



MAKATI FINANCE
CORPORATION
MORE THAN JUST FINANCING

May 14, 2021

Corporate Governance and Finance Department
SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307

Attention : **HON. RACHEL ESTHER J. GUMTANG-REMALANTE**
OIC, Corporate Governance and Finance Department

The Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **MS. JANET A. ENCARNACION**
Head of Disclosure Department

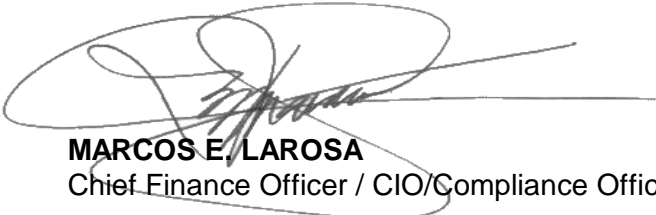
Gentlemen:

We are sending herewith a copy of Makati Finance Corporation SEC Form 17-A for the year ended December 31, 2020.

We are making this disclosure in compliance with the Continuing Listing Requirements of the Philippine Stock Exchange.

MAKATI FINANCE CORPORATION
Registrant

By:



MARCOS E. LAROSA
Chief Finance Officer / CIO/Compliance Officer

3/F Mazda Makati Building, 2301 Chino Roces Avenue, Makati City 1231 Philippines
Telephone Nos. (632) 7751-8132
Website: www.makatifinance.ph

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address : No. Street/City/Province)

MARCOS E. LAROSA

Contact Person

(02) 7751-8132

Company Telephone Number

1	2
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3	1
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Month Day

Fiscal Year

2020

SEC Form 17-A

FORM TYPE

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Month Day

Annual Meeting

**Every last
Thursday of July**

Financing

Secondary License Type, If Applicable

C	F	D	
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Dept. Requiring this Doc.

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Amended Articles Number/Section

109

Total No. of Stockholders

Total Amount of Borrowings			
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To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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**MAKATI FINANCE CORPORATION
TABLE OF CONTENTS
SEC FORM 17-A**

	<u>PAGE</u>
PART I – BUSINESS AND GENERAL INFORMATION	
Item 1 Business	06 -09
Item 2 Properties	10
Item 3 Legal Proceedings	10
Item 4 Submission of Matters to a Vote of Security Holders	10
PART II – OPERATIONAL AND FINANCIAL INFORMATION	
Item 5 Market for Issuer’s Common Equity and Related Stockholder Matters	11 - 14
Item 6 Management’s Discussion and Analysis or Plan of Operation	15 - 21
Item 7 Financial Statements	22
Item 8 Changes in and Disagreements With Accountants on Accounting And Financial Disclosure	22 - 23
PART III – CONTROL AND COMPENSATION INFORMATION	
Item 9 Directors and Executive Officers of the Issuer	23 - 26
Item 10 Executive Compensation	27
Item 11 Security Ownership of Certain Beneficial Owners and Management	28 - 29
Item 12 Certain Relationships and Related Transactions	29
PART IV – CORPORATE GOVERNANCE	
Item 13 Corporate Governance	30
PART V – EXHIBITS AND SCHEDULES	
Item 14 a. Exhibits	30
b. Reports on SEC Form 17-C (Current Report)	30
SIGNATURES	
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES	
INDEX TO SUPPLEMENTARY SCHEDULES	
INDEX TO EXHIBITS	

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended : December 31, 2020
2. SEC Identification Number : 28788 3. BIR Tax Identification No. : 000-473-966
4. Exact name of issuer as specified in its charter : MAKATI FINANCE CORPORATION
5. Makati, Philippines 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. 3F Mazda Makati Bldg., 2301 Chino Roces Ave., Brgy. Magallanes 1231
Address of principal office Postal Code
8. (0632) 7751-8132 local 111
Issuer's telephone number, including area code
9. 2/F Makati Finance Building, 7823 Makati Avenue, Makati City
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	266,204,047

11. Are any or all of these securities listed on a Stock Exchange.

Yes [/] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange Common Stock

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [/] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes []

No []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

**APPLICABLE ONLY TO ISSUERS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:**

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Yes []

No []

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC form 17-A into which the documents is incorporated:

(a) Any annual reports to security holders

NA

(b) Any information statement filed pursuant to SRC Rule 20

NA

(c) Any prospectus filed pursuant to SRC Rule 8.1

NA

PART I - BUSINESS AND GENERAL INFORMATION

ITEM 1. Business

Makati Finance Corporation (“MFC” or the “Company”) is a company providing quality financial services and advisory to its clients. The Company has been in the financial services sector since 1966, navigated its way out of the Asian Financial Crisis in 1997-1999, and was listed in the PSE following a successful initial public offering (IPO) in 2003. Since listing, MFC has posted net profits and has consistently declared 30% of its net income as dividends every year which is the Company’s dividend policy established in 2003. However, in 2019, the Company, upon the approval of its stockholders has declared a Special Stock Dividends amounting 12.9549278928% of the outstanding capital stock equivalent to a maximum of 30,000,000 shares of stocks, and was released out of its un-issued capital stock to stockholders of record as of 22 August 2019 with a payment date not later than 18 September 2019.

The Company’s has expanded its product lines from its traditional Rx Cashline, MFC Factors (receivables financing) Business Loans; Motorcycle (MC) Financing to include new financial products lines recently introduced by the company namely: corporate salary loans; personal loans; micro business loans; pension loans; car loans and leisure bikes financing. These loans are offered domestically, hence there are no foreign sales. Also, no government approval is needed to offer these products. The management continues to implement measures to ensure costs and expenses are managed accordingly and impose higher standards of credit evaluation to ensure quality of accounts and maintain high collection efficiency of loan repayments. MFC has also been innovating in order to be able to adapt to positive changes in the current business environment that will impact its operations.

Corporate Mission Statement

The Company believes in reaching its goals by focusing on its mission as follows:

“...to become one of the leading financial institutions in the country. Its objective is to become the best rather than the biggest. The Company pursues this objective through the following:

- *Efficiency in all aspects of operations*
- *Client satisfaction at all levels of service*
- *In-depth market penetration*
- *Creativity in the provision of competent solutions*

In the long run, Makati Finance sees itself as being the finance company known for excellence in financial service in its niche market.”

MFC recognizes its role not only as a source of funding for consumers and businesses but as a partner to its clients in the improvement of their livelihood.

History and Background

On February 17, 1966 the Company was incorporated as Makati Investment & Finance Corporation (MIFC) under SEC registration number 28788. MFC's commercial operations started with engaging in stock dealership functions, credit line extensions, and acceptance of private placements.

The Philippine economy was in an upswing during the 1990s. Consequently, the Company focused on the growth and expansion of its operations and lending activities. Under the new management, the Company focused on the growth of its loan portfolio to take advantage of the improving Philippine economy. It was during this time when MFC introduced new products and services as well as established additional credit lines with major commercial banks.

In 2005, MFC ventured into motorcycle financing. Seeing that motorcycle financing is a growth area and a profitable market niche, MFC has put considerable effort in developing its MC Financing business line. As part of its efforts to grow this product, the Company has partnered with two motorcycle trading Companies in its Luzon operations; MFC secured a contract which gives the MFC rights of first refusal over the financing of motorcycle sales for the aforementioned locations which is still in effect up to the present.

In the past five years, MFC continued to foster a good business relationship with its motorcycle dealer partners as the Company sees Motorcycle Financing to continue to be one of the main product lines of MFC, while it carried on its efforts to diversify product lines by growing the collateral based Business loans, Rx Cashline (Doctors loans), and introducing new product lines which aims to significantly improved its loan portfolio balance and further improve its operations and profitability. Among the new products that were introduced are Personal Loans in 2016, Car loans and Corporate salary loans in 2017, and in 2018, MFC had successfully launched as planned its Micro Business loans, Pension loans and Leisure bikes financing.

The Company released a total loans of P1.05 billion in 2019, 40% higher or about P296 million versus P758 million in 2018. On the other hand, total collections amounted to P962 million, an increase of 36% or about P253 million versus P709 million in 2018, which resulted to a net income of P21.7 million, or about 137% higher versus P9.2 million in 2018.

For the Year 2020, the Company released a total loans of P956 million, 9% lower or about P100 million versus P1.05 billion in 2019. On the other hand, total collections amounted to P1.1 billion, an increase of 15% or about P142 million versus P962 million in 2019, which resulted to a net income of P10.8 million, or about 50% lower versus P21.7 million in 2019, mainly due to the impact of COVID 19 pandemic

The on-going diversification and strategic positioning of existing partner dealers for the past two years expectedly reduced the share of Motorcycle Financing from 43% in 2018 to 35% in 2020, but still holds the biggest chunk of the total loan portfolio of MFC. Other existing products maintained its share as follows; Rx Cashline – 10%, MFC Factors – 8%, Business Loans – 27%, Car Loans & Leisure Bikes – 12% and Other products – 8%.

Operating Departments and Units

The Company has an Operations Group which comprises of several operating units that complements to each other's operating functions. The following is a brief description of each:

Sales Group

This team is composed of various teams who were tasked in sourcing loan applications for various loan products of MFC, such as the Rx Cashline (Doctor's loans); Business Loans; Receivable Factoring; Motorcycle financing; Pension loans; Corporate salary loans; Personal loans; Micro business loans; pension loan; Car loans & Leisure Bike financing. Thoroughly evaluates each loan application and recommend/endorse the loan application to the Credit Committee for review and approval. Each team who handles each product is expected to produce quality accounts with the aim of achieving the pre-set targets and objectives for the year.

Marketing Team

This Team is tasked to uplift or build up the company's image and provide support to the Sales Group by providing marketing materials and paraphernalia, implement marketing plans and strategies, provide promotional support for the various sales activities for each loan product. The effort of the Marketing team is expected to help the Sales Group realize its goals and objective for the year 2021 and the coming years.

Credit & Verification Team

The team is tasked to conduct online credit verification through NFIS/Loandex and CMAP facilities and other applicable credit agencies. A thorough credit and background verification is likewise being conducted through phone validation of all information contained in the loan applications submitted by clients. Further, to ensure veracity of the credit findings, actual field validation/personal visit, residence and neighborhood checking are being conducted by the team's field personnel to guarantee all data and information gathered are double checked and are valid, satisfactorily within the acceptable credit standard of the company..

Complete and adequate evaluation and stringent screening process for all loan applications to ensure quality account and repayment is the main objective of this team.

Loan Collections Team

Monitoring the repayment of loan accounts is the responsibility of the Sales team for each of the loan products and collection sales representative (CSR) in the case of Motorcycle Financing. The subsidiary ledger of their respective approved clients contains the schedule of the loan amortization payments which are readily available given their authorized access to the Loans Management System (LMS) of the Company. Hence, the account officer (AO) for each loan products is well advised of the status of each account. AOs are expected to always be updated on client's repayments. Most clients repayment are covered by postdated checks, an authority to debit bank account or by way of assigned payroll ATM.

Clients, whose checks have bounced and or has missed their respective due dates are immediately advised by the AOs in charge to settle the payment as soon as possible with consequent late payment charges and handling fees. With this, it is important to take note that MFC normally evaluates the circumstances of bounced checks on a case-to-case basis to maintain profitable relations with their clients as much as possible. The CSRs, on the other hand, most often directly and personally collects the loan amortizations of Motorcycle Financing customers. Some customers prefer to pay directly to the branch office.

Remedial Team

Customers that do not remit payment on the due date are classified as past due accounts while those that are more than 90 days past due are reclassified as delinquent accounts and are referred to the remedial team for follow up collection. Past due client who responded positively to the collection effort by the Remedial team are offered repayment schemes that will allow them to re-structure their accounts. For those who continuously refused to heed the collection demand of the Remedial team are endorsed to our

accredited collection agencies. The last recourse, if all remedial measure fails is the endorsement of the account for Legal action or foreclosure of collateral as these accounts are already classified as delinquent. Motorcycle units are repossessed by MFC from loan accounts which are over 90 days past due. Clients may redeem upon payment of amortization in arrears.

Despite instituting a firm and stringent credit and collection policy, the Company maintains its goal of providing quality service to its clients.

Employees

As of December 31, 2020, the Company accounted for a total of 157 employees, distributed as follows:

<u>Rank</u>	2020	Projected 2021
	<u>No. of Employees</u>	<u>No. of Employees</u>
Officers	3	3
Managerial/Supervisory	19	20
Rank and File	135	197
Total	157	220
<u>Employment Status</u>	<u>No. of Employees</u>	
Regular	142	
Probationary	15	
Total	157	

The employees of the Company are not subject to any collective bargaining agreement (CBA).

ITEM 2. Properties

As part of its normal operations, the Company acquires or forecloses several properties that are mortgaged to secure customers' loans. There are no other mortgages or liens on these properties except those under the name of the Company. These properties have subsequently been transferred to the Company. The Company tries to eventually dispose or sell these properties. The list of these properties is found in the following table:

List of Foreclosed Properties as of December 31, 2020		
Location	Size(s.qm)	Description
(Farm Land) Santan St., Cityland Cityview II Farm Lot Subdivision, Barangay De Ocampo, Trece Martires City(Cavite)	1,410	Transferred
(House and Lot) Blk 23, Lot 1, Montevista Hts., Subd.,Brgy. Dolores, Taytay, Rizal	181	Transferred
(House and Lot) Blk 23, Lot 2, Montevista Hts., Subd.,Brgy. Dolores, Taytay, Rizal	198	Transferred
(House and Lot-2storey)Lot 1-B, Blk 17, No. 26 Sardinia St., San Francisco Village, Barangay Muzon, Taytay, Rizal	157	Transferred
(House and Lot) Lot 9, Blk 1, Victoria Ave. Brookside Hills Subd., San Isidro, Cainta, Rizal	279	Transferred
(Lot) Lot 15-F, Iruhin Central R1, Tagaytay City	2,231	Transferred
(Lot) Bo. of Labit West, Urdaneta, Pangasinan	6,374	Transferred
Residential House, Guiguinto, Bulacan (43.20sq.m.)	43.20	Transferred
TOTAL	10,873.20	

ITEM 3. Legal Proceedings

There are no legal proceedings against the Company, except collection and/or foreclosure cases in the normal course of its operations.

ITEM 4. Submission of Matters to a Vote of Security Holders

No matter that require voting decisions were submitted to the Security Holders in the fourth quarter of the year 2020.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. Market for Issuer's Common Equity and Related Stockholder Matters

Share Capital

The Company has an authorized capital of ₱300,000,000, divided into 300,000,000 Common Shares, with a par value of ₱1.00 per share, out of which ₱266,204,047, divided into 266,204,047 shares are issued and outstanding as at December 31, 2020.

Subject to the authorization of the SEC, the Company may increase or decrease its authorized capital with the approval of a majority of the Board of Directors (BOD) and Stockholders representing at least two-thirds (2/3) of the issued and outstanding capital stock of the Company.

Amendments to Authorized Capital Stock and Par Value

In year 2000, the BOD and stockholders approved, as part of the quasi-reorganization, the decrease in the Company's authorized capital stock of ₱100,000,000, with a subscribed and paid-up capital of ₱45,149,780 to ₱9,949,040 with a subscribed and paid-up capital of ₱2,487,260. There was no return of capital, thus, the surplus arising from the reduction in the capital amounting to ₱42,662,520 was credited to additional paid-in capital.

On the same date, the BOD and stockholders approved the increase in the Company's authorized capital stock from ₱9,949,040 to ₱127,000,000, divided into 12,700,000 common shares with a par value of ₱10 per share.

On January 23, 2001, the Company issued additional 3,198,535 shares to the shareholders against their deposits for future subscriptions amounting to ₱87,078,288, resulting to an additional paid-in capital of ₱55,092,938.

On the same date, the Securities and Exchange Commission (SEC) approved the quasi-reorganization as described above.

Accordingly, upon such approval, the additional paid-in capital amounting to ₱97,781,211 as of that date was applied against the Company's deficit as of July 31, 2000 amounting to ₱97,781,211.

On December 11, 2001, the BOD and stockholders approved the reduction in the Company's authorized capital stock from ₱127,000,000 to ₱100,000,000 and from par value of ₱10 per share to ₱1 per share. On March 11, 2002, the BOD and stockholders amended the proposed reduction in the Company's authorized capital stock from ₱127,000,000 to ₱90,000,000 and from par value of ₱10 per share to ₱1 per share. The reduction in authorized capital stock was approved by the SEC on May 9, 2002. The reduction in par value resulted in the issuance of 31,025,349 additional shares to existing shareholders.

Also on March 11, 2002, the BOD and stockholders approved the offer of up to 19,560,000 shares from the Company's unissued common stock through initial common public offering (IPO). The application for the IPO of the Company was approved by the SEC and the Philippine Stock Exchange (PSE), on December 9, 2002 and November 28, 2002, respectively. The Company was listed in the PSE under the Small & Medium Enterprise Board on January 6, 2003 with an offer price of P1.38 per share. Underwriter was Abacus Capital & Investment Corporation.

On November 6, 2007, the Board of Directors and stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock of the Company approved the increase in the Company's authorized

capital stock from ₱90,000,000 divided into 90,000,000 shares, with a par value of ₱1.00 per share, to ₱300,000,000, divided into 300,000,000 shares, with a par value of ₱1.00 per share.

Stock Dividends

On July 27, 2017, the BOD and stockholders approved the declaration of 3.21% stock dividends in the amount of ₱6,949,792 to stockholders of record as of August 24, 2017 with distribution date not later than September 19, 2017. On the same date, the BOD also approved the declaration of cash dividends amounting to ₱6,949,792. Fractional shares related to this declaration were settled in cash amounting to ₱47.00.

On July 26, 2018, the BOD and stockholders approved the declaration of 3.65% stock dividends in the amount of ₱8,159,810 to stockholders of record as of August 23, 2018 with distribution date not later than September 18, 2018. On the same date, the BOD also approved the declaration of cash dividends amounting to ₱8,159,871. Fractional shares related to this declaration were settled in cash amounting to ₱61.00.

On July 25, 2019, the BOD and stockholders approved the declaration of 13.55% stock dividends in the amount of ₱31,376,132 to stockholders of record as of August 22, 2019 with distribution date not later than September 18, 2019. On the same date, the BOD also approved the declaration of cash dividends amounting to ₱31,376,174. Fractional shares related to this declaration were settled in cash amounting to ₱42.40.

On July 30, 2020, the BOD and stockholders approved the declaration of 1.23% stock dividends in the amount of ₱3,255,804 to stockholders of record as of August 27, 2020 with distribution date not later than September 22, 2020. On the same date, the BOD also approved the declaration of cash dividends amounting to ₱3,255,891. Fractional shares related to this declaration were settled in cash amounting to ₱43.35.

The movements in the number of shares and capital stock amount for the years ended December 31, 2020, 2018 and 2017 as follow:

	2020		2019		2018	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance at beginning of year	262,948,243	₱262,948,243	231,572,111	₱231,572,111	223,412,301	₱223,412,301
Stock dividends	3,255,804	3,255,804	31,376,132	31,376,132	8,159,810	8,159,810
Balance at end of year	266,204,047	₱266,204,047	262,948,243	₱262,948,243	231,572,111	₱231,572,111

MARKET SHARE INFORMATION

The Company was listed in the Philippine Stock Exchange on January 6, 2003.

On January 6, 2003 with authorized capital stock of ₱90 million, a total of 19.56 million shares of stock were offered to the general public in the company's IPO. On November 6, 2007, the BOD and Stockholders approved the increase in the Company's authorized capital stock to ₱300 million.

On March 27, 2008, the Securities and Exchange Commission approved the Company's application for a follow-on offering to the general public of 75,500,000 new common shares and 7,598,892 secondary shares. But the sharp fall in stock prices locally and globally prompted the Board and Management to forego the planned additional public offering.

According to the Philippine Stock Exchange Website, latest available price information on MFC's stock price is ₱2.70 per share as of December 29, 2020. The Company has not gone into a business combination nor any reorganization for the year 2020.

Share Prices:

The latest available price information on Makati Finance's stock price is ₱2.53 per share as of May 11, 2021.

Philippine Stock Exchange Market prices for the last two years were as follows:

Quarter Ending	Market Prices	
	High	Low
March 2021	2.53	2.53
December 2020	2.70	2.70
September 2020	2.09	2.09
June 2020	1.90	1.90
March 2020	2.00	2.00
December 2019	2.48	2.48
September 2019	3.09	3.09
June 2019	3.03	3.03
March 2019	2.48	2.48
December 2018	2.73	2.73
September 2018	2.80	2.80
June 2018	3.03	3.03

HOLDERS OF COMMON STOCK as of May 11, 2021
TOP 20 Stockholders

There are a total of 109 stockholders as of May 11, 2021

Name	Nat	Class	No. of Shares	Percentage
AMALGAMATED INVESTMENT BANCORPORATION	FIL	A	75,654,549	28.42%
MOTOR ACE PHILIPPINES, INC.	FIL	A	67,341,540	25.30%
PCD NOMINEE CORPORATION (FILIPINO)	FIL	A	58,808,910	22.09%
BORROMEO BROS. ESTATE INC.	FIL	A	9,901,832	03.72%
MF PIKEVILLE HOLDINGS, INC.	FIL	A	9,413,482	3.54%
GRACEFIELD CAPITAL HOLDINGS INC.	FIL	A	8,808,214	3.31%
ERIC B. BENITEZ	FIL	A	7,424,069	2.79%
MELLISSA B. LIMCAOCO	FIL	A	6,663,120	2.50%
GLENN B. BENITEZ	FIL	A	6,343,994	2.38%
RENE B. BENITEZ	FIL	A	6,090,520	2.29%
JOEL FERRER	FIL	A	2,681,647	1.01%
MICHAEL WEE	FOR	A	1,013,650	0.38%
REYES, MARY GRACE V.	FIL	A	790,451	0.30%
SALUD BORROMEO FOUNDATION	FIL	A	538,197	0.20%
TERESITA B. BENITEZ	FIL	A	517,747	0.19%
MERG REALTY DEVELOPMENT	FIL	A	459,979	0.17%
GLENN BENITEZ ITF ALESSANDRA C. BENITEZ	FIL	A	317,164	0.12%
GLENN BENITEZ ITF ALFONSO C. BENITEZ	FIL	A	317,164	0.12%
GLENN BENITEZ ITF ANDREA C. BENITEZ	FIL	A	317,164	0.12%
RENE BENITEZ ITF CARMELA L. BENITEZ	FIL	A	317,164	0.12%
SUB-TOTAL			263,720,557	99.07%
OTHER STOCKHOLDERS (89)			2,483,490	0.93%
GRAND TOTAL (109 stockholders)			266,204,047	100.00%

Currently the Company is compliant in the PSE continuing listing requirement rule on minimum public ownership. The rule requires a 10% minimum public float. MFC has 15.48% public float.

DIVIDENDS

As approved by the BOD and upon concurrence by the stockholders of the Company, an annual dividend declaration policy was set up, amount of which will be equivalent to 30% of the Company's net earnings for the year.

For the year 2018, the Board of Directors and Stockholders approved the declaration of cash dividends amounting to ₱8,159,871. Fractional shares were paid in cash.

For the year 2019, the Board of Directors and Stockholders approved the declaration of cash dividends amounting to ₱1,376,174. Fractional shares were paid in cash.

For the year 2020, the Board of Directors and Stockholders approved the declaration of cash dividends amounting to ₱3,255,847. Fractional shares were paid in cash.

NAMES OF THE UNDERWRITERS OR IDENTITY OF PERSONS TO WHOM THE SECURITIES WERE SOLD

There were no underwriters or persons to whom the stock dividends were sold.

EXEMPTION FROM REGISTRATION CLAIMED

Pursuant to SRC Rule No. 10 Section D, the declaration of stock dividends is an exempt transaction. The approval of the Commission for the stock dividend declaration was not sought by the Company.

ITEM 6. Management's Discussion and Analysis or Plan of Operation.

Plans and Prospects for 2021

Year 2020 was supposed to be a banner year for MFC with a forecasted income before tax of about Php 40 million . We were on track in the first 2 months registering around Php 10 million in income before tax, but then the pandemic set in. One of the harshest and longest lockdown was imposed on March 17, 2020 causing the economy to shrink by 9.5% last year. Despite the very challenging environment, MFC still managed to recognize a gain of Php 17.5 million before tax or about 50.8% versus Php 34.4 million in 2019, or close to half of the original forecast.

The first quarter of 2021 appeared to be a déjà vu. The economic recovery was dampened by the sudden spike in Covid cases in mid-March as the government imposed a 2 week lockdown in NCR and surrounding provinces from March 29, 2021. MFC was not immune to the effects of the lockdown resulting to a reduction in income in March vs February but still managing to surpass the 1st quarter target.

Moving forward, the company's strategies are:

- support long time and good business loans and factoring clients by offering them hassle free renewals
- continue to process motorcycle loans, both brand new and repossessed
- offer loan restructuring to good clients
- continue to generate new accounts with prudence

As we focus on collection in the coming months, our aim is to assist our existing clients in overcoming the impact of the pandemic by closely working with them on their repayment, by providing alternatives to keep their account with us moving. MFC believes that the success of our clients in overcoming this global pandemic will also be our organization's invaluable achievement which will catapult MFC into a new milestone amid this new normal in doing business.

With the Plans and Prospects of MFC for 2021 being held temporarily by uncertainties during this global pandemic, MFC shall continue to position itself as among the top players and the financing company of choice in the market we serve. MFC will be capitalizing on its 55 years of existence and its vast experience in prudent lending activities shall emerge even stronger in these trying times and shall continuously adapt and raise the quality of the services it provide to all its clients.

Funds Generation

We currently have a ₱385 million facility with Amalgamated Investment Bancorporation (AIB) and ₱324 million term loan financing with various financial institutions. The Company is in discussion with other financial institutions to secure credit loan facilities to finance MFC's growth potential in 2020.

Currently fund requirements are being met by loans, collections, acceptance of private placements under the 19 lenders rule.

Discussion of Past Financial Performance

As of December 31, 2020

Results of Operation

The Company released a total loans of ₱956 million in 2020, 9% lower or about ₱100 million versus ₱1.05 billion in 2019. On the other hand, total collections amounted to ₱ 1.1 billion, an increase of 15% or about ₱142 million versus ₱962 million in 2019, which resulted to a net income of ₱10.8 million, or about 50% lower versus ₱21.7 million in 2019, mainly due to the impact of COVID 19 pandemic

Total operating income (including gain on sale of repossessed assets and net of interest expense) ended at ₱141.74 million in 2020, 19% lower versus ₱175.7 million in 2019. The decline was mainly due to the impact of COVID 19 pandemic in which lockdowns were implemented by Government to minimize the spread of the virus in 2020, as well as the implementation of Bayanihan 1 and 2 which affect collections from consumer loans which yields higher effective interest rates. As a result, generated interest income amounted only to ₱164.1 million in 2020 from ₱173.3 million in 2019.

Net Operating Expenses in 2020 ended at ₱120.9 million, lower versus ₱133.3 million in 2019 as a result of the cost saving measures implemented by the Company.

Interest income in 2020 amounted to ₱164.1 million; major breakdown of which is ₱25.5 million from Rx Cashline, ₱55.4 million from MFC Factors and Business Loans and ₱75.5 million from Motor Vehicle (MC/Car/Leisure Bikes) Financing.

As of December 31, 2020, Earnings per Share ended at ₱0.04 from ₱0.09 in 2019.

Financial Condition and Capital Resources

Total assets as of December 31, 2020 ended at ₱1,314.4 million, almost same level versus ₱1,333.56 million in 2019. On the other hand, total liabilities also declined by ₱25.6 million, from ₱808.67 million in 2019 to ₱783.07 million in 2020 mainly due to net loan payments amounting to ₱22.92 million during the year.

Interest Income

The interest income this year ended at ₱164.1 million in 2020 from ₱173.3 million in 2019. This is mainly due to the impact of COVID 19 pandemic during the year, in which several lockdowns were implemented by Government to minimize the spread of the virus in 2020, as well as the implementation of Bayanihan 1 and 2 which affect collections from consumer loans which yields higher effective interest rates.

Net Interest Income

Net interest income amounted to ₱121.53 million in 2020, lower versus ₱147.36 million in 2019. This is mainly due to the impact of COVID 19 pandemic during the year.

Other Income

Other income (including gain on sale of repossessed assets) dropped by ₱5.13 million, from ₱28.34 million in 2019 to ₱23.21 million in 2020, mainly due to the impact of COVID 19 pandemic during the year.

Income Before Income Tax

As of December 31, 2020, the company's Income before tax amounted to ₱17.57 million, lower versus ₱34.41 million in 2019, mainly due to the impact of COVID 19 pandemic during the year.

Funds Generation

We currently have a ₱339 million facility with Amalgamated Investment Bancorporation (AIB) and ₱347 million term loan financing with various financial institutions. The Company is in discussion with other financial institutions to secure credit loan facilities to finance MFC's growth potential in 2021.

Currently fund requirements are being met by loans, collections, acceptance of private placements under the 19 lenders rule.

As of December 31, 2019

Results of Operation

The Company released a total loans of ₱1.05 billion in 2019, 40% higher or about ₱296 million versus ₱758 million in 2018. On the other hand, total collections amounted to P962 million, an increase of 36% or about P253 million versus P709 million in 2018, which resulted to a net income of P21.7 million, or about 137% higher versus P9.2 million in 2018 as reflected in its audited financial statements.

Total operating income (including gain on sale of repossessed assets and net of interest expense) ended at ₱175.7 million in 2019 from ₱135.3 million in 2018. The growth was mainly due to increased in collections which generated an interest income of ₱173.3 million in 2019 from ₱133.9 million in 2018. Total expenses in 2019 ended at ₱141.3 million, higher versus ₱117.4 million in 2018, mainly due to additional provisions for expected credit losses which includes the Company's preliminary assessment on the impact of novel strain of coronavirus (COVID-19).

Interest income in 2019 amounted to ₱173.3 million; major breakdown of which is ₱29.54 million from Rx Cashline, ₱57.29 million from MFC Factors and Business Loans and ₱78.06 million from Motor Vehicle (MC/Car) Financing.

As of December 31, 2019, Earnings Per Share ended at ₱0.09 from ₱0.04 in 2018.

Financial Condition and Capital Resources

Total assets as of December 31, 2019 ended at ₱1,333.56 million, higher versus ₱1,018.44 million in 2018 mainly due to increase in loans receivables by ₱281.6 million from ₱738.59 million in 2018 to ₱1,020.2 million in 2019. On the other hand, total liabilities also grew by ₱299.52 million, from ₱509.15 million in 2018 to ₱808.67 million in 2019 mainly due to net loan availments amounting to ₱244.57 million during the year.

Interest Income

The interest income this year ended at ₱173.3 million in 2019 from ₱133.9 million in 2018. This is mainly due to increase in loan releases and collections in 2019.

Net Interest Income

Net interest income amounted to ₱147.36 million in 2019, higher versus ₱112.44 million in 2018. This is mainly due to increase in loan releases and collections in 2019.

Other Income

Other income increased by ₱5.48 million, from ₱22.86 million in 2018 to ₱28.34 million in 2019, mainly due to gain on sale of repossessed assets amounting to ₱8.04 million in 2019.

Income Before Income Tax

As of December 31, 2019, the company's Income before share in net income of an associate and gain on sale of investment in an associate amounted to ₱34.41 million, higher versus ₱18.65 million in 2018, mainly due to increase in operating income from ₱135.3 million in 2018 to ₱175.7 million in 2019.

Funds Generation

We currently have a ₱385 million facility with Amalgamated Investment Bancorporation (AIB) and ₱324 million term loan financing with various financial institutions. The Company is in discussion with other financial institutions to secure credit loan facilities to finance MFC's growth potential in 2020.

Currently fund requirements are being met by loans, collections, acceptance of private placements under the 19 lenders rule.

As of December 31, 2018**Results of Operation**

Net Income after Tax for the year ending December 31, 2018, as reflected in the audited financial statements ended at ₱9.2 million, though lower versus ₱54.4 million a year ago mainly due to a onetime gain on sale of investment in an associate amounting to ₱102 million in 2017. However, the Company's Income after taking out the gain on sale of investment significantly improved from a loss of ₱50.65 million in 2017 to an income of ₱9.2 million in 2018, mainly driven by reduction in the Company's operating expenses from ₱223.25 million in 2017 to just ₱117.4 million in 2018.

Total operating income ended at ₱135.3 million in 2018 from ₱154.7 million in 2017. The decline was mainly due to lower generated interest income. Total expenses in 2018 ended at ₱117.4 million, lower versus ₱223.25 million in 2017, mainly due to decrease in loss on sale of repossessed motorcycle inventories by ₱21.17 million, decrease in provision for credit losses by ₱38.99 million due to efficient collection efforts of receivables in 2018, decrease in provision for impairment loss in inventory by ₱26.23 million.

Interest income in 2018 amounted to ₱133.93 million; major breakdown of which is ₱23.65 million from Rx, ₱43.29 million from MFC Factors and Business Loans and ₱61.64 million from MC Financing.

As of December 31, 2018, Earnings Per Share ended at ₱0.04 from ₱0.24 in 2017.

Financial Condition and Capital Resources

Total assets as of December 31, 2018 ended at ₱1,019.47 million, higher versus ₱970.79 million in 2017 mainly due to increase in loans receivables by ₱121.6 million. On the other hand, total liabilities also grew by ₱46.18 million, from ₱464 million in 2017 to ₱510 million in 2018 mainly due to net loan availments amounting to ₱37.4 million during the year.

Interest Income

The interest income this year ended at ₱133.93 million in 2018 from ₱157.66 million in 2017. This is mainly due to lower loans receivable at the beginning of 2018.

Net Interest Income

Net interest income amounted to ₱112.44 million in 2018 versus ₱124.75 million in 2017. This is mainly due to lower loans receivable at the beginning of 2018.

Other Income

Other income decreased by ₱7.09 million, from ₱29.95 million in 2017 to ₱22.86 million in 2018, mainly due to lower gain on foreclosure of assets from ₱10.53 million in 2017 to ₱4.32 million 2018.

Income Before Income Tax

As of December 31, 2018, the company's Income before share in net income of an associate and gain on sale of investment in an associate amounted to ₱18.65 million, higher versus a loss of ₱68.55 million in 2017, mainly due to reduction in operating expenses from P223.25 million in 2017 to just Php 117.4 million in 2018.

As of December 31, 2017

Results of Operation

Net Income after Tax for the year ending December 31, 2017, as reflected in the audited financial statements ended at ₱54.4 million, or 17.41% higher from ₱46.33 million in 2016. This is mainly due to reduction in operating expenses by Php 77 million and increase in other income by Php 24.15 million.

Total operating income ended at ₱257.5 million in 2017 from ₱273.1 million in 2016. The 5.71% decline was mainly due to decline in generated interest income. Total expenses in 2017 ended at ₱222.25 million, lower versus ₱300.33 million in 2016, mainly due to decrease in loss on sale and inventory write-down of repossessed motorcycle inventories by ₱48.14 million and decrease in provision for credit losses by ₱9.4 million. Salaries and employee benefits also decreased by ₱19.14 million

Interest income in 2017 amounted to ₱157.66 million; major breakdown of which is ₱19.54 million from Rx, P32.15 million from MFC Factors and Business Loans and ₱101.54 million from MC Financing.

As of December 31, 2017, Earnings Per Share ended at ₱0.24 from ₱0.21 in 2016.

Financial Condition and Capital Resources

Total assets as of December 31, 2017 ended at ₱970.79 million, lower versus ₱1,227.58 million in 2016 mainly due to decrease in loans receivables by ₱232.08 million and sale of investment in associate amounting to ₱94.96 million. On the other hand, total liabilities also declined by

₱303.49 million, from ₱767.49 million in 2016 to ₱464 million in 2017 mainly due to net settlement of notes payable amounting to ₱283.85 million.

Interest Income

The interest income this year ended at ₱157.66 million in 2017 from ₱209.49 million in 2016. This is mainly due to lower loans receivable at the beginning of 2017.

Net Interest Income

Net interest income amounted to ₱124.75 million in 2017 versus ₱164.5 million in 2016. This is mainly due to lower loans receivable at the beginning of 2017.

Other Income

Other income increased by ₱24.15 million, from ₱108.6 million in 2016 to ₱132.75 million in 2017 due mainly to increase in gain from sale of investment in an associate amounting to ₱18.17 million and ₱10.53 million gain on foreclosure of investment properties .

Income Before Income Tax

As of December 31, 2017, the company ended at Income before share in net income of an associate amounting to ₱34.25 million, higher versus a loss of ₱27.24 million in 2016, mainly due to lower total operating expenses by ₱77.08 million.

Net Income

The Company posted a net income of ₱54.4 million in 2017, or 17.41% higher versus ₱46.3 million in 2016.

Net Interest Income

Net interest income amounted to ₱164.5 million in 2016 versus ₱166.5 million in 2015. This is mainly due to lower loans receivable at the beginning of 2016.

Other Income

Other income increased by ₱88.7 million, from ₱19.9 million in 2015 to ₱108.6 million in 2016 due mainly to a onetime gain from sale of investment in an associate amounting to ₱84.6 million and higher collections of processing fees from new loan releases and late payment charges collected from past due accounts.

Income Before Income Tax

As of December 31, 2016, the company ended at a loss before share in net income of an associate amounting to ₱27.2 million, mainly due to increase in loss on sale and inventory write-down of repossessed motorcycle inventories by ₱60.7 million and increase in provision for credit losses by ₱ 17.47 million.

Net Income

The Company posted a net income of ₱46.3 million in 2016, higher versus ₱46.0 million in 2015 or an increase of 0.76%.

KEY PERFORMANCE INDICATORS:

Following are the top five (5) key performance indicators of the Company.

	2020	2019
SOLVENCY AND LIQUIDITY RATIOS		
Current ratio	98.11%	101.35%
Debt to equity ratio	147.40%	154.06%
Quick ratio	174.50%	180.86%
PROFITABILITY RATIOS		
Return on assets	0.82%	1.64%
Return on equity	2.04%	4.16%
Net profit margin	6.60%	12.35%
ASSET TO EQUITY RATIO	247.40%	254.05%
INTEREST RATE COVERAGE RATIO	1.41	2.33
OTHER RELEVANT RATIOS		
Ratio or percentage of total real estate investments to total assets	4.66%	4.72%
Total receivables to total assets	75.65%	76.5%
Total DOSRI receivables to net worth	4.88%	4.56%
Amount of receivables from a single corporation to total receivables:		
Motor Ace Philippines, Inc. (MAPI)	0.02%	0.02%
Honda Motor World, Inc.	0.01%	0.00%
Amalgamated Investment Bancorporation	0.01%	0.01%
MAPI Lending Investors, Inc.	0.27%	0.29%

Computation for the Ratios:

- Current Ratio = Current Assets/Current Liabilities
- Debt to Equity Ratio = Total Liabilities/Total Equity
- Quick Ratio = Quick Assets/Current Liabilities
- Return on Assets = Net Income After Tax/Total Assets
- Return on Equity = Net Income After Tax/Total Equity
- Net Profit Margin = Net Income After Tax/Total Income
- Asset to Equity Ratio = Total Assets/Total Equity

TRENDS, EVENTS OR UNCERTAINTIES WITH MATERIAL IMPACT ON LIQUIDITY

There are no known trends, events or uncertainties that will have a material impact on the Company's liquidity.

EVENTS THAT WILL TRIGGER DIRECT OR CONTINGENT FINANCIAL OBLIGATION

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

MATERIAL OFF-BALANCE SHEET TRANSACTIONS, ARRANGEMENT OR OBLIGATION

There are no material off-balance sheet transactions, arrangement or obligation.

CAPITAL EXPENDITURES

The Company had started to implement in April 2009 the geographical expansion for the MC Financing line. This resulted to investment in buying new office equipments, furniture and vehicles as service unit for the CSR.

TRENDS, EVENTS OR UNCERTAINTIES WITH MATERIAL IMPACT ON SALES

There are no known trends, events or uncertainties with material impact on sales.

SEASONAL ASPECTS

There was no seasonal aspect that had material effect on the Company's financial condition or results of operation

Item 7. Financial Statements

The audited financial statements are herewith attached as "ANNEX A".

Item 8. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

There are none.

INDEPENDENT PUBLIC ACCOUNTANTS

The auditing firm of Roxas Cruz Tagle & Co. is the incumbent external auditor of the Company for the calendar year 2020. The Company has complied with SRC Rule 68 (3)(b)(iv), regarding rotation of external auditors or engagement partners every five years. Mr. Clark Joseph C. Babor, the partner in charge, is the lead auditor, and Mr. Aljuver R. Gamao, as the signing Partner, of the Company. It is expected that Roxas Cruz Tagle & Co. will be reappointed as the Company's external auditor for year 2021.

The representatives of the said firm are expected to be present at the shareholders' meeting, will have the opportunity to make a statement if they so desire, and are expected to be available to respond to appropriate questions.

There had been no disagreements with Roxas Cruz Tagle & Co. with regard to accounting policies and financial disclosures of the Company.

Audit Committee is comprised of the following – Mr. Francisco C. Eizmendi Jr. as Chairman and Mr. Asterio L. Favis, Jr., Mr. Robert Charles M. Lehmann and Mr. Lawrence Hock Leong Ee as members.

INFORMATION ON EXTERNAL AUDITOR

There had been no disagreements with Roxas Cruz Tagle & Co. with regard to accounting policies and financial disclosures of the Company. Mr. Clark Joseph C. Babor, the engagement partner, and Mr. Aljuver R. Gamao, the signing partner, are the newly appointed auditors of the Company for the Calendar Year ending December 31, 2020, and has not yet completed the five-year cap requirement of SEC.

For the annual statutory and regulatory engagements including out-of-pocket expenses, MFC has engaged Roxas Cruz Tagle & Co. for a service fee of ₱320,923 for 2020 audit period. The Company has not engaged Roxas Cruz Tagle & Co. for any tax-related service or any other professional services. The audit committee of MFC regularly meets to tackle whatever issues that may come out of the regular audit of the company's external auditor and reports them to the BOD. Recommendations by the audit committee are then deliberated during the Board meetings.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. Directors and Executive Officers of the Issuer

Directors and Executive Officers

The Directors elected who shall serve for a term of one (1) year or until their successors shall have been elected, and their business experience for the last five years:

Ms. Teresita B. Benitez, 85, Filipino, is the *Chairman Emeritus*. She has been a Director since 2001. She had previously worked for the Philippine Bank of Commerce as Assistant Personnel Manager and United Coconut Planters Bank as Assistant Corporate Secretary. She had also been a director at Asiatrust Bank and Amalgamated Development Corporation. At present she is the Treasurer and Director of Nationwide Health Systems and FLB Development Corporation and the President of MERG Realty and Development Corporation. Ms. Benitez obtained a Bachelor of Science degree in Commerce from the University of San Francisco.

Mr. Rene B. Benitez, 58, Filipino, is the Company's *Chairman* and has been a director since 1996. Prior to assuming his role as Chairman, Mr. Benitez has served in various board and senior executive capacities in various private and public corporations, domestically and overseas. He is also Chairman of Amalgamated Investment Bancorporation, and Vice Chairman of the Dearborn Motors Group of car dealerships. To help the start up ecosystem, he recently co-founded the Manila Angel Investors Network. Mr. Benitez graduated with a dual major in Business Economics and Organizational Studies from Pitzer College of the Claremont Colleges, and has a master's degree in International and Development Economics from Yale University in New Haven, CT.

Mr. Max O. Borrromeo, 71, Filipino, is the Company's *Vice Chairman*. He has been a Director since 2000. Aside from being a Director of the Company, Mr. Borrromeo is currently a Director in the following companies: Honda Motor World, Inc., HMW Lending Investors, Dearborn Motors Co., Inc, Astron Gestus, Inc., Visayas Auto Ventures, Inc., Cebu Maxi Management Corporation, Maxi Agricultural Corporation, Cebu Parkland, Inc., and Salud Borrromeo Foundation, Inc. and Amalgamated Investment Bancorporation. He graduated with a Bachelor of Arts degree in Economics from the Ateneo de Manila University.

Mr. Joel S. Ferrer, 67, Filipino, is the Company's *Treasurer*. He has been a Director since 1998. Mr. Ferrer is currently the President of PARMAN Inc., a staffing company serving local and international clients. At the same time he also manages interests in real estate and agribusiness. Previous to this, he had worked for ERECSA, Inc. where he was the Executive Vice President. His other work experience includes being an investment executive at the Summa International Bank of Indonesia and a Lending Officer at the Bank of America. He obtained his Masters Degree in Business Management from the Asian Institute of Management and completed the Strategic Business Economics Program of the University of Asia and the Pacific.

Mr. Francisco C. Eizmendi Jr., 84, Filipino, is one of the Independent Directors of the Company. Mr. Eizmendi is currently the Chairman of Dearborn Motors Co., Inc. He was elected as a Director in the recent Stockholders' Meeting of Makati Finance Corporation and concurrently an Independent Director of Sun Life Grepa Financial and Independent Director of Amalgamated Investment Bancorporation. Mr. Eizmendi had been the President and Chief Operating Officer of San Miguel Corporation for 15 years. He was an Independent Director of Rizal Commercial Banking Corporation. Mr. Eizmendi graduated with a Bachelor of Science in Chemical Engineering Degree from the University of Santo Tomas in 1956.

Mr. Eric B. Benitez, 53, Filipino, has served as a Director since 2011. Mr. Benitez was formerly a Director in Credit Risk Management at Eurohypo AG (wholly-owned subsidiary of Commerzbank AG) in New York. Prior to Eurohypo, Mr. Benitez was a senior consultant within the Real Estate Business

Advisory Services Group at the New York office of PricewaterhouseCoopers, LLP. He began his career in 1988 as an analyst in the trust department at Sanwa Bank (now part of The Bank of Tokyo-Mitsubishi UFJ) in San Francisco, CA. Previously, Mr. Benitez was formerly a Board Member of the Philippine Finance Association. He earned his BA in Applied Mathematics from the University of California, Berkeley and his MS in Real Estate from Columbia University in New York.

Mr. Lawrence Hock Leong Ee, 78, Singaporean, is one of the Independent Director. He has been a Director since 2014 and was elected as a Independent Director on July 27, 2017.. He is currently Senior Adviser and Board of Director of Amalgamated Investment Bancorporation. He is lifetime member of the Institute of Singapore Chartered Accountants. He had been a Partner of Ernst and Young for 11 years and retired in 1997. His other work experience includes being an Independent Director of Lum Chang Holdings, Inc. for 9 years. He also served as Non-Executive Chairman of LCD Global Investments for 2 years. He graduated in the Institute of Chartered Accountants and Wales in 1965.

Mr. Maxcy Francisco Jose R. Borrromeo, 47, Filipino, is the Company's President and Chief Operating Officer of Makati Finance Corporation. He joined the company in 2014 and was elected Director in 2016. Outside of Makati Finance Corporation, he is also the President of HMW Lending Investors, Inc. and MAPI Lending Investors, Inc. He also serves as Director of Honda Motor World, Inc., Motor Ace Philippines, Inc., Astron Gestus, Inc., Cebu Maxi Management Corporation, Maxi Agricultural Corporation, Borrromeo Brother's Estate, Inc. and Mizukawa Motors Corporation. He is also a member of the Board of Trustees of Salud Borrromeo Foundation, Inc. He graduated with a Bachelor of Arts degree in Political Science from the Ateneo de Manila University. He obtained his Master's degree in Applied Finance with a focus on banking from the University of Wollongong, Australia.

Mr. Jose Daniel R. Borrromeo, 49 Filipino, He was elected as Director last July 28, 2016. He is the President and General Manager of Honda Motor World, Inc., Motor Ace Philippines, Inc., and Dream Honda, Inc. .He is also the Managing Director of Borrromeo Brothers Estate, Inc., Margarita Agro Industrial Corp., Tolar Development Corp. and , MC Bros. Development Corp. He is the President of Astron Gestus, Inc., Sakura Autoworld Inc., Cebu Maxi Management Corp., and Maxi Agricultural Corporation. He's the Corporate Planning Officer of Dearborn Motors, Inc. He graduated in Business Management degree major in Marketing from Hampshire College, New Hampshire, USA and completed his MBA in the University of Wollongong, Wollongong, Australia.

Mr. Alan Michael R. Cruz, 58, Filipino, he was elected as Independent Director last July 27, 2017. He was the President and General Manager of Northpine Land, Inc. from June 2011 to December 2016. He was also the Real Estate Development Manager of San Miguel Properties, Inc. from March 2007 to June 2011. He also served as Vice President and Division Head of United Coconut Planters Bank (UCPB) from 2004-2007 and Vice President and OIC – Asset Management Division from 2000-2003. He graduated in 1985 from University of the Philippines with the degree of B.S. Architecture. He was also 10th placer in 1985 board examination.

Mr. Robert Charles "Bob" M. Lehmann, 65, Filipino, he was elected as Director last October 20, 2017. He is currently the President and CEO of Amalgamated Investment Bancorporation (AIB). Also, Mr. Lehmann is concurrently a Director of Philippine Eagle Foundation. He has served 24 years in the banking industry in various senior positions here and abroad. His last position being the Executive Vice President of Security Bank. Prior to that, he was with Standard Chartered Bank in the region for many years, after several Philippine Country Manager positions with American and U.K. banks. A graduate of Ateneo High School, he has an undergraduate degree in B.S. International Business and a Masters in Business Administration from the University of San Francisco.

Mr. Asterio L. Favis, Jr., 68, Filipino, he was elected as Director of Makati Finance Corporation. He is currently working as consultant of Amalgamated Investment Bancorporation (AIB) and Ateneo-BAP Institute of Banking. Mr. Favis had been in banking industry for about 30 years handling various senior positions. His last position being the Executive Vice President(EVP) of Sterling Bank of Asia from April

2007 to December 2013, as Head, Treasury Group for two years, one year as OIC of Consumer Lending Group and three years as EVP/Office of the President . He was EVP/Head, Treasury Division of Philippine National Bank from November 2002 to March 2007. He was also SVP/Head, Financial Markets Division in AB Capital & Investment Corporation from 1999 to 2002 and SVP/Head, Treasury Division in Asianbank Corporation from 1990 to 1999. Prior to that, he was with PCI Bank from 1983 to 1990 as AVP/Head, Foreign Exchange for three years, VP/Head, Domestic Money Market for three years and VP/Office of the President for one year. He graduated in 1976 from Ateneo de Manila University with the degree of B.S. Management Engineering (Cum Laude).

Independent Directors

Among the Directors, Messrs. Francisco C. Eizmendi, Jr., Alan Michael R. Cruz and Lawrence Hock Leong Ee were elected as the three (3) Independent Directors of the Company at the 2020 Annual Stockholders' Meeting.

Senior Management

Mr. Marcos E. Larosa, CPA – *Chief Finance Officer*, 42, Filipino, was employed by the Company in July 1, 2014 as its new CFO. He was the Regional Finance Manager of Dole Asia Company Limited since November 2013 before joining Makati Finance Corporation. For 11 years he has worked with Matimco Incorporated, a local wood manufacturing and distribution company handling several managerial positions; as Finance Manager (2010-2013), Sales Support Manager (2004-2009), Budget Planning and Control Manager (2003) . He graduated with a Bachelor of Science degree in Accounting from the Polytechnic University of the Philippines in 1999.

Atty. Danilo Enrique O. Co, *Corporate Secretary and Legal Counsel*, 52, Filipino. Atty. Co has been serving the Corporation as its Corporate Secretary and Legal Counsel shortly after it went public in 2003. He is currently the Managing Partner of Co Ferrer Ang-Co & Gonzales Law Offices, a full-service Philippine law firm specializing in corporate law. He is also a Director, Corporate Secretary and/or Asst. Corporate Secretary of several other Philippine corporations, such as Art Provenance Philippines Inc., Amalgamated Investment Bancorporation, Anvaya Cove Beach and Nature Club, Cuervo Appraisers Inc., Dearborn Motors Co. Inc., Empowerment Through Education Inc., Health Blocks Inc., Kalayaan College Inc., Maroon Studios Inc., Sakura Autoworld Inc., Santos Knight Frank Inc., Sleep Well Land Development Corporation, Talent Scout Inc., The Studio of Secret 6 Inc., and Western Roadhouse Foods Inc. Atty. Co obtained his BS Business Administration (cum laude) and Law degrees from the University of the Philippines.

FAMILY RELATIONSHIP

Mr. Rene B. Benitez and Eric B. Benitez are sons of Ms. Teresita B. Benitez. Mr. Maxcy Francisco Jose R. Borromeo and Mr. Jose Jose Daniel R. Borromeo are sons of Mr. Max O. Borromeo.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

None of the Directors and Executive Officers was involved during the past five years up to in any bankruptcy proceedings up to April 12, 2018. Neither have they been convicted by final judgment in any criminal proceeding or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities or banking activities, not any action by any court or administrative body to have violated a securities or commodities law.

ITEM 10. Executive Compensation

The Company has an existing management contract with Cebu Maxi Management Corporation for advice and assistance in the MC Financing product assisted by Mr. Max O. Borromeo, Vice Chairman and with Pikeville Bancshares, Inc. for advice and assistance to be provided by Mr. Rene B. Benitez, Chairman. Each of the directors receives per diem amounting to ₱50,000 for every Board meeting they attend.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

SUMMARY COMPENSATION TABLE				
YEAR	NAME AND PRINCIPAL POSITION	SALARY/MANAGEMENT FEE	BONUS	OTHER COMPENSATION
2021 (Estimate)	Top 5 Executive Officers: Rene B. Benitez – Chairman Max Borromeo – Vice Chairman Maxcy R. Borromeo – President/COO Marcos E. Larosa – Chief Finance Officer Aldrin B. Pontanares – Operation Manager	8,554,321	2,065,984	400,000
	ALL BOARD DIRECTORS AND OFFICERS AS A GROUP	10,248,241	2,909,595	2,190,000
2020 (Actual)	Top 5 Executive Officers: Rene B. Benitez – Chairman Max Borromeo – Vice Chairman Maxcy R. Borromeo – President/COO Marcos E. Larosa – Chief Finance Officer Aldrin B. Pontanares – Operation Manager	8,554,321	2,065,984	400,000
	ALL BOARD DIRECTORS AND OFFICERS AS A GROUP	10,248,241	2,909,595	2,190,000
2019 (Actual)	Top 5 Executive Officers: Rene B. Benitez – Chairman Max Borromeo – Vice Chairman Maxcy R. Borromeo – President/COO Marcos E. Larosa – Chief Finance Officer Aldrin B. Pontanares – Operation Manager	10,477,901	5,905,574	600,000
	ALL BOARD DIRECTORS AND OFFICERS AS A GROUP	10,477,901	5,905,574	2,310,000
2018 (Actual)	Top 5 Executive Officers: Rene B. Benitez – Chairman Max Borromeo – Vice Chairman Maxcy R. Borromeo – President/COO Marcos E. Larosa – Chief Finance Officer Aldrin B. Pontanares – Operation Manager	10,477,902	5,905,574	600,000
	ALL BOARD DIRECTORS AND OFFICERS AS A GROUP	10,477,902	5,905,574	2,310,000
2017 (Actual)	Top 5 Executive Officers: Rene B. Benitez – Vice Chairman Teresita Benitez – Chairperson Max Borromeo – President Maxcy R. Borromeo – Chief Operating Officer Marcos E. Larosa – Chief Finance Officer Aldrin B. Pontanares – Operation Manager	10,383,400	3,854,678	600,000
	ALL BOARD DIRECTORS AND OFFICERS AS A GROUP	10,383,400	5,370,997	2,050,000

IDENTITY OF SIGNIFICANT EMPLOYEES

There is no person who is not an executive officer who is expected to make a significant contribution to the business of the company.

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security ownership of record/beneficial owners of more than 5% Equity

Title of class	Name, address of record owner and relationship	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares	Percent Held
Common	Amalgamated Investment Bancorporation 11F Multinational Bancorporation, 6805 Ayala Avenue, Makati City	Record and beneficial owner	Filipino	114,194,307	42.8900%
Common	Motor Ace Philippines, Inc. MC Briones St. Hi-way Magukay, Mandaue City	Record and beneficial owner	Filipino	67,341,540	25.3000%
Common	Pikeville Bancshares Inc. 11F Multinational Bancorporation, 6805 Ayala Avenue, Makati City	Record and beneficial owner	Filipino	17,122,636	6.4321%

Security ownership of BOD and Officers with Direct Ownership

Common	Eric B. Benitez 19 Mercedes St., Bel-Air Village, Makati City	Beneficial owner	Filipino	7,424,069	2.7900%
Common	Rene B. Benitez 35 Aries St. Bel-Air III, Bel-Air Village, Makati City	Beneficial owner	Filipino	6,090,520	2.2900%
Common	Rene B. Benitez ITF Carmela Benitez 35 Aries St. Bel-Air III, Bel-Air Village, Makati City	Beneficial owner	Filipino	317,164	0.1200%
Common	Rene B. Benitez ITF Lorenzo Benitez 35 Aries St. Bel-Air III, Bel-Air Village, Makati City	Beneficial owner	Filipino	317,164	0.1200%
Common	Rene B. Benitez ITF Matias Benitez 35 Aries St. Bel-Air III, Bel-Air Village, Makati City	Beneficial owner	Filipino	304,495	0.1100%
Common	Joel S. Ferrer 2137 Lourdes St. San Miguel Village, Makati City	Beneficial owner	Filipino	2,681,647	1.0100%
Common	Maxcy Francisco Jose R. Borromeo 66 Gorordo Avenue, Cebu City	Beneficial owner	Filipino	2,496	0.0000%
Common	Max O. Borromeo Maria Luisa Park, Banilad, Cebu City	Beneficial owner	Filipino	45,438	0.0171%
Common	Francisco C. Eizmendi, Jr. 34 Celery Drive, Valle Verde 5, Pasig City	Beneficial owner	Filipino	17	0.0000%
Common	Alan Michael R. Cruz 410 madrigal Avenue, Ayala Alabang, Muntinlupa	Beneficial owner	Filipino	1	0.0000%
Common	Jose Daniel R. Borromeo Mandaue, Cebu City	Beneficial owner	Filipino	2,497	0.0000%

Common	Lawrence Ee Hock Leong Residence 34, Dunbar Walk, Singapore	Beneficial owner	Singaporean	1	0.0000%
Common	Robert Charles M. Lehmann 11F Multinational Bancorporation Bldg., 6805 Ayala Avenue, Makati City	Beneficial owner	Filipino	1	0.0000%
Common	Asterio L. Favis, Jr No 33 Yuchengco Drive Pacific Malayan Village, Muntinlupa City	Beneficial owner	Filipino	1	0.0000%

Makati Finance Corporation complied with the minimum percentage requirements of listed securities held by the public of 10% of the listed company's issued and outstanding share. The Company will endeavor to increase its public float.

ITEM 12. Certain Relationships and Related Transactions

Mr. Rene B. Benitez and Eric B. Benitez are sons of Ms. Teresita B. Benitez. Mr. Maxcy Francisco Jose R. Borrromeo and Mr. Jose Daniel R. Borrromeo are sons of Mr. Max O. Borrromeo.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS – NOTE 21 OF THE AUDITED FINANCIAL STATEMENTS

In the ordinary course of business, the Company enters into transactions with its stockholders and affiliates. Under the Company's policy, these transactions are made substantially on the same terms as with other individuals and businesses of comparable risks. Related party transactions are settled in cash.

Affiliates are other companies linked indirectly to the Company through interlocking directorship or officership and those under common significant influence and common control. For the details on the related party transactions, refer to Note 21 of the audited financial statements.

PART IV – CORPORATE GOVERNANCE

ITEM 13. Corporate Governance

Please refer to the I-ACGR herein attached as “ANNEX C”

COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

MFC shall set up an evaluation system that will determine and measure compliance with the Manual on Corporate Governance.

Measures undertaken by MFC for full compliance with the adopted leading practices on good corporate governance includes election of independent directors and creation of the Nomination Committee starting year 2003 and continued up to the present time. Each incumbent director of MFC underwent seminars on good corporate governance in year 2003 up to the present. To monitor compliance, the board of directors designated Mr. Marcos E. Larosa as Compliance Officer. The Company submitted to the SEC its Revised Anti-Money Laundering Manual as mandated by Republic Act 9160, as amended by Republic Act. No. 9194 on October 28, 2004. Also, The Company submitted the Audit Charter Manual. Lastly, the Company’s By-Laws shall be amended to incorporate provisions on independent directors. Deviations from the Company’s Manual on Corporate Governance are not applicable. With regards to plans on improving corporate governance of the Company, MFC is already adopting the Philippine Accounting Standards in the presentation of its financial statements.

PART V - EXHIBITS AND SCHEDULES

ITEM 14. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

The Company’s audited financial statements are hereby attached as “ANNEX A”.

(b) Reports on SEC Form 17-C

The reports on SEC Form 17-C filed during the last six months ended December 31, 2020 are hereby attached “ANNEX B”.

Quarterly Financial Reports ending March 31, 2020 were submitted to the SEC on June 26, 2020; quarterly ending June 30, 2020 on August 14, 2020 and for the quarter ending September 30, 2020 on November 13, 2020.

SIGNATURES

Pursuant to the requirements of Section 17 of the SRC and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Makati on 14 MAY 2021 ..


By:




RENE B. BENITEZ
Chairman of the Board



MAX O. BORROMEEO
Vice-Chairman



FRANCISCO C. EIZMENDI JR.
Independent Director



MAXCY FRANCISCO JOSE R. BORROMEEO
President



MARCOS E. LAROSA
Chief Finance Officer

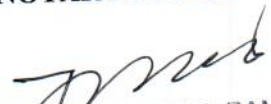


DANILO ENRIQUE O. CO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 14 MAY 2021 day of _____ 2021, affiant(s) exhibiting to me their _____, as follows:

<u>NAME/NO.</u>	<u>GOVT.I.D.</u>	<u>PLACE OF ISSUE</u>
RENE B. BENITEZ	TIN:137-438-326	
MAX O. BORROMEEO	TIN: 108-479-305	
FRANCISCO C. EIZMENDI JR.	TIN: 119-132-505	
MAXCY FRANCISCO JOSE R. BORROMEEO	TIN : 153-065-629	
MARCOS E. LAROSA	TIN : 206-361-568	
DANILO ENRIQUE O. CO	TIN : 134-866-959	

NOTARY PUBLIC



ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-239
NOTARY PUBLIC FOR MAKATI CITY
UNTIL JUNE 30, 2021 per B.M. No. 3795
11 KALAYAAN AVENUE EXTENSION
BARANGAY WEST REMBO, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 137312/01-04-2021/Pasig City
PTR NO. MKT 8531022/01-04-2021/Makati City

Doc No. 164
Page No. 34
Book No. 166
Series of 2021

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

ANNEX A

REPORTS ON SEC FORM 17-C

ANNEX B



MAKATI FINANCE
CORPORATION
MORE THAN JUST FINANCING

July 29, 2020

Corporate Governance and Finance Department
SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307

Attention : **HON. RACHEL ESTHER J. GUMTANG-REMALANTE**
OIC, Corporate Governance and Finance Department

The Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **MS. JANET A. ENCARNACION**
Head of Disclosure Department

We are submitting herewith SEC 17-C to disclose some material items discussed on Makati Finance Corporation's Board of Director's Meeting held today, July 29, 2020 via remote communication.

We are making this disclosure in compliance with the Continuing Listing Requirements of the Philippine Stock Exchange.

Very truly yours,

Makati Finance Corporation
Registrant

By:



MARCOS E. LAROSA
CFO / Compliance Officer

COVER SHEET

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S.E.C. Registration Number

M	A	K	A	T	I	F	I	N	A	N	C	E	C	O	R	P	O	R	A	T	I	O	N
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(Company's Full Name)

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B	A	R	A	N	G	A	Y		M	A	G	A	L	L	A	N	E	S						
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A	V	E	N	U	E		M	A	K	A	T	I		C	I	T	Y		1	2	3	1		
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(Business Address : No. Street/City/Province)

MARCOS E. LAROSA

Contact Person

(02) 751-8132

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

2020

SEC Form 17-C

FORM TYPE

0	7
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Month

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Day

Annual Meeting

**Every last
Thursday of July**

Financing

Secondary License Type, If Applicable

C	F	D	
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Dept. Requiring this Doc.

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Amended Articles Number/Section

109

Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **July 29, 2020**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **28788**
3. BIR Tax Identification No.: **000-473-966**
4. **MAKATI FINANCE CORPORATION**
Exact name of registrant as specified in its charter
5. **Makati City, Philippines** 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **3/F Mazda Makati Bldg. 2301 Chino Roces Ave., Brgy. Magallanes, Makati City 1231**
Address of principal office Postal Code
8. **(632) 7751-8132**
Registrant's telephone number, including area code
9. **7823 Makati Avenue, Poblacion, Makati City 1210**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	262,948,243

11. Indicate the item numbers reported herein:.....

**The Regular Meeting of the Board of Directors of MAKATI FINANCE CORPORATION ("MFIN")
was held on 29 July 2020. The following were approved by the Board of Directors:**

- a. Minutes of the Regular Board Meeting held on **06 May 2020**.
- b. Stock Dividends amounting to **1.2382084447%** of the outstanding capital stock equivalent to a maximum of **3,255,847** shares of stock, to be issued out of the un-issued capital stock to stockholders of record as of **27 August 2020** with a payment date not later than **22 September 2020**. Fractional shares of **43.35** shall be paid in cash. The actual stock dividends to be issued may be less than the above indicated shares of stock due to the resulting fractional shares, as of **27 August 2020**.

- c. Cash Dividends in the amount of **Php3,255,847.35** or an equivalent of **Php 0.0123820844%** per share (**1.2382084447%**) to stockholders of record as of **27 August 2020** with a payment date of **22 September 2020**. Both dividends shall be paid out of the audited net profits of the Corporation as of December 31, 2019.
- d. The Next Board meeting was scheduled on **October 27, 2020 (Tuesday) at 10:00 a.m.**

SIGNATURES

Pursuant to the requirements of the Securities Regulation Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Very truly yours,

Makati Finance Corporation
Registrant

By:



MARCOS E. LAROSA
CFO / Compliance Officer

Date: July 29, 2020

Certification

I, **Marcos E. Larosa** (Compliance Officer/CFO) of **Makati Finance Corporation** with SEC registration No. 28788 with principal office at 3F Mazda Makati Building 2301 Chino Roces Ave., Brgy. Magallanes, Makati City, in oath state:

- 1) That on behalf of **Makati Finance Corporation**, I have caused this **SEC Form 17-C BOD Regular Meeting held on July 29, 2020** to be prepared;
- 2) That I read and understood its content which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the Makati Finance Corporation will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents file online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

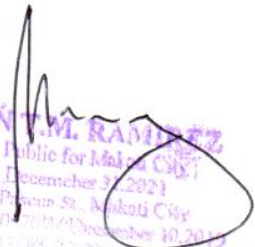
IN WITNESS WHEREOF, I have hereunto set my hand this ^{JUL 30 2020} 29th day of July 2020.


MARCOS E. LAROSA
Affiant

SUBSCRIBED AND SWORN to before me this JUL 30 2020 day of July 2020.

Doc. No. 27
Page No. 7
Book No. 68
Series 20 2020

NOTARY PUBLIC


RUBEN M. RAMIREZ
Notary Public for Makati City
Until December 31, 2021
2086 E. Placer St., Makati City
IBP O.R. No. 0701201/December 10, 2015
Roll No. 28788



MAKATI FINANCE
CORPORATION
MORE THAN JUST FINANCING

July 30, 2020

Corporate Governance and Finance Department
SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307

Attention : **HON. RACHEL ESTHER J. GUMTANG-REMALANTE**
OIC, Corporate Governance and Finance Department

The Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **MS. JANET A. ENCARNACION**
Head of Disclosure Department

We are submitting herewith SEC 17-C to disclose some material items discussed on Makati Finance Corporation's Annual Stockholders' Meeting and Organization Meeting held today, July 30, 2020 via remote communication.

We are making this disclosure in compliance with the Continuing Listing Requirements of the Philippine Stock Exchange.

Very truly yours,

Makati Finance Corporation
Registrant

By:



MARCOS E. LAROSA
CFO / Compliance Officer

COVER SHEET

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S.E.C. Registration Number

M	A	K	A	T	I	F	I	N	A	N	C	E	C	O	R	P	O	R	A	T	I	O	N
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(Company's Full Name)

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B	U	I	L	D	I	N	G		2	3	0	1			C	H	I	N	O		R	O	C	E	S	
B	A	R	A	N	G	A	Y		M	A	G	A	L	L	A	N	E	S								
A	V	E	N	U	E			M	A	K	A	T	I		C	I	T	Y		1	2	3	1			

(Business Address : No. Street/City/Province)

MARCOS E. LAROSA

Contact Person

(02) 751-8132

Company Telephone Number

1	2	3	1
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Month Day

Fiscal Year

2020

SEC Form 17-C

FORM TYPE

0	7		
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Month Day

Annual Meeting

Every last Thursday of July

Financing

Secondary License Type, If Applicable

C G F D

Dept. Requiring this Doc.

Amended Articles Number/Section

109

Total No. of Stockholders

Total Amount of Borrowings	
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **July 30, 2020**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **28788**
3. BIR Tax Identification No.: **000-473-966-000**
4. **MAKATI FINANCE CORPORATION**
Exact name of registrant as specified in its charter
5. **Makati City, Philippines** 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **3/F Mazda Makati Bldg. 2301 Chino Roces Ave., Brgy. Magallanes, Makati City 1231**
Address of principal office Postal Code
8. **(632) 7751-8132**
Registrant's telephone number, including area code
9. **7823 Makati Avenue, Poblacion, Makati City 1210**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Section 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
---------------------	--

Common Shares	262,948,243
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11. Indicate the item numbers reported herein: ITEM 9 (a) (13)

I. **The Annual Stockholders' Meeting was held via remote communication. The following were approved by the Stockholders of the Corporation:**

- a. Minutes of the Annual Stockholders' Meeting held on 25 July 2019.
- b. The 2019 Annual Report and 2019 Audited Financial Statements.
- c. Ratification of all acts, contracts, investments and resolutions of the Board of Directors and Management since the immediately previous Annual Shareholder's Meeting of 25 July 2019.

- d. Elections of Directors of the Corporation. The following were elected as Directors of the Corporation for a term of one (1) year or until their successors shall have been elected:

RENE B. BENITEZ
MAX FRANCISCO JOSE O. BORROMEO
MAXCY FRANCISCO JOSE R. BORROMEO
*FRANCISCO C. EIZMENDI, JR.
JOEL S. FERRER
ERIC B. BENITEZ
*LAWRENCE EE HOCK LEONG
JOSE DANIEL R. BORROMEO
*ALAN MICHAEL R. CRUZ
ROBERT CHARLES M. LEHMANN
ASTERIO L. FAVIS, JR.

Mr. Lawrence Ee Hock Leong, Mr. Francisco C. Eizmendi, Jr. , Mr. Alan Michael R. Cruz were elected as independent directors.

- e. Appointment of BDO Roxas Tagle and Co. as the Corporation's External Auditor for the Year 2020.
- f. Stock Dividends amounting to **1.2382084447%** of the outstanding capital stock equivalent to a maximum of **3,255,847** shares of stock, to be issued out of the un-issued capital stock to stockholders of record as of **27 August 2020** with a payment date not later than **22 September 2020**. Fractional shares of **43.35** shall be paid in cash. The actual stock dividends to be issued may be less than the above indicated shares of stock due to the resulting fractional shares, as of **27 August 2020**.
- g. Cash Dividends in the amount of **Php3,255,847.35** or an equivalent of **Php 0.0123820844** per share (**1.2382084447%**) to stockholders of record as of **27 August 2020** with a payment date of **22 September 2020**. Both dividends shall be paid out of the audited net profits of the Corporation as of December 31, 2019.

III. The Organizational Meeting of the Board of Directors was held immediately after the Annual Stockholders Meeting.

The following officers and committee chairmen/members were elected.

- a. OFFICERS:

Mr. Rene B. Benitez – Chairman
Mr. Max Francisco Jose O. Borromeo – Vice Chairman
Mr. Maxcy Francisco Jose R. Borromeo - President
Mr. Joel S. Ferrer - Treasurer
Atty. Danilo Enrique O. Co - Corporate Secretary
Mr. Marcos E. Larosa – Chief Finance Officer / Chief Information Officer/
Compliance Officer
Mr. Servando B. Alvarez, Jr. - Assistant Treasurer

b. COMMITTEES:

Executive Committee	Compensation Committee
<p>Mr. Max Francisco Jose O. Borrromeo, <i>Chairman</i> Mr. Jose Daniel R. Borrromeo Mr. Robert Charles M. Lehmann Mr. Rene B. Benitez Mr. Lawrence Ee Hock Leong *</p>	<p>Mr. Joel S. Ferrer, <i>Chairman</i> Mr. Francisco C. Eizmendi, Jr Mr. Alan Michael R. Cruz * Mr. Eric B. Benitez</p>
<p>Nomination / Corporate Governance Committee</p>	<p>Audit / Related Party Transactions / Board Risk Oversight Committee</p>
<p>Mr. Alan Michael R. Cruz *, <i>Chairman</i> Mr. Rene B. Benitez Mr. Lawrence Ee Hock Leong *</p>	<p>Mr. Francisco C. Eizmendi Jr.*, <i>Chairman</i> Mr. Lawrence Ee Hock Leong * Mr. Asterio L. Favis, Jr. Mr. Robert Charles M. Lehmann</p>

* Independent Directors

SIGNATURES

Pursuant to the requirements of the Securities Regulation Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Very truly yours,

Makati Finance Corporation
Registrant

By:



MARCOS E. LAROSA
CFO / Compliance Officer

Date: July 30, 2020

Certification

I, **Marcos E. Larosa** (Compliance Officer/CFO) of **Makati Finance Corporation** with SEC registration No. 28788 with principal office at 3F Mazda Makati Building 2301 Chino Roces Ave., Brgy. Magallanes, Makati City, in oath state:

- 1) That on behalf of **Makati Finance Corporation**, I have caused this **SEC Form 17-C Annual Stockholders' Meeting and Organization Meeting held on July 30, 2020** to be prepared;
- 2) That I read and understood its content which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the Makati Finance Corporation will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents file online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

JUL 30 2020

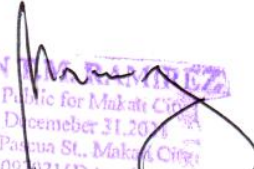
IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of July 2020.


MARCOS E. LAROSA
Affiant

SUBSCRIBED AND SWORN to before me this JUL 30 2020 day of July 2020.

Doc. No. 28
Page No. 78
Book No. 68
Series 2Q 2020

NOTARY PUBLIC


RUBEN M. PAREDES
Notary Public for Makati City
- Until December 31, 2021
2086 E. Pasqua St., Makati City
BSP O.R. No. 001071208



MAKATI FINANCE
CORPORATION
MORE THAN JUST FINANCING

October 27, 2020

Corporate Governance and Finance Department
SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307

Attention : **HON. RACHEL ESTHER J. GUMTANG-REMALANTE**
OIC, Corporate Governance and Finance Department

The Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **MS. JANET A. ENCARNACION**
Head of Disclosure Department

We are submitting herewith SEC 17-C to disclose some material items discussed on Makati Finance Corporation's Board of Director's Meeting held today, October 27, 2020 via remote communication.

We are making this disclosure in compliance with the Continuing Listing Requirements of the Philippine Stock Exchange.

Very truly yours,

Makati Finance Corporation
Registrant

By:


MARCOS E. LAROSA
CFO / Compliance Officer

COVER SHEET

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S.E.C. Registration Number

M	A	K	A	T	I		F	I	N	A	N	C	E		C	O	R	P	O	R	A	T	I	O	N
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(Company's Full Name)

3		R	D		F	L	O	O	R			M	A	Z	D	A		M	A	K	A	T	I	
B	U	I	L	D	I	N	G		2	3	0	1		C	H	I	N	O		R	O	C	E	S
B	A	R	A	N	G	A	Y		M	A	G	A	L	L	A	N	E	S						
A	V	E	N	U	E		M	A	K	A	T	I		C	I	T	Y		1	2	3	1		

(Business Address : No. Street/City/Province)

MARCOS E. LAROSA Contact Person

(02) 751-8132 Company Telephone Number
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<table border="1" style="border-collapse: collapse;"> <tr><td style="width: 20px;">1</td><td style="width: 20px;">2</td></tr> </table> <i>Month</i> Fiscal Year 2020	1	2	<table border="1" style="border-collapse: collapse;"> <tr><td style="width: 20px;">3</td><td style="width: 20px;">1</td></tr> </table> <i>Day</i>	3	1
1	2				
3	1				

SEC Form 17-C FORM TYPE

<table border="1" style="border-collapse: collapse;"> <tr><td style="width: 20px;">0</td><td style="width: 20px;">7</td></tr> </table> <i>Month</i> Annual Meeting Every last Thursday of July	0	7	<table border="1" style="border-collapse: collapse;"> <tr><td> </td><td> </td></tr> </table> <i>Day</i>		
0	7				

Financing Secondary License Type, If Applicable

C F D Dept. Requiring this Doc.

 Amended Articles Number/Section

109 Total No. of Stockholders

Total Amount of Borrowings
<div style="border: 1px solid black; width: 150px; height: 20px;"> </div> <div style="border: 1px solid black; width: 150px; height: 20px;"> </div>
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number											
Document I.D.											

LCU

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C
CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE (SRC)
AND SRC RULE 17(b)(3) THEREUNDER

1. **October 27, 2020**
(Date of earliest event reported)
2. SEC Identification Number: 28788
3. BIR Tax Identification No.: 000-473-966
4. **MAKATI FINANCE CORPORATION**
Exact name of registrant as specified in its charter
5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **3F Mazda Makati, 2301 Chino Roces Ave. Brgy. Magallanes, Makati City** **1231**
Address of principal office Postal Code
8. **(632) 7751-8132**
Registrant's telephone number, including area code
9. **7823 Makati Avenue, Makati City**
Former name or former address, if changed since last report
10. Securities registered pursuant to SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	266,204,047

11. Indicate the item numbers reported herein: **Item 9 – Other Matters**

The regular quarterly meeting of the Board of Directors of MAKATI FINANCE CORPORATION (“MFIN”) was held on October 27, 2020, at which at least a majority of the members of the Board of Directors was present and acting throughout.

There were no material items discussed nor approved in MFIN's Board Meeting.

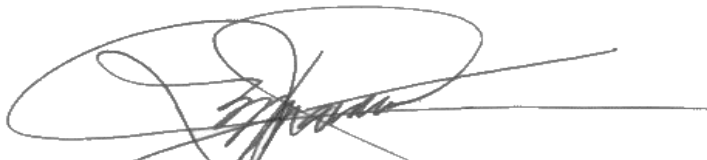
The next Board meeting was later set on January 26, 2021 at 9 o'clock in the morning.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Makati Finance Corporation
Registrant

By:

A handwritten signature in black ink, appearing to read 'MARCOS E. LAROSA', is written over a horizontal line. The signature is stylized with loops and a long horizontal stroke extending to the right.

MARCOS E. LAROSA
CFO/Compliance Officer / CIO

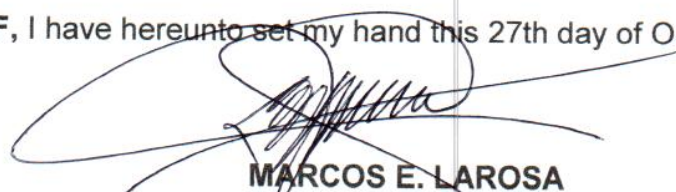
Date: 27 October 2020

Certification

I, **Marcos E. Larosa** (Compliance Officer/CFO) of **Makati Finance Corporation** with SEC registration No. 28788 with principal office at 3F Mazda Makati Building 2301 Chino Roces Ave., Brgy. Magallanes, Makati City, in oath state:


- 1) That on behalf of **Makati Finance Corporation**, I have caused this **SEC Form 17-C Regular Board Meeting held on October 27, 2020** to be prepared;
- 2) That I read and understood its content which are true and correct of my own personal knowledge and/or based on true records;
- 3) That the Makati Finance Corporation will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents file online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of October 2020.


MARCOS E. LAROSA
Affiant

OCT 27 2020

SUBSCRIBED AND SWORN to before me this _____ day of October 2020.


ATTY. GEORGE DAVID D. SITON
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M-382 UNTIL DEC 31, 2021
ROLL NO. 68402
MCLE COMPLIANCE NO. VI-0021936 3-29-2019
NOTARY PUBLIC
MCLE NO. 2 - LIFETIME MEMBER - 5-8-17
PTR NO. 2275859 - JAN 21, 2020 - PARAÑAQUE CITY
EXECUTIVE BLDG., CENTER MAKATI AVE., COR JUPITER ST.,
MAKATI CITY

Doc. No. 61
Page No. 11
Book No. 16
Series No. 2121

**INTEGRATED ANNUAL CORPORATE GOVERNANCE
REPORT**

(I-ACGR) – 2019
Date Filed to SEC : June 22, 2020

ANNEX C

COVER SHEET

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S.E.C. Registration Number

M A K A T I F I N A N C E C O R P O R A T I O N

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(Company's Full Name)

3 R D F L O O R M A Z D A M A K A T I

B U I L D I N G 2 3 0 1 C H I N O R O C E S

B A R A N G A Y M A G A L L A N E S

A V E N U E M A K A T I C I T Y 1 2 3 1

(Business Address : No. Street/City/Province)

MARCOS E. LAROSA

Contact Person

(02) 7751-8132

Company Telephone Number

1	2
---	---

Month

3	1
---	---

Day

Fiscal Year

2019

I-ACGR

FORM TYPE

0	7
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Month

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Day

Annual Meeting

Every last Thursday of July

--

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

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Amended Articles Number/Section

109

Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes



MAKATI FINANCE
CORPORATION
MORE THAN JUST FINANCING

July 22, 2020

SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307

Attention : **HON. RACHEL ESTHER J. GUMTANG-REMALANTE**

OIC, Corporate Governance and Finance Department

The Disclosure Department

THE PHILIPPINE STOCK EXCHANGE, INC.

3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention : **MS. JANET A. ENCARNACION**

Head, Disclosure

Department Gentlemen:

In compliance with the SEC Memorandum Circular No. 15 Series of 2017, please find attached Integrated Annual Corporate Governance Report (SEC Form I-ACGR) of Makati Finance Corporation covering for the year 2019.

We are making this disclosure in compliance with the Continuing Listing Requirements of the Philippine Stock Exchange.

Makati Finance Corporation
Registrant

By:



MARCOS E. LAROSA
Chief Finance Officer / Compliance Officer



**SEC FORM – I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **December 31, 2019**
2. SEC Identification Number **28788** 3. BIR Tax Identification No. **000-473-966-000**
4. Exact name of issuer as specified in its charter – **MAKATI FINANCE CORPORATION**
5. **Philippines** 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. **3/F Mazda Makati Building 2301 Chino Roces Ave., Brgy. Magallanes, Makati City**
Address of principal office Postal Code
1231
8. **+632 77518132**
Issuer's telephone number, including area code
9. **7823 Makati Avenue, Poblacion Makati City 1210**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			ADDITIONAL INFORMATION	EXPLANATION
COMPLIANT / NON-COMPLIANT				
The Board's Governance Responsibilities				
<p>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.</p>				
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:	
2.	Board has an appropriate mix of competence and expertise.	COMPLIANT	<ul style="list-style-type: none"> Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance 	
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	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 https://www.makatiifinance.ph/pdf/Manual/Amended-2017%20MANUAL%20ON%20CORPORATE%20GOVERNANCE.pdf SEC FORM 17A - Annual Report 2019 https://www.makatiifinance.ph/pdf/Sec%20Form%2017-A/SEC%20Form%2017-A%202019.pdf 	

		<ul style="list-style-type: none"> • SEC FORM 20-IS - Definitive Information Statement 2019 https://www.makatiifinance.ph/pdf/Sec%20Form%20IS/2019%20Definitive%20Information%20Statement.pdf 	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>Identify or provide link/reference to a document identifying the directors and the type of their directorships</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p> <ul style="list-style-type: none"> • SEC FORM 20-IS - Definitive Information Statement 2019 • SEC FORM 17A - Annual Report 2019 • SEC FORM 17C –Current Report (Date of Disclosure: July 25, 2019) Disclosure on the Results of Organizational Meeting, 25 July 2019 <p>https://edge.pse.com.ph/downloadHtml.do?file_id=609012</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p>Provide link or reference to the company’s Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p>	
2. Company has an orientation program for first time directors.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p>	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	<ul style="list-style-type: none"> • SEC FORM 17-C Current Report 2019 (Date of Disclosure: January 15, 2020) Disclosure on the Certificates of Attendance 	

		for having attended Corporate Governance seminar, 31 December 2019 https://www.makatiifinance.ph/pdf/Sec%20Form%2017-C/Certificate%20of%20Attendance%20of%20Directors%20and%20Officers%202019.pdf	
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 <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1, p.1 Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1, p.1 Adopted by the Board of Directors on 30 September 2017 	
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.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 SEC FORM 17A - Annual Report 2019 	

4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	<ul style="list-style-type: none"> • SEC FORM 20-IS - Definitive Information Statement 2019 • SEC FORM 17-C Current Report 2019 (Date of Disclosure July 25, 2019) Disclosure on the appointment https://ledge.pse.com.ph/opensDiscViewer.do?ledge_no=fcct7f5be2497177e1dfc15ec263a54d <p>or</p> <p>https://www.makatifinance.ph/pdf/Sec%20Form%2017-C/ASM%20and%20Regular%20Board%20Meeting%20on%20July%2025,%202019.pdf</p> <p>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	COMPLIANT	<p>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • All materials to be discussed on the monthly board meetings have been emailed 5 days before the scheduled meeting. 	
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.	
2. Compliance Officer has a rank of Senior Vice President or an	COMPLIANT		

equivalent position with adequate stature and authority in the corporation.		<ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17C –Current Report 2019 (Date of Disclosure: July 25, 2019) Disclosure on the appointment of Compliance Officer, 26 July 2019. https://www.makatiifinance.ph/pdf/Sec%20Form%2017-C/ASM%20and%20Regular%20Board%20Meeting%20on%20July%2025,%202019.pdf • SEC FORM 20-IS - Definitive Information Statement 2019 	
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <ul style="list-style-type: none"> • SEC FORM 17-C Current Report 2018 (Date of Disclosure December 19, 2018) Disclosure on the Certificates of Attendance for having attended Corporate Governance seminar, 18 December 2018 	

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	<p>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • Minutes of the Meetings of the Corporation. 	
Recommendation 2.2			
1. Board oversees the	COMPLIANT	Provide information or link/reference to a document containing	

development, review and approval of the company's business objectives and strategy.		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	<ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • Minutes of the Meetings of the Corporation <p>Indicate frequency of review of business objectives and strategy</p> <ul style="list-style-type: none"> • The Board of Directors reviews the business objectives and strategy during its quarterly and special Board meetings, based on the reports provided by management. 	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	<p>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</p> <p>Indicate frequency of review of the vision, mission and core values.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • MFIN WEBSITE https://www.makatiifinance.ph • SEC FORM 17A -Annual Report 2019 	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	<p>Provide information on or link/reference to a document containing information on the strategy execution process. CFA</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1.1, p.1, par. 3.1.1, p.10 par. 3.2.1, p. 11 Adopted by the Board of Directors on 30 September 2017 	
Recommendation 2.3			
1. Board is headed by a	COMPLIANT	Provide information or reference to a document containing	

competent and qualified Chairperson.		<p>information on the Chairperson, including his/her name and qualifications</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 20-IS - Definitive Information Statement 2019 • SEC FORM 17A - Annual Report 2019 	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	<p>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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, pars. 1.1, p.1 Adopted by the Board of Directors on 30 September 2017 • Succession Planning 	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT		
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	<p>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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		
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.			
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	<p>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.</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
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>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1.1, p.2, par.2.2, p.6, par. 2.2.1 (a), p. 6, par. 2.2.1 (b), p.6, par. 2.4.1, p.10, par. and 10.1.6, p.21 Adopted by the Board of Directors on 30 September 2017 	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	<p>Provide proof if minority shareholders have a right to nominate candidates to the board</p>	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, pars. 10.1.1 (a)(b), p.19 	

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	Adopted by the Board of Directors on 30 September 2017 Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director. <ul style="list-style-type: none"> In discussing the shortlist of directors, as presented by the Nomination Committee, the Board passes upon the effectiveness of nomination and election process of directors 	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
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.	NON-COMPLIANT	Identify the professional search firm used or other external sources of candidates	Not applicable. The Corporation does not use professional search firms or other external sources of candidates.
Recommendation 2.7			
2. 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 <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, par 1.1, p.2 	
3. RPT policy includes appropriate review and approval of material	COMPLIANT	Adopted by the Board of Directors on 30 September 2017	

RPTs, which guarantee fairness and transparency of the transactions.		Identify transactions that were approved pursuant to the policy.	
4. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	COMPLIANT		
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	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17A - Annual Report 2019 • SEC FORM 20-IS - Definitive Information Statement 2019 	
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	<p>Provide information on voting system, if any.</p> <ul style="list-style-type: none"> • Non-related party shareholders are provided an opportunity to discuss, approve or disapprove the acts of the Directors and management, during the annual stockholders' meetings. 	

Recommendation 2.8			
<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>	COMPLIANT	<p>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1.1, p.2 Adopted by the Board of Directors on 30 September 2017 <p>Identify the Management team appointed</p> <ul style="list-style-type: none"> • SEC FORM 17-C Current Report 2019 (Date of Disclosure July 25, 2019) 	
<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>	COMPLIANT	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 <p>Provide information on the assessment process and indicate frequency of assessment of performance.</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>	COMPLIANT	<p>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • Succession Planning 	
<p>2. Board establishes an effective performance management</p>	COMPLIANT		

framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.			
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	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, pars. 1.1, p.2 and par 4, p.13 Adopted by the Board of Directors on 30 September 2017 	
3. Board approves the Internal Audit Charter.	COMPLIANT	Provide reference or link to the company's Internal Audit Charter	
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.	
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	<ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1.1, p.2 Adopted by the Board of Directors on 30 September 2017 	

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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, Adopted by the Board of Directors on 30 September 2017
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT	
3. Board Charter is publicly available and posted on the company's website.	COMPLIANT	
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.
		The Corporation currently does not have an express insider trading policy. However, under the Corporation's New Manual on Corporate Governance, every director shall ensure that it conducts fair business transactions

			with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation.
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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. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17C –Current Report 2019 (Date of Disclosure: July 25, 2019) 	

Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting,	COMPLIANT	Provide information or link/reference to a document containing information on the Audit Committee, including its functions. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) 	

<p>internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>		<p>Amended, par. 2.1, p.2 and par 2.1.1, p.3 Adopted by the Board of Directors on 30 September 2017</p> <p>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, par. 2.1.1, p.5 Adopted by the Board of Directors on 30 September 2017 • It is the Audit Committee's responsibility to recommend appointment and removal of an External Auditor. 	
<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>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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, par.21, p.3 Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17-C Current Report 2019 (Date of Disclosure July 25, 2019) 	
<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> <ul style="list-style-type: none"> • SEC FORM 17A - Annual Report 2019 • SEC FORM 20-IS - Definitive Information Statement 2019 	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</p>	

committee.		<ul style="list-style-type: none"> • SEC FORM 17-C Current Report 2019 (Date of Disclosure July 25, 2019) Disclosed on the Result of the Annual Stockholders' Meeting and Organizational Meeting, 25 July 2019. 	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17A - Annual Report 2019 Annex A 	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17A - Annual Report 2019 Annex A 	
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	NON-COMPLIANT	Indicate the number of Audit Committee meetings during the year and provide proof	
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	Provide proof that the Audit Committee approved the appointment and removal of the internal auditor. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17-C Current Report 2018 (Date of Disclosure July 25, 2019) Disclosed on the Result of the Annual Stockholders' Meeting and Organizational Meeting, 25 July 2019. • SEC FORM 20-IS - Definitive Information Statement 2019 	
Recommendation 3.3			

<p>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.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par.2.4, p.9 Adopted by the Board of Directors on 30 September 2017 <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>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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par.2.4, p.9 Adopted by the Board of Directors on 30 September 2017 	
<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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par.2.4, p.9 Adopted by the Board of Directors on 30 September 2017 	
<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</p>	<p>NON-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>In the absence of BROC, the Audit</p>

<p>company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p>			<p>Committee performs the functions of the said committee. (SEC FORM Manual on Corporate Governance (MCG) Amended, p.5, (f))</p>
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>NON-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>In the absence of BROC, the Audit Committee performs the functions of the said committee. (SEC FORM Manual on Corporate Governance (MCG) Amended, p.5, (f))</p>
<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	<p>NON-COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on the Chairman of the BROC</p>	<p>In the absence of BROC, the Audit Committee performs the functions of</p>

			the said committee. (SEC FORM Manual on Corporate Governance (MCG) Amended, p.5, (r)
4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	NON-COMPLIANT	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROCC.	In the absence of BROCC, the Audit Committee performs the functions of the said committee. (SEC FORM Manual on Corporate Governance (MCG) Amended, p.5, (r)
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	COMPLIANT	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions. <ul style="list-style-type: none"> The Audit Committee, as authorized under the Manual (Par. 2.1.1(r)), performs the functions of the Related Party Transactions Committee. 	
2. RPT Committee is composed of at least three non-executive	COMPLIANT	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their	

<p>directors, two of whom should be independent, including the Chairman.</p>		<p>qualifications and type of directorship.</p> <ul style="list-style-type: none"> The Audit Committee, which is authorized to act as the RPT Committee is composed of at least 3 non-executive directors, two of whom are independent, including the Chairman. 	
<p>Recommendation 3.6</p>			
<p>1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.</p>	<p>COMPLIANT</p>	<p>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.</p> <ul style="list-style-type: none"> P.3, 2 of the Manual enumerates the Board Committees and their respective charters. 	
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p>NON-COMPLIANT</p>		<p>Committee Charters provide standards for evaluating the performance of the Committees but the Board conducts a regular periodic self-assessment of its performance including the performance of the Committees. (p.17, 6.1,</p>

3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	Provide link to company's website where the Committee Charters are disclosed. <ul style="list-style-type: none"> • Company Website https://www.makatifinance.ph 	Manual)
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	Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par. 1.1, p.2 Adopted by the Board of Directors on 30 September 2017 Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings. <ul style="list-style-type: none"> • Advisement Letter on the Attendance of Directors in Board Meetings, filed annually with the SEC 	

2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	In Board and Committee meetings, the director shall review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations (SEC FORM Manual on Corporate Governance (MCG) Amended, par. 1.1, p.2)	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended par.1.1, p.2 Adopted by the Board of Directors on 30 September 2017 	
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	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended par.1.1, p.2 Adopted by the Board of Directors on 30 September 2017 Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies <ul style="list-style-type: none"> SEC FORM ACGR – Annual Corporate Governance Report 2017 	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in	COMPLIANT	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed. <ul style="list-style-type: none"> The Manual requires that "A director should notify the Board 	

another company.		before accepting a directorship in another company, which may conflict with or affect the performance of his duties as a Director of the Corporation.”	
		<ul style="list-style-type: none"> There has been no instance where a Director accepted another Board position from the time of the adoption of the current Manual on Corporate Governance 	
Principle 5: The board should endeavour 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 <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended par.5.2, p.15 Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended par.5.2, p.15 Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 The discussion in the minutes of the meetings show that there 	

Recommendation 5.3			
1.	The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	<p>are no such constraints.</p> <p>Provide information or link/reference to a document showing the years IDs have served as such.</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 SEC FORM ACCG – Annual Corporate Governance Report 2019 SEC FORM 17C –Current Report 2019 (Date of Disclosure: June 28, 2019) Disclosure of Certification of Independent Director https://www.makatifinance.ph/pdf/Others/2019%20Certification%20of%20Independent%20Director.pdf
2.	The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	<p>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended par.5.5, p.16 Adopted by the Board of Directors on 30 September 2017
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	<p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 None of the Independent Directors has reached its ninth year in the Board seat.
Recommendation 5.4			

<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>COMPLIANT</p>	<p>Identify the company's Chairman of the Board and Chief Executive Officer</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p> <ul style="list-style-type: none"> • SEC FORM 17C –Current Report 2019 (Date of Disclosure: July 25, 2019) Disclosure on the Results of the Annual Stockholders' Meeting and Organization Meeting, 25 July 2019 <ul style="list-style-type: none"> • Rene B. Benitez nominated and elected as Chairman of the Board • Maxcy Francisco Jose R. Borromeo nominated and elected as President 	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>COMPLIANT</p>	<p>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.</p> <p>Identify the relationship of Chairman and CEO.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p> <ul style="list-style-type: none"> • Chairman of the Board and President are not related 	
Recommendation 5.5			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p>COMPLIANT</p>	<p>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par.5.3, p.15 <p>Adopted by the Board of Directors on 30 September 2017</p> <p>Indicate if Chairman is independent.</p> <ul style="list-style-type: none"> • The Chairman is not an independent Director. The lead 	

			independent director is the most senior independent director.	
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	<ul style="list-style-type: none"> There are no readily available documents on this point. 	
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.	
2. The meetings are chaired by the lead independent director.	COMPLIANT	<ul style="list-style-type: none"> The Audit Committee is Chaired by the lead independent director and all of its members are NED's. They meet with the external auditor and other heads at least once a year, to discussing audit, compliance and risk matters. The Chairman, Vice Chairman and Treasurer are likewise NED's who meet with the foregoing at least once per quarter. 		
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	<ul style="list-style-type: none"> Max O. Borromeo, 2016 Maxcy Francisco Jose R. Borromeo, 2017 	
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		

2. The Chairman conducts a self-assessment of his performance.	COMPLIANT	<ul style="list-style-type: none"> There are no readily available documents on this point. 	
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
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.	Within 3 years from the adoption of its current Manual on Corporate Governance, the company plans to engaged the services of an external service provider.
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.	NON-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	This system is currently being developed by the Board.

2. The system allows for a feedback mechanism from the shareholders.	NON-COMPLIANT		
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.	NON-COMPLIANT	Provide information on or link/reference to the company's Code of Business Conduct and Ethics.	The Manual provides that The Board, at its discretion, may adopt a Code of Business Conduct and Ethics, which would provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings.
			The Board shall consider the adoption of the Code

			of Business Conduct and Ethics in future meetings.
2. The Code is properly disseminated to the Board, senior management and employees.	NON-COMPLIANT	Provide information on or discuss how the company disseminated the Code to its Board senior management and employees.	The Board has not yet adopted a Code at this time.
3. The Code is disclosed and made available to the public through the company website.	NON-COMPLIANT	Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.	The Board has not yet adopted a Code at this time.
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 <ul style="list-style-type: none"> Makati Finance Corporation Code of Conduct 	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	NON-COMPLIANT	Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.	The Board has not yet adopted a Code at this time.
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	NON-COMPLIANT	Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.	The Board has not yet adopted a Code at this time.
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

<p>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.</p>	<p>COMPLIANT</p>	<p>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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par. 7.1, p.17 Adopted by the Board of Directors on 30 September 2017 	
<p>Supplement to Recommendations 8.1</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>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> <ul style="list-style-type: none"> • SEC FORM 17A - Annual Report 2019 • SEC FORM 17Q – Quarterly Report 2019 https://www.makatiifinance.ph/disclosure# • Company Website https://www.makatiifinance.ph 	
<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</p>	<p>COMPLIANT</p>	<p>Provide link or reference to the company's annual report where the following are disclosed:</p> <ul style="list-style-type: none"> • principal risks to minority shareholders associated with the identity of the company's controlling shareholders; • cross-holdings among company affiliates; and • any imbalances between the controlling shareholders' voting power and overall equity position in the company. 	

overall equity position in the company.		<ul style="list-style-type: none"> • SEC FORM 17A - Annual Report 2019 https://www.makatiifinance.ph/pdf/Sec%20Form%2017-A/SEC%20Form%2017-A%202019.pdf 	
Recommendation 8.2			
3. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 23-A Disclosure on Initial Statement of Beneficial Ownership https://www.makatiifinance.ph 	
4. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction. <ul style="list-style-type: none"> • SEC FORM 23-B Disclosure on Statement of Beneficial Ownership 	
Supplement to Recommendation 8.2			
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. <ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph • SEC FORM 17A - Annual Report 2019 • SEC FORM 20-IS - Definitive Information Statement 2019 • PSE Form 17-12 List of Top 100 Stockholders 2019 	

			https://edge.pse.com.ph/openDiscViewer.do?edge_no=a6694c159a140468efdfc15ec263a54d	
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. <ul style="list-style-type: none"> Company Website https://www.makatiifinance.ph SEC FORM 17A - Annual Report 2019 SEC FORM 20-IS - Definitive Information Statement 2019 		
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. <ul style="list-style-type: none"> Company Website https://www.makatiifinance.ph SEC FORM 17A - Annual Report 2019 SEC FORM 20-IS - Definitive Information Statement 2019 		
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 <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 		
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 <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended 		

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	<p>Adopted by the Board of Directors on 30 September 2017</p> <p>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</p> <ul style="list-style-type: none"> • SEC FORM 17A - Annual Report 2019 • SEC FORM 20-IS - Definitive Information Statement 2019 	
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> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par.1.1, p.2 Adopted by the Board of Directors on 30 September 2017 <p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <ul style="list-style-type: none"> • Any director with a conflict of interest abstained from discussion on that particular matter, except in certain cases, to simply describe the transaction. 	
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 	

		<ul style="list-style-type: none"> • SEC FORM 17A - Annual Report 2019 • Full Disclosure in Notes to Financial Statements • SEC FORM 20-IS - Definitive Information Statement 2019 	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</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	<p>Provide link or reference where this is disclosed</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended <p>Adopted by the Board of Directors on 30 September 2017</p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	NON-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>	<p>These transactions are subject to approval by the Board which has enough numbers of Independent Directors, and with the recommenda</p>

			tion of Executive Committee.
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT	<ul style="list-style-type: none"> Company Website https://www.makatiifinance.ph 	
3. Company's MCG is posted on its company website.	COMPLIANT		
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. <ul style="list-style-type: none"> Company Website, under Corporate Governance https://www.makatiifinance.ph/governance 	

Optional: Principle 8		
1. Does the company's Annual Report disclose the following information:	COMPLIANT	Provide link or reference to the company's Annual Report containing the said information. <ul style="list-style-type: none"> SEC FORM 17A - Annual Report 2019 Company Website https://www.makatiifinance.ph Advisement Letter on the Attendance of Directors in Board meetings held in 2019 <ul style="list-style-type: none"> SEC FORM 20-IS - Definitive Information Statement 2019
a. Corporate Objectives	COMPLIANT	
b. Financial performance indicators	COMPLIANT	
c. Non-financial performance indicators	COMPLIANT	
d. Dividend Policy	COMPLIANT	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	COMPLIANT	
f. Attendance details of each director in all directors meetings held during the year	COMPLIANT	
g. Total remuneration of each member of the board of directors	COMPLIANT	

<p>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.</p>	<p>COMPLIANT</p>		
<p>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.</p>	<p>COMPLIANT</p>		
<p>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.</p>	<p>COMPLIANT</p>		
<p>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).</p>	<p>COMPLIANT</p>		
<p>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.</p>			
<p>Recommendation 9.1</p>			

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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended, pars. (f), p.5 Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> 100% of all shareholders present approved the appointment of the external auditor as recommended by the Audit Committee. 	
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.	
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. <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on:	COMPLIANT	Provide link/reference to the company's Audit Committee Charter	

<p>d. assessing the integrity and independence of external auditors;</p> <p>b. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>c. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>		<ul style="list-style-type: none"> • p. 3, (a)(c), Manual • The section in the Manual is effectively the Audit Committee Charter. 	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	<p>COMPLIANT</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par. 2.1 Adopted by the Board of Directors on 30 September 2017. 	
<p>Supplement to Recommendations 9.2</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended par. 2.1 Adopted by the Board of Directors on 30 September 2017 	
<p>2. Audit Committee ensures that the external auditor has adequate quality control</p>	<p>COMPLIANT</p>	<p>Provide link/reference to the company's Audit Committee Charter</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) 	

procedures.		Amended par. 2.1 Adopted by the Board of Directors on 30 September 2017	
Recommendation 9.3			
3. 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. <ul style="list-style-type: none"> SEC FORM 17A - Annual Report 2019 	
4. 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 <ul style="list-style-type: none"> The Company has not engaged any non-audit services with the external auditor 	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	NON-COMPLIANT	Provide information on audit and non-audit fees paid.	The Company has not engaged any non-audit services with the external auditor.
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: <ol style="list-style-type: none"> Name of the audit engagement partner; Accreditation number; Date Accredited; Expiry date of accreditation; and Name, address, contact number of the audit firm. 	

		<ul style="list-style-type: none"> • ROXAS CRUZ TAGLE AND CO. SEC Accreditation No. 0007-FR-5 (Group A) July 05, 2018, valid until July 04, 2021 • Mr. Aljuver R. Gamao Partner CPA License No. 0126931 SEC Accreditation No. 1776-A (Group A) September 10, 2019, valid until September 09, 2022 • ROXAS CRUZ TAGLE AND CO. 2/F Multinational Bancorporation Centre 6805 Ayala Avenue Makati City 1226 Telephone No. +63 (2) 8844 2016 	
<p>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).</p>	<p>NON- COMPLIANT</p>	<p>Provide information on the following:</p> <ol style="list-style-type: none"> 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. 	<p>To the best of its knowledge, the Corporation is not aware that its external auditor agreed to be subject to the SOAR inspection program conducted by the SEC.</p>

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

<p>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.</p>	<p>NON-COMPLIANT</p>	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p>	<p>The Corporation currently does not adopt a policy on disclosure of non-financial information, including EESG issues.</p>
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>NON-COMPLIANT</p>	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p>	<p>The Corporation currently does not adopt a policy on disclosure of non-financial information, including EESG issues.</p>

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

<p>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.</p>	<p>COMPLIANT</p>	<p>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.</p> <ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph 	
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Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	COMPLIANT	Provide link to company website	
a. Financial statements/reports (latest quarterly)	COMPLIANT	<ul style="list-style-type: none"> SEC Form 17Q – 3rd Quarter 2019 under Company Disclosures – SEC Filings https://www.makatifinance.ph/pdf/Sec%20Form%2017-Q/SEC%20Form%2017Q%20-%20%203rd%20Qtr.%202019.pdf 	
b. Materials provided in briefings to analysts and media	COMPLIANT	<ul style="list-style-type: none"> Company Website https://www.makatifinance.ph 	
c. Downloadable annual report	COMPLIANT	<ul style="list-style-type: none"> SEC Form 17A Annual Report 2019 under Company Disclosures – SEC Filings https://www.makatifinance.ph/pdf/ASM/Notice%20of%20A-A/SEC%20Form%2017-A%202019.pdf 	
d. Notice of ASM and/or SSM	COMPLIANT		
e. Minutes of ASM and/or SSM	NON-COMPLIANT	<ul style="list-style-type: none"> Notice of ASM under Company Disclosures – SEC Filings https://www.makatifinance.ph/pdf/ASM/Notice%20of%20A-A/SEC%20Form%2017-A%202019.pdf 	In the process of establishing.
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	<ul style="list-style-type: none"> Company Website https://www.makatifinance.ph 	
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	COMPLIANT	List qualify service programs for the internal audit functions.	

<p>system in the conduct of its business.</p> <p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>Indicate frequency of review of the internal control system</p> <p>Identify international framework used for Enterprise Risk Management</p> <p>Provide information or reference to a document containing information on:</p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks <p>Indicate frequency of review of the enterprise risk management framework.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17A - Annual Report 2019 Notes to Financial Statements • SEC FORM 20-IS - Definitive Information Statement 2019 	
Supplement to Recommendations 12.1			
<p>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.</p>	<p>COMPLIANT</p>	<p>Provide information on or link/reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 • SEC FORM 17A - Annual Report 2019 Notes to Financial Statements • SEC FORM 20-IS - Definitive Information Statement 2019 	
Recommendation 12.2			

<p>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.</p>	<p>COMPLIANT</p>	<p>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</p> <ul style="list-style-type: none"> • In-house Internal Audit Group 	
<p>Recommendation 12.3</p>			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>COMPLIANT</p>	<p>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</p> <ul style="list-style-type: none"> • Mr. Francisco C. Eizmendi, Jr. • SEC FORM 20-1S - Definitive Information Statement 2019 	
<p>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.</p>	<p>COMPLIANT</p>		
<p>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.</p>	<p>COMPLIANT</p>	<p>Identify qualified independent executive or senior management personnel, if applicable.</p> <ul style="list-style-type: none"> • In-house Internal Audit Group 	
<p>Recommendation 12.4</p>			
<p>1. Company has a separate risk management function to</p>	<p>NON-COMPLIANT</p>	<p>Provide information on company's risk management function.</p>	<p>The Corporation</p>

identify, assess and monitor key risk exposures.			currently does not require assistance of external technical support in risk management
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	NON-COMPLIANT	Identify source of external technical support, if any.	The Corporation currently does not require assistance of external technical support in risk management
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).	NON-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.	The Corporation does not have a Chief Risk Officer.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	NON-COMPLIANT		The Corporation does not have a Chief Risk Officer.
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at	COMPLIANT	Provide link to CEO and CAE's attestation	

least annually, that a sound internal audit, control and compliance system is in place and working effectively.			
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. <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, pars. 10.1, p.18 Adopted by the Board of Directors on 30 September 2017 	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT	Provide link to company's website <ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph 	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT	<ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) • Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> • Common Shares, with each share having the equivalent of one vote • SEC FORM Manual on Corporate Governance (MCG) Adopted by the Board of Directors on 30 September 2017 	
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. <ul style="list-style-type: none"> • Definitive Information Statement (under Voting Procedures). 	

		<ul style="list-style-type: none"> Unless required by law, or upon motion by any stockholder, voting need not be by ballot and will be done by show of hands and counted manually by the Corporate Secretary. 	
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	<p>Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.</p> <ul style="list-style-type: none"> The company adopts the voting mechanism on cumulative voting on the election of Directors, as required under the law. 	
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	<p>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p>Provide information or link/reference to the policies on treatment of minority shareholders</p> <ul style="list-style-type: none"> The minority shareholders representing at least 15% of outstanding shares shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes. (p. 19, (e), Manual) 	
7. Company has a transparent and specific dividend policy.	COMPLIANT	<p>Provide information on or link/reference to the company's dividend Policy.</p> <ul style="list-style-type: none"> SEC FORM Manual on Corporate Governance (MCG) Amended 	

		<p>Adopted by the Board of Directors on 30 September 2017</p> <p>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</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended • Adopted by the Board of Directors on 30 September 2017 • SEC FORM 20-IS - Definitive Information Statement 2019 • The Company declared dividends and were paid dividends within 60 days after declaration. 	
Recommendation 13.2			
<p>1. 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>	COMPLIANT	<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> <ul style="list-style-type: none"> • All materials for the Annual Stockholders' Meeting were sent out at least 28 days before the meeting. • Notice of Agenda of Annual Stockholders' Meeting Company Website https://www.makatifinance.ph <i>Under Company Disclosure</i> • SEC FORM 20-IS - Definitive Information Statement 2019 https://www.makatifinance.ph/pdf/Sec%20Form%20IS/2019%20Definitive%20Information%20Statement.pdf 	

Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		Provide link or reference to the company's notice of Annual Shareholders' Meeting	
2. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	<ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph Under Company Disclosures/SEC Filings/Information Statement-SEC Form 20-IS/Definitive Information Statement 2019	
3. Auditors seeking appointment/re-appointment	COMPLIANT	<ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph Under Company Disclosures/SEC Filings/Information Statement-SEC Form 20-IS/Definitive Information Statement 2019	
4. Proxy documents	COMPLIANT	<ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph Under Company Disclosures/SEC Filings/Information Statement-SEC Form 20-IS/Definitive Information Statement 2019	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	Provide link or reference to the rationale for the agenda items	
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent	COMPLIANT	<ul style="list-style-type: none"> • Company Website https://www.makatiifinance.ph Under Company Disclosures/SEC Filings/Information Statement-SEC Form 20-IS/Definitive Information Statement 2018	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent	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.	

Annual or Special Shareholders' Meeting publicly available the next working day.		<ul style="list-style-type: none"> The foregoing are reflected in the minutes. 	
<p>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.</p>	COMPLIANT	<p>Provide link to minutes of meeting in the company website.</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any.</p> <ul style="list-style-type: none"> The foregoing are reflected in the minutes. 	
Supplement to Recommendation 13.3			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	COMPLIANT	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p>	
Recommendation 13.4			
<p>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.</p>	COMPLIANT	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes Under Par. 10.1.6 of the Manual, the Board provides the shareholders an option to avail of an alternative dispute mechanism, to be determined by the Board on a case-to-case basis.</p>	

<p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p>Provide link/reference to where it is found in the Manual on Corporate Governance</p> <ul style="list-style-type: none"> Par. 10.1.16 of the Manual states that the Board may make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner. Such mechanism shall be determined by the Board on a case-to-case basis (p.21, 10.1.6, Manual 	
<p>Recommendation 13.5</p>			
<p>1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.</p>	<p>COMPLIANT</p>	<p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <ol style="list-style-type: none"> Name of the person Telephone number Fax number E-mail address <ul style="list-style-type: none"> MARCOS E. LAROSA +63 (2) 7751 7132 mlarosac@makatifiinance.com.ph 	
<p>2. IRO is present at every shareholder's meeting.</p>	<p>COMPLIANT</p>	<p>Indicate if the IRO was present during the ASM.</p> <ul style="list-style-type: none"> Yes, Marcos E. Larosa is concurrently the Compliance Officer of the Corporation 	

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	<p>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</p> <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended Adopted by the Board of Directors on 30 September 2017 	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	COMPLIANT	<p>Indicate the company's public float.</p> <ul style="list-style-type: none"> • 15.53% 	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	COMPLIANT	<p>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.</p> <p>A mechanism for employee participation shall be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance process. The Board should establish policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance. (p. 23, 12, Manual)</p> <p>It is the company's policy to be open to any shareholder concern even if the same is communicated outside of the formal shareholders' meetings.</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	NON-COMPLIANT	<p>Disclose the process and procedure for secure electronic voting in absentia, if any.</p>	<p>There is no practical system or technology</p>

			available for this sole purpose.
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.	COMPLIANT	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. <ul style="list-style-type: none"> The company has identified its stakeholders, including customers, employees, suppliers, shareholders, investors, creditors, the community the company operates in, society, the government, regulators, competitors, external auditors, and those similarly situated In formulating the company's strategic and operational decisions affecting its wealth, growth and sustainability, due consideration is given to those who have an interest in the company and are directly affected by its operations. (p.21, 10.1.7, Manual) 	
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 <ul style="list-style-type: none"> Under Par. 10.1.17 of the Manual, in formulating the company's strategic and operational decisions affecting its wealth, growth and sustainability, due consideration is given to those who have an interest in the company and are directly affected by its operations, particularly its stakeholders. 	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to	COMPLIANT	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	

<p>communicate with the company and to obtain redress for the violation of their rights.</p>		<p>rights.</p> <p>Provide information on whistle blowing policy, practices and procedures for stakeholders</p> <ul style="list-style-type: none"> Under Par. 12.3 it is the policy of the company The Board shall establish a suitable framework for whistle blowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have a direct access to an independent member of the Board or a unit created to handle whistle blowing concerns. The Board should be conscientious in establishing the framework, as well as in supervising and ensuring its enforcement. (p. 12, 12.3, Manual 	
Supplement to Recommendation 14.3			
<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>	COMPLIANT	<p>Provide information on the alternative dispute resolution system established by the company.</p> <ul style="list-style-type: none"> Under Par. 10.1.6 of the Manual, the Board provides the shareholders an option to avail of an alternative dispute mechanism, to be determined by the Board on a case-to-case basis. 	
Additional Recommendations to Principle 14			
<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</p>	COMPLIANT	<p>Disclose any requests for exemption by the company and the reason for the request.</p> <ul style="list-style-type: none"> No such exemption is sought. 	

taken to finally comply with the applicable law, rule or regulation.			
2. Company respects intellectual property rights.	COMPLIANT	Provide specific instances, if any <ul style="list-style-type: none"> The Company respects the law and rights of all stakeholders 	
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. <ul style="list-style-type: none"> Company Website https://www.makatiifinance.ph 	
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.	NON-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.	
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. <ul style="list-style-type: none"> EMPLOYEE'S HANDBOOK 	

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. <ul style="list-style-type: none"> • CREDIT AND COLLECTION TRAINING • CUSTOMER'S SERVICE TRAINING • GENERAL ORIENTATION TRAINING • LEADERSHIP TRAINING 	
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 <ul style="list-style-type: none"> • SEC FORM Manual on Corporate Governance (MCG) Amended, par. 12.2, p.23 Adopted by the Board of Directors on 30 September 2017 • MAKATI FINANCE CORPORATION CODE OF CONDUCT 	
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 <ul style="list-style-type: none"> • Through issuance of business memorandum 	
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. <ul style="list-style-type: none"> • MAKATI FINANCE CORPORATION CODE OF CONDUCT Include any finding of violations of the company policy.	

Recommendation 1.5.3		
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	COMPLIANT	Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees. Indicate if the framework includes procedures to protect the employees from retaliation. Provide contact details to report any illegal or unethical behavior. <ul style="list-style-type: none"> • Whistle Blowing Policy
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.	COMPLIANT	<ul style="list-style-type: none"> • Whistle Blowing Policy
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing <ul style="list-style-type: none"> • Whistle Blowing Policy
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 1.6.1		
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,	COMPLIANT	Provide information or reference to a document containing information on the company's community involvement and environment-related programs.

while contributing to the advancement of the society where it operates.			
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	COMPLIANT	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.	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.	

SIGNATURES

Pursuant to the requirements of the Securities Exchange Commission, this Integrated Annual Corporate Governance Report (I-ACGR) is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on JUL 21 2020..

By:



RENE B. BENITEZ
Chairman of the Board



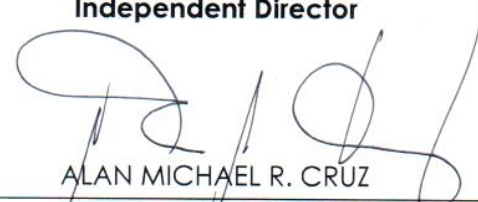
MAX O. BORROME0
Vice-Chairman



FRANCISCO C. EIZMENDI JR.
Independent Director



MAXCY FRANCISCO JOSE R. BORROME0
President



ALAN MICHAEL R. CRUZ
Independent Director



LAWRENCE HOCK LEONG EE
Independent Director



MARCOS E. LAROSA
CFO/Compliance Officer




DANILO ENRIQUE O. CO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ day of JUL 21 2020 2020 , affiant(s) exhibiting to me their _____, as follows:

<u>NAME/NO.</u>	<u>GOVT.I.D.</u>	<u>PLACE OF ISSUE</u>
RENE B. BENITEZ	TIN:137-438-326	
MAX O. BORROME0	TIN: 108-479-305	
FRANCISCO C. EIZMENDI JR.	TIN: 119-132-505	
ALAN MICHAEL R. CRUZ	TIN : 103-569-603	
LAWRENCE HOCK LEONG EE	TIN : 134-866-959	
MAXCY FRANCISCO JOSE R. BORROME0	TIN : 153-065-629	
MARCOS E. LAROSA	TIN : 206-361-568	
DANILO ENRIQUE O. CO	TIN : 134-866-959	

NOTARY PUBLIC

Doc No. 413
 Page No. 84
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 Notary Public for Makati City
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 Roll No. 28947/MCLE No. VI-0020216
 PTR No. MKT 81170149 03-2020