

**RELATED PARTY TRANSACTIONS POLICY  
OF  
FIRST GEN CORPORATION**

**Policy Statement**

Related party transactions (“**RPTs**”) are those entered into by and among First Gen Corporation (the “Corporation”) and its parent company, subsidiaries, affiliates, major stockholders, officers and directors, including relatives of such officers and directors up to the fourth (4<sup>th</sup>) degree of affinity or consanguinity (“**Related Party/Parties**”). All RPTs shall be entered into under such terms and conditions which are fair and at arm’s length, and for the benefit and best interests of the Corporation and its shareholders as a whole. RPTs shall be conducted with transparency and fairness, and be subject to approval and disclosure as provided under this policy.

The Board of Directors of the Corporation shall formulate, implement and monitor procedures to effectively implement this policy.

**General Principles**

1. In the review, approval and disclosure of RPTs, the relevant provisions of the Corporation Code, other relevant laws, rules and regulations, and the Corporation’s articles of incorporation, by-laws, and Manual on Corporate Governance shall be observed.
2. Material or significant RPTs are those which involve an amount or value greater than One Hundred Million Pesos (PHP 100MM). These RPTs shall be reviewed and approved by an appropriate approving authority or committee to be constituted by the Board of Directors of the Corporation. The approving authority or committee shall, as far as practicable, be composed of independent directors and at least one (1) non-executive director.
3. In its review of material or significant RPTs, the approving authority or committee shall ensure that said RPTs are in the best interests of the Corporation, and consider all the relevant facts and circumstances available, including but not limited to the following:
  - a. the benefits to the Corporation of entering into the transaction;
  - b. the extent of the Related Party’s interest;
  - c. the availability of other sources of comparable products and services;
  - d. the extent to which the terms of the transaction are less favorable than terms generally available in non-related transactions under similar circumstances;
  - e. the aggregate value of the transaction; and
  - f. the impact on a director or officer’s ability to perform his duties and responsibilities in the Corporation if the Related Party is a director or officer, his relative up to the 4<sup>th</sup> degree of affinity or consanguinity, an entity in which his voting rights exceed 50% or where he sits as President, Chief Executive Officer, Chief Operating Officer, or Chief Financial Officer, or is a general partner, or any other similar position.

4. RPTs which are not material or significant are those which involve an amount or value not greater than PHP 100MM. These RPTs shall be reviewed and approved by the relevant members of the Corporation's management, and, once approved, shall be duly reported to the Board of Directors during the board meeting immediately following such approval by management.
5. There shall be proper and timely disclosure of RPTs in accordance with the categories and criteria determined by the Board of Directors and the requirements of the Philippine Stock Exchange, Inc. and the Securities and Exchange Commission.
6. The Corporation's directors and members of senior management shall disclose to the Board of Directors their interest in transactions and any other conflicts of interest. Such directors and members of senior management shall be required to abstain and/or inhibit themselves from participating in discussions on transactions where they may be conflicted .