



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 31 December 2022
2. SEC Identification Number A199600179
3. BIR Tax Identification No. 004-668-224
4. Exact name of issuer as specified in its charter NOW CORPORATION
5. METRO MANILA, PHILIPPINES
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Unit 5-I, 5th Floor, OPL Building, 100 C. Palanca Street, Legaspi Village, Makati City, Philippines
Address of principal office

1229
Postal Code
8. +632 88102548
Issuer's telephone number, including area code
9. N/A
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Provide information or link/reference to a document containing information on the following:	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f
2. Board has an appropriate mix of competence and expertise.	Compliant	1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors 2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f
Recommendation 1.2			
1. Board is composed of a majority of non- executive directors.	Compliant	Identify or provide link/reference to a document identifying the directors and the type of their directorships	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf

			The Company does not have a Board Charter but it adopts the applicable provisions of the Manual on Corporate Governance, the By-Laws of the Corporation and the Corporation Code of the Philippines.
2. Company has an orientation program for first time directors.	Compliant	Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year	The Company has an Orientation Program for Directors which also adopts the applicable provisions of the Manual on Corporate Governance, the By-Laws of the Corporation and the Corporation Code of the Philippines.
3. Company has relevant annual continuing training for all directors.	Compliant		The Company has an annual continuing training program for directors which also adopts the applicable provisions of the Manual on Corporate Governance, the By-Laws of the Corporation and the Corporation Code of the Philippines.
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	Provide information on or link/reference to a document containing information on the company's board diversity policy. Indicate gender composition of the board.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf Currently, the Board of Directors has ten (10) male members and one (1) female member.
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.	The Company adopts the Manual on Corporate Governance. The Company strives to nominate and elect directors with diverse backgrounds, educational attainment, trainings and work experience to the greatest extent as possible.
Recommendation 1.5			

1. Board is assisted by a Corporate Secretary.	Compliant	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.	Definitive Information Statement filed on 11 May 2023 https://edge.pse.com.ph/openDiscViewer.do?edge_no=4705ca93e6fbf1579e4dc6f6c9b65995
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. Corporate Secretary is not a member of the Board of Directors.	Non-Compliant		The Corporate Secretary is a member of the Board of Directors. She discharges her duties as a Corporate Secretary without any cause of any conflict between her duties and rights as a Board member and as a Corporate Secretary
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Provide information or link/reference to a document containing information on the corporate governance training attended	The Corporate Secretary keeps herself abreast of all developments and changes on the laws, rules and regulations governing the Company.
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	The Corporate Secretary notifies the members of the Board of Directors prior to the occurrence of any board meeting and distributes materials needed for the meeting at least five (5) business days prior to the scheduled meeting, if necessary.
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcce52ab75c991883470cea4b051ca8f
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		The Acting Compliance Officer, Angeline L. Macasaet, is the Head of the Legal Department and is likewise a member of the Board of Directors. She holds a key management position and is privy to the official acts of the Board, the officers and the management that will

			have a significant impact to the Company that the public should likewise be aware of.
3. Compliance Officer is not a member of the board.	Non-Compliant.		
4. Compliance Officer attends training/s on corporate governance.	Compliant.	Provide information on or link/reference to a document containing information on the corporate governance training attended	The Acting Compliance Officer keeps herself abreast of all developments and changes on the laws, rules and regulations governing the Company.

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant.	Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)	<p>The Members of the Board of Directors attended the Regular Board of Directors' Meeting held on 16 March 2022</p> <p>https://now-corp.com/current-reports-sec-form-17-c/</p> <p>The Members of the Board of Directors also attended the Regular Board of Directors' Meeting held on 24 May 2022</p> <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_BOD-Special-Meeting_24May2022.pdf</p> <p>The Members of the Board of Directors also attended the Regular Board of Directors' Meeting held on 02 June 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=c7662e9588fe177e3470cea4b051ca8f</p> <p>The Members of the Board of Directors also attended the Regular Board of Directors' Meeting held on 03</p>
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			October 2023 https://now-corp.com/current-reports-sec-form-17-c/
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	Indicate frequency of review of business objectives and strategy	The Board of Directors has also authorized the Management Committee to handle the normal and customary operations of the Company.
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	Indicate or provide link/reference to a document containing the company's vision, mission and core values. Indicate frequency of review of the vision, mission and core values.	The Company adopts the Manual on Corporate Governance, the Annual Report for the Fiscal Year Ended 31 December 2022, the By-Laws of the Company, and the Corporation Code of the Philippines.
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	Provide information on or link/reference to a document containing information on the strategy execution process.	The Board designates to the Company's Management Committee and key executives the duties and responsibilities attendant to the day to day operations of the Company.
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcc52ab75c991883470cea4b051ca8f

Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation	<p>The succession plan is determined by the Board of Directors as the need arises.</p> <p>The Company also adopts the Manual on Corporate Governance, the By-Laws of the Corporation, and other relevant laws, rules, and regulations.</p>
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		<p>The succession plan is determined by the Board of Directors as the need arises.</p> <p>The Company also adopts the Manual on Corporate Governance, the By-Laws of the Corporation, the Corporation Code of the Philippines, and other relevant labor laws, rules, and regulations.</p>
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long- term interests of the company.	Compliant	Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.	<p>The Compensation and Remuneration Committee designates the amount of remuneration of key officers, including the Chief Executive Officer, and Board of Directors taking into consideration the experience and the duties of such officers, to be ratified by the Board of Directors.</p> <p>The President /Chief Executive Officer determines the remuneration of the top 5 highest paid management officers, subject to review by the Compensation and Remuneration Committee in the exercise of its oversight function, and ratification by the Board.</p> <p>The Chief Executive Officer also received a fixed per diem allowance when attending board meetings.</p>
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		<p>The Compensation and Remuneration Committee and the Chief Executive Officer take into consideration the experience and the duties of the officers in determining their remuneration.</p>

3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	Provide proof of board approval	The Company's Compensation and Remuneration Committee or the Chief Executive Officer approves the remuneration of senior executives.
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.	The Compensation and Remuneration Committee and the Chief Executive Officer take into consideration the experience and the duties of the officers in determining their remuneration.
Recommendation 2.6			

1. Board has a formal and transparent board nomination and election policy.	Compliant	<p>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.</p> <p>Provide information if minority shareholders have a right to nominate candidates to the board</p> <p>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</p>	The members of the Board of Directors are elected during the Company's Annual Stockholders' Meeting.
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		The Company complies with Article 6 of the Manual on Corporate Governance (Stockholders' Rights and Protection of Minority Stockholders' Interests)
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		The Nomination and Election Committee is guided by the Manual on Corporate Governance and the Code of Corporate Governance for Publicly-Listed Companies in determining the nominees for the election of the Company's Board of Directors.
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant		The Nomination and Election Committee is guided by the Manual on Corporate Governance and the Code of Corporate Governance for Publicly-Listed Companies in determining the nominees for the election of the Company's Board of Directors.
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		The Nomination and Election Committee is guided by the Manual on Corporate Governance and the Code of Corporate Governance for Publicly-Listed Companies in determining the nominees for the election of the Company's Board of Directors.
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.		Identify the professional search firm used or other external sources of candidates	The Company relies on the competence and integrity of the Nomination and Election Committee in searching for candidates to the board of directors and does not rely on professional search firms at the moment.
Recommendation 2.7			

1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs	Related Party Transactions Policy https://now-corp.com/material-related-party-transaction-policy/
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Identify transactions that were approved pursuant to the policy.	Advances made by a corporate shareholder
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		Annual Report for the Fiscal Year Ended 31 December 2022 filed on 02 May 2023 https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories	All material related party transactions are fully disclosed and subjected to regular audit by the external auditors. All related party transactions are approved/ratified by the Board. The Company also adopts the policy on Article 13 (Disclosure and Transparency) of the Manual on Corporate Governance in assessing Related Party Transactions. The Company has created a Related Party Transactions Committee to ensure compliance with the rules and adherence to policies.
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	Provide information on voting system, if any.	The Related Party Transactions Committee assesses and discusses situations wherein Related Party Transactions are involved.

<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Provide information on or reference to a document containing the Board’s policy and responsibility for approving the selection of management.</p> <p>Identify the Management team appointed</p>	<p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>1. Henry Andrews B. Abes – President and Chief Executive Officer; 2. Jozolly O. Ramos – Acting Chief Finance Officer; 3. Melissa T. Dimayuga – Acting Treasurer; 4. Vicente Martin W. Araneta III – Chief risk Officer 5. Arturo D. Sabino – Chief Audit Executive 6. Angeline L. Macasaet – Acting Compliance Officer</p>
<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Provide information on or reference to a document containing the Board’s policy and responsibility for assessing the performance of management.</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p>	<p>The Board has an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in the Manual on Corporate Governance.</p> <p>The Board conducts an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees, in accordance with the criteria provided for in the Manual on Corporate Governance.</p>
Recommendation 2.9			
<p>1. Board establishes an effective performance management framework that ensures that Management’s performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to a document containing the Board’s performance management framework for management and personnel.</p>	<p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
<p>2. Board establishes an effective performance management framework that ensures that personnel’s performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>		<p>The Company’s Human Resources Department assists the Board in assessing the performance of the Company’s employees and personnel and determining whether their performance is at par with the standards set by the Board and Senior Management.</p>

Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	The internal control is a system established by the Board of Directors and Management for the accomplishment of the Company's objectives, the efficient operation of its business, the reliability of its financial reporting, and faithful compliance with applicable laws, regulations and internal rules. The Audit and Risk Management Committee is mandated to monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security.
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		The Audit and Risk Management Committee monitors and manages potential conflict of interest of the Management, members and shareholders.
3. Board approves the Internal Audit Charter.	Compliant	Provide reference or link to the company's Internal Audit Charter	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework. Provide proof of effectiveness of risk management strategies, if any.	The Board regularly meets to discuss and update themselves regarding the ongoing plans and programs of the Company and how these may affect the Company's liquidity and other relevant risks. The Company has established a system on internal audit of the Company to provide a more effective risk management system.
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		The Company's risk management policy focuses on 3 major areas – 1. Competition – New and existing competitors can erode the Company and its subsidiaries' competitive advantage through the introduction of new products and services, improvement of product quality, increase in production efficiency, new and updated technologies and costs reductions. To manage these, the Company and its subsidiaries continuously come up with new and exciting products and improve product propositions.

			<p>2. Third Party Services – The Company’s social media services are dependent on 3rd party services. Maintaining and sustaining a satisfactory relationship with these providers is critical to ensure technical support for the Company’s social media services. To mitigate this risk, the Company is constantly in search for the right partners.</p> <p>3. Internet – The Company’s social media services are dependent on the quality and accessibility of the Internet. The over-all user experience may be adversely affected by a poor internet connection. The growth of this sector in the Philippines may be limited as internet access has not reached more far-flung areas in the country. To mitigate this risk, the Company is constantly in search of telecommunication partners who will provide reliable internet connection.</p>
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	Provide link to the company’s website where the Board Charter is disclosed.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. Board Charter is publicly available and posted on the company’s website.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	Provide information on or link/reference to a document showing company’s insider trading policy.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf

Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	Indicate the types of decision requiring board of directors' approval and where there are disclosed.	<p>At the Regular Meeting of the Board of Directors of NOW Corporation held on 16 March 2022, the Board approved the setting of the annual stockholders' meeting to be on 02 June 2022 with record date of 09 May 2022. Likewise, at the said meeting, the Board approved the delegation to the Chairman, or in his absence the Vice-Chairman, to the President and to the Acting Chief Finance Officer, the authority to approve the 2021 audited financial statements of the Company.</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=c7662e9588fe177e3470cea4b051ca8f</p> <p>On 24 May 2022, the Board of Directors in its special meeting unanimously approved to reverse its approval on 01 July 2021 on the conversion into equity of the P221,000,000.00 advances from Velarde, Inc.. The Board likewise approved the conversion of said advances into an interest-bearing loan, effective 24 May 2022, with a term of one (1) year, renewable upon mutual agreement of the parties, with interest based on prevailing market rates. The approvals were made upon recommendations of management, based on proposals from and discussion with Velarde, Inc., given the current market conditions, and to give time to complete the implementation of the pending batches of conversions of advances to equity and cash subscription as previously agreed upon by the parties.</p> <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_BOD-Special-Meeting_24May2022.pdf</p> <p>On 24 May 2022, the Board of Directors in its special</p>

			<p>meeting unanimously approved to reverse its approval on 01 July 2021 on the conversion into equity of the P221,000,000.00 advances from Velarde, Inc.. The Board likewise approved the conversion of said advances into an interest-bearing loan, effective 24 May 2022, with a term of one (1) year, renewable upon mutual agreement of the parties, with interest based on prevailing market rates. The approvals were made upon recommendations of management, based on proposals from and discussion with Velarde, Inc., given the current market conditions, and to give time to complete the implementation of the pending batches of conversions of advances to equity and cash subscription as previously agreed upon by the parties.</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=e727693bfeacf61e3470cea4b051ca8f</p>
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Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Provide information or link/reference to a document containing information on all the board committees established by the company.	<p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
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Recommendation 3.2

<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</p> <p>Indicate if it is the Audit Committee’s responsibility to recommend the appointment and removal of the company’s external auditor.</p>	<p>Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>The Audit and Risk Management Committee recommends to the Board of Directors the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the SEC, who undertakes an independent audit of the Corporation, and provide an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.</p>
<p>2. Audit Committee is composed of at least three appropriately qualified non- executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Non-Compliant</p>	<p>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</p>	<p>The following were elected as members of the Audit and Risk Management Committee –</p> <ol style="list-style-type: none"> 1. Vicente Martin W. Araneta III - Chairman; 2. Colin R. Christie (Independent Director) – Member; and 3. William T. Torres (Independent Director) - Member <p>Majority of the members of the Audit and Risk Management Committee are independent directors exercising independence and impartiality in fulfilling their duties and obligations.</p>
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</p>	<p>Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
<p>4. The Chairman of the Audit and Risk Management Committee is not the Chairman of the Board or of any other committee.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Chairman of the Audit and Risk Management Committee</p>	<p>Mr. Vicente Martin W. Araneta III, the Chairman of the Audit and Risk Management Committee, is not the Chairman of the Board. He is highly qualified, committed and dedicated in fulfilling his duties and responsibility as Chairman of the Audit and Risk Management Committee.</p>

			https://now-corp.com/wp-content/uploads/2023/05/GIS_NOW-Corporation-2022.pdf
Supplement to Recommendation 3.2			
1. Audit and Risk Management Committee approves all non-audit services conducted by the external auditor.	Compliant	Provide proof that the Audit and Risk Management Committee approved all non-audit services conducted by the external auditor.	Article 3, (I)(1)(g) of the Manual on Corporate Governance provides that one of the functions of the Audit and Risk Management Committee is to – “Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the non-audit fees paid to the External Auditor in relation to the total fees paid to him and the Corporation’s overall consultancy expenses. The Committee shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, shall be disclosed in the Corporation’s Annual Report and Integrated Annual Corporate Governance Report.”
2. Audit and Risk Management Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	Provide proof that the Audit and Risk Management Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.	The Audit and Risk Management Committee assisted by the Finance Department of the Company regularly discusses and assesses the Company’s financial performance in the preparation of the Company’s Audited Financial Statements and Quarterly Report (SEC Form 17-Q).
Optional: Recommendation 3.2			
1. Audit and Risk Management Committee meet at least four times during the year.	Compliant	Indicate the number of Audit and Risk Management Committee meetings during the year and provide proof	The Audit and Risk Management Committee assisted by the Finance Department of the Company regularly discusses and assesses the Company’s financial performance in the preparation of the Company’s Audited Financial Statements and Quarterly Report (SEC Form 17-Q). The Committee met prior to the finalization and filing of each quarterly report for the year 2022. https://now-corp.com/quarterly-report-2022/ Quarterly Report (SEC Form 17-Q) for the Quarterly

			<p>Period ended on 31 March 2022 filed on 16 May 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=b1a6a0336a667df53470cea4b051ca8f</p> <p>Quarterly Report (SEC Form 17-Q) for the Quarterly Period ended on 30 June 2022 filed on 15 August 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=fb78efa655b0d3fc3470cea4b051ca8f</p> <p>Quarterly Report (SEC Form 17-Q) for the Quarterly Period ended on 30 September 2022 filed on 14 November 2022</p>
2. Audit and Risk Management Committee approves the appointment and removal of the internal auditor.	Compliant	Provide proof that the Audit and Risk Management Committee approved the appointment and removal of the internal auditor.	<p>Article 3 (I) (1) (c) of the Manual on Corporate Governance provides that one of the functions of the Audit and Risk Management Committee is to –</p> <p>“Oversee the Internal Audit Department, and recommend the appointment and/or grounds for approval of an internal audit head or Chief Audit Executive (CAE). The Audit Committee shall also approve the terms and conditions for outsourcing internal audit services”</p>
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</p> <p>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company’s strategic direction, if applicable.</p>	<p>Manual on Corporate Governance –</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>

<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</p>	<p>The following are elected as members of the Corporate Governance Committee during the Joint Organizational Meeting of the Board of Directors held on 02 June 2022–</p> <ol style="list-style-type: none"> 1. Domingo B. Bonifacio (Chairman and Independent Director) 2. William T. Torres (Independent Director) - Member 3. Colin R. Christie (Independent Director) - Member <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-Form-17-C_Results-of-Annual-Meeting_02June2022.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcce52ab75c991883470cea4b051ca8f</p>
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</p>	<p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_Joint-Organizational-and-Regular-Meeting-BOD_02June2022.pdf</p> <p>Joint Organizational Meeting of the Board of Directors held on 02 June 2022</p> <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_Joint-Organizational-and-Regular-Meeting-BOD_02June2022.pdf</p> <p>SEC Form 17-C Joint Organizational and Regular Board Meeting 02 June 2022</p>
<p>Optional: Recommendation 3.3.</p>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>	<p>Compliant</p>	<p>Indicate the number of Corporate Governance Committee meetings held during the year</p>	<p>The Corporate Governance Committee met twice during the past year.</p>
<p>Recommendation 3.4</p>			

<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</p>	<p>The duties and responsibilities of a Board Risk Oversight Committee are being handled and undertaken by the Audit and Risk Management Committee.</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>Manual on Corporate Governance</p>
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</p>	<p>The duties and responsibilities of a Board Risk Oversight Committee are being handled and undertaken by the Audit and Risk Management Committee.</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>– Manual on Corporate Governance</p>
<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Chairman of the BROC</p>	<p>The duties and responsibilities of a Board Risk Oversight Committee are being handled and undertaken by the Audit and Risk Management Committee.</p>
<p>4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</p>	<p>The duties and responsibilities of a Board Risk Oversight Committee are being handled and undertaken by the Audit and Risk Management Committee.</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>Manual on Corporate Governance</p>
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</p>	<p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>(Manual on Corporate Governance)</p> <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_Joint-Organizational-and-Regular-Meeting-BOD_02June2022.pdf</p>

			SEC Form 17-C Joint Organizational and Regular Board Meeting 02 June 2022
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	<p>The Related Party Transactions Committee is composed of non-executive directors, two (2) of whom are independent, including its Chairman</p> <p>1. Domingo B. Bonifacio (Chairman and Independent Director) 2. William T. Torres (Independent Director) - Member 3. Colin R. Christie (Independent Director) - Member</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_Joint-Organizational-and-Regular-Meeting-BOD_02June2022.pdf</p> <p>SEC Form 17-C Joint Organizational and Regular Board Meeting 02 June 2022</p>
L in	Compliant	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	http://now-corp.com/board-committees/

2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		http://now-corp.com/board-committees/
3. Committee Charters were fully disclosed on the company's website.	Compliant	Provide link to company's website where the Committee Charters are disclosed.	http://now-corp.com/board-committees/

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

Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</p>	<p>The Company adopts the intent of its Manual on Corporate Governance, the By-Laws, and the Corporation Code of the Philippines in determining the process and procedure for tele/videoconferencing board and/or committee meetings.</p> <p>The following directors attended meetings held during 2022 –</p> <ol style="list-style-type: none"> 1. Mel V. Velarde – 4/4 Meetings 2. Thomas G. Aquino – 4/4 Meetings; 3. Henry Andrews B. Abes – 3/4 Meetings; 4. Jose S. Alejandro – 4/4 Meetings; 5. Vicente Martin W. Araneta III – 4/4 Meetings; 6. Gerard Bnn R. Bautista – 4/4 Meetings; 7. Domingo B. Bonifacio – 3/4 Meetings; 8. William T. Torres – 4/4 Meetings 9. Colin R. Christie – 4/4 Meetings 10. Francis Xavier L. Manglapus – 4/4 Meetings 11. Angeline L. Macasaet – 4/4 Meetings. <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=7ea7bf4f9e14d8309e4dc6f6c9b65995</p> <p>Disclosure filed on 06 January 2023 Certification of the Company's compliance with the Revised Code of Corporate Governance, per SEC</p>
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			Memorandum Circular No. 24, Series of 2019
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		The Corporate Secretary notifies the members of the Board of Directors prior to the occurrence of any board meeting and distributes materials needed for the meeting at least five (5) business days prior to the scheduled meeting, if necessary.
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p>	None of the non-executive directors serves more than five (5) publicly-listed companies.

Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.	The Board of Directors are notified of the other directorships of its members whenever the Nomination and Election Committee provides the qualifications and experience of nominees for the election of directors.
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant		None of the Company's executive directors serves in more than two boards of listed companies.
2. Company schedules board of directors' meetings before the start of the financial year. 3.	Compliant		The Board schedules meetings before the start of the financial year
4. Board of directors meet at least six times during the year.	Non-Compliant (Compliant in accordance with the By-Laws)	Indicate the number of board meetings during the year and provide proof	The Company had four (4) Board Meetings in 2022. https://edge.pse.com.ph/openDiscViewer.do?edge_no=7ea7bf4f9e14d8309e4dc6f6c9b65995 Disclosure filed on 05 January 2022 Certification of the Company's compliance with the Revised Code of Corporate Governance, per SEC Memorandum Circular No. 24, Series of 2019
5. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions	Under Article II, Section 6, of the Company's By-Laws, a majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board.
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	Provide information or link/reference to a document containing information on the number of independent directors in the board	Result of the Annual Meeting held on 02 June 2022 https://now-corp.com/wp-content/uploads/2023/05/SEC-17-C_Joint-Organizational-and-Regular-Meeting-BOD_02June2022.pdf SEC Form 17-C filed on 02 June 2022
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	Provide information or link/reference to a document containing information on the qualifications of the independent directors.	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.	Compliant	Provide link/reference to a document containing information that directors are not constrained to vote independently.	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years	Compliant	Provide information or link/reference to a document showing the years IDs have served as such.	Number of years served as Independent Directors – 1. Domingo B. Bonifacio – 5 years; 2. William T. Torres – 1 years; and 3. Colin R. Christie – 1 year
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Provide information or link/reference to a document containing information on the company’s policy on term limits for its independent director	Prior to the election of directors, the Board assesses the qualifications of the nominees, which includes the number of years served as independent director of the Company. https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf Manual on Corporation Governance

3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.	No independent director has served for more than nine (9) years.
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Identify the company's Chairman of the Board and Chief Executive Officer	The Chairman of the Board is Mr. Mel V. Velarde The Chief Executive Officer is Mr. Henry Andrews B. Abes
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer. Identify the relationship of Chairman and CEO.	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf The Chairman and the CEO are not related either by affinity or consanguinity
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-Compliant	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any. Indicate if Chairman is independent.	The Chairman is not an Independent Director. Nonetheless, the Independent Directors of the Company maintain a sufficient level of impartiality and independence in fulfilling their duties and responsibilities.
Recommendation 5.6			

1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	Provide proof of abstention, if this was the case	There was no transaction involving any directors with material interest for the year 2022.
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	There was no need that arose necessitating the Non-Executive Directors to have a separate meeting with the External Auditor and heads of the Internal Audit, Compliance and Risk Functions.
2. The meetings are chaired by the lead independent director.	Compliant		There was no need that arose necessitating the Non-Executive Directors to have a separate meeting with the External Auditor and heads of the Internal Audit, Compliance and Risk Functions.
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.		Provide name/s of company CEO for the past 2 years	The Chief Executive Officer of the Company for the year 2020 was Mr. Mel V. Velarde, succeeded by Mr. Henry Andrews B. Abes in 2021.
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Board is guided by the Manual on Corporate Governance in assessing its performance. https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. The Chairman conducts a self-assessment of his performance.	Compliant		The Chairman is guided by the tenets of the Manual on Corporate Governance in assessing his performance. https://now-corp.com/wp-

			content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. The individual members conduct a self- assessment of their performance.	Compliant		The individual members of the Board are guided by the tenets of the Manual on Corporate Governance in assessing their performance. https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
4. Each committee conducts a self- assessment of its performance.	Compliant		The Committees are guided by the tenets of the Manual on Corporate Governance in assessing their performance. https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant	Identify the external facilitator and provide proof of use of an external facilitator.	An external facilitator has not been consulted by the Company as of this date. Nevertheless, the Company complies with the provision on Self-Rating System of the Manual on Corporate Governance.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. The system allows for a feedback mechanism from the shareholders.	Compliant		Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf

[content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf](#)

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	Code of Business Conduct and Ethics https://now-corp.com/wp-content/uploads/2018/08/Code-of-Business-Conduct-and-Ethics.pdf
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.	The Human Resources Department provides all employees of the Company a copy of the Code of Business Conduct and Ethics. The said Code is also uploaded to the Company's website.
3. The Code is disclosed and made available to the public through the company website.	Compliant	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.	Code of Conduct and Business Ethics https://now-corp.com/wp-content/uploads/2018/08/Code-of-Business-Conduct-and-Ethics.pdf
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery	The Company has a Whistle-Blowing Policy uploaded on its website. https://now-corp.com/companys-policies/
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies. Indicate who are required to comply with the Code of Business Conduct and Ethics and any	The Human Resources Department of the Company continually monitors the possible violation of any provision in the Code of Business Conduct and Ethics. All members of the Board, Senior Management and employees are required to comply with the Code of Business Conduct and Ethics.

2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	findings on non- compliance.	The Board is assisted by the Human Resources Department of the Company in implementing and monitoring the compliance with the Company's internal policies.
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Disclosure and Transparency

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

Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders	<p>The Company complies with Article 13 (Disclosure and Transparency) of its Manual on Corporate Governance.</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>The Company also disclosed to the public via the EDGE Portal reports about material information and/or transactions entered into by the Company.</p> <p>https://now-corp.com/</p> <p>NOW website</p>
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Supplement to Recommendations 8.1

1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty- five (45) days from the end of the reporting period.	Compliant	Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.	<p>The number of days within which the consolidated and interim reports were published or made available from the end of the fiscal year:</p> <ol style="list-style-type: none"> 1. The annual report was published 105 calendar days from end of fiscal year; 2. Quarterly consolidated reports were published within 45 calendar days after the end of the quarter 3. Report on consolidated financial statements was published 122 days from the end of fiscal year
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<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ol style="list-style-type: none"> 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. 	<p>https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf</p> <p>Annual Report for the period ending 31 December 2022 filed on 02 May 2023</p>
<p>Recommendation 8.2</p>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</p>	<p>The Company complied with the provision on Disclosure and Transparency of its Manual on Corporate Governance –</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>		<p>The Company complies with the provision on Disclosure and Transparency of its Manual on Corporate Governance –</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
<p>Supplement to Recommendation 8.2</p>			

1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders. Provide link or reference to the company's Conglomerate Map.	https://now-corp.com/ NOW Website
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.	Information Statement 27 May 2021 https://now-corp.com/wp-content/uploads/2021/06/SEC-FORM-20-IS-DEFINITIVE_2021-Filed27May2021-min.pdf
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for setting board remuneration	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	Information Statement 27 April 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcce52ab75c991883470cea4b051ca8f
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>Disclose or provide reference/link to company's RPT policies</p> <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p>	<p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p> <p>No transaction involved a director with conflict of interest during the year 2022.</p>
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> 1. name of the related counterparty; 2. relationship with the party; 3. transaction date; 4. type/nature of transaction; 5. amount or contract price; 6. terms of the transaction; 7. rationale for entering into the transaction; 8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and 9. other terms and conditions 	<p>Annual Report for he period ending 31 December 2022 filed on 02 May 2023</p> <p>https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf</p>

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Indicate where and when directors disclose their interests in transactions or any other conflict of interests.	<p>The Company has a policy requiring all directors and officers to disclose/report to the Company any dealings in the Company's shares within three (3) business days.</p> <p>The Board are required to fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	Provide link or reference where this is disclosed, if any	<p>Manual on Corporate Governance</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	Provide link or reference where this is disclosed	No such material fact or event occurred in 2022
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>Identify independent party appointed to evaluate the fairness of the transaction price</p> <p>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</p>	The Related Party Transactions Committee evaluates the fairness of the transaction price.
Supplement to Recommendation 8.6			

1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Provide link or reference where these are disclosed.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Provide link to the company's website where the Manual on Corporate Governance is posted.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. Company's MCG is submitted to the SEC and PSE.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. Company's MCG is posted on its company website.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	Provide proof of submission.	The Company's Manual on Corporate Governance is disclosed to the Philippine Stock Exchange ("PSE") and is posted on PSE Edge's website – https://edge.pse.com.ph/companyDisclosures/form.do?company_id=264
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Provide link or reference to the company's Annual Report containing the said information.	
a. Corporate Objectives	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-

			Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
b. Financial performance indicators	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
c. Non-financial performance indicators	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
d. Dividend Policy	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
f. Attendance details of each director in all directors meetings held during the year	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
g. Total remuneration of each member of the board of directors	Compliant		https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	Provide link or reference to where this is contained in the Annual Report	https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf

3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	Provide link or reference to where this is contained in the Annual Report	https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	Provide link or reference to where this is contained in the Annual Report	https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Provide link or reference to where these are contained in the Annual Report	https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.	The shareholders present during the Annual Stockholders' Meeting held on 02 June 2022, by a unanimous vote, approved the appointment of Reyes Tacandong & Co. as independent external auditor.

3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	The Company has not changed its external auditor since 2019.
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.	Manual on Corporate Governance Report https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Compliant	Provide link/reference to the company's Audit Committee Charter	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Provide link/reference to the company's Audit Committee Charter	Audit and Risk Committee Charter https://now-corp.com/wp-content/uploads/2017/01/Audit-and-Risk-Committee-Charter_Dec2013.pdf
Supplement to Recommendations 9.2			

1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Provide link/reference to the company's Audit Committee Charter	Audit and Risk Committee Charter https://now-corp.com/wp-content/uploads/2017/01/Audit-and-Risk-Committee-Charter_Dec2013.pdf
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Provide link/reference to the company's Audit Committee Charter	Audit and Risk Committee Charter https://now-corp.com/wp-content/uploads/2017/01/Audit-and-Risk-Committee-Charter_Dec2013.pdf
Recommendation 9.3			
1. Company discloses the nature of non- audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	Disclose the nature of non-audit services performed by the external auditor, if any.	The external auditor does not perform non-audit services.
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non- audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	Provide link or reference to guidelines or policies on non-audit services	Audit and Risk Committee Charter https://now-corp.com/wp-content/uploads/2017/01/Audit-and-Risk-Committee-Charter_Dec2013.pdf
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Provide information on audit and non-audit fees paid.	Audit Fee for 2022 – Php1,000,000. Non-Audit Fee - None
Additional Recommendation to Principle 9			

1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	Provide information on company's external auditor, such as: 1. Name of the audit engagement partner; 2. Accreditation number; 3. Date Accredited; 4. Expiry date of accreditation; and 5. Name, address, contact number of the audit firm.	The pertinent information on the Company's external auditor are as follows: 1. Name of audit engagement partner - Belinda B. Fernando; 2. Accreditation Number - SEC Accreditation No. 81207-SEC Group A; 3. Date Accredited - 30 January 2020; 4. Expiry Date of Accreditation - valid for financial periods 2019 to 2023; and 5. Name, Address, Contact Number of the audit firm - Reyes Tacandong & Co.; BDO Towers Valero (Formerly Citibank Tower), 8741 Paseo de Roxas, Makati City, Philippines, Tel: (632) 8 982-9100
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC.	The external auditor, Reyes Tacandong & Co., was subjected to the SOAR Inspection Program last November to December 2020. Partner in charge of the engagement team inspected by the SEC is Arthur Vinson U. Ong.
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.	Sustainability Report https://now-corp.com/wp-content/uploads/2023/05/NOW-Corporation-Sustainability-Report_2023.pdf
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Provide link to Sustainability Report, if any. Disclose the standards used.	The Company follows the guidelines set forth by the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. Sustainability Report https://now-corp.com/wp-content/uploads/2023/05/NOW-Corporation-

			Sustainability-Report_2023.pdf
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.	The Company's website – Link - http://now-corp.com/ The Company's disclosures to the Philippine Stock Exchange – Link - http://edge.pse.com.ph/companyDisclosures/form.do?company_id=264
Supplemental to Principle 11			
1. Company has a website disclosing up-to- date information on the following:		Provide link to company website	
a. Financial statements/reports (latest quarterly)	Compliant		Quarterly Reports filed for the 1 st , 2 nd and 3 rd quarters of 2022 SEC Form 17-Q Quarterly Report filed on 16 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=050824d420f931489e4dc6f6c9b65995 SEC Form 17-Q Quarterly Report filed on 15 August 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=acd9d024d72cd6b63470cea4b051ca8f SEC Form 17-Q Quarterly Report filed on 14 November 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=a

			8f415bc1920bcbe3470cea4b051ca8f
b. Materials provided in briefings to analysts and media	Compliant		N/A
c. Downloadable annual report	Compliant		Annual Report for the period ending 31 December 2022 filed on 02 May 2023 https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
d. Notice of ASM and/or SSM	Compliant		Notice of Annual Stockholders' Meeting via EDGE on 29 April 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=9b3188bd5827dc413470cea4b051ca8f
e. Minutes of ASM and/or SSM	Compliant		Minutes of Annual Stockholders' Meeting https://now-corp.com/minutes-stockholders-meetings/
f. Company's Articles of Incorporation and By-Laws	Compliant		http://now-corp.com/articles-of-incorporation/
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant		http://now-corp.com/
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			

1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system	The Company's policy on its internal control system is embodied in its Manual on Corporate Governance – https://now-corp.com/companys-policies/
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Identify international framework used for Enterprise Risk Management Provide information or reference to a document containing information on: 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks Indicate frequency of review of the enterprise risk management framework.	Annual Report for the Fiscal Year Ended 31 December 2022 filed on 02 May 2023 https://now-corp.com/wp-content/uploads/2023/05/Annual-Report_NOW-Corp_Period-Ending-31Dec2022_Final_compressed-1.pdf
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review.	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf The Company reviews its Manual on Corporate Governance annually.
Optional: Recommendation 12.1			

1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	Provide information on IT governance process	The Company's IT Managers, Mr. Romeo C. Escobar, Jr and Mr. Joel C. Gonzales, handle and monitor IT issues involving disruption, cyber security, and disaster recovery.
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	Disclose if the internal audit is in- house or outsourced. If outsourced, identify external firm.	The Company's internal audit is handled by the Audit and Risk Management Committee.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.	The Company's Chief Audit Executive is Arturo D. Sabino Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant		Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	Identify qualified independent executive or senior management personnel, if applicable.	The Company's internal audit is handled by the Audit and Risk Management Committee.
Recommendation 12.4			

1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Provide information on company's risk management function.	The Company's risk management function is discussed in the Company's Manual on Corporate Governance – https://now-corp.com/enterprise-risk-management/
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Identify source of external technical support, if any.	Risk management is currently being handled by the Company's Audit and Risk Management Committee.
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	Mr. Vicente Martin W. Araneta III was the Company's Chief Risk Officer. The Chief Risk Officer's responsibilities are included in the Company's Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf The Chief Risk Officer's qualifications / background are included in the Company's Information Statement filed on 24 April 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bccc52ab75c991883470cea4b051ca8f
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	Provide link to CEO and CAE's attestation	The Chief Executive Officer and the Chief Audit Officer can readily execute a Certification upon request.
Cultivating a Synergic Relationship with Shareholders			

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.	Manual on Corporate Governance https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Provide link to company's website	

Supplement to Recommendation 13.1

1. Company's common share has one vote for one share.	Compliant		
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	Provide information on all classes of shares, including their voting rights if any.	The Company has common shares and preferred. However, only common shares are listed in the Exchange as of the moment. Stockholders of record of the Company were entitled to vote at the Annual Stockholders' Meeting on a one-share-one-vote basis.
3. Board has an effective, secure, and efficient voting system.	Compliant	Provide link to voting procedure. Indicate if voting is by poll or show of hands.	Information Statement filed on 13 May 2022 . https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcc52ab75c991883470cea4b051ca8f
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	The Company complies with Article 6 of its Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)	Article 6 (F) of the Manual on Corporate Governance provides – "The Board shall give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the Corporation."

6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Provide information or link/reference to the policies on treatment of minority shareholders	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
7. Company has a transparent and specific dividend policy.	Compliant	Provide information on or link/reference to the company's dividend Policy. Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip- dividends, indicate if the company paid the dividends within 60 days from declaration	Information Statement filed on 13 May 2022 . https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f No cash dividend was declared in the past three (3) years.
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	Identify the independent party that counted/validated the votes at the ASM, if any.	The Company's stock transfer agent, Professional Stock Transfer, Inc., assisted the Company in counting/validating the votes at the Annual Stockholders' Meeting held on 24 June 2021.
Recommendation 13.2			

<p>Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>	<p>Compliant</p>	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</p>	<p>The Notice of Annual Stockholders' Meeting and agenda were disclosed to the Philippine Stock Exchange ("PSE") and posted on the PSE's website.</p> <p>The Annual Stockholders' Meeting was held on 02 June 2022</p> <p>Information Statement was filed on 27 April 2022.</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f</p>
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>		<p>Provide link or reference to the company's notice of Annual Shareholders' Meeting</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	<p>Compliant</p>		<p>Information Statement filed on 13 May 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f</p>
<p>b. Auditors seeking appointment/re- appointment</p>	<p>Compliant</p>		<p>Information Statement filed on 13 May 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f</p>
<p>c. Proxy documents</p>	<p>Compliant</p>		<p>Information Statement filed on 27 April 2022</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=bce52ab75c991883470cea4b051ca8f</p>
Optional: Recommendation 13.2			

1. Company provides rationale for the agenda items for the annual stockholders meeting		Provide link or reference to the rationale for the agenda items	Information Statement filed on 13 May 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=bcc52ab75c991883470cea4b051ca8f
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.	Results of Annual Stockholders' Meeting held on 02 June 2022 disclosed via EDGE Portal on 02 June 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=a4c42723ea904b03470cea4b051ca8f
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any	http://now-corp.com/
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting	Key members of Reyes Tacandong & Co. were present during the Annual Stockholders' Meeting held on 02 June 2022.
Recommendation 13.4			

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes	The Company complies with the provision on Alternative Dispute Mechanism) of the Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	Provide link/reference to where it is found in the Manual on Corporate Governance	The Company complies with the provision on Alternative Dispute Mechanism of the Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address	The contact details of the officer responsible for investor relations were as follows: 1. Name – Melissa T. Dimayuga 2. Telephone Number - 7750-0211 3. Fax Number - 77500461 4. E-mail address – melissa.dimayuga@now-corp.com
2. IRO is present at every shareholder's meeting.	Compliant	Indicate if the IRO was present during the ASM.	The Company's Acting IRO, was present during the Annual Stockholders' Meeting held on 02 June 2022.
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	Provide information on how anti- takeover measures or similar devices were avoided by the board, if any.	No anti-takeover measures occurred or were undertaken in 2022.
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-Compliant	Indicate the company's public float.	The Company's public float or public ownership percentage as of 31 December 2022 was 24.02%
Optional: Principle 13			

1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
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2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	Pursuant to SEC Memorandum Circular (SEC MC) No. 6 series of 2020, which allowed for corporate meetings held through remote modes of communication, the annual meeting held on 02 June 2022 was conducted remotely through the Zoom application. The stockholders were allowed to cast their votes by remote communication during the video conference meeting held via Zoom by signifying their votes during the video conference meeting through audio and visual confirmation
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Duties to Stakeholders

Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliance	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.	List of Top 100 Stockholders for the Period Ended 31 December 2022 https://edge.pse.com.ph/openDiscViewer.do?edge_no=d4ec70606c739149e4dc6f6c9b65995 Manual on Corporate Governance Report https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Identify policies and programs for the protection and fair treatment of company's stakeholders	The Company complies with the provisions of its Manual on Corporate Governance Report – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
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Recommendation 14.3

<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p>Compliant</p>	<p>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</p> <p>Provide information on whistleblowing policy, practices and procedures for stakeholders</p>	<p>The stakeholders may voice their concerns and/or complaints for possible violation of their rights to the Company's Corporate Secretary, Angeline L. Macasaet –</p> <p>Tel. No.: (632) 88102548 Email: angeline.macasaet@now-corp.com</p> <p>Whistle-Blowing Policy –</p> <p>https://now-corp.com/wp-content/uploads/2017/01/Whistle-blowing-Policy-1.pdf</p>
<p>Supplement to Recommendation 14.3</p>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p>Compliant</p>	<p>Provide information on the alternative dispute resolution system established by the company.</p>	<p>The Company complies with the provision on Alternative Dispute Mechanism of the Manual on Corporate Governance –</p> <p>https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf</p>
<p>Additional Recommendations to Principle 14</p>			
<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Compliant</p>	<p>Disclose any requests for exemption by the company and the reason for the request.</p>	<p>There was no request for exemption from the application of a law, rule or regulation made by the Company in the past year.</p>
<p>2. Company respects intellectual property rights.</p>	<p>Compliant</p>	<p>Provide specific instances, if any.</p>	<p>The Company complies with the Intellectual Property Code of the Philippines, and other relevant rules, regulations, and treaties involving the enforcement and recognition of intellectual property rights.</p>
<p>Optional: Principle 14</p>			

1. Company discloses its policies and practices that address customers' welfare	Compliant	Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	http://now-corp.com/
2. Company discloses its policies and practices that address supplier/contractor selection procedures		Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	The Company's Sales and Operations Team handle supplier/contractor selection.

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.	Manual on Corporate Governance – https://now-corp.com/wp-content/uploads/2023/05/2021-Manual-on-Corporate-Governance.pdf
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Supplement to Recommendation 15.1

1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	During the 06 June 2019 annual stockholders' meeting, the stockholders approved the creation of Employee Stock Option Plan (ESOP) and authorized the Board of Directors to finalize the features, terms and conditions of the said ESOP.
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.	The Company provides a competitive range of benefits in order to promote the health and general well-being of its employees. The company offers insurance and other above-industry standard benefits such as transportation allowance, bonuses, and other incentives. The Company provides health and life insurance benefits to all its employees.

3. Company has policies and practices on training and development of its employees.	Compliant	Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.	The Company's Human Resources Department offers Job Orientation and On-Boarding seminars to all newly-hired employees.
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	Identify or provide link/reference to the company's policies, programs and practices on anti-corruption	http://now-corp.com/companys-policies/
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Identify how the board disseminated the policy and program to employees across the organization	The Human Resources Department provides a copy of the Company's Code of Conduct to all employees as part of their orientation.
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.	The Company requires that its directors, officers, management, and employees conduct themselves with a high standard of corporate conduct appropriate to the Company's standing in the corporate and business industry. The Company promotes discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, Company's properties and interests. The policy was established to ensure fair and consistent treatment and constructive actions for any erring employee.
Recommendation 15.3			

<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p> <p>Provide contact details to report any illegal or unethical behavior.</p>	<p>http://now-corp.com/wp-content/uploads/2017/01/Whistle-blowing-Policy-1.pdf</p> <p>The Board supervises and ensures the enforcement of the whistleblowing framework.</p> <p>The whistleblowing procedure is intended to be used for serious and sensitive issues. Such concerns, including those relating to financial reporting, unethical or illegal conduct, may be reported directly to the Legal Department at (632) 88102548</p>
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	<p>Compliant</p>		<p>Employees have direct access to the Legal Department of the Company.</p>
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>Compliant</p>	<p>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p>	<p>There were no incidents of whistleblowing during the year 2022.</p>

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.


Recommendation 16.1

<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>Compliant</p>	<p>Provide information or reference to a document containing information on the company's community involvement and environment- related programs.</p>	<p>Sustainability Report https://now-corp.com/wp-content/uploads/2023/05/NOW-Corporation-Sustainability-Report_2023.pdf</p>
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<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>		<p>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p>	<p>Sustainability Report https://now-corp.com/wp-content/uploads/2023/05/NOW-Corporation-Sustainability-Report_2023.pdf</p>
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>Compliant</p>	<p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p>	<p>The Company provided free access to broadband internet and Cable TV services to various entities in the community in which it operates.</p>


Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report for 2021 is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati this 30th day of May 2023.

SIGNATURES


Mr. Mel V. Velarde
 Chairman of the Board


Mr. Henry Andrews B. Abes
 President and Chief Executive Officer


Mr. Domingo B. Bonifacio
 Independent Director



Dr. William T. Torres
 Independent Director


Angeline L. Macasaet
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this 30th day of May 2023, affiants exhibiting to me their government-issued identification evidence of identity, as follows:

NAMES	Competent Evidence of Identity	Expiry Date
Mel V. Velarde	Philippine Passport No. P8333779A	12 August 2028
Henry Andrews B. Abes	Driver's License	26 January 2024
Domingo B. Bonifacio	TIN: 199-940-876	N/A
William T. Torres	TIN: 111-763-526	N/A
Angeline L. Macasaet	Philippine Passport No. P3600193A	05 July 2022

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 Series of 2023.


ATTY. RAYMOND A. RAMOS
 COMMISSION NO. M-077
 NOTARY PUBLIC FOR MAKATI CITY
 UNTIL DECEMBER 31, 2024
 5 KALAYAAN AVENUE EXTENSION,
 BARANGAY WEST REMBO 1215, MAKATI CITY
 SC Roll No. 62179/04-26-2013
 IBP NO. 258534/01-02-2023/Pasig City
 PTR NO. MKT 9562350/01-03-2023/Makati City
 MCLE Compliance No. VII-0020180/04-14-2023