



GENERAL

DIRECTORS AND OFFICERS ORIENTATION AND
CONTINUING EDUCATION POLICY

CHANGE / AMENDMENTS / MODIFICATION HISTORY

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		Section	Particular		
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TABLE OF CONTENTS

1. PURPOSE / OBJECTIVE	4
2. SCOPE.....	4
3. DEFINITION OF TERMS.....	4
4. POLICY PROVISIONS.....	5
5. EFFECTIVITY.....	7
6. AMENDMENT.....	7

1. PURPOSE/OBJECTIVE

Concepcion Industrial Corporation (“Company” or “CIC”) believes that proper orientation and ongoing training are critical in ensuring that the Directors and Key Officers will have more meaningful contributions and are well equipped to perform their fiduciary functions and duties to the Company, consistent with the key mandates and specific duties and responsibilities of each member of the Board of Directors and each officer of the Company. The purpose of the Directors and Officers Orientation and Continuing Education Policy (the “Policy”) is to formalize the orientation process of newly appointed Directors to familiarize them with the role of the Company’s Board of Directors (the “Board”), its committees and charters, the Company’s business activities, the industry and regulatory environment. As a rule, each member of the Board shall comply with the requirements set out in this Policy on the orientation programs for first-time Directors and the mandatory annual training programs for all the members of the Board, as far as practicable. The mandatory annual training program shall also apply to Key Officers of the Company.

2. SCOPE

This Policy covers all Directors and Key Officers of the CIC Group.

3. DEFINITION OF TERMS

“*CIC Group*” means the CIC group of companies which includes CIC, its affiliates and subsidiaries as well as their respective affiliates and subsidiaries;

“*Corporate Governance Policies*” means all current and future corporate governance policies of CIC, including but not limited to its Corporate Governance Manual, Code of Ethics, Policy on Conflict of Interest, Policy on Insider Trading, Policy on Dialog, Policy on Whistleblowing, Policy on Disclosures, Policy on Related Party Transactions, and the Policy on Sponsoring Third Party Travel.

“*Directors*” shall mean the duly elected members of the Board of Directors of the Company.

“*Key Officers*” shall mean all Officers, members of the Executive Committee of the Board of Directors, and all Business Unit heads of the Company and its subsidiaries.

“*Officers*” shall mean all officers of a corporation designated as such in its by-laws or indicated in its latest General Information Sheet.

“*SEC*” means the Securities and Exchange Commission of the Philippines.

POLICY PROVISIONS

4.1 **Director Orientation.** Each new Director will be required to participate in an Orientation Program consisting of the following:

4.1.1 *Initial Orientation:* Should be scheduled as soon as possible after election of the new Director, preferably within two weeks. It is anticipated to take approximately three hours and will include the following:

a) Receipt of the following documentation:

- Copies of Articles and By-Laws of CIC;
- Copies of the Corporate Governance Policies;
- Director Insurance Coverage

b) Meeting with the following people:

- Chairman of the Board and President & CEO
- Chief Finance Officer
- Corporate Secretary
- Chief Compliance Officer

4.1.2 *Issues Briefing:* The following briefings can be held separately, or combined:

a) This briefing session is to be led by members of the management team. The session should be scheduled within the four weeks following a new Director being elected to the Board. If there is more than one new Director elected during the period, this could be combined with other Directors. It is anticipated to be a full day session, either occurring in one day, or spread over two, and may include, but are not limited to, the following topics:

- Overview of the Company including the introduction of the Company's business;
- Current events and reports of the Company;
- Corporate Governance Policies and structure, including the duties and responsibilities of a Director;
- Business Plans & Forecasts; and,
- Directors' and Officers' Insurance Coverage.

- b) Also during the initial four week period, meetings between new Directors and chairmen of the standing committees of the Board (“Committee Chairmen”) shall be arranged. The purpose of these meetings will be for the Committee Chairmen to provide insight to incoming Directors of the business, issues and risks presently before the committee, or anticipated in the foreseeable future.
- 4.1.3 *Site Tours:* Site tours can be set up at suitable time or times during the first three months after the appointment of a new Director. These should include the factory, warehouses and the Corporate Offices in Alabang.
- 4.1.4 *Quarterly Meeting Cycle:* New Directors shall, to the extent possible, attend all meetings of the various committees of the Board during the first quarterly meeting cycle after their appointment.
- 4.1.5 The Chairman of the Board, through the Corporate Secretary, will schedule the Orientation Program.
- 4.2 **Continuing Education:** Directors and Key Officers will be provided with ongoing development opportunities that educate and inform them on corporate governance and issues that are of strategic importance to the Company, on an annual basis. The annual training of the Directors and Key Officers ensures that they are informed of the developments in the business and regulatory landscapes of the industry, and enhance their effectiveness and competency in addressing the needs of the Company.
- 4.2.1 The Corporate Governance and Nominations Committee shall provide a list of training topics and development programs to the Chief Compliance Officer and Corporate Secretary who are then responsible for arranging and facilitating the training and/or development programs or courses for the Directors and Key Officers.
- 4.2.2 A reasonable annual budget for the trainings and development programs shall be made available by the Company.
- 4.2.3 All Directors are required to complete at least four (4) hours of SEC accredited seminar, workshop or program annually, whether sponsored by the Company or by external service provider/s.
- 4.2.4 The Corporate Secretary shall keep records of the details of attendance at seminars and participation in directors’ and officers’ training courses of each Director and Key Officer.

5. EFFECTIVITY

This Policy shall be effective immediately.

6. AMENDMENT

This Policy shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.