

BOARD CHARTER

1. Policy Statement

Compliance with the principles of good corporate governance shall start with the Board of Directors (the “Board”). Vivant Corporation (“Vivant”) should be headed by competent and hard-working Board members who shall be responsible for fostering its long-term success and sustaining its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders.

2. Roles and Responsibilities of the Board

2.1 General Duties of the Board

- a. It is the Board’s responsibility to foster the long-term success of Vivant, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders.
- b. The Board should formulate policies and procedures in line with Vivant’s vision, mission, and strategic objectives that will guide its activities, including the means to effectively monitor Management’s performance.
- c. Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.
- d. Establish programs that can sustain its long-term viability and strength.
- e. Ensure Vivant’s faithful compliance with all applicable laws, regulations and best business practices.
- f. Establish and maintain an investor relations program that will keep the stockholders and other stakeholders informed of important developments in Vivant.
- g. Identify Vivant’s stakeholders in the community in which Vivant operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them.

- h. Adopt a system of check and balance within the Board. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of Vivant's internal control system in order to maintain its adequacy and effectiveness.
- i. Identify key risk areas and performance indicators and monitor these factors with due diligence to enable Vivant to anticipate and prepare for possible threats to its operational and financial viability.
- j. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among Vivant and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
- k. Constitute a Board committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- l. Meet at such times or frequency as may be needed. The minutes of such meetings should be duly recorded. Independent views during Board meetings should be encouraged and given due consideration.
- m. Keep the activities and decisions of the Board within its authority under the Articles of Incorporation and By-laws, and in accordance with existing laws, rules and regulations.

2.2 Duties Pertaining to Strategy, Governance, and Financial Reports

- a. Regularly review Vivant's mission and vision statement and quantifiable key result areas.
- b. Formulate and review the Vivant's mid-term and long-term strategic plans that ensure Vivant's continued sustainability, which shall serve as basis for management to develop enterprise strategies, annual business plans, and budget.
- c. Establish policies and procedure for effective operations of Vivant; and monitor and evaluate Vivant's operational performance in light of its strategic plans and objectives.
- d. Institute an efficient and effective communication system to properly monitor and evaluate Vivant's strategy, plans and budget.

- e. Approve and oversee any investment of Vivant in another business or entity, major capital projects, acquisitions, disposals, and approve or ratify other material contracts entered into, with due consideration to Vivant's strategy, objective and continued sustainability. The Board may appoint an independent party to evaluate the fairness of the transaction price on any acquisition or disposal of asset.
- f. Formulate a sustainable and financially-viable dividend policy.
- g. Review and approve the annual operating and capital expenditure budgets
- h. Evaluate and approve any amendment to Vivant's Amended By-Laws and Amended Articles of Incorporation.
- i. Establish pension, retirement, bonus, profit-sharing or other types of incentives, compensation or remuneration plans for employees, officers, and directors.

2.3. Corporate and Capital Structure

The Board shall evaluate and approve, if such approval is necessary, any material change in Vivant's corporate structure, including (1) increase or decrease in authorized capital stock; (2) issuance of shares; (3) share repurchase and use of treasury shares; and (4) material changes to debt structure.

2.4 Reporting and Communications

The Board shall ensure the timely and accurate reporting of Vivant's annual reports, financial reports and such other disclosures required under laws, rules and regulations of the Securities and Exchange Commission, the Philippine Stock Exchange, the Bureau of Internal Revenue, and other relevant government agencies.

2.5 Risk Management and Control System

The Board shall have the following duties pertaining to the management of risks and establishing a system of control:

- a. Establish policies for risk management to anticipate and prepare for possible threats to Vivant's operational and financial viability.
- b. Evaluate and approve any matter that materially affects Vivant's reputation, good will, brand, and corporate values.
- c. Ensure that its actions and decisions are within the Articles of Incorporation and By-laws, and in accordance with existing laws, rules and regulations.

- d. Formulate policies that ensure the integrity and effectivity of Vivant's internal controls and accountability system.
- e. Prosecute and defend any lawsuit for or against Vivant or its officers in connection with its business, save for those acts committed with wilful neglect or serious misconduct, and acts that constitute a crime.
- f. Formulate and adopt a Code of Ethics that shall provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings.
- g. Ensure proper implementation and monitoring of compliance with the Code of Ethics and internal policies to ingrain a culture of ethical behavior and conduct at all levels of Vivant.
- h. Promote social responsibility.
- i. Formulate, supervise and ensure the enforcement of whistle blowing mechanism that shall encourage employees to communicate legitimate concerns on illegal, unethical or questionable transactions including related party transactions.
- j. Institute a policy and system governing related party transactions and other unusual or infrequently occurring transactions, particularly those which pass certain threshold of materiality.

2.6 Shareholder Relations

- a. Promote and ensure the protection of shareholder rights, remove impediments to the exercise of shareholder rights and allow possibilities to seek redress for violation of their rights, especially minority shareholders.
- b. Promote and encourage shareholder participation not only during regular or special shareholders' meeting, and institute an efficient communication system with shareholder.
- c. Adopt and implement a process that allow minority shareholders to communicate with Vivant and obtain redress for violation of their rights.

2.7 Others

- a. Institute a succession plan to ensure the appointment of competent, professional, honest and highly motivated Directors and management officers who can add value to Vivant.
- b. Review on a regular basis the succession plan and executive development activities.

- c. Approve all other matters reserved for the Board.

3. Board Membership and Appointments

Upon its election by the stockholders during a regular or special stockholders' meeting, the Board shall organize to elect among themselves, a Chairman who shall perform the duties in the Amended By-Laws. On such occasion, the Board shall further qualify and elect the following:

- a. A President;
- b. Such Vice-Presidents as necessary;
- c. Treasurer, Corporate Secretary, Assistant Corporate Secretary, Compliance Officer and such other officers that the Board may determine to be necessary or proper; and
- d. Elect the respective chairman of the various Board Committees.

Implement a formal and transparent Board nomination and election policy that shall include how the Board accepts nominations from minority stockholders and reviews the qualification and eligibility of the nominated candidates.

The Board shall designate a lead director among the independent directors, if the Chairman is not an independent director.

The duties and powers of the officers shall be in accordance with the Revised Manual on Corporate Governance and the Amended By-Laws, and as may be further amended from time to time.

4. Performance Appraisal

To evaluate its own performance against this Charter, the Board shall:

- a. Undertake an annual, formal self-assessment of its performance and that of the Chairman, Directors, and Board Committees. The Board shall also regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.
- b. Adopt and implement a system that provides, at the minimum, criteria and process to determine the performance of the Board, Directors, and Board Committees

5. Orientation and Continuing Education Programs for Directors

All first-time Directors shall undergo orientation on Vivant's business, corporate and management structure, history, corporate governance, and other relevant matters essential for carrying out their duties and responsibilities. Re-elected Directors shall be required to attend an applicable or relevant training programs as a matter of continuous professional education in order to ascertain that they are continuously informed of developments in the business and regulatory environments, including, emerging risks.

6. Policy Review

This Charter shall be reviewed and evaluated by the Board every three (3) years.

-Nothing follows-