



CENTURY PACIFIC FOOD, INC.

REVISED CHARTER

RELATED PARTY TRANSACTIONS COMMITTEE

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A. STATEMENT OF POLICY

It is the policy of Century Pacific Food Inc. (the “Corporation”) to ensure fairness and transparency in related party transactions (“RPTs”) between the Corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, principal officers and directors, including their spouses, children, and dependent siblings and parents and of interlocking director relationships by members of the Board.

B. PURPOSES

The purpose of the RPT Committee is to ensure that terms and conditions of all RPTs must be equivalent to those that prevail in arm’s length transactions and shall be subject to appropriate corporate approvals and actions of the corporation and of related parties, with the best interest of the investing public and the Corporation in mind. Any related-party transactions entered into by the Corporation or its affiliates shall be in accordance with applicable law, rules and regulations and this Charter.

C. COMPOSITION

1. The RPT Committee will consist of at least three (3) non-executive directors, majority of whom should be independent directors.
2. The Chairman of the RPT Committee must be an independent director.

D. DEFINITIONS

1. **“At arm’s length”** shall refer to transactions in an open and unrestricted market and between willing parties who are knowledgeable, informed, and who act independently of and without regard to any relationship with each other.
2. **Material Related Party Transactions (“Material RPT”)** – any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Corporation’s total consolidated assets based on its latest audited financial statement.
3. **Materiality Threshold** – Ten percent (10%) of the Corporation’s total consolidated assets based on its latest audited financial statement.
4. **Non-Material RPT Threshold** – Five Tenths percent (0.5%) of the Corporation’s total assets based on its latest audited financial statement.
5. **Related parties** – covers the Corporation’s directors, officers, substantial shareholders and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law, if these persons have control, joint control or significant influence over the Corporation. It also covers the Corporation’s parent, subsidiary, fellow

subsidiary, associate, affiliate, joint venture or an entity that controlled, jointly controlled or significantly influenced or managed by a person who is a related party and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law.

6. **Related Party Transactions ("RPT")** - refers to a transfer of resources, services or obligations between the Corporation and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.
7. **Relatives within the Fourth Civil Degree of Affinity** - refers to civil relationship arising from marriage i.e. in-laws.
8. **Relatives within the Fourth Civil Degree of Consanguinity** - refer to those with whom one is related to by blood and shall include the following: parents, children, siblings, grandparents, cousins, first cousins, nephews and nieces.
9. **Significant Influence** - The power to participate in the financial and operating policy decisions of the company but has no control or joint control of those policies.
10. **Subsidiary** - shall refer to any Person, with more than fifty percent (50%) of the total issued and outstanding capital stock of which is directly or indirectly owned by said Person.
11. **Substantial Shareholder** - any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

E. FUNCTIONS OF THE RELATED PARTY COMMITTEE

1. Reviews, approves or disapproves RPTs endorsed by Management including changes in the terms and conditions of previously approved RPTs in accordance with the provisions of the Related Party Transactions Charter;
2. Conduct an annual review of RPTs below the Materiality Threshold;
3. Secure the approval of 2/3 of the Board of Directors for, with a majority of the independent directors voting to approve, the Material RPT. Moreover, directors with personal interest on the transaction shall not participate in the discussions and voting on the Material RPTs;
4. Evaluate on an ongoing basis the Company's Related Party Registry to ensure that all related parties are continuously identified and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board;
5. Evaluate and monitor all RPTs to ensure that these are not undertaken on more favorable economic terms to such related parties that similar transactions with nonrelated parties under similar circumstances and that no corporate or business resources of CPFI are

misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions;

6. Conduct a periodic review of the effectiveness of CPFI's system and internal control governing RPTs to assess consistency with Board-approved policies and procedures; and
7. Enforce CPFI's Risk Management systems which includes a whistle blowing mechanism.

F. GUIDELINES

1. The Committee shall consider whether the terms of the RPTs are on arms' length basis to reflect the true economic value of the contributions made by each related party in the transaction. The following factors shall be considered:
 - Materiality;
 - Purpose and timing of the transactions;
 - Extent of the Related Party's interest in the RPT;
 - Conflict of interest, actual or apparent, of the Related Party participating in the transaction; and
 - Any other relevant information regarding the transaction
2. To review a RPT, the Committee shall be provided with all relevant material information of the RPT, including the terms of the transaction, the business purpose of the transaction, the basis of the transfer price, the benefits to the Corporation and to the Related Party, and any other relevant matters.
3. For evaluation of Material RPT's, the committee may assist the Board in ensuring that an independent party evaluate the fairness of the Material RPT and that an advisement report is timely filed with the Securities and Exchange Commission.

G. SHAREHOLDER REDRESS

In case that majority of the independent directors vote is not secured, as required in this Charter, the Material RPT may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock.

All other RPTs determined by the RPT Committee that require shareholders' approval in accordance with law and rules and regulations, will also be submitted to the shareholders, including minority shareholders, for approval. The Corporation encourages disinterested shareholders to decide on the matter.

Non-compliance with any of the provisions of this Charter shall result in the nullification or revocation of the agreement or contract pertaining to the Material RPT.

H. EX POST ENFORCEMENT AND RESTITUTION OF LOSSES

The RPT Committee shall have the authority to recommend to the Board of Directors for appropriate action, the invalidation of the transaction, including measures that would cut losses and allow recovery of losses or opportunity costs incurred by the Corporation arising out of or in connection with Abusive material RPTs, and other penalties that may be imposed on interested directors, officers and employees who have been remiss in their duties in handling material RPTs in accordance with this Charter, other Corporation policies and other applicable laws, rules and regulations.

I. DISCLOSURE REQUIREMENTS

RPTs that are required to be disclosed and reported in the Company's filings with the Securities and Exchange Commission (SEC) shall be disclosed in accordance with laws, rules, regulations, Philippine Financial Reporting Standards.

J. SANCTIONS

1. Non-compliance with any provision of this Charter may result in the invalidation of the contract involved in the RPT.
2. This Charter shall be without prejudice to the provisions of the Code of Corporate Governance for Publicly Listed Companies, the Manual of Corporate Governance and all related and relevant policies of the Corporation which shall be observed and shall apply to the fullest extent possible. In particular, RPTs shall not be allowed if it would present a conflict of interest for any Related Party.

K. MEETING

The Committee shall meet at least twice a year, or more frequently as needed. All meetings shall be presided by the Committee Chairman and attended by all committee members, whether in person or via teleconference or videoconference. Meetings shall not proceed in the absence of a quorum; that is, more than half of the total number of committee members.

L. EFFECTIVITY AND REVIEW

1. This Charter shall take effect immediately upon approval by the Board.
2. The Committee shall review the Charter as may be needed and obtain the approval of the full Board for any revisions thereto or for any case where external bodies may suggest change.

Approved by Committee Members on _____

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JOHNIP G. CUA

Chairman

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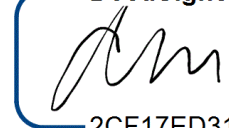


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RICARDO GABRIEL T. PO

Member

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FERNAN VICTOR P. LUKBAN

Member