




**MERALCO**

# **Board Diversity Policy**

	<b>BOARD DIVERSITY POLICY</b>	<b>PM-CGO-2017-02</b> Rev. Code: 0	<b>Page 1 of 3</b>
<b>Section: Corporate Governance</b>		<b>Effectivity Date: December 18, 2017</b>	
<b>Subject: Board Diversity Policy</b>		<b>Sensitivity Classification: Company Use</b>	

## **I. PURPOSE**

In line with Meralco's commitment to the principles of good corporate governance, the Board Diversity Policy is hereby established to ensure that the Board has an appropriate mix of expertise, experience, independence, and skills that would encourage critical discussion and promote a balanced decision in the attainment of the Company's strategic objectives and sustainable development.

## **II. POLICY STATEMENT AND PRINCIPLES**

1. The Company recognizes the benefits of having a board that possesses a diversity of functional expertise, professional experience, qualifications and skills in order to achieve a balance of perspectives appropriate to the requirements of the businesses of the Company and for the effective discharge of the duties and responsibilities of the Board.
2. The Company also recognizes the important role of women with appropriate and relevant expertise and experience that can contribute to the diversity of perspectives in the Board. As such, in the implementation of the Board Diversity Policy, the Board shall aim to have at least one (1) female director as its member.

## **III. MEASURABLE OBJECTIVES**

The members of the Board of Directors shall be selected from a broad pool of qualified nominees. In order to achieve a diverse board, varied aspects are to be considered, including, but not limited to: academic, professional and business background, age, gender, and other regulatory requirements. The final composition of the board shall be grounded on merit and potential contribution of the selected directors to the Company.

## **IV. MONITORING AND REPORT**


The Nomination and Governance Committee shall conduct, from time to time, a review of this Policy, and other Corporate Governance policies as often as necessary to ensure that the provisions remain applicable to the Company. The Committee shall also recommend any practicable amendments to the Policy.

## **V. DISCLOSURE**

1. This Policy, as well as the final composition of the Board, shall be published on the Corporate Governance section of Company's website for public information.
2. A summary of this Policy, together with the measurable objectives set for implementing this Policy, will be disclosed in the Annual Corporate Governance Report.

## **VI. EFFECTIVITY**

The Board Diversity Policy was approved by the Board of Directors upon endorsement of the Nomination and Governance Committee effective December 18, 2017.

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**ENDORSED BY:**

On behalf of the Nomination and Governance Committee



**MR. PEDRO E. ROXAS**

Chairperson, Nomination and Governance Committee

**APPROVED BY:**

On behalf of the MERALCO Board



**MR. MANUEL V. PANGILINAN**

Chairman of the Board