



Board Diversity

POLICY

PUBLIC

This document has been classified for public use.



Board Diversity Policy

Document No.: --

Version. No. 1.0

Governing policy:

Manual on Corporate Governance

Policy applies to:

Company-wide **Specific group or employees only**

Documented type:

New **Revision of existing documented information**

Policy document status:

INITIAL DRAFT **INITIAL REVIEW** **FINAL REVIEW** **APPROVED**

Policy / Process Control Review Authority:

Compliance Management Group
Corporate Governance and Data Privacy

Compliance governance review officer

Atty. Laurice P. Esteban - Tuason
Corporate Compliance Officer

Board approval authority:

Jose P. de Jesus
Chairman of the Board

Implementation effectivity date:

11 October 2021

Approval Date of last revision

N/A

Effectivity Date of last revision

N/A

Date of governing policy review*

October 2022

***unless otherwise indicated, this policy will still apply beyond the review date**

Related legislation, standards, policies, procedures, guidelines and local protocols

Manual on Corporate Governance
Nomination and Election Policy

PUBLIC

This document has been classified for public use.

Table of Contents

1. Purpose	1
2. Scope.....	1
3. Policy Statements	1
4. Nomination and Election	2
5. Competencies and Qualifications	2
6. Monitoring and Review	2
7. Effectivity and Compliance	3
8. Related document references	3
9. Details of revision/s made to this policy.....	Error! Bookmark not defined.

1. Purpose

CONVERGE ICT SOLUTIONS, INC. (the "Company") acknowledges the expertise and contribution of the members of its Board of Directors. The Company sees it vital to diversify the board composition to garner a wide plethora of insights and perspectives from all its members. This policy aims to leverage on its Corporate Governance framework by understanding the importance of assembling highly capable individuals for the benefit of the organization, without restrictions in the form or gender, race, nationality, or culture.

2. Scope

This policy applies to the diversity of membership of the Board of Directors (the "Board") and shall not be taken to include diversity of the workforce and employees of the Company. Executive, non-executive, and independent directors of the Board shall fall within the ambit of this policy.

3. Policy Statements

The Company adheres to the SEC Memorandum Circular No. 19 Series of 2016 or the Code of Corporate Governance for Publicly Listed Companies (the "CG Code"). Recommendation 1.4 of the CG Code states that the Board shall have a policy on board diversity. The policy aims to avoid groupthink and ensure that optimal decision-making is achieved.

The Company recognizes the importance of adhering with globally competitive governance frameworks. This includes being at the forefront of implementing a fair and diverse culture, particularly, in selecting the members of its Board. The Company eliminates barriers of age, gender, race, and of nationality, with the clear intention of uniting highly skilled and capable individuals to lead.

The conglomeration of diverse directors promotes and empowers appropriate representation. Women are given equal opportunity and footing without any sense of discrimination or belittlement. The same principle likewise applies to those of different race, nationality, and gender. The Company realizes that encompassing diversity will yield better sustainability and a stable corporate governance framework.

The Company shall carefully assess admission to the Board, ensuring that the composition of directors is well within the prescribed standards of law, regulatory bodies, and overall best practice of corporate governance. The Board members shall be selected on basis of merits and objectivity. The Company shall ensure transparency and accountability in nominating and electing directors of the Board. The selection of directors shall be aligned with the Company's strategy and the fulfillment of the best interests of the stakeholders.

Board composition and the pertinent information on each director shall be reflected in the Company's Annual Report submitted to the Securities and Exchange Commission (SEC), ensuring compliance with regulatory requirements for publicly listed companies.

4. Nomination and Election

The Corporate Governance Committee (the "Committee") shall be responsible for assessing, overseeing, and ensuring that the composition of the Board is consistent with best practices of diversification. The Committee shall lead in evaluating the qualifications of individuals nominated for directorship, while acting in the best interest of the company, consistent with projected strategic prerogatives.

Any change in the composition of the board shall be referred to the Corporate Governance Committee, pursuant functions under the Nomination and Election Policy. The Committee shall not be precluded in providing strategic recommendations in the nomination and election of directors, provided that the same be done in accordance with globally accepted, ethical, and non-discriminatory diversity standards.

The Board and the Corporate Governance Committee shall act in consonance with the provisions of the Articles of Incorporation and Amended By-Laws of the Company, ensuring that the number of executive, non-executive, and independent directors of the Board are aligned with what is prescribed by law and regulatory governing bodies.

5. Competencies and Qualifications

The Board, being the clear amalgamation of years of knowledge, expertise, and competencies are expected to complement each other in rendering sound business decisions and judgment.

6. Monitoring and Review

The Corporate Governance Committee shall assess the effectivity and implementation of this policy annually, or as frequently as may be determined by the Board.

The Corporate Governance Committee shall provide the Board with recommendations in amending this policy, should the need arise. The Committee shall likewise enact any and all amendments or recommendations approved by the Board, relative to this policy.

7. Effectivity and Compliance

The Corporate Governance Committee is tasked with the dissemination of this policy to the Company's stakeholders. Board composition, expertise and other disclosures shall be reflected in the Company's Annual Report. This policy shall be made visible on the website of the Company.

8. Related document references

- Amended Manual on Corporate Governance
- Nomination and Election Policy



Board Diversity Policy Metrics

POLICY SUPPLEMENT

PUBLIC

This document has been classified for public use.



Board Diversity Policy Metrics

Policy Supplement

Version. No. 1.0

Page 1 of 2

1. Introduction

CONVERGE ICT SOLUTIONS, INC. (the “Company”) acknowledges the expertise and contribution of the members of its Board of Directors. The Company sees it vital to diversify the board composition to garner a wide plethora of insights and perspectives from all its members. This policy supplement aims to provide metrics and standards towards assembling highly capable individuals for the benefit of the organization, without restrictions in the form or gender, race, nationality, or culture

The Company adheres to the SEC Memorandum Circular No. 19 Series of 2016 or the Code of Corporate Governance for Publicly Listed Companies (the “CG Code”). Recommendation 1.4 of the CG Code states that the Board shall have a policy on board diversity. The policy aims to avoid groupthink and ensure that optimal decision-making is achieved. The Company recognizes the importance of adhering with globally competitive governance frameworks.

2. Diversity Metrics

In order to ensure that the company gears towards the best practices of implementing diversity and inclusion, the following metrics shall be observed in every nomination and election of board members as far as reasonably and pragmatically possible.

DIVERSITY METRIC	WEIGHT / DEGREE OF CONSIDERATION	DETAILS
Gender	30% Broken down as follows: Male – 60% Female – 40% *non-binary – 40%	The board must be composed of a good mix of male, female, or non-binary directors.
Age	10% Broken down as follows: Tenured directors – 80% Developing directors – 20%	The board must have a reasonable balance of age differences which shall provide for a mature yet dynamic set of perspectives.
Years of Industry Experience	25% Broken down as follows:	The board must be composed of directors with industry experience, exposure, and

PUBLIC

This document has been classified for public use.

	30 years – 20% < 30 years – 80%	expertise of at least 30 years in their field of specialization
Industry Specializations	25% Broken down as follows: Telecommunications, Finance and Accounting, and Legal – 60% Other industries – 40%	The board must have directors which specialize in multiple industries, with high preference for Telecommunications, Finance and Accounting, Management, and Legal industries.
Nationality	10% Broken down as follows: Filipino – 90% Foreign – 10%	The board must be composed of directors hailing from different nationalities to provide for a healthy balance of local and global perspectives.

3. Implementation and Evaluation

The Company, in the selection of its Board of Directors must remain committed to ensure that the above metrics are taken into consideration. The Company is free to source nominations from peer or professional recommendations or from organizations that pool a variety of directors that fit the company's best interest.

Compliance to the metrics above shall be evaluated in accordance with the provisions of Manual of Corporate Governance Evaluation Questionnaire, Item II – Enhancing Board Composition and Operation.

4. Related document references

- Board Diversity Policy
- Manual on Corporate Governance
- Manual on Corporate Governance Evaluation Questionnaire