

**EVERWOODS GREEN RESOURCES AND HOLDINGS, INC.
MANUAL OF GOOD CORPORATE GOVERNANCE**

1. DECLARATION OF POLICY

EVERWOODS GREEN RESOURCES AND HOLDINGS, INC. (the “Company” or “Holding Company”), as a publicly-listed holding company, hereby adopts this Manual of Good Corporate Governance (“Manual”) to institutionalize the principles, structures, and processes by which the Company and its subsidiaries (collectively, the “Group”) are directed, administered, and controlled.

This Manual is adopted in compliance with:

- a. The SEC Code of Corporate Governance for Publicly-Listed Companies;
- b. The Revised Corporation Code of the Philippines;
- c. The Securities Regulation Code;
- d. The Philippine Stock Exchange (PSE) Listing Rules; and
- e. Other applicable laws, rules, and regulations.

The Company is committed to the principles of accountability, transparency, fairness, integrity, sustainability, and responsibility, with the objectives of protecting shareholder value, promoting long-term growth, and balancing the interests of all stakeholders.

2. GOVERNANCE STRUCTURE OF THE GROUP

2.1 Holding Company Governance

As the parent entity, the Company shall:

- a. Define and approve the Group’s strategic direction, investment priorities, and capital allocation framework;
- b. Establish the Group’s risk appetite, governance standards, and internal control systems;
- c. Exercise oversight over subsidiaries through reporting, performance monitoring, and reserved matters; and
- d. Ensure consistency and alignment of governance, risk management, compliance, and sustainability policies across the Group.

The Board of the Holding Company shall remain ultimately accountable for the governance and performance of the entire Group.

2.2 Subsidiary Governance

Each material subsidiary shall:

- a. Maintain its own Board of Directors and Management, appropriate to its size, complexity, and risk profile. Subsidiary Boards shall act in the best interest of the subsidiary while remaining aligned with Group strategy.
- b. Adopt governance policies consistent with this Manual and Group standards;
- c. Implement internal controls, risk management, and compliance systems; and
- d. Submit regular financial, operational, risk, and governance reports to the Holding Company.

3. BOARD OF DIRECTORS

3.1 Composition

The Board of Directors (“Board”) shall:

- a. Be composed of at least seven (7) directors;
- b. Include Independent Directors constituting at least twenty percent (20%) of the Board or two (2) directors, whichever is higher, in accordance with SEC rules;
- c. Maintain an appropriate mix of executive, non-executive, and independent directors.
- d. Collectively, the Board shall possess expertise and experience in:
 - Finance and accounting;
 - Corporate governance and regulatory compliance;
 - Industry and operational management; and
 - Risk management, sustainability, and Environmental, Social and Governance (“ESG”) matters.

3.2 Independent Directors

3.2.1 Qualifications

An Independent Director shall:

- a. Be free from any business, financial, or other relationship that could materially interfere with the exercise of independent judgment;
- b. Have no material relationship with the Company, its subsidiaries, or controlling shareholders;
- c. Not have been an officer, employee, or consultant of the Group within the last three (3) years;
- d. Not represent substantial shareholders;
- e. Submit an Annual Certification of Independence to the Company.

3.2.2 Term Limits

Independent Directors shall serve for a maximum cumulative term of nine (9) years, after which a two (2)-year cooling-off period shall apply before re-appointment.

3.2.3 Duties and Responsibilities of the Board

The Board shall exercise strategic leadership and oversight, including but not limited to:

- a. Approving the Company’s vision, mission, values, and Group strategies;
- b. Overseeing management performance and ensuring accountability;
- c. Approving major investments, acquisitions, divestments, and capital expenditures;
- d. Ensuring the integrity and reliability of financial statements and disclosures;
- e. Overseeing risk management, internal controls, and compliance systems;
- f. Integrating ESG and sustainability considerations into strategy and operations; and
- g. Protecting the rights and interests of minority shareholders and stakeholders.

3.3 Fiduciary Duties of Directors

All directors shall observe the highest standards of fiduciary duty, including:

- a. Performing its responsibilities with diligence, competence, and informed judgment;
- b. Acting in the best interest of the Company and avoid conflicts of interest; and
- c. Ensuring compliance with laws, regulations, and corporate policies.

4. BOARD COMMITTEES

The Board shall establish the following mandatory committees, each governed by a written charter:

4.1 Audit Committee

4.1.1 Composition

- a. At least three (3) members of the board;
- b. Majority Independent Directors;
- c. Chaired by an Independent Director; and
- d. At least one (1) member shall have relevant financial, accounting, or audit expertise as required by SEC regulations.

4.1.2 Functions

- a. Oversee financial reporting and disclosures;
- b. Supervise internal and external audit functions;
- c. Review internal controls and compliance systems; and
- d. Oversee whistle-blowing mechanisms and investigations.

4.2 Risk Oversight Committee

4.2.1 Composition

- a. At least three (3) members of the Board;
- b. Majority must be Non-Executive Directors with at least one Independent Director;
- c. Chaired by an Independent Director;
- d. Members must have sufficient knowledge of risk management, finance, or business operations;
- e. The Board may invite senior risk officers or external experts as resource persons, without voting rights.

4.2.2 Functions

- a. Oversee enterprise and Group-wide risk management;
- b. Review risk appetite and tolerance levels;
- c. Monitor strategic, financial, operational, ESG, and compliance risks; and
- d. Ensure integration of risk management into decision-making.

4.3 Nomination and Governance Committee

4.3.1 Composition

- a. At least three (3) members of the Board;
- b. Majority shall be Independent Directors;
- c. Chaired by an Independent Director;
- d. Members shall be Non-Executive Directors;
- e. The Chairman of the Board may be a member but shall not chair the Committee.

4.3.2 Functions

- a. Screen and recommend Board and senior management candidates;
- b. Conduct Board, committee, and director performance evaluations;
- c. Oversee governance compliance and best practices; and
- d. Review succession planning for directors and key officers.

4.4 Compensation and Remuneration Committee

4.4.1 Composition

- a. At least three (3) members of the Board;
- b. Majority shall be Independent Directors;
- c. Chaired by an Independent Director;
- d. Members shall be Non-Executive Directors; and
- e. Executive Directors shall not participate in deliberations involving their own remuneration.

4.4.2 Functions

- a. Establish compensation philosophy and policies;
- b. Ensure remuneration aligns with long-term value creation and sustainability; and
- c. Review and recommend executive and Group-wide compensation packages.

4.5 Related Party Transactions (RPT) Committee

4.5.1 Composition

- a. At least three (3) members of the Board;
- b. All members must be Independent Directors, in accordance with SEC rules on RPTs;
- c. Chaired by an Independent Director; and
- d. Members must have no interest in any RPT under review.

4.5.2 Functions

- a. Review and evaluate all RPTs;
- b. Determine materiality under SEC rules;
- c. Ensure transactions are conducted at arm's length; and
- d. Require independent fairness opinions when appropriate.

5. FIT AND PROPER RULE

Directors and officers shall be subject to the Fit and Proper Rule, requiring that they:

- a. Possess integrity, competence, and sound judgment;
- b. Have no record of fraud, dishonesty, or financial misconduct; and
- c. Not be disqualified under SEC, PSE, or other regulatory rules.

This applies to:

- a. Directors of the Holding Company and material subsidiaries;
- b. Chief Executive Officer (CEO), Chief Finance Officer (CFO), and key officers.

6. MANAGEMENT ROLES

6.1 President / Chief Executive Officer

The President / CEO shall:

- a. Implement strategies approved by the Board;
- b. Oversee day-to-day operations of the Group;
- c. Ensure governance and policy alignment across subsidiaries; and
- d. Serve as the primary link between the Board and Management.

6.2 Chief Financial Officer

The CFO shall:

- a. Oversee consolidated financial reporting and disclosures;
- b. Manage treasury, funding, and capital structure; and
- c. Ensure compliance with accounting standards and regulatory requirements.

7. SUBSIDIARY GOVERNANCE AND RESERVED MATTERS

The following matters require prior approval of the Holding Company Board or designated committee:

- a. Capital expenditures exceeding Board-approved thresholds;
- b. Borrowings, guarantees, and security arrangements;
- c. Mergers, acquisitions, and divestments;
- d. Entry into material contracts; and
- e. Appointment or removal of key officers.

8. RELATED PARTY TRANSACTIONS POLICY

The Company shall ensure that:

- a. All RPTs are fully disclosed and properly documented.
- b. Material RPTs undergo:
 - RPT Committee review;
 - Board approval; and
 - Independent fairness opinion, when applicable.
- c. All directors and officers with conflict of interest shall abstain from deliberation and voting.

9. RISK MANAGEMENT AND INTERNAL CONTROLS

The Company shall adopt an Enterprise Risk Management (ERM) framework covering:

- a. Strategic risks;
- b. Financial risks;
- c. Operational risks;
- d. Legal and regulatory risks; and
- e. ESG and sustainability risks.

Internal controls shall be proportionate to the size, complexity, and risk profile of the Group.

10. INTERNAL AND EXTERNAL AUDIT

10.1 Internal Audit

- a. Functionally reports to the Audit Committee;
- b. Conducts risk-based audits across the Group; and
- c. Evaluates governance, controls, and compliance.

10.2 External Audit

- a. Appointed by shareholders; and
- b. Provides independent assurance on financial statements.

11. SHAREHOLDER RIGHTS AND PROTECTION

The Company upholds shareholder rights, including:

- a. Equal voting rights;
- b. Right to timely, accurate information;
- c. Cumulative voting in director elections;
- d. Transparent dividend policies; and
- e. Protection of minority shareholders.

12. DISCLOSURE AND TRANSPARENCY

The Company shall:

- a. Comply with all SEC and PSE disclosure requirements;
- b. Prohibit insider trading and impose blackout periods; and
- c. File the Annual Corporate Governance Report (ACGR) and Sustainability Report in a timely manner.

13. ESG AND SUSTAINABILITY GOVERNANCE

The Board shall:

- a. Oversee ESG and sustainability strategy;
- b. Integrate sustainability into risk management and operations; and
- c. Ensure annual sustainability reporting aligned with regulatory standards.

14. CODE OF BUSINESS CONDUCT AND ETHICS

All directors, officers, and employees shall:

- a. Act with honesty and integrity;
- b. Avoid conflicts of interest;
- c. Protect Company assets and confidential information; and
- d. Comply with laws and Company policies.

15. WHISTLE-BLOWING POLICY

The Company shall maintain:

- a. Confidential reporting channels;
- b. Protection against retaliation; and
- c. Independent and impartial investigation procedures.

16. SANCTIONS AND COMPLIANCE

Violations of this Manual may result in:

- a. Disciplinary action;
- b. Removal from office; or
- c. Regulatory reporting and sanctions, as required by law.

17. REVIEW AND AMENDMENT

This Manual shall be:

- a. Reviewed annually or as required by regulation;
- b. Approved by the Board of Directors; and
- c. Disclosed in accordance with SEC and PSE requirements.

18. EFFECTIVITY

This Manual is effective on January 22, 2026, and may be amended or modified upon approval of the Board of Directors.