinery of the National Labor Relations Commission, although all efforts shall be exerted to persuade all parties to resolve differences swiftly and amicably.