



**SECURITIES AND EXCHANGE COMMISSION**

**SEC FORM – ACGR**

**ANNUAL CORPORATE GOVERNANCE REPORT**

1. Report is Filed for the Year **December 31, 2023**
2. Exact Name of Registrant as Specified in its Charter **SHAKEY'S PIZZA ASIA VENTURES INC.**
3. **15 KM EAST SERVICE ROAD CORNER MARIAN ROAD 2,** **1700**  
**BARANGAY SAN MARTIN DE PORRES, PARANAQUE CITY**  
Address of principal office Postal Code
4. SEC Identification Number **54666** 5.  (SEC Use Only)  
Industry Classification Code
6. BIR Tax Identification Number **000-163-396**
7. **(632) 8742 5397**  
Issuer's Telephone number, including area code
8. **NA**  
Former name or former address, if changed from the last report

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
<b>Principle 1:</b> 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.			
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	The Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of the directors are found on the Company's website. Please see:  <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a>	
2. Board has an appropriate mix of competence and expertise.	Compliant	The Qualification standards for directors for selection of potential nominees are found on page 6 of the Company's Manual of Good Corporate Governance.  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a>	
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		
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	The Board consists of nine (9) directors, three (3) of whom are independent directors, five (5) are non-executive directors and one (1) is an executive	

		<p>director. The composition of the Board clearly delineates the responsibilities with those of Management.</p> <table><tr><th>Director</th><th>Designation</th></tr><tr><td>Christopher T. Po</td><td>Chairman Non-Executive Director</td></tr><tr><td>Ricardo Gabriel T. Po</td><td>Non-Executive Director</td></tr><tr><td>Teodoro Alexander T. Po</td><td>Non-Executive Director</td></tr><tr><td>Leonardo Arthur T. Po</td><td>Non-Executive Director</td></tr><tr><td>Lance Y. Gokongwei</td><td>Non-executive Director</td></tr><tr><td>Vicente L. Gregorio</td><td>Executive Director</td></tr><tr><td>Fernan Victor P. Lukban</td><td>Lead Independent Director</td></tr><tr><td>Frances J. Yu</td><td>Independent Director</td></tr><tr><td>Paulo L. Campos, III</td><td>Independent Director</td></tr></table> <p>Link: <b>Shakey's website:</b> <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a></p>	Director	Designation	Christopher T. Po	Chairman Non-Executive Director	Ricardo Gabriel T. Po	Non-Executive Director	Teodoro Alexander T. Po	Non-Executive Director	Leonardo Arthur T. Po	Non-Executive Director	Lance Y. Gokongwei	Non-executive Director	Vicente L. Gregorio	Executive Director	Fernan Victor P. Lukban	Lead Independent Director	Frances J. Yu	Independent Director	Paulo L. Campos, III	Independent Director	
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Frances J. Yu	Independent Director																						
Paulo L. Campos, III	Independent Director																						
Recommendation 1.3																							
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>Paragraph M of the Company's Board Charter provides:</p> <p>1. The Compliance Officer will oversee welcoming and onboarding a new director and will be in charge of: (a) introducing the Corporation to the new director by providing him with literature about the Corporation including the constitutive documents, latest definitive information statement and annual</p>																					

		<p>report of the Corporation and (b) introducing the new director to the other members of the board, department heads and other employees.</p> <p>2. The Compliance Officer can arrange for orientations and plant tours of the director in coordination with the relevant department heads of the Corporation.</p> <p>3. The Corporation recognizes the importance of continuing education of its Board members and encourages the directors to become members of professional associations and to attend relevant educational events.</p> <p>Link:  <i>*provisions in the continuing education of the Board members is found in Paragraph M of the <b>Board Charter</b>:</i>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p> <p>Article 2, Paragraph 3 of the Manual on Corporate Governance provides that all first time directors should attend an eight (8) hour orientation program covering SEC-mandated topics on corporate governance and an introduction to the Corporation's business, Articles of Incorporation, and Code of Conduct. All directors should also attend an annual four (4) hour continuing training program involving courses on corporate governance and matters relevant to the</p>	
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		<p>Corporation, including audit, internal controls, risk management, sustainability and strategy.</p> <p>Link:  <i>*policy on annual training of Board members of Article 2 Paragraph 3 of the <b>Manual on Good Corporate Governance</b>:</i>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a> </p>	
2. Company has an orientation program for first time directors.	Compliant	The company has an established orientation program for every new director to ensure of their practical understanding of business in general, and of Shakey's in particular.	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>Paragraph M of the Company's Board Charter provides:</p> <ol style="list-style-type: none"> <li>1. The Compliance Officer will be in charge of welcoming and onboarding a new director and will be in charge of: (a) introducing the Corporation to the new director by providing him with literature about the Corporation including the constitutive documents, latest definitive information statement and annual report of the Corporation and (b) introducing the new director to the other members of the board, department heads and other employees.</li> <li>2. The Compliance Officer can arrange for orientations and plant tours of the director in</li> </ol>	

		<p>coordination with the relevant department heads of the Corporation.</p> <p>3. The Corporation recognizes the importance of continuing education of its Board members and encourages the directors to become members of professional associations and to attend relevant educational events.</p> <p>Attached as Appendices "A" to "K" are copies of the Certificates of Attendance of the directors and key officers during the Company's Advance Corporate training program held on August 25, 2023.</p> <p>Links:  <i>*policy on annual training of Board members of Article 2 Paragraph 3 found on page 5 of the <b>Manual on Good Corporate Governance</b>:</i>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a></p> <p><i>*provisions in the continuing education of the Board members is found in Paragraph M of the <b>Board Charter</b>:</i>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	The Corporation recognizes the benefits of having a diverse board and sees diversity as an essential element in supporting its continued growth and the attainment of its strategic objectives. The	

		<p>board must aim to make food use of the differences in gender, age, cultural, educational background, ethnicity, professional experience, skills, and knowledge of its directors. Please see page 5 of the Company's Board Charter.</p> <p><i>*Diversity policy is found on Page 5 of the <b>Board Charter</b>:</i> <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p> <p>The membership of the Board is a combination of executive and non-executive directors (which include independent directors) in order that no director or small group of directors can dominate the decision-making process. The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.</p> <table><tr><th>Board</th><th>Female</th><th>Male</th></tr><tr><td>Executive</td><td>0</td><td>1</td></tr><tr><td>Non-Executive</td><td>0</td><td>5</td></tr><tr><td>Independent</td><td>1</td><td>2</td></tr></table>	Board	Female	Male	Executive	0	1	Non-Executive	0	5	Independent	1	2	
Board	Female	Male													
Executive	0	1													
Non-Executive	0	5													
Independent	1	2													
Optional: Recommendation 1.4															
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and	Compliant	The final composition of the Board is based on merit and potential contribution and with due regard for the benefits of diversity on the Board.													

reports on progress in achieving its objectives.		<p>The Board of Directors has a combined expertise in strategy, business development, entrepreneurship, marketing, management consulting, organizational development, family business and governance.</p> <p>Link:  <i>*Diversity policy is found on Page 5 of the <b>Board Charter</b>:</i>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a> </p>	
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>The Company's Corporate Secretary, Atty. Maria Rosario L. Ybanez, is responsible for ensuring that good information flows within the Board and Board Committees and between Management and nonexecutive directors. She also facilitates the orientation and assists with the professional development of directors as required by regulators.</p> <p>The information on the Corporate Secretary, including her name, qualifications, duties and functions are stated in the Annual Report and in the Company website.</p> <p>Links:  <b>2023 Annual Report, page 21:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a> </p> <p><b>Definitive Information Statement 2023, page 9:</b></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		

		<p><a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf</a></p> <p><b>Shakey's website:</b>  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a></p> <p>The Corporate Secretary is a separate individual from the Compliance Officer. The Company's Corporate Secretary is Atty. Maria Rosario L. Ybanez while the Compliance Officer is Manuel T. del Barrio. The duties and responsibilities of the Corporate Secretary are different from those of the Compliance Officer. The name, qualifications, duties and functions of the Corporate Secretary are stated in the Annual Report as well as in the Company Website.</p> <p>Links:  <b>2023 Annual Report, page 19:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p> <p><b>Definitive Information Statement 2023, page 9:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf</a></p> <p><b>Shakey's website:</b>  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a></p>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<p>The Corporate Secretary is not a member of the Board of Directors. The names and profiles of the directors are disclosed in the Company Website and in the Definitive Information Statement (DIS).</p>	

		<p>Links:</p> <p>*Names and profiles of directors:  <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a></p> <p><b>Definitive Information Statement 2023, page 9:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[SEC%20Copy]%20PIZZA%20Definitive%20Information%20Sheet%202023.pdf</a></p> <p>The name, qualifications, duties and functions of the Corporate Secretary are stated in Page 20 of the <b>Annual Report and in the Company Website:</b></p> <p>Links:</p> <p><b>2023 Annual Report, page 21:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p> <p><b>Shakey's website:</b>  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a></p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	The Corporate Secretary attended a 4-hour Corporate Governance Seminar conducted by the Institute of Corporate Directors on August 25, 2023. A copy of her Certificate of attendance is attached herein as Appendix "L".	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		The corporate secretary distributes all materials to the Board 5 days prior to a scheduled meeting by email in compliance with Sec H (6)(f) of the Board Charter:	

		<p>(f) Inform members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five (5) working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval.</p> <p>Links:  <b>*Article H Section 6(f) of the Board Charter is found on page 7:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	<p>The Corporation's Compliance Officer is <b>Manuel T. Del Barrio</b>. The Compliance Officer is responsible for determining and measuring compliance with the Company's Manual on Corporate Governance, relevant laws, the Code of Corporate Governance for Publicly Listed Companies, SEC rules and regulations and all governance issuances of regulatory agencies.</p> <p>Links:  <b>*profile of Mr. Del Barrio can be seen at <i>Shakey's website</i>:</b>  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a></p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		
4. Compliance Officer attends training/s on corporate governance.	Compliant		

**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>The Board members perform their duties pursuant to the duties and responsibilities as stated on the Company's Board Charter.</p> <p>Link:  <b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
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#### Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	The Board adheres to Article 5(2) of the Company's Manual of Good Corporate Governance which states:	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>5 (2) Oversee the development of and approve the Corporation's business objectives and strategy, and monitor their implementation, in order to sustain the company's long-term viability and strength;</p> <p>Link:  <b>Manual on Good Corporate Governance:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a></p>	



		<p>Further, the Board is guided by the provisions of Sec. B of the Board Charter.</p> <p>The role of the Board is to provide leadership and strategic guidance for the Corporation and oversee management's implementation of its initiatives in order 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> <p>Link:  <b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>The Corporation's vision, mission and core values are found on the Corporation's website.</p> <p>Link:  <a href="https://www.shakeysgroup.ph/about-us">https://www.shakeysgroup.ph/about-us</a></p> <p>The Board reviews the Corporation's vision, mission and core values as may deem necessary.</p>	
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>The Board conducts regular and special meetings during which the company's performance is reviewed against forecast and prior periods to determine whether the Corporation's performance is on track or whether adjustments have to be made.</p>	

		<p>Link:  <i>*Article 5(2) of the <b>Manual on Good Corporate Governance</b> (PAGE 9):</i>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a> </p>	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>The Corporation's Chairman is Christopher T. Po. Mr. Po's qualifications are found on the Corporation's website</p> <p>Links:  <i>*Profile of the Chairman of the Board:</i>  <b>Shakey's website:</b>  <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a> </p>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>The Board ensures that a succession plan for top and key management positions is in place. See page 9 of the Corporation's Manual on Good Corporate Governance.</p>	
2. Board adopts a policy on the retirement for directors and key officers.		<p>The Company has a retirement fund in place and a retirement policy found on page 9 of the Corporation's Manual on Good Corporate Governance.</p> <p>Link:  <b>Manual on Good Corporate Governance, page 9:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a> </p>	

## Recommendation 2.5

1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<b>Remuneration Process</b>  The Company reviews compensation paid to its executives/officers on a yearly basis. The levels of remuneration of the Corporation should be sufficient to be able to attract and retain the services of qualified and competent executives/officers. A portion of the remuneration of executive directors may be structured or be based on corporate and individual performance.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<b>Remuneration Policy and Structure for Executive and Non-Executive Directors</b>  Section 5 of the Company's By-Laws provide that directors shall receive reasonable per diems for their attendance at each meeting of the Board. Any compensation other than per diems may be allowed subject to the approval of stockholders representing at least a majority of the outstanding capital stock.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<b>Remuneration Scheme</b>  The Company's By-Laws provide that directors shall receive reasonable per diems for their attendance at each meeting of the Board. Any compensation other than per diems may be allowed subject to the approval of stockholders representing at least a majority of the outstanding capital stock. The Company's annual reports and information and proxy statements include disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its	

		<p>directors and top four (4) management officers during the preceding fiscal year, which may be subject to objection or ratification of the stockholders. There were no issues on the compensation of directors and officers which was brought up in the last annual stockholders meeting.</p>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	Compliant	<p>The Board Charter vests on the Board the responsibility to approve the remuneration packages and policies for corporate officers and employees.</p> <p>Link:  <b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a> </p>	
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>The Company compensates employees based on Company and individual performance. Employee performance is assessed on the basis of: (1) actual vs. desired results, and (2) how results were delivered in the light of corporate core values. Therefore, the achievement of financial and nonfinancial measures is reflected in performance assessment.</p>	

		Deferred bonuses based on individual performance are provided on a yearly basis.														
Recommendation 2.6																
1. Board has a formal and transparent board nomination and election policy.	Compliant	<table><tr><th>Procedure</th><th>Process Adopted</th><th>Criteria</th></tr><tr><td colspan="3">Selection/Appointment</td></tr><tr><td>(i)Executive Directors</td><td rowspan="5">Nomination is conducted by the Corporate Governance Committee, which functions as the Nomination Committee, prior to a stockholders' meeting pursuant to the provisions of SRC Rule 38.  All nominations for directors to be elected by the stockholders of the Company shall be submitted in writing to the Corporate Secretary prior to the date of the</td><td rowspan="5">In addition to the qualifications for membership in the Board provided in the Corporation Code, the SRC, and other relevant laws, the Board may provide for additional qualifications which include, among others, the following: (i)College education or equivalent academic degree</td></tr><tr><td>(ii)Non-Executive Directors</td></tr><tr><td>(iii) Independent Directors</td></tr><tr><td></td></tr><tr><td></td></tr></table>	Procedure	Process Adopted	Criteria	Selection/Appointment			(i)Executive Directors	Nomination is conducted by the Corporate Governance Committee, which functions as the Nomination Committee, prior to a stockholders' meeting pursuant to the provisions of SRC Rule 38.  All nominations for directors to be elected by the stockholders of the Company shall be submitted in writing to the Corporate Secretary prior to the date of the	In addition to the qualifications for membership in the Board provided in the Corporation Code, the SRC, and other relevant laws, the Board may provide for additional qualifications which include, among others, the following: (i)College education or equivalent academic degree	(ii)Non-Executive Directors	(iii) Independent Directors			
Procedure	Process Adopted		Criteria													
Selection/Appointment																
(i)Executive Directors	Nomination is conducted by the Corporate Governance Committee, which functions as the Nomination Committee, prior to a stockholders' meeting pursuant to the provisions of SRC Rule 38.  All nominations for directors to be elected by the stockholders of the Company shall be submitted in writing to the Corporate Secretary prior to the date of the		In addition to the qualifications for membership in the Board provided in the Corporation Code, the SRC, and other relevant laws, the Board may provide for additional qualifications which include, among others, the following: (i)College education or equivalent academic degree													
(ii)Non-Executive Directors																
(iii) Independent Directors																
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant															
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant															
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant															
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															
6. Board has a process for identifying the quality of directors that is aligned with	Compliant															

<p>the strategic direction of the company.</p>			<p>regular or special meeting of stockholders for the election of directors.</p> <p>The directors shall be elected from among the stockholders annually during the annual meeting of stockholders.</p> <p>No stockholder convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code of the Philippines, committed within five years prior to the date of election shall qualify as a director.</p>	<p>(ii) Practical understanding of the business of the Company;</p> <p>(iii) Membership in good standing in relevant industry, business or professional organization;</p> <p>(iv) Previous business experience.</p> <p>In addition to the above stated qualifications, independent directors are selected in accordance with the rules provided under SRC Rule 38 of the Amended IRR of the SRC.</p>	
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		<p>The Board adheres to the rights of all stockholders as provided by the Corporation Code and its Manual on Good Corporate Governance.</p> <p>Link:  <b>Manual on Good Corporate Governance:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a></p> <p>The Corporation adopts the policy of self assessment of its performance as well as a system that provides the minimum criteria and process to determine the performance of the members of the Board.</p> <p>Link:  <b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
<b>Optional: Recommendation to 2.6</b>			
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	<p>We agree with the recommendation and we will comply when necessary.</p> <p>The Company did not use professional search firms for the year 2023 when searching for candidates to the board of directors. Candidates were nominated and went through</p>

			the process of evaluation and confirmation by the Corporate Governance Committee which functions as the Nominations Committee.
<b>Recommendation 2.7</b>			
1. 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	The Company has a groupwide policy governing related party transactions which includes the appropriate thresholds, review and approval parameters which guarantee fairness and transparency of the transactions.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Link: <b>Policy on Material Related Party Transactions:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf</a>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		
<b>Supplement to Recommendations 2.7</b>			
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	Compliant	<b>Disclosure of RPT</b>  The Company policy governing related party transactions includes the appropriate thresholds and disclosure of material related party transactions in accordance with the rules of the Securities and Exchange Commission on material related party transactions.	



<p>amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p>The names of all related parties, degree of relationship, nature and value for each material/significant RPT are disclosed by the Company in its Consolidated Financial Statements.</p> <p>Links:</p> <p><b>Related Party Transactions Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf</a></p> <p><b>Annual Report, page 32 of Annex C (Consolidated Audited Financial Statements):</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>Compliant</p>	<p>The Company has guidelines and procedures in place which ensure the integrity and transparency of related party transactions. In addition, all RPTs are (1) covered by individual agreements ensuring that they are arms-length and (2) disclosed regularly to shareholders, the SEC, and the PSE.</p> <p>Under the Company's Policy on Material Related Party Transactions, all individual RPTs shall be reviewed and approved by at least two-thirds (2/3) vote of the Board of Directors with a majority of the independent directors voting to approve the RPT. In case that a majority of the independent directors' vote is not secured, the RPT may be ratified by the vote of stockholders representing at least two thirds (2/3) of the outstanding capital stock.</p>	

		<p>Link:  <b>Article 6(C)(b) of the Policy on Material Related Party Transactions, page 5:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf</a></p>	
<b>Recommendation 2.8</b>			
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).	Compliant	<p>The Composition of the Management team is found in the Corporation's website</p> <p>Link:  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a></p> <p>The Board's policy and responsibility for assessing the performance of management is found in the Corporation's Board Charter.</p> <p>Link:  <b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></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).	Compliant	<p>The Board's policy on assessing the performance of management is found on page 6 of the Corporation's Board Charter.</p> <p>Link:  <b>Board Charter, page 6:</b>  <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p>	
<b>Recommendation 2.9</b>			

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.	Compliant	The Board's policy and responsibility for assessing the performance of management is found on the Corporation's Board Charter.  Link: <b>Board Charter:</b> <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<b>Internal Control System</b>  Internal Control System covers systematic measures which include reviews, checks and balances, methods and procedures.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	No statement from the directors is currently issued that attest to the effectiveness of the internal control system.  The Board of Directors is ultimately responsible for the oversight of the Company's risk management processes and internal controls that involve identifying, measuring, analyzing, monitoring and controlling risks. The Board of Directors has created the board level Audit Committee to spearhead the managing and monitoring of risks.	

		<p>The adequacy of the internal controls is reviewed annually by the Audit Committee. On a quarterly basis, specific risk management processes and findings are reviewed and evaluated.</p> <p>Link:  <b>Article 15 (1), (2), (3) and (4) of the Manual of Good Corporate Governance, page 19:</b>  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a></p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>The Company's Internal Audit Charter can be found in this Company's website:</p> <p>Link:  <b>Internal Audit Charter:</b>  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Internal%20Audit%20Charter_v2[3].pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Internal%20Audit%20Charter_v2[3].pdf</a></p>	
<b>Recommendation 2.11</b>			
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	<p>The Company's Board Risk Oversight Charter can be found in the Company's website:</p> <p>Link:  <b>Board Risk Oversight Charter:</b>  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20BROC%20Board%20Risk%20Oversight%20Charter.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20BROC%20Board%20Risk%20Oversight%20Charter.pdf</a></p>	
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		

**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	Company's Board Charter can be found in the Company's website :  Link: <b>Board Charter:</b> <a href="https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/investor-documents/corporate-governance/PIZZA%20Board%20Charter.pdf</a>	
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	The Company's policy against insider trading is found in its Enterprise Risk Management System found in the Company's website :  Link: <a href="https://www.shakeyspizza.ph/investors/corporate-information">https://www.shakeyspizza.ph/investors/corporate-information</a>	
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**Optional: Principle 2**

1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		SPAVI ensures the fairness and transparency of related party transactions between SPAVI and its parent company, joint ventures, subsidiaries, associate, 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.	
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		<p>The terms and conditions of all transactions involving related parties are done at an arm's length transaction, &amp; subject to appropriate corporate approvals and actions of the SPAVI or of the Related Parties, with the best interest of SPAVI in mind.</p> <p>The SPAVI Policy on Material Related Party Transaction is uploaded on the Company website.</p> <p>Link:  <b>Policy on Material Related Party Transactions:</b>  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/SPAVI%20Policy%20on%20Material%20Related%20Transactions_signed%20(1).pdf</a> </p>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	The Board decides on the Company's major projects and policy decisions, business plan and annual budgets and major investment funding.	

**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	<p>The Company has four Board Committees namely: Audit, Corporate Governance and Sustainability Committee, Board Risk Oversight Committee and Related Transactions Committee.</p> <p>Link:  <b>Board committee members' information:</b>  <a href="https://www.shakekeysgroup.ph/governance/committee">https://www.shakekeysgroup.ph/governance/committee</a> </p>	
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## Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.

Compliant

The members of the Audit Committee are as follows:

Name	Position
Fernan Victor P. Lukban	Chairman
Paulo L. Campos III	Member
Ricardo Gabriel T. Po	Member

Link:

<https://www.shakeysgroup.ph/governance/committee>

The **Audit Committee** is responsible for overseeing the senior management in establishing and maintaining an adequate, effective, and efficient internal control framework. It ensures that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets.

- Ensures that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions
- Ensures that the external audit firm is selected on the basis of a fair and transparent tender process
- Ensure that the external auditor has adequate quality control procedures

2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	Information on the members of the Audit Committee, including their qualifications and type of directorship can be found in the Company's website:  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	See link for the information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	See link for the information on the Chairman of the Audit Committee  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Not applicable		The Company's external Auditor provides exclusive audit services only.
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	The Audit Committee met on April 3, May 5, July 31 and October 26, 2023. The Audit Committee conducted an executive session with the external audit team without anyone from management. There are no minutes of the executive session as the Corporate Secretary was not part of the Executive Session. All discussions between the Audit Committee and the External Audit Team are not recorded.	



### Optional: Recommendation 3.2

1. Audit Committee meet at least four times during the year.	Compliant	The Audit Committee met on April 3, May 5, July 31 and October 26, 2023.	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>The Audit Committee recommends the appointment or replacement of the internal audit head or Chief Audit Executive who shall functionally report to the Committee, and ensure that the internal audit organization shall be free from interfering in determining its scope, performance of its work, and in communicating its results.</p> <p>In 2023, the Board approved the appointment of the Chief Audit Executive (CAE), Darel Pallesco, upon the recommendation of the Audit Committee.</p> <p>Link: <b>Appointment of CAE:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/IPSE%20Copy%2020230620%20SEC%2017C%20PIZZA%20Results%20of%20Organizational%20Meeting%202023.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/IPSE%20Copy%2020230620%20SEC%2017C%20PIZZA%20Results%20of%20Organizational%20Meeting%202023.pdf</a></p>	

### Recommendation 3.3

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.	Compliant	<b>Corporate Governance Committee</b> oversees the implementation of the corporate governance framework and periodically reviews the framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments. It also determines the nomination and election process	
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		<p>for the company's directors and shall establish a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers.</p> <p>The Amended Corporate Governance and Sustainability Committee provides oversight of the Corporation's strategies, opportunities, and risks concerning material sustainability issues to ensure progress in these areas and to advise management on process and performance improvements in order to achieve targets.</p> <p>Link:  <b>Amended Corporate Governance and Sustainability Committee Charter:</b>  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Amended%20Corporate%20Governance%20and%20Sustainability%20Charter%202021.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Amended%20Corporate%20Governance%20and%20Sustainability%20Charter%202021.pdf</a></p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p>Information on the members of the Corporate Governance Committee, including their qualifications and type of directorship can be found in the Company's website:</p> <p>Link:  <a href="https://www.shakekeysgroup.ph/governance/committee">https://www.shakekeysgroup.ph/governance/committee</a></p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>Information on the Chairman of the Corporate Governance Committee can be found in the Company's website:</p> <p>Link:  <a href="https://www.shakekeysgroup.ph/governance/committee">https://www.shakekeysgroup.ph/governance/committee</a></p>	

**Optional: Recommendation 3.3.**

1. Corporate Governance Committee meet at least twice during the year.		The Corporate Governance Committee met on February 23 and November 24, 2023	
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**Recommendation 3.4**

1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Complaint	The Board Risk Oversight Committee (BROC) is responsible for the oversight of the Company's Enterprise Risk Management (ERM) system to ensure its functionality and effectiveness. It provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company.	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	Information on the members of the Board Risk Oversight Committee, including their qualifications and type of directorship can be found in the Company's website:  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	The Chairman of the BROC is Frances J. Yu. She is not the Chairman of any other committee. See link for the information on the Chairman of the Board Risk Oversight Committee:  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Information on the background, skills, and/or experience of the members of the Board Risk Oversight Committee can be found in the Company's website:  Link:	

		<a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	The purpose of the <b>Related Party Transaction (RPT) Committee</b> 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 Policy.	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Information on the members of the RPT Committee, including their qualifications and type of directorship can be found in the Company's website:  Link: <a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a>	
<b>Recommendation 3.6</b>			
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.	Compliant	Company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes are uploaded in the Company website, particularly in the page for Corporate Information:	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	Links: <b>Shakey's Website:</b>	

<p>3. Committee Charters were fully disclosed on the company's website.</p>	<p>Compliant</p>	<p><a href="https://www.shakeysgroup.ph/governance/committee">https://www.shakeysgroup.ph/governance/committee</a></p> <p><b>Board Charter:</b>  <a href="https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf</a></p> <p><b>Audit Committee Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a></p> <p><b>Internal Audit Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Internal%20Audit%20Charter_v2[3].pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Internal%20Audit%20Charter_v2[3].pdf</a></p> <p><b>Amended Related party Transaction Committee Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf</a></p> <p><b>Corporate Governance and Sustainability Committee Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Amended%20Corporate%20Governance%20and%20Sustainability%20Charter%202021.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Amended%20Corporate%20Governance%20and%20Sustainability%20Charter%202021.pdf</a></p> <p><b>Board Risk Oversight Committee Charter;</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20BROC%20Board%20Risk%20Oversight%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20BROC%20Board%20Risk%20Oversight%20Charter.pdf</a></p>	
<p><b>Principle 4:</b> 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.</p>			

#### 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	Directors attend regular and special board meetings in person. Board members take part in active discussions during Board meetings. Attendance portions of the Board Meeting minutes are attached as Appendix "N".	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Materials and related supporting documents to be used in the meetings of the board and board committees are given at least five (5) business days in advance, to give sufficient time for the directors to read and understand them.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Notices of Meetings are disseminated prior to the Meeting. During the Meeting, the Presiding Officer invites directors to bring forward any additional matters that they might wish to discuss. All discussions are recorded in the minutes, copies of which cannot be disclosed considering that matters of confidential nature are likewise contained therein.	

#### 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	<div>The non-executive Directors do not serve in more than five (5) publicly-listed companies.</div> <table><tr><th>Name</th><th>Listed Company</th><th>Type of Directorship</th></tr><tr><td rowspan="2">Christopher T. Po</td><td>Century Pacific Food, Inc.</td><td>Executive</td></tr><tr><td>Arthaland Corporation</td><td>Non-Executive</td></tr></table>	Name	Listed Company	Type of Directorship	Christopher T. Po	Century Pacific Food, Inc.	Executive	Arthaland Corporation	Non-Executive	
Name	Listed Company	Type of Directorship									
Christopher T. Po	Century Pacific Food, Inc.	Executive									
	Arthaland Corporation	Non-Executive									

		Ricardo Gabriel T. Po	Century Pacific Food, Inc. Arthaland Corporation IP E-Game Ventures Inc.	Non-Executive  Non-Executive  Non-Executive
		Teodoro Alexander T. Po	Century Pacific Food, Inc.	Non-Executive
		Leonardo Arthur T. Po	Century Pacific Food, Inc.	Non-Executive
		Vicente L. Gregorio	N/A	N/A
		Lance Y. Gokongwei	JG Holdings Inc. Universal Robina Corp. Robinsons Retail Holdings, Inc. Robinsons Land Corporation Altus Property Ventures, Inc. Cebu Air, Inc. Manila Electric Company Oriental Petroleum and Minerals Corporation	Executive
		Fernan Victor P. Lukban	Central Azucarera de Tarlac, Inc.	Non-Executive
		Paulo L. Campos III	N/A	N/A

		<table><tr><td>Frances J. Yu</td><td>Century Pacific Food, Inc.</td><td>Independent</td></tr></table> <p>Information on the directorships of the company's directors in both listed and non-listed companies can be found in the Company website:</p> <p>Link: <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a></p>	Frances J. Yu	Century Pacific Food, Inc.	Independent													
Frances J. Yu	Century Pacific Food, Inc.	Independent																
Recommendation 4.3																		
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	No such notice was submitted to the Company's Board in 2023.																
Optional: Principle 4																		
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p>No executive Director serves in more than two boards of listed companies outside of the Group. A list of director positions of the executive directors are listed below:</p> <table><tr><th>Name</th><th>Listed Company</th><th>Type of Directorship</th></tr><tr><td rowspan="2">Christopher T. Po</td><td>Century Pacific Food, Inc.</td><td>Executive</td></tr><tr><td>Arthaland Corporation</td><td>Non-Executive</td></tr><tr><td rowspan="3">Ricardo Gabriel T. Po</td><td>Century Pacific Food, Inc.</td><td>Non-Executive</td></tr><tr><td>Arthaland Corporation</td><td>Non-Executive</td></tr><tr><td>IP E-Game Ventures Inc.</td><td>Non-Executive</td></tr></table>	Name	Listed Company	Type of Directorship	Christopher T. Po	Century Pacific Food, Inc.	Executive	Arthaland Corporation	Non-Executive	Ricardo Gabriel T. Po	Century Pacific Food, Inc.	Non-Executive	Arthaland Corporation	Non-Executive	IP E-Game Ventures Inc.	Non-Executive	
Name	Listed Company	Type of Directorship																
Christopher T. Po	Century Pacific Food, Inc.	Executive																
	Arthaland Corporation	Non-Executive																
Ricardo Gabriel T. Po	Century Pacific Food, Inc.	Non-Executive																
	Arthaland Corporation	Non-Executive																
	IP E-Game Ventures Inc.	Non-Executive																



		Teodoro Alexander T. Po	Century Pacific Food, Inc.	Non-Executive
		Leonardo Arthur T. Po	Century Pacific Food, Inc.	Non-Executive
		Vicente L. Gregorio	N/A	N/A
		Lance Y. Gokongwei	JG Holdings Inc. Universal Robina Corp. Robinsons Retail Holdings, Inc. Robinsons Land Corporation Altus Property Ventures, Inc. Cebu Air, Inc. Manila Electric Company Oriental Petroleum and Minerals Corporation	Executive
		Fernan Victor P. Lukban	Central Azucarera de Tarlac, Inc.	Non-Executive
		Paulo L. Campos III	N/A	N/A
		Frances J. Yu	Century Pacific Food, Inc.	Independent
Please see page 8 of the Corporation's Preliminary Information Statement: <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=163c7b6823341ffbabc0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=163c7b6823341ffbabc0fa0c5b4e4d0</a>				

2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	All Board meetings are scheduled at the start of the year.	
3. Board of directors meet at least six times during the year.		<p>The Board met twenty-two (22) times in 2023. See summary of Board meetings appended to the Company's Definitive Information Statement.</p> <p>Link:  <b>Preliminary Information Statement 2024:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[PSE%20COPY]%20PIZZA%20Amen ded%20Preliminary%20Information%20Statement%202024.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[PSE%20COPY]%20PIZZA%20Amen ded%20Preliminary%20Information%20Statement%202024.pdf</a></p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-compliant	Indicate the required minimum quorum for board decisions	In accordance with the Corporation Code of the Philippines, Section 3 of the Company's By-laws provides for a majority of the number of directors as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board. The presence of at least one (1) independent director is required at a meeting.

			<p>In 2023, all meetings were attended by all Board members. A copy of the attendance of Board members can be found on Appendix 10 of the Company's 2024 Preliminary Information Statement found in this link:</p> <p>Links:</p> <p><b>Preliminary Information Statement:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[PSE%20COPY]%20PIZZA%20Amended%20Preliminary%20Information%20Statement%202024.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[PSE%20COPY]%20PIZZA%20Amended%20Preliminary%20Information%20Statement%202024.pdf</a></p> <p><b>PSE Disclosure:</b>  <a href="https://edge.pse.com.ph/openDiscVier.do?edge_no=4fb91bc71359dfafabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscVier.do?edge_no=4fb91bc71359dfafabca0fa0c5b4e4d0</a></p>
<b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>See list of Board of Directors at the Company website:</p> <p>Link:  <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a></p>	
<b>Recommendation 5.2</b>			

1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	The independent directors possess all the qualifications and none of the disqualifications to hold the positions. The profiles of the independent directors are disclosed in the Company Website while the required qualifications of an independent director are provided in the Manual of Corporate Governance. See profiles of Directors in the Company website:  Link: <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a>									
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	The Company respects the right of directors to vote independently without any constraints.									
Recommendation 5.3											
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<table><tr><th>Name</th><th>Years Served</th></tr><tr><td>Fernan Victor P. Lukban</td><td>7.2 years</td></tr><tr><td>Paulo L. Campos</td><td>7.2 years</td></tr><tr><td>Frances J. Yu</td><td>5.4 years</td></tr></table>	Name	Years Served	Fernan Victor P. Lukban	7.2 years	Paulo L. Campos	7.2 years	Frances J. Yu	5.4 years	
Name	Years Served										
Fernan Victor P. Lukban	7.2 years										
Paulo L. Campos	7.2 years										
Frances J. Yu	5.4 years										
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Information on the company's policy on term limits for its independent director can be found on Sec. 6.04 on page 5 of the Company's Amended By-									

		laws (Oct. 11, 2018). The Amended By-Laws can be found in the Company's Website.  Link: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Amended%20By-Laws%20October%202018-original%20file%20size.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/Amended%20By-Laws%20October%202018-original%20file%20size.pdf</a>					
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	The Company has no independent director serving more than 9 years on the Board.					
Recommendation 5.4							
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<table><tr><td>Chairman of the Board</td><td>Christopher T. Po</td></tr><tr><td>CEO/President</td><td>Vicente L. Gregorio</td></tr></table> Details on the company's Chairman of the Board and Chief Executive Officer can be found on the Company website:  Link: <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a>	Chairman of the Board	Christopher T. Po	CEO/President	Vicente L. Gregorio	
Chairman of the Board	Christopher T. Po						
CEO/President	Vicente L. Gregorio						
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer can be found on page 5 of Board Charter:  Link: <a href="https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf</a>					

**Recommendation 5.5**

1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	The company's lead independent director is Fernan Victor P. Lukban. See information on the lead independent director and his roles and responsibilities.  Link: <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a>	
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**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	There were no transactions affecting the Company entered into with any member of the Board.	
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**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	The Audit Committee composed of non-executive directors met four (4) times in 2023. Executive sessions without any executive present were held with the external auditor during such meetings.	
2. The meetings are chaired by the lead independent director.	Compliant		

**Optional: Principle 5**

1. None of the directors is a former CEO of the company in the past 2 years.	Non-Compliant		Vicente L. Gregorio held the position of President and CEO of the Company in the past 10 years.
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**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	Attached as Appendix "O" is the summary of Self-Assessment answered by the Chairman and the Board of the Corporation to conduct an annual self-assessment.	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
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.	The Company is evaluating the external facilitators to support the assessments every three years.

#### 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.	Compliant	The Company provides in its Board Charter the criteria and process to determine the performance of the Board and its members and committees. Further, the Company has a sound Investor Relations unit which handles all concerns of the shareholders.	
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2. The system allows for a feedback mechanism from the shareholders.	Compliant	Link: *policy on performance evaluation on page 6 of the <b>Board Charter</b> : <a href="https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf">https://www.shakeyspizza.ph/document/investors/corporate-governance/PIZZA%20Board%20Charter.pdf</a>	
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**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.	Compliant	See the company's Code of Business Conduct and Ethics in the Company website:  Link: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	(a) <b>Conflict of Interest:</b> All employees, irrespective of rank should always act for the best interest of the company. All conflict of interest shall be avoided and prohibited. In the event such will occur, disclosure must be done to the immediate supervisor and/or Human Resources Head.  (b) <b>Conduct of Business and Fair Dealings:</b> Business is dictated by free competition - no monopoly, no price manipulation. Price is dictated by supply and demand. Employees are required to comply with fair trade practices.  (c) <b>Receipt of gifts from third parties:</b> All employees are prohibited from accepting gifts based on the no gift policy of the Company.	



		<p>(d) <b>Compliance with Laws &amp; Regulations:</b> All employees, in the conduct of business, are obliged to comply with all relevant laws and regulations.</p> <p>(e) <b>Respect for Trade Secrets/Use of Non-public Information:</b> All employees are required to sign and adhere to a confidentiality agreement. All employees are prohibited from disclosing or using to their own advantage any nonpublic information.</p> <p>(f) <b>Use of Company Funds, Assets and Information:</b> All employees are required to act as responsible custodians of all Company funds, assets, and information. As such all are required to protect and preserve Company assets.</p> <p>(g) <b>Employment &amp; Labor Laws &amp; Policies:</b> The Company complies with all existing employment and labor laws and policies.</p> <p>(h) <b>Disciplinary action:</b> Disciplinary actions are meted only after due process. The Company has a Code of Conduct that serves as a guide for the employees' behavior.</p> <p>(i) <b>Whistle Blower:</b> The Company has a whistle blower policy that provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare.</p>	
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		(j) <b>Conflict Resolution:</b> The Company provides a work environment that is conducive to friendly resolution of disagreement. Superiors should promote amicable settlement of conflicts.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Code of Business Conduct and Ethics is posted on the Company's website:  Link: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf</a>	
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	See Company's Code of Business Conduct and Ethics is posted on the Company's website:  Link: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/code-of-business-conduct-and-ethics.pdf</a>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	All Employees of the Company, Directors and Key Officers are required to abide by the Code of Business Conduct and Ethics. The Company thru its Human Resource Department implements and monitors the implementation of the Code thru policies.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		
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

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.	Compliant	<p>Reports distributed/made available to shareholders and other stockholders can be found in the PSE Edge website and in the Company website, particularly in the Investors page:</p> <p>Links:  <b>Company's disclosure reports to PSE:</b>  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=664">https://edge.pse.com.ph/companyDisclosures/form.do?cmpr_id=664</a></p> <p><b>Company's Stock Information:</b>  <a href="https://www.shakeysgroup.ph/ir/stock-information">https://www.shakeysgroup.ph/ir/stock-information</a></p>	
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#### Supplement to Recommendations 8.1

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.	Non-Compliant	<p>Annual consolidated reports are published within 105 days from the end of the financial year in compliance with PSE and SEC requirements.</p> <p>Link:  <b>2023 Audited Consolidated Financial Statements:</b>  <a href="https://www.shakeysgroup.ph/ir/financial-report">https://www.shakeysgroup.ph/ir/financial-report</a></p> <p>2023 Quarterly reports are likewise disclosed and published within forty-five (45) days from reporting period.</p> <p>These interim reports and the 2023 Audited Consolidated Financial Results of the Company are disclosed in the Company Website:  <a href="https://www.shakeysgroup.ph/ir/financial-report">https://www.shakeysgroup.ph/ir/financial-report</a></p>	
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<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 overall equity position in the company.</p>	<p>Compliant</p>	<p>The complete list of the Public Ownership Report of the Company as of December 31, 2023 was disclosed to the SEC, PSE, and PDEX on January 10, 2024 and amended on March 12, 2024, where approximately 77.17% of the Company shares are held by principal and strategic shareholders, directors and key officers, and the remaining 22.83% shareholdings are held by other corporations, and other individuals.</p> <p>The Company has a straightforward structure of alliance among its affiliates with no joint-holding or cross-holding of shares.</p> <p>The Company's Annual Report for the year 2023 can be found in the Company's Website</p> <p>Link:  <b>Shakey's Website</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p> <p><b>PSE website:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=7058e24b38e7af5fabca0fa0c5b4e4d0">https://edge.pse.com.ph/openDiscViewer.do?edge_no=7058e24b38e7af5fabca0fa0c5b4e4d0</a></p>	
<b>Recommendation 8.2</b>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Changes in Beneficial Ownership reports are filed with the PSE. All such reports made by the Company are found in the PSE Website under Company Disclosures.</p>	
<p>2. Company has a policy requiring all officers to disclose/report to the</p>	<p>Compliant</p>	<p><a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=664">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=664</a></p>	

company any dealings in the company's shares within three business days.			
<b>Supplement to Recommendation 8.2</b>			
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	Changes in Beneficial Ownership reports are filed with the PSE. All such reports made by the Company are found in the PSE Website under Company Disclosures.  <a href="https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=664">https://edge.pse.com.ph/companyInformation/form.do?cmpy_id=664</a>	
<b>Recommendation 8.3</b>			
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	See Directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended in the Company website:  Link: <a href="https://www.shakeysgroup.ph/governance/directors">https://www.shakeysgroup.ph/governance/directors</a>	
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	The company's key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended are found in the Company website:  Link: <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a>	

#### 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	<p>The Company's By-Laws provide that directors shall receive reasonable per diems for their attendance at each meeting of the Board. Any compensation other than per diems may be allowed subject to the approval of stockholders representing at least a majority of the outstanding capital stock.</p> <p>The Company's annual reports and information and proxy statements include disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top five (5) management officers during the preceding fiscal year, which may be subject to objection or ratification of the stockholders. There were no issues on the compensation of directors and officers which was brought up in the last annual stockholders meeting.</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	The Company's By-Laws provide that directors shall receive per diems for their attendance at each meeting of the Board. Any compensation other than per diems may be allowed subject to the approval of stockholders at a regular or special meeting.	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	The Company reviews compensation paid to its executives/officers. The levels of remuneration of the Corporation should be sufficient to be able to attract and retain the services of qualified and competent executives/officers. A portion of the remuneration of executive directors may be	

		<p>structured or be based on corporate and individual performance.</p> <p>Remuneration of the Company's Top 5 Executives are on the Company's Annual Reports.</p> <p>Link:  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a> </p>	
<b>Recommendation 8.5</b>			
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>It is the policy of the Company 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. The RPT Policy is disclosed in the Company's Revised Related Party Transaction Committee Charter.</p> <p>Link:  <b>Revised Related Party Transactions Committee Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Related%20Party%20Transaction%20Charter.pdf</a> </p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>There were no material related party transactions reported for 2023. A material Related party transaction is defined under the Company's material related party transaction policy is "any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with</p>	

		<p>the same related party, amounting to ten percent (10%) or higher of a company's total assets based on its latest audited financial statement."</p> <p>However, details of related party transactions are found in the Company's 2023 Annual Report.</p> <p><b>Annual Report, page 32 of Annex C (Consolidated Audited Financial Statements):</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Board members are required to report any conflict of interest under the Company's Enterprise Risk Management System.</p> <p>Link:  <a href="https://www.shakeyspizza.ph/investors/corporate-information">https://www.shakeyspizza.ph/investors/corporate-information</a></p>	
<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.		<p>Details of the Company's related party transactions are found in the Company's 2023 Annual Report.</p> <p><b>Annual Report, page 32 of Annex C (Consolidated Audited Financial Statements):</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p>	
<b>Recommendation 8.6</b>			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that	Compliant	It is the policy of the Company to disclose the existence, justification and details on shareholder agreements, voting trust agreements,	



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.		confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company. Disclosure shall be made to the SEC and PSE which will be published in the Company website.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>Any major plans or extraordinary transaction of the Company is reviewed by a team that evaluates the viability of the transaction and ensures that it will have a strategic fit with the Company. Any project that passes the review is presented to the Board for approval.</p> <p>Once management believes that the transaction is in-line with the Company's strategies and will be value-accretive based on internal valuation and analysis, the Company may avail of the services of investment banks/third-party consultants which provide advice on the fairness of the transaction price or a transfer pricing study. In addition, the independent directors sitting in the Board provide objective and impartial analysis of any proposed transaction and its details, including the fairness of the valuation or the transaction price.</p>	
<b>Supplement to Recommendation 8.6</b>			
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	Compliant	It is the policy of the Company to disclose 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.	

control, ownership, and strategic direction of the company.		Disclosure shall be made to the SEC and PSE which will be published in the Company website.  In 2023, the Company has no such agreements to disclose.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	See link for Manual on Corporate Governance: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
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.	Not Applicable		The Company has not made any changes on its corporate governance practices.
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		The Annual Report disclosed the following information: a. Corporate Objectives, b. Financial performance indicators, c. non-financial performance indicators; d. dividend policy,	
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		

c. Non-financial performance indicators	Compliant	e. biographical details of all directors, f. total remuneration of each member of the board of directors  Links to the Annual Report: a. Corporate Objectives page 7, b. Financial performance indicators, page 13, c. non-financial performance indicators, page 6; d. dividend policy, page 10, e. biographical details of all directors, page 16 to 18: f. total remuneration of each member of the board of directors, page 22.  Link: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a>	
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		
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.	Compliant		
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.	Compliant		

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.	Compliant		
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).	Compliant		

**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.

#### Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor can be found on the Company website:  Link: <b>Audit Committee Charter, page 7:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
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	Information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor can be found on the Company website:	

		Link: <b>Audit Committee Charter, page 7:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
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.	Not applicable	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	We agree with the recommendation and we will comply when necessary. However, for 2023, the Company maintained its External Auditor, SGV & Co.
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Company's policy of rotating the lead audit partner every five years can be found on the Company website:  Link: <b>Audit Committee Charter, page 8:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
<b>Recommendation 9.2</b>			
1. Audit Committee Charter includes the Audit Committee's responsibility on:  i. assessing the integrity and independence of external auditors;  ii. exercising effective oversight to review and monitor the external auditor's	Compliant	See pages 7 to 9 of Company's Audit Committee Charter  Link: <b>Audit Committee Charter:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	

iii.	independence and objectivity; and exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.			
2.	Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	See pages 7 to 9 of Company's Audit Committee Charter  Link: <b>Audit Committee Charter:</b> <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
<b>Supplement to Recommendations 9.2</b>				
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.	Compliant	See pages 7 to 9 of Company's Audit Committee Charter  Link: <b>Audit Committee Charter:</b> <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
2.	Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	See pages 7 to 9 of the Company's Audit Committee Charter  Link: <b>Audit Committee Charter:</b> <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	

### Recommendation 9.3

1. 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	<p>The Audit Committee ensures that non-audit services, if allowed or approved, are disclosed in the Company's Annual Report. The External Auditor of the Company did not provide non-audit services to the Company in 2023</p> <p>Links:</p> <p><b>Audit Committee Charter:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a></p> <p><b>Annual Report:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a></p>	
2. 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	<p>The Company has in place a policy on disallowing non-audit work that may pose a conflict of interest with the duties and independence of the External Auditor.</p> <p>Link:</p> <p><b>Audit Committee Charter, paragraph 5(b) page 7:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a></p>	

### Supplement to Recommendation 9.3

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>Fees paid for audit services was PhP5,500,000.00. There were no non-audit fees paid for 2023.</p> <p>The fees for audit services are found on page 15 of the Annual Report. The Annual Report can be found on the Company's Website:</p>	
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		Link: <b>Annual Report:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-sec-17-a-amended.pdf</a>	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	SyCip, Gorres, Velayo & Co., 6760 Ayala Avenue, Makati City Christine G. Vallejo Partner CPA Certificate No. 99857 SEC Accreditation No. 99857-SEC (Group A) BOA/PRC Reg. No. 0001, August 25, 2021, valid until April 15, 2024 Tax Identification No. 206-384-906 BIR Accreditation No. 08-001998-105-2022, November 7, 2022, valid until November 6, 2025 PTR No. 10082028, January 6, 2024, Makati City	
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).	Compliant	The External Auditor was subjected to SOAR inspection on August 1 to 12, 2022. The names of the members of the engagement team were provided to the SEC during the SOAR inspection.	
<b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
<b>Recommendation 10.1</b>			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the	Compliant	See link for company's social responsibility <a href="https://www.shakeysgroup.ph/sustainability/featured-initiatives">https://www.shakeysgroup.ph/sustainability/featured-initiatives</a>	



management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.			
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<p>The Company abides by the SEC's guidelines on sustainability reporting guidelines for publicly-listed companies.</p> <p>The Company also discloses its policies and practices on the management of economic, environmental, social and governance (EESG) issues in its website.</p> <p>These are reflected in the Sustainability Report for 2023 submitted to the SEC on April 22, 2024 and attached herein as Appendix "P".</p>	
<b>Principle 11:</b> 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.			
<b>Recommendation 11.1</b>			
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.	Compliant	<p>The Company's Investor Relations team present information on performance results, business progress, industry trends, impact of external factors, and regulations to shareholders, analysts, investors, and media every quarter during the Investors Earnings Call and Briefing and Teleconference, as well as Media Briefing. The Medium of Communication are the following:</p>	

		<ul style="list-style-type: none"> <li>• Company disclosures filed with the Securities and Exchange Commission and the Philippine Stock Exchange</li> <li>• Print (e.g. broadsheets, brochures)</li> <li>• Written notices</li> <li>• Corporate website</li> <li>• Briefing sessions for analysts</li> <li>• Investor conferences and non-deal roadshows</li> <li>• One-on-one meetings with investors, bankers, and creditors</li> <li>• Onshore and offshore investor conferences</li> <li>• Conference calls on quarterly financial results</li> <li>• Regular engagement with brokers and analysts</li> <li>• Non-deal roadshows to key financial market centers</li> <li>• Press releases</li> <li>• Selected manufacturing site visits</li> <li>• Regulatory and formal reporting requirements</li> <li>• Use of corporate website</li> </ul>	
<b>Supplemental to Principle 11</b>			
1. Company has a website disclosing up-to-date information on the following:	Compliant	The Company has a website showing the following information:	
a. Financial statements/reports (latest quarterly)	Compliant	1. Audited Financial statements and quarterly financial statement	
b. Materials provided in briefings to analysts and media	Compliant	2. Press Releases and other disclosures filed with the PSE and SEC containing briefings to analysts and media	
c. Downloadable annual report	Compliant	3. Downloadable annual report	
d. Notice of ASM and/or SSM	Compliant	4. Notice of Annual Stockholders' Meeting	
e. Minutes of ASM and/or SSM	Compliant	5. Minutes of ASM and/or SSM	
		Company's Articles of Incorporation and By-Laws	

f. Company's Articles of Incorporation and By-Laws	Compliant	Link: <a href="https://www.shakeysgroup.ph/">https://www.shakeysgroup.ph/</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	The Company complies with SEC-prescribed website template. This can be verified through the link below.  Link: <a href="https://www.shakeysgroup.ph/">https://www.shakeysgroup.ph/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> 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.			
<b>Recommendation 12.1</b>			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	The adequacy of the internal controls is reviewed annually by the Board Risk Oversight Committee.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	The Company aims to identify measure, analyze, monitor, and control all forms of risks that would affect the Company. The adequacy of the risk management system is reviewed annually by the Board Risk Oversight Committee.	
<b>Supplement to Recommendations 12.1</b>			
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	Compliant	All employees are provided a copy of the Code of Ethics as part of the pre-employment process. Employees are required to confirm in writing agreement and compliance with the Company's Code of Ethics. The Company conducts regular	

training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.		<p>orientation for new hires and re-orientation to old hires periodically.</p> <p>The Division Heads through their Department Heads are responsible for the implementation of the Code of Ethics, by way of more detailed policies and procedures fitted to their particular departmental/divisional objectives and functions.</p> <p>All employees are encouraged to report any breaches of this Code through the Whistle Blower Policy of the Company.</p>	
<b>Optional: Recommendation 12.1</b>			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	<p>The Company has a Technology Advisory Group which reports to management on matters relating to the role of technology in executing the business strategy of the Company. The Technology Advisory Group is composed of seven (7) members, three (3) of which are qualified external advisors/consultants.</p> <p>The following are the key areas where the Group provides advice:</p> <ol style="list-style-type: none"> <li>1. The Company's Information Technology (IT) Systems and Procurement.</li> <li>2. The Company IT and digital Roadmap, planning and strategy. Areas including IT infrastructure, Supercard program, project management and emerging technology trends among others.</li> <li>3. The Company's performance indicators around IT and digital.</li> </ol>	

		4. 4. Relevant guidelines or policies involving IT and digital processes and transaction	
<b>Recommendation 12.2</b>			
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.	Compliant	The Company's Audit is in-house.	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	The Company's Chief Audit Executive is Darrel G. Pallesco. See company's information containing his responsibilities in the link below: <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Audit%20Committee%20Charter.pdf</a>	
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.	Compliant		
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.	Non -Compliant		We agree with the recommendation, and we will comply when necessary. Further, the Company has an independent Chief Audit Executive, Darel Pallesco, qualified to manage a fully outsourced internal audit activity should one be needed in the future.

			For 2023, the internal audit of the Company was not outsourced.
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p>Kindly refer to the Company's Risk Exposure Table attached herein as Appendix "Q". In addition, the following risks management functions are in place to identify, assess and monitor key risk exposures:</p> <ol style="list-style-type: none"> <li>1. PIZZA's financial performance may be materially and adversely affected by fluctuations in prices or disruption in the supply of key raw materials.</li> <li>2. Actual or alleged contamination or deterioration of, or safety concerns about, PIZZA's food products or similar products produced by third parties could give rise to product liability claims, guest dissatisfaction, and harm PIZZA's reputation.</li> <li>3. PIZZA relies on key third-party suppliers to supply key raw material requirements. A failure by these third-party suppliers to adhere to contractual obligations or a significant disruption in the supply chain and logistics can significantly affect its business operations.</li> <li>4. PIZZA's growth is highly dependent on its ability to open new stores, maintain existing</li> </ol>	

		<p>stores, and operate these stores in a profitable manner. Failure to successfully locate and secure suitable store locations in its target markets may delay PIZZA store openings and significantly affect its business and results of operations.</p> <p>5. Any infringement or failure to protect PIZZA's trademarks and proprietary rights could materially and adversely affect its business.</p> <p>6. PIZZA may be subject to labor unrest, slowdowns and increased wage costs.</p> <p>7. PIZZA is reliant on its franchisees for the successful management and operations of its franchise stores. In addition, a portion of the company's revenue is derived from royalty and franchise payments. A failure by the franchisees to deliver what is expected of them may significantly harm the brand image and goodwill of the Shakey's brand, as well as adversely affect the business operations and results of operations of PIZZA.</p> <p>8. PIZZA is exposed to the credit risks of its customers, and delays or defaults in payment by its customers could have a material adverse effect on PIZZA's financial condition, results of operations and liquidity</p>	
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#### Supplement to Recommendation 12.4

1. Company seeks external technical support in risk management when such competence is not available internally.

Compliant

The Company has a Technology Advisory Group which reports to management on matters relating to the role of technology in executing the business strategy of the Company. The Technology Advisory Group is composed of seven (7) members, three (3) of which are qualified external advisors/consultants.

The following are the key areas where the Group provides advice:

1. The Company's Information Technology (IT) Systems and Procurement.
2. The Company IT and digital Roadmap, planning and strategy. Areas including IT infrastructure, Supercard program, project management and emerging technology trends among others.
3. The Company's performance indicators around IT and digital.
4. Relevant guidelines or policies involving IT and digital processes and transaction

The Company's officers and directors attended the Seminar entitled "Risk Management in the Post-COVID Age" last December 13, 2023 conducted by the Institute of Corporate Directors:

**Attendees:**

Manuel Del Barrio/Chief Risk Officer  
Jose Mari Gervacio/Senior  
Darel Pallesco/Chief Audit Executive

#### 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).	Compliant	The Chief Risk Officer (" <b>CRO</b> ") is the main proponent of enterprise risk management (" <b>ERM</b> ") and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation. The Company's Chief Risk Officer is Manny Del Barrio. Mr. Del Barrio's qualifications and responsibilities are found in the Company's website  <a href="https://www.shakeysgroup.ph/governance/management-team">https://www.shakeysgroup.ph/governance/management-team</a>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		

#### Additional Recommendation to Principle 12

1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	Attached as Appendices "R" and "S" is the Certification signed by the Company's Chief Executive Officer and Chief Audit Executive that the Company has sound internal audit, control and compliance system	
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#### 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	Shareholders' rights, namely Voting Right; Pre-emptive Right; Right of Inspection; Right to Information; Right to Dividends; Appraisal Right; Right to Transparent, Fair Conduct of Stockholders' Meeting; and all other relevant rights are all	
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		provided in the Manual of Corporate Governance, particularly in Article V thereof (pages 18-20).  Link: <b>Manual on Good Corporate Governance, pages 18 to 20:</b> <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	See link to the Company's website <a href="https://www.shakeysgroup.ph/">https://www.shakeysgroup.ph/</a>	
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	Compliant		
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The paragraph 5.06 of the Company's Amended By-Laws state the voting rights and system for shareholders. The stockholders may vote at all meetings number of shares registered in their respective names.	
3. Board has an effective, secure, and efficient voting system.	Compliant	The Company's Amended By Laws allows for voting by ballot, in person or by proxy.	
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	The Company observes the voting mechanisms found in The Corporation Code of the Philippines directed for the protection of minority shareholders.	

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	The Company's shareholders has not requested for a special shareholders' meeting in the past year.	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>The Company respects the rights of the stockholders as provided in the Corporation Code, namely:</p> <ul style="list-style-type: none"> <li>(i) right to vote on all matters that require their consent or approval</li> <li>(ii) pre-emptive right to all stock issuances of the Corporation</li> <li>(iii) right to inspect corporate books and records</li> <li>(iv) right to information</li> <li>(v) right to dividends</li> <li>(vi) appraisal right</li> <li>(vii) right in the distribution of the remaining assets of the corporation after its dissolution and liquidation of its assets; and</li> <li>(viii) right to vote and be voted as director or officer of the Corporation in accordance with the Corporation Code of the Philippines</li> </ul> <p>Transparent and fair in the conduct of the annual and special stockholders' meetings of the Corporation. The stockholders should be encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy.</p> <p>Subject to the requirements of the By-laws, the exercise of that right shall not be unduly restricted</p>	

		<p>and any doubt about the validity of a proxy should be resolved in the stockholders' favor.</p> <p>The Board should take appropriate steps to remove excessive or unnecessary costs and administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy.</p> <p>Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. Although all stockholders should be treated equally or without discrimination, the Board should give minority stockholders the right to propose the holdings of meetings and the items for discussion in the agenda that relate directly to the business of the Corporation.</p>	
7. Company has a transparent and specific dividend policy.	Compliant	The Company declared dividends of P0.10 per share on June 20, 2023 and paid on July 31, 2023.	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>The company's stock agent, Banco De Oro supervised and validated the canvassing of votes of the shareholders during the Annual Stockholders' Meeting (ASM) of 2023. This was recorded in the ASM Minutes which was also posted in the company website.</p> <p>Link:  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf</a> </p>	

**Recommendation 13.2**

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.

Compliant

The Company sent notices of the Annual Stockholders Meeting to the Shareholders 28 days prior to the 2023 Annual Stockholders Meeting. Notices together with the Definitive Information Statement for the Company's June 20, 2023 Annual Stockholders' Meeting were sent to the Stockholders on May 23 and 24, 2023.

**Supplemental to Recommendation 13.2**

1. Company's Notice of Annual Stockholders' Meeting contains the following information:

The Company's Notice of Annual Stockholders' Meeting contains all of the following information:

1. Profiles of the directors
2. Auditors seeking re-election, and
3. Proxy Documents required for submission prior to the Annual Stockholders' Meeting

See company's notice of Annual Shareholders' Meeting for 2023.

Links:

**PSE Disclosure of Notice:**

[https://edge.pse.com.ph/openDiscViewer.do?edge\\_no=82a64cf675c247469e4dc6f6c9b65995](https://edge.pse.com.ph/openDiscViewer.do?edge_no=82a64cf675c247469e4dc6f6c9b65995)

**Shakey's website:**

[https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/\[FINAL\]%2020230328%20SEC%2017C%20PIZZA%20Notice%20of%20ASM.pdf](https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/[FINAL]%2020230328%20SEC%2017C%20PIZZA%20Notice%20of%20ASM.pdf)

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and

Compliant

directorships in other listed companies)			
b. Auditors seeking appointment/re-appointment	Compliant		
c. Proxy documents	Compliant		
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Please see attached Appendix "T" – Explanation of Agenda Items	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	<p>The results of the 2023 Annual Stockholders Meeting were submitted to the PSE. A copy of the results are found in the Company website and in PSE Edge:</p> <p>Links:  <b>PSE Disclosure:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=42e3c1d27c81b01b9e4dc6f6c9b65995">https://edge.pse.com.ph/openDiscViewer.do?edge_no=42e3c1d27c81b01b9e4dc6f6c9b65995</a></p> <p><b>Shakey's website:</b>  <a href="https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/investor-presentations/sec-17-c-pizza-results-of-annual-stockholders-meeting.pdf">https://shakeys-zeus-prod.s3.amazonaws.com/investor-documents/investor-presentations/sec-17-c-pizza-results-of-annual-stockholders-meeting.pdf</a></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.	Compliant	<p>The minutes of the 2023 Annual Shareholders meetings were made available on the company website. A copy of the minutes are found in the Company website:</p> <p>Links:  <b>Shakey's website:</b></p>	

		<a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	The Company's External Auditor attends the Annual Stockholders Meeting.  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/disclosures/pizza-asm-minutes.pdf</a>	
<b>Recommendation 13.4</b>			
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.	Compliant	As of date, there are no disputes between the Company and any of its stockholders, third parties and regulatory authorities that would require adoption of an alternative dispute resolution system. Some agreements and partnerships have defined agreements regarding alternative dispute resolution via arbitration.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	See page 21 of the Manual on Corporate Governance on the details of alternative dispute mechanism.  <a href="https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf">https://shakekeys-zeus-prod.s3.amazonaws.com/investor-documents/corporate-governance/PIZZA%20Manual%20on%20Good%20Corporate%20Governance.pdf</a>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	Name: Myrose April C. Victor Address: KM 15 East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City, Metro Manila 1700 Tel No.: (632) 742 5397 E-mail: <a href="mailto:investorrelations@shakekeys.biz">investorrelations@shakekeys.biz</a>	

2. IRO is present at every shareholder's meeting.	Compliant	The IRO was present at the ASM.	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	There were no takeover issues addressed by the Company in 2023.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-Compliant		Public float is at 22.87% as of March 31, 2024. The Company complies with the minimum free float requirement of 20%.
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>The Investor Relations Officer engages with the Company shareholders beyond the Annual Stockholders' Meeting by providing them with accessible channels through which timely, fair, and accurate disclosures of material information affecting their shares are made and through which concerns on their share may be addressed.</p> <p>Shareholders and investors are provided with adequate facilities to communicate with SPAVI through telephone, mail, electronic mail, and website, <a href="https://www.shakeysgroup.ph/">https://www.shakeysgroup.ph/</a> . The Investor Relations Office supervises the investors' briefings and teleconference, and attends to institutional investors' needs. as well as attends to the inquiries and other concerns of shareholders.</p>	



		<p>Shareholders are given Notice and Agenda of the Annual Stockholders Meeting, or ASM, at least twenty-eight (28) working days before the said meeting.</p> <p>In accordance with the Revised Manual of Corporate Governance, the Board ensures protection of shareholders' rights.</p> <p>The Company facilitates participation of shareholders who cannot attend the stockholders' meeting in person by enclosing proxy forms in the ASM Notice where they can indicate their votes on matters that will be taken during the meeting.</p> <p>For shareholders who are able to attend the ASM, an electronic system facilitates the registration and vote tabulation to ensure accuracy and reliability of information.</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		During the 2023 ASM, the Company allowed electronic voting and attendance of the Company's stockholders.	

#### 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	Compliant	See company's shareholder information on the company's policies and programs for its stakeholders.	
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<p>company in creating wealth, growth and sustainability.</p>		<p><a href="https://www.shakeysgroup.ph/governance/documents">https://www.shakeysgroup.ph/governance/documents</a></p> <p>The Board of Directors (Board) is primarily responsible for the governance of the Company and shall, hence, ensure compliance with the principles of good corporate governance. It is the duty of the Board to promote the rights of stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights.</p> <p>The Board shall respect the rights of the stockholders as provided in the Corporation Code, namely:</p> <ul style="list-style-type: none"> <li>(i) Right to vote on all matters that require their consent or approval;</li> <li>(ii) Pre-emptive right to all stock issuances of the Company;</li> <li>(iii) Right to inspect corporate books and records;</li> <li>(iv) Right to information;</li> <li>(v) Right to dividends; and</li> <li>(vi) Appraisal right</li> </ul> <p>The Board shall be transparent and fair in the conduct of the annual and special stockholders' meetings of the Company.</p> <p>The Board should take appropriate steps to remove excessive or unnecessary costs and administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy.</p>	
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		<p>Although all stockholders should be treated equally or without discrimination, the Board should give minority stockholders the right to propose the holdings of meetings and the items for discussion in the agenda that relate directly to the business of the Company.</p> <p>Also, the directors shall ensure timely distribution of accurate shareholder information necessary to make informed decisions subject to legal constraints.</p>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Please refer to the immediately preceding response.	
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>The Company's Whistleblowing Policy is herein attached as Appendix "V"</p> <p>The Investor Relations group regularly communicates essential, accurate, and up-to-date information with the investment community and other relevant stakeholders.</p> <p>The Investor Relations Office makes publicly available essential investor information primarily through Philippine Stock Exchange disclosures. These include annual and interim reports,</p>	

		<p>company announcements, and other relevant disclosures.</p> <p>Briefing sessions for analysts and the media, investor conferences, and non-deal roadshows are also arranged as deemed by the Investor Relations Office to be appropriate.</p> <p>The Investor Relations Officer can be contacted thru:  Address: KM 15 East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City, Metro Manila 1700  Tel. No.: (632) 742 5397  Email: investorrelations@shakeys.biz</p>	
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#### Supplement to Recommendation 14.3

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	The Company has a feedback form available on its website by which the public informs the Company of any concern. All concerns submitted are resolved by the office of the Investor Relations Officer.	As of date, there are no disputes between the Company and any of its stockholders, third parties and regulatory authorities that would require adoption of an alternative dispute resolution system. However, agreements and partnerships have defined agreements regarding alternative dispute resolution via arbitration.
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#### Additional Recommendations to Principle 14

1. Company does not seek any exemption from the application of a law, rule or regulation especially when	Compliant	The Company has not sought any requests for exemption from a law, rule or regulation relative to a corporate governance issue.	
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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 taken to finally comply with the applicable law, rule or regulation.			
2. Company respects intellectual property rights.	Compliant	It is the Company's policy to protect and vigorously defend its rights to intellectual property by regular monitoring and enforcement of its rights in markets in which its products currently exist or markets which it intends to enter in the future.	

#### Optional: Principle 14

1. Company discloses its policies and practices that address customers' welfare		<p><b>Guest Engagement</b></p> <p>The company has a robust Guest Engagement program in place. Through our Guest Engagement department, we connect and engage with our guests through an integrated feedback management system that has enabled us to respond to feedback and attend to concerns with the utmost expediency. Guests are able to course their feedback through various channels such as our store staff, WeCare email, Electronic Guest Comment Card, Shakey's delivery hotline, Shakey's website, Shakey's mobile application, Facebook, Twitter, and Instagram.</p> <p><b>Food Quality and Safety</b></p> <p>We ensure that the food we serve is of excellent quality and is safe for consumption. We promote</p>	
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		<p>and adhere to our health and safety protocols that align with the highest standards demanded by the industry at every stage of our operations, from product development to sourcing, logistics, and production to serving our guests.</p> <p><b>Food Safety Training</b>          PIZZA employees are trained in food handling and serving, as well as recognizing and preventing foodrelated health hazards. We require all our food handlers to be trained as food service professionals using ServSafe standards. The training includes food safety, time and temperature, cleaning and sanitation, cross-contamination and allergens, and personal hygiene.</p> <p><b>Quality, Service, Cleanliness, Hospitality (QSCH) Audits</b></p> <p>Our internal and external QSCH audits ensure that safety and quality controls are consistently maintained for both our food and service across all our stores.</p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures		<p>The company's commitment to sustainability includes its partnership with suppliers and contractors. Our company's Supplier Accreditation Policy guarantees that the Company deals with qualified parties who are not only capable of fulfilling their commitments to us but are also aligned with our social and environmental aspirations as a responsible member of the community.</p>	

		<p>The company also allocates a substantial part of its spending for local suppliers and manufacturers whenever possible. Through the years, we have continuously partnered with local suppliers for most of our requirements.</p> <p>The company has formalized and institutionalized the Supplier Code of Conduct to covers the systematic assessment of suppliers' social performance during the procurement process, among others. The Supplier Code of Conduct and Supplier Accreditation Policy is attached herein as Appendix "U".</p>	
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**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	<p>The Company has policies on annual merit increase and salary adjustments that are tied-up to the employees' performance assessments. The Company promotes a culture of recognition and value for key and high performing employees who demonstrate excellence at the workplace.</p> <p>Performance will be the main driver for total rewards. Rewards programs are therefore differentiated across businesses and among employees according to their contributions and levels of performance with a significant share given to high performers.</p>	
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#### 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.	Compliant	Please refer to the immediately preceding response.	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>A healthy and safe working environment is a prerequisite to the well-being of our workforce and paramount to the success of our operations. PIZZA is committed to creating decent and safe working conditions whether in the corporate workplace or on our store and warehouse floors to protect our employees and workers from injury and health risks. We fulfill this through our Occupational Safety and Health (OSH) Program and Policies, in full compliance with RA 11058 and the Department of Labor and Employment (DOLE)'s standards.</p> <p>Our Health and Safety Committee manages our OSH program. This includes orientation and regular training, support for work permits for at-risk establishments, and provision of select protective equipment. Work-related hazards are regularly identified and assessed for severity and frequency and given appropriate control systems to prevent these safety risks. Any disabling injury whether permanent, temporary, or resulting in fatalities are reported to DOLE and submitted with required supporting documents to be processed.</p> <p>In accordance with RA 11058, PIZZA also has put the following OSH policies in place to ensure a safe, productive, and supportive workplace:</p> <p>1. Company Commitment on Occupational Safety and Health</p>	



		<div>2. Promotion of a Drug-Free Workplace</div> <div>3. Mental Health Services in the Workplace</div> <div>4. Prevention and Control of HIV-AIDS</div> <div>5. Prevention and Control of Tuberculosis</div> <div>6. Prevention and Control of Hepatitis B</div> <div>7. Composition and Duties of Health and Safety Committee</div> <div>The OSH policies are attached herein as Appendix “Q”</div>											
3. Company has policies and practices on training and development of its employees.	Compliant	<table><tr><th>Shakey’s Company Wide Training Programs and Courses</th><th>Description</th></tr><tr><td colspan="2">Training Programs</td></tr><tr><td>Comprehensive Onboarding Program</td><td>Onboarding program for newly hired employees that covers company orientation and philosophies, product knowledge, guest service, duties and responsibilities, safety and security guidelines, and cashiering</td></tr><tr><td>Management Development Program</td><td>Develops Manager Trainees in restaurant operations</td></tr><tr><td>Restaurant Train the Trainer Workshop</td><td>Transforms employees both at the restaurant operations and Corporate Support Office (CSO) into credible and effective trainers who can</td></tr></table>	Shakey’s Company Wide Training Programs and Courses	Description	Training Programs		Comprehensive Onboarding Program	Onboarding program for newly hired employees that covers company orientation and philosophies, product knowledge, guest service, duties and responsibilities, safety and security guidelines, and cashiering	Management Development Program	Develops Manager Trainees in restaurant operations	Restaurant Train the Trainer Workshop	Transforms employees both at the restaurant operations and Corporate Support Office (CSO) into credible and effective trainers who can	
Shakey’s Company Wide Training Programs and Courses	Description												
Training Programs													
Comprehensive Onboarding Program	Onboarding program for newly hired employees that covers company orientation and philosophies, product knowledge, guest service, duties and responsibilities, safety and security guidelines, and cashiering												
Management Development Program	Develops Manager Trainees in restaurant operations												
Restaurant Train the Trainer Workshop	Transforms employees both at the restaurant operations and Corporate Support Office (CSO) into credible and effective trainers who can												

			cascade company goals, philosophies, means, and standards to employees	
		New Store Opening Training	Equips core teams of opening stores with technical capabilities required for store operations	
		Restaurant Staff Development Program	Trains restaurant staff in the technical and leadership competencies necessary for Shift Management positions through leadership training, certification, and dual specialization sessions	
		<b>Training Courses</b>		
		Operations Training Courses	Upskills Store Operations employees with technical and leadership competencies that will enable them to perform their jobs successfully	
		Corporate Support Office Training Courses	Reinforces company goals, philosophies, means, and standards among our CSO employees while also offering learning opportunities to enhance their skill set and improve attitude and habits	

**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	<p>Company's policies, programs and practices on anti-corruption:</p> <p>The Company has a whistle blower policy that provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare.</p> <p>The Human Resources Department validates any written complaint it receives. After prima facie evidence is established, involved persons are required to fill a Notice to Explain/Charge sheet. Hearings and investigations are undertaken by a panel which will make its own finding and recommendation to the appropriate authority.</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>All employees are provided a copy of the Code of Ethics as part of the pre-employment process. Employees are required to confirm in writing agreement and compliance with the Company's Code of Ethics. The Company conducts regular orientation for new hires and re-orientation to old hires periodically.</p> <p>The Division Heads through their Department Heads are responsible for the implementation of the Code of Ethics, by way of more detailed policies and procedures fitted to their particular departmental/ divisional objectives and functions.</p>	

		All employees are encouraged to report any breaches of this Code through the Whistle Blower Policy of the Company.	
<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	<p>The Company has a whistle blower policy that provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare.</p> <p>The Human Resources Department validates any written complaint it receives. After prima facie evidence is established, involved persons are required to fill a Notice to Explain/Charge sheet. Hearings and investigations are undertaken by a panel which will make its own finding and recommendation to the appropriate authority</p>	
<b>Recommendation 15.3</b>			
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	The Company's Whistleblowing Policy is herein attached as Appendix "V"	
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	The Company has a whistle blower policy that provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare.	

3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	There has been no incident report through the Company's Whistleblowing policy.	
<b>Principle 16:</b> 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.			
<b>Recommendation 16.1</b>			
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, while contributing to the advancement of the society where it operates.	Compliant	<p>The Company has a full sustainability framework embedded in its mission to serve its guests. It has a full sustainability framework anchored on a better understanding of the environmental, social, and economic impacts of the various activities along our value chain. The company strives to balance stakeholder concerns, guided by its sustainability value chain map in determining which business unit is best-suited to tackle each sustainability issue, allowing the Company to execute plans effectively. The sustainability framework is composed of three pillars, People, Planet, and Pizza, each aligned with the United Nations' Sustainable Development Goals.</p> <p>See information on the company's community involvement and environment-related programs reflected in the Sustainability Report for 2023 submitted to the SEC on April 22, 2024 and attached herein as Appendix "P".</p>	
<b>Optional: Principle 16</b>			

1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p><b>25 stores installed with low-flow hand washing machines</b></p> <p>Low-flow technology helps conserve water without compromising cleanliness by releasing the right amount of water. In 2023, 4 Peri-Peri stores and 21 Shakey's stores installed low-flow hand washing machines. These stores account for 7% of total number of Peri-Peri and Shakey's stores</p> <table><tr><th>Water withdrawal and intensity</th><th>2023</th></tr><tr><td>Water withdrawal (CBM)</td><td>1,591,244</td></tr><tr><td>Water intensity (CBM/PHP Million)*</td><td>85.36</td></tr></table> <p>All wastewater discharged from all PIZZA facilities adheres to minimum standards established by the Department of Environment and Natural Resources (DENR) Administrative Order (DAO) 2021-19, the City Environment &amp; Natural Resources Office (CENRO), the Municipal Environment &amp; Natural Resources Office (MENRO), and Laguna Lake Development Authority (LLDA).</p> <p>In 2023, 46 of standalone Shakey's stores now utilize onsite sewage treatment plants to treat effluents from their operations before discharging.</p> <p><b>Energy Consumption Reduction</b></p> <p>Energy fuels our operations with our stores, offices, warehouses, equipment, and vehicles running primarily on electricity, gasoline, and LPG. We aim</p>	Water withdrawal and intensity	2023	Water withdrawal (CBM)	1,591,244	Water intensity (CBM/PHP Million)*	85.36
Water withdrawal and intensity	2023							
Water withdrawal (CBM)	1,591,244							
Water intensity (CBM/PHP Million)*	85.36							

to reduce our consumption to maximize energy efficiencies and cost savings. One approach is through implementing technology, such as thermal insulation and inverter-type cold storage, which also results in energy savings. Moreover, we promote behavioral changes where our store employees are encouraged to turn lights off when not in use. We also recognize that we have more control with our company-owned stores, nonetheless, we communicate our learnings from these initiatives with our leased spaces and franchisees to help improve their energy consumption.

Energy	2023
Total energy consumption (GJ)	66,685,428
Non-renewable	66,685,428
Renewable	0
Energy intensity (GJ/PHP Million)*	3,577

#### Greenhouse Gas Emission Reduction

Our senior leadership team and Board of Directors are jointly responsible for assessing the impacts and developing the appropriate mitigation and adaptation strategies to reduce our carbon emissions and manage climate-related risks.

Effective responses to climate change rely on credible strategies to transition towards a low carbon economy. For PIZZA, we are looking

towards using more renewable energy for our operations – exploring mixed energy sources through solar panel installations at the corporate head office, free-standing stores, and commissaries, and using solar powered water heaters at our free-standing stores.

GHG Emissions & GHG Intensity of PIZZA (Scopes 1 & 2)

Emission	2023
Scope 1 (tonnes CO <sub>2</sub> e)	4,190,375
Scope 2 (tonnes CO <sub>2</sub> e)	55,387
Emission intensity (tCO <sub>2</sub> e/Php Million)*	228

#### Waste from our operations

Our waste action plan targets significant reduction in plastic and food waste, the predominant types of waste in the Food and Beverage sector.

Waste generated from our operations	2023
Total waste (kg)	208,991

#### Waste from customer packaging

Our customer packaging significantly contributes to plastic waste. To address this, we're assessing and minimizing its environmental impact throughout its lifecycle, from production to



	<p>disposal. In 2023, we primarily used timber-based materials, like cardboard for pizza boxes and paper for takeout containers.</p> <p>While sourcing sustainable packaging is a step forward, we face a greater hurdle in the Philippines due to underdeveloped waste management systems, with the urgent task of keeping these materials out of landfills and recycling them effectively. The post-consumer waste challenge is complex, as it falls outside our direct control. Nonetheless, we are dedicated to reducing the environmental footprint of our packaging along our entire value chain. In the interim, we are committed to offsetting our usage of nonbiodegradable plastic packaging through our Net Zero Plastic Waste program.</p> <table><tr><th>Materials</th><th>2023</th></tr><tr><td>Materials used (MT)</td><td>47,540</td></tr><tr><td>Renewable materials (%)</td><td>97%</td></tr><tr><td>Non-renewable materials (%)</td><td>3%</td></tr></table> <p><b>Net Zero Plastic Waste</b></p> <p>In 2023, we purchased 140 metric tons of plastic credit to offset our plastic packaging procured for the year.</p> <p><b>Supplier Credibility</b></p> <p>Instituted in 2021, our Supplier Code of Conduct and Ethics (SCOCE) outlines the company's stance on responsible sourcing and supply chain</p>	Materials	2023	Materials used (MT)	47,540	Renewable materials (%)	97%	Non-renewable materials (%)	3%	
Materials	2023									
Materials used (MT)	47,540									
Renewable materials (%)	97%									
Non-renewable materials (%)	3%									

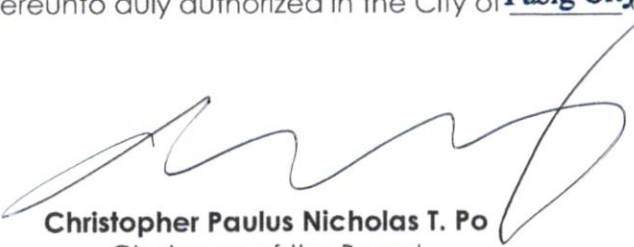
		<p>sustainability and the corresponding requirements we expect our suppliers, manufacturers, and service providers to uphold.</p> <p>The SCOCE covers our standards on:</p> <ul style="list-style-type: none"> <li>• Human rights (child labor, forced labor and human trafficking, nondiscrimination, harassment, working hours, wages, and benefits)</li> <li>• Health, safety, and quality</li> <li>• Business ethics (business integrity, no gift policy, fair competition, privacy and intellectual property, conflict of interest)</li> <li>• Environmental compliance with applicable laws and regulations</li> <li>• Management systems</li> </ul> <p>100% of our current suppliers signed and acknowledged the SCOCE as a requirement to work with PIZZA.</p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p><b>Job Creation and Livelihood Support</b></p> <p>We create livelihood opportunities and encourage decent working environments for our core businesses as well as our partners, vendors and suppliers. Our Supplier Code of Conduct and Ethics (SCOCE) is key to our ability to create positive impact while expanding our locus of positive influence.</p> <p><b>Total number of jobs supported across PIZZA value chain in 2023: 18,187</b></p>	

		<p>PIZZA contributes to the national economy by supporting 18,187 jobs (2022: 8,858). This figure includes company-owned restaurant and corporate support employees and workers, as well as those whose jobs are indirectly supported through our business relationships such as our franchised staff, store riders, participants from our inclusive hiring programs, call center agents, and maintenance and utilities staff.</p> <p>See information on the company's community involvement and environment-related programs reflected in the Sustainability Report for 2023 submitted to the SEC on April 22, 2024 and attached herein as Appendix "P".</p>	
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## SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024.

By:

  
**Christopher Paulus Nicholas T. Po**  
Chairman of the Board

SUBSCRIBED AND SWORN to before me this MAY 29 2024 day of \_\_\_\_\_ affiant(s) exhibiting to me his valid ID as follows:


### NAMES

Christopher Paulus Nicholas T. Po

### IDENTIFICATION

Passport P6801389C

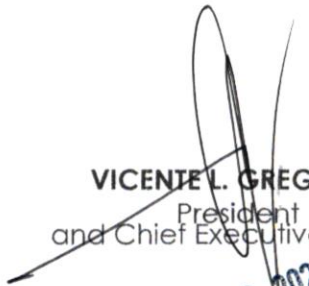
Doc No.: 259;  
Page No.: 58;  
Book No.: 1;  
Series of 2024.

  
**HAROLD BRYANT V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521, 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F. Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023

## SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024

By:

  
**VICENTE L. GREGORIO**  
President  
and Chief Executive Officer

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of MAY 29 2024 affiant(s) exhibiting to me his valid ID as follows:


### NAMES

Vicente L. Gregorio

### IDENTIFICATION

TIN115-733-046

Doc No.: 256 ;  
Page No.: 03 ;  
Book No.: I ;  
Series of 2024.

  
**HAROLD BRANT V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023

## SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024

By:

  
**MANUEL T. DEL BARRIO**  
Compliance Officer

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of MAY 29 2024 affiant(s) exhibiting to me his valid ID as follows:

### NAMES

Manuel T. Del Barrio

### IDENTIFICATION

TIN 120-616-990

Doc No.: 260;  
Page No.: 53;  
Book No.: I;  
Series of 2024.

  
**HAROLD BRYANT V. PASION**

Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F. Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023

### SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024

By:

  
**MARIA ROSARIO L. YBANEZ**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of MAY 29 2024 affiant(s) exhibiting to me her valid ID as follows:


#### NAMES

Maria Rosario L. Ybanez

#### IDENTIFICATION

Passport P2539877B

Doc No.: 297 ;  
Page No.: 53 ;  
Book No.: I ;  
Series of 2024.

  
**HAROLD BRYANT V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023

## SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024.

By:

  
Fernan Victor P. Lukban  
Independent Director

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of MAY 29 2024 affiant(s) exhibiting to me her valid ID as follows:

### NAMES

Fernan Victor P. Lukban

### IDENTIFICATION


TIN 112-212-739

Doc No.: 255 ;

Page No.: 02 ;

Book No.: 1 ;

Series of 2024.

  
HAROLD BRYANT V. PASION  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023



## SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Pasig City on MAY 29 2024

By:



**Frances J. Yu**  
Independent Director

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of MAY 29 2024 affiant(s) exhibiting to me her valid ID as follows:

### NAMES

Frances J. Yu

### IDENTIFICATION

Passport P4726327B

Doc No.: 258 ;  
Page No.: 58 ;  
Book No.: I ;  
Series of 2024



**HAROLD BRANTLY V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023



Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Christopher T. Po**

Century Pacific Food, Inc. and  
Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

A stylized, handwritten signature in black ink, appearing to read 'Carlos P. Gatmaitan'.

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Teodoro Alexander T. Po**

Century Pacific Food, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:55 AM - 12:30 PM  
through Zoom Meetings

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Ricardo Gabriel T. Po**

Century Pacific Food, Inc. and  
Shakey's Pizza Asia Ventures, Inc.

for having participated in the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 9:15 AM - 10:40 AM  
through Zoom Meetings

Carlos Jose P. Gatmaitan  
Chief Executive Officer





**Institute of Corporate Directors**

presents this

# **Certificate of Participation**

to

**Vicente L. Gregorio**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

# **Advanced Corporate Governance Training**

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

**Carlos Jose P. Gatmaitan**  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Jorge Maria Q. Concepcion**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

A stylized, handwritten signature in black ink, appearing to read 'Carlos P. Gatmaitan'.

Carlos Jose P. Gatmaitan  
Chief Executive Officer





**Institute of Corporate Directors**

presents this

## **Certificate of Participation**

to

**Fernan Victor P. Lukban**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

## **Advanced Corporate Governance Training**

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

**Carlos Jose P. Gatmaitan**  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Paulo L. Campos III**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Frances J. Yu**

Century Pacific Food, Inc. and  
Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

A stylized, handwritten signature in black ink, appearing to read 'Carlos J. Gatmaitan'.

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Myrose April C. Victor**

Century Pacific Food, Inc. and  
Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Jenifer Mae V. San Juan**

Century Pacific Food, Inc. and  
Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

A stylized, handwritten signature in black ink, appearing to read 'Carlos P. Gatmaitan'.

Carlos Jose P. Gatmaitan  
Chief Executive Officer





**Institute of Corporate Directors**

presents this

# **Certificate of Participation**

to

**Darel G. Pallesco**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

# **Advanced Corporate Governance Training**

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

**Carlos Jose P. Gatmaitan**  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Joy L. Ybañez**

Century Pacific Food, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

Carlos Jose P. Gatmaitan  
Chief Executive Officer





Institute of Corporate Directors

presents this

## Certificate of Participation

to

**Manuel T. Del Barrio**

Shakey's Pizza Asia Ventures, Inc.

for having completed the

## Advanced Corporate Governance Training

held on

August 25, 2023 | 8:30 AM - 12:30 PM  
through Zoom Meetings

A stylized, handwritten signature in black ink, appearing to read 'Carlos P. Gatmaitan'.

Carlos Jose P. Gatmaitan  
Chief Executive Officer

**Attendance in Board of Directors' Meetings**

<b>DATE OF MEETING</b>	<b>ATTENDANCE</b>
January 16, 2023	PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu  ABSENT: None
February 14, 2023	PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu  ABSENT: None
February 23, 2023	PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu  ABSENT: None
March 14, 2023	PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu

	<p>ABSENT: None</p>
April 13, 2023	<p>PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT: None</p>
May 15, 2023	<p>PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT: None</p>
June 5, 2023	<p>PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT: None</p>
June 20, 2023	<p>PRESENT: Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p>



	None
June 26, 2023	<p>PRESENT:</p> <p>Christopher T. Po  Ricardo Gabriel T. Po  Teodoro Alexander T. Po  Leonardo Arthur T. Po  Lance Y. Gokongwei  Fernan Victor P. Lukban  Paulo L. Campos III  Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
July 3, 2023	<p>PRESENT:</p> <p>Christopher T. Po  Ricardo Gabriel T. Po  Teodoro Alexander T. Po  Leonardo Arthur T. Po  Lance Y. Gokongwei  Fernan Victor P. Lukban  Paulo L. Campos III  Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
August 2, 2023	<p>PRESENT:</p> <p>Christopher T. Po  Ricardo Gabriel T. Po  Teodoro Alexander T. Po  Leonardo Arthur T. Po  Lance Y. Gokongwei  Fernan Victor P. Lukban  Paulo L. Campos III  Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
August 15, 2023	<p>PRESENT:</p> <p>Christopher T. Po  Ricardo Gabriel T. Po  Teodoro Alexander T. Po  Leonardo Arthur T. Po  Lance Y. Gokongwei  Fernan Victor P. Lukban  Paulo L. Campos III  Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>

August 24, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
September 4, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
October 5, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
October 6, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>

November 20, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
November 24, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
December 6, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>
December 15, 2023	<p>PRESENT:</p> <p>Christopher T. Po Ricardo Gabriel T. Po Teodoro Alexander T. Po Leonardo Arthur T. Po Lance Y. Gokongwei Fernan Victor P. Lukban Paulo L. Campos III Frances J. Yu</p> <p>ABSENT:</p> <p>None</p>

**Attendance in Audit Committee Meetings**

<b>DATE OF MEETING</b>	<b>ATTENDANCE</b>
April 3, 2023	Present: FERNAN VICTOR P. LUKBAN PAULO L. CAMPOS, III RICARDO GABRIEL T. PO  Absent: None
May 5, 2023	Present: FERNAN VICTOR P. LUKBAN PAULO L. CAMPOS, III  Absent: RICARDO GABRIEL T. PO
July 31, 2023	Present: FERNAN VICTOR P. LUKBAN PAULO L. CAMPOS, III  Absent: RICARDO GABRIEL T. PO
October 26, 2023	Present: FERNAN VICTOR P. LUKBAN PAULO L. CAMPOS, III RICARDO GABRIEL T. PO  Absent: None

**Attendance in Board Risk Committee Meetings**

DATE OF MEETING	ATTENDANCE
August 24, 2024	Present: FRANCES J. YU FERNAN VICTOR P. LUKBAN LANCE Y. GOKONGWEI  Absent: None

**Attendance in Corporate Governance Committee Meetings**

DATE OF MEETING	ATTENDANCE
February 23, 2023	<p>Present:</p> <p>PAULO L. CAMPOS, III FERNAN VICTOR P. LUKBAN RICARDO GABRIEL T, PO</p> <p>Absent: None</p>
November 24, 2023	<p>Present:</p> <p>PAULO L. CAMPOS, III FERNAN VICTOR P. LUKBAN RICARDO GABRIEL T. PO</p> <p>Absent: None</p>

**Attendance in Related Party Transactions Committee Meetings**

<b>DATE OF MEETING</b>	<b>ATTENDANCE</b>
February 23, 2023	Present: PAULO L. CAMPOS, III FERNAN VICTOR P. LUKBAN FRANCES J. YU  Absent: None
November 24, 2023	Present: PAULO L. CAMPOS, III FERNAN VICTOR P. LUKBAN FRANCES J. YU  Absent: None

	SA	%	A	%	N	%	D	%	SD	%
<b>PART I: BOARD APPRAISAL</b>										
1. The Board has the right size and composition to bring the requisite knowledge, abilities, diversity and skills to the table	8	88.9%	1	11.1%		0.0%		0.0%		0.0%
2. The Board, as a whole, possesses the right skills and background for the current issues facing the company	7	77.8%	2	22.2%		0.0%		0.0%		0.0%
3. The Board has sufficient diversity and independence among its directors, allowing it to constructively challenge one another and management in carrying out their respective functions and duties aligned with the company's strategic directions	7	77.8%	2	22.2%		0.0%		0.0%		0.0%
4. The Board receives ongoing education, allowing directors to stay up to date with developments and to understand their impact	4	44.4%	5	55.6%		0.0%		0.0%		0.0%
5. The frequency, duration and scheduling of Board meetings per year were adequate to ensure proper coverage of the Board's responsibilities	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
6. Directors receive adequate materials before the Board meeting	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
7. Meetings are effective with sufficient materials, limited presentation, and an atmosphere that encourages open dialogue	8	88.9%	1	11.1%		0.0%		0.0%		0.0%
8. The non-executive directors have a separate meeting without any executive directors present to ensure that proper checks and balances are in place within the company	3	33.3%	4	44.4%	2	22.2%		0.0%		0.0%
9. The Board receives appropriate information on industry trends and business environment to enable it to have sufficient insight when considering management's proposed plan/strategy	4	44.4%	5	55.6%		0.0%		0.0%		0.0%
10. The Board evaluates the proposed plan/strategy including key assumptions, major risks, and required resources, and addresses critical issues	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
11. The Board constructively debates the proposed plan/strategy before granting approval	5	55.6%	4	44.4%		0.0%		0.0%		0.0%
12. The Board monitors the continued viability of the plan/strategy ensuring that it is adjusted as needed to respond to the evolving environment	5	55.6%	4	44.4%		0.0%		0.0%		0.0%
13. The Board thoroughly reviews major capital expenditures before approval and evaluates ultimate outcomes	7	77.8%	2	22.2%		0.0%		0.0%		0.0%
14. Directors strengthen the tone at the top by clearly demonstrating the required ethical values	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
15. The Board regularly reviews and approves the Company's vision, mission and value statements to ensure continued relevance and applicability thereof	7	77.8%	2	22.2%		0.0%		0.0%		0.0%



16. The Board demonstrates commitment to good corporate governance practices and provides oversight to ensure that the Company is operated in a moral, legal, and ethical manner	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
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17. The Board regularly and consistently considers the interest of minority shareholders to ensure their equitable treatment in the decision making process	8	88.9%	1	11.1%		0.0%		0.0%		0.0%
18. The Board ensures that the Company has a sound and effective internal control system in place, and understands management's role implementing such system	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
19. There are sound policies, procedures and a system in place for related party transactions, which a dedicated Committee effectively implements	7	77.8%	2	22.2%		0.0%		0.0%		0.0%
20. There is a clear distinction in the roles and responsibilities between the Chairman and President	6	66.7%	3	33.3%		0.0%		0.0%		0.0%
total	122		56		2					
average	6.1		2.8		2					
<b>PART II: COMMITTEE APPRAISAL</b>										
1. The Board has an effective committee structure	8	89%	1	11%		0%		0%		0%
2. The delegation of power from the Board to its Committees is appropriate with their relevant corresponding Charters	7	78%	2	22%		0%		0%		0%
3. The Committees regularly provide a report to the full Board and sufficiently update the Board on recent developments or such other matters that may require Board action	7	78%	2	22%		0%		0%		0%
4. The frequency of meetings for each Committee is sufficient, allowing its members to perform their responsibilities according to the functions of the Committee	4	44%	5	56%		0%		0%		0%
<b>PART III: INDIVIDUAL DIRECTOR APPRAISAL</b>										
1. I understand and faithfully uphold the vision, mission, values and strategies of the company	7	78%	1	11%	1	11%		0%		0%
2. I keep myself updated on the latest best practices in corporate governance and ensure I abide by them	4	44%	4	44%	1	11%		0%		0%
3. I avoid entering into situations where I may be placed in a conflict of interest with that of the Company and I promptly disclose any conflict, which may occur	6	67%	2	22%	1	11%		0%		0%
4. I have a good record of Board and Committee (where applicable) meeting attendance	6	67%	2	22%	1	11%		0%		0%
5. I come to Board/Committee meetings on time, prepared and knowledgeable about the topics to be discussed	6	67%	2	22%	1	11%		0%		0%
6. I actively participate in Board/Committee discussions with a sense of independence and objectivity	5	56%	3	33%	1	11%		0%		0%
7. I am aware of all policies and procedures the Board is subjected to and actively adopt these in my function as a member of the Board	5	56%	3	33%	1	11%		0%		0%

8. I am committed to accomplish all duties and responsibilities of a director and member of my Committee/s, if any, and will perform in the best interest of the Company	5	56%	3	33%	1	11%		0%		0%
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A. I believe the Board should focus on the following priorities for the upcoming year										
B. Are there changes that would improve the Board's effectiveness that you would suggest?										
<b>PART IV: BOARD - MANAGEMENT RELATIONSHIP APPRAISAL</b>										
1. The Board is comfortable with management's (i.e., President, Chief Finance Officer) plans to implement the approved strategy, goals and targets and is confident and satisfied in management's ability to carry out its responsibilities in the interest of the Company	7	78%	2	22%		0%		0%		0%
2. Management has in place an effective process to identify risks and assess their potential impact.	5	56%	4	44%		0%		0%		0%
3. Management informs the Board of all key risks and the Board is confident management addresses them appropriately	6	67%	3	33%		0%		0%		0%
4. The Board sufficiently challenges and supports management	7	78%	2	22%		0%		0%		0%
5. The Board is effective in monitoring management's implementation of the company's strategy	7	78%	2	22%		0%		0%		0%
6. The Board devotes sufficient time and effort to meeting key company executives	5	56%	4	44%		0%		0%		0%
7. There is an open-line of communication and constructive interaction between directors and management	8	89%	1	11%		0%		0%		0%
8. The Board continually monitors management's performance against clear and measurable objectives, providing constructive feedback and reinforces management's role in setting the tone at the top	6	67%	3	33%		0%		0%		0%

# PIZZA Sustainability Report 2023

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## Our Business and Sustainability Commitment

### PIZZA in Brief

Shakey's Pizza Asia Ventures Inc., or "PIZZA", is a leading name in the restaurant industry, recognized globally for its pizza-focused full-service restaurants, kiosks and other dining formats. With over four decades of presence in the Philippines, starting with the Shakey's brand, PIZZA has established a significant footprint with a blend of company-owned and franchise operations.

Owning the Shakey's brand in the Philippines and holding rights in other Asian regions and parts of the Middle East, Australia, and Oceania, PIZZA enjoys the advantage of brand control and franchise revenue without royalty fees. The company's expansion efforts align with modern consumer trends, emphasizing safety, convenience, and an expanding online presence.

PIZZA's varied store formats cater to different market demands, maintaining high-quality standards through its in-house supply chain. The business model focuses on cash generation and low initial investment, resulting in solid liquidity and a fast payback period.

Since becoming part of the Century Pacific Group in 2016, PIZZA has broadened its portfolio by acquiring the Peri-Peri Charcoal Chicken and Potato Corner brands, and by entering into a franchise agreement for R&B milk tea. These moves reflect PIZZA's commitment to diversity in its offerings and growth in the foodservice retail sector in the Philippines and beyond.

For a detailed exploration of our company, please refer to our annual report.

### Our Sustainability Commitment

PIZZA recognizes the significance of long-term sustainable growth as a food consumer company in the Philippines. We are committed to not only enhance the vitality of our suite of brands but also to positively impact economic development by enriching the communities we serve. Building upon our enduring legacy as a market leader, we are forging ahead with ambition to scale and find synergies across our portfolio, ensuring that our core brand continues to resonate with guests both old and new.

We are embracing and pursuing global opportunities, leveraging our growth booster brands to future-proof our business. By embracing rapid expansion with strategic acumen, PIZZA positions itself at the forefront of the casual dining evolution, offering entrepreneurial and employment opportunities that bolster the economy in the Philippines and uplift our community.

At PIZZA, we believe that expanding our stores and guest base must go hand in hand with responsible growth. Our vision of becoming the country's preferred and dominant casual dining and food service player hinges on our commitment to sustainability, inclusivity, and ethical practices. To fulfill this commitment, we focus on three key pillars: People, Planet, and Pizza. We have established Corporate Governance and Sustainability Committees to integrate sustainability principles into our governance framework. This ensures we continuously evaluate and adapt to sustainability-related risks and opportunities, positioning PIZZA as a leader in responsible business practices.

*[GRI 2-22: Statement on sustainable development strategy]*

“We have embraced sustainability and have integrated it into our mission. Our People programs involve the development of our human capital. For Planet, we will optimize our plastic, water, and energy footprints whilst balancing our need to stay competitive and remain good stewards of capital. On Pizza, or the food we serve our guests, we will be an innovator—looking to increase healthier, planet-friendly, and WOW-ing menu items for both our brands.”

CHRISTOPHER T. PO, Chairman

“Above the short-term financial metrics of sales and profit lies the more important long-term strategic health of the brand and the business. There is a lot of work ahead; but with our commitment to this end, we believe we will soon make meaningful contributions.”

VICENTE GREGORIO, President & Chief Executive Officer

## Materiality Process

*[GRI 3-1: Process to determine material topics]*

At PIZZA, our sustainability framework, reporting disclosures, and targets are grounded in our material topics. To ensure these topics are identified through an inclusive and comprehensive approach, we engage a wide range of stakeholders in the materiality assessment process.

In 2018, we connected with both internal and external parties—including middle management, senior leadership, the Board of Directors, investors, and key business partners like suppliers, distributors, and customers—to understand their perspectives on the risks, opportunities, and priorities crucial for the sustainability of our organization. Through these dialogues, we pinpointed the sustainability issues that matter most to our stakeholders and to our business operations.

Following this, we refined our list of material topics and established a focused framework to guide our impact on the business, our stakeholders, and the planet. We outlined preliminary metrics and strategies to track our progress on these topics. Our commitment to stakeholder engagement is ongoing; we consistently review stakeholder concerns to ensure our material topics remain pertinent and our actions continue to align with their interests (refer to the How We Engage section of this report for further details). To stay responsive to the changing sustainability landscape, our Board-level Corporate Governance and Sustainability Committee, along with the Sustainability Steering Committee, regularly evaluates risks, opportunities, and new developments, adapting our focus on material topics as needed.

## Sustainability Framework

*[GRI 3-2: List of material topics]*

Our Sustainability Framework is comprised of three key pillars, Protein Delivery, Planet Preservation, and People Development. The framework details our positive impacts and those sustainability issues most relevant to our business and our stakeholders.

3 Pillars		
<b>People</b> Human and social capital remain crucial to our business. We highly value our employees, guests, and the communities that we work with.  <i>SDG 8: Decent work and economic growth</i>	<b>Planet</b> Our use of resources and its consequential impacts are diligently monitored to enable us to carefully manage the inputs on which our business relies.  <i>SDG 12: Responsible Consumption and Production</i>	<b>Pizza</b> Our products remain at the heart of our operations. Our processes ensure that they are safe and of high quality. At the same time, we are constantly looking for new ways to WOW both our guests and our planet through innovation and responsible sourcing.  <i>SDG 3: Good health and well-being</i>
Focus Areas and Material Topics		
<b>Employees</b>  <b>Diversity and Inclusion</b> We are committed to building a diverse and inclusive business that places a premium on skills and potential and does not discriminate based on ethnicity, religion, or gender.  <b>Talent Acquisition and Management</b> We regard our employees as our partners. We invest considerably in promoting their professional and personal growth which in turn helps grow the business.  <b>Employee Engagement</b> We continuously engage with our employees through open communication, grievance mechanisms, providing competitive benefits to ensure they are dedicated to their jobs and committed to the organization.  <b>Workplace Culture and Environment</b> Our employees are consistently able to WOW guests as we cultivate an inclusive culture and ensure a safe and healthy working environment.  ---	<b>Natural Resource Efficiency</b>  We strive to improve our efficiency in utilizing natural resources by adopting industry best practices in energy and water management  <b>Energy Consumption Reduction</b> <b>Water Consumption Reduction</b>  ---  <b>Environmental Impact Management</b>  <b>Greenhouse Gas Emission Reduction</b> We manage our use of natural resources to control our impact on the environment, including the resulting greenhouse gas generated by the energy we utilize.  <b>Plastic Neutrality</b> We are committed to 100% plastic neutrality (third-party verified) across the entire business.  <b>Landfill Waste Reduction</b> We explore ways to minimize our packaging and waste footprint.  ---	<b>Business Alignment</b>  <b>Product Development &amp; Innovation</b> We continue to provide value to our guests with our diversified menu, keeping both old and new guests excited.  <b>Food Quality &amp; Safety</b> Product quality, that also focuses on guest welfare, is a business aspect accounted for in all parts of our operations.  ---  <b>Industry Pioneer</b>  <b>Healthier Products</b> As we continue to diversify our offerings, we aim to introduce menu items with healthier nutrition profiles.  <b>Nutritional Transparency</b> We intend to disclose nutrition profiles of menu items for transparency.



<p><b>Guests</b></p> <p><b>External Guest Engagement</b> Feedback from our guests, on every aspect of our business, are highly valued and acted upon accordingly.</p> <p>---</p> <p><b>Communities</b></p> <p><b>Job Creation and Livelihood Support</b> Our growth around the country generates jobs for local communities. We engage in community development and aim to create sustainable social impact.</p>	<p><b>Supply Chain Management</b></p> <p><b>Supplier Credibility</b> We adhere to standards that ensure our materials are ethically sourced.</p> <p><b>Local Sourcing</b> We aim to source more materials locally via exploring contract farming and local processing</p>	
<p style="text-align: center;"><b>Good Governance</b></p> <p>The Company recognizes the importance of good governance. It underpins our ability to progress in our sustainability journey and create long-term value for shareholders. This applies across our entire value chain, ensuring the organization behaves ethically, complies with rules and regulations, and adheres to fair labor practices and fulfills all other economic, moral, legal, and social obligations towards our stakeholders.</p> <p><i>SDG 16: Peace, Justice, and Strong Institutions</i></p>		

## Governing and Operationalizing Sustainability

*[GRI 2-12: Role of the highest governance body in overseeing the management of impacts]*

*[GRI 2-13: Delegation of responsibility for managing impacts]*

*[GRI 2-14: Role of the highest governance body in sustainability reporting]*

PIZZA ensures that effective governance is in place to deliver on our sustainability commitments.

The Board-level Corporate Governance and Sustainability Committee oversees implementation of our sustainability framework and regularly reviews sustainability risks and opportunities. The committee is chaired by a Non-Executive Independent Director, ensuring an independent and objective view of business-critical issues. The committee receives semi-annual updates on the company's sustainability progress and corporate governance and advises the Sustainability Steering Committee accordingly. In coordination with the Board, the committee also acts as gatekeeper for sustainability disclosures.

Our Management Sustainability Steering Committee, composed of senior executives of key functions and business units and spearheaded by our Chairman and CEO, is responsible for embedding sustainability into every aspect of the business. Respective subcommittees manage, develop, and implement goals and action plans for each P of our framework (People, Planet, Pizza) with the Core Sustainability Steering Committee leading the overall direction and ensuring continuous improvement in responsible business practices.

Each Sustainability Steering subcommittee holds quarterly meetings with the Executive Chairman and CEO for each P of the framework to check on the status of ongoing initiatives and discuss opportunities to further the sustainability framework. The Investor Relations Department acts as secretariat to the meetings and ensures that PIZZA’s governance structure operates smoothly and efficiently.

At PIZZA, we recognize that sustainability is a collective responsibility. To generate lasting impact, we strive to integrate our sustainability initiatives into our business practices. We have decentralized the responsibility for sustainability, entrusting the leaders of our business units to engage their teams and integrate sustainability considerations directly into business decisions.

### **Pizza Honored Award for Corporate Governance Excellence**

PIZZA garnered recognition from the Institute of Corporate Directors (ICD) with a Golden Arrow Award at the ASEAN Corporate Governance Scorecard (ACGS) event in October 2023. This accolade celebrates PIZZA's commitment to exemplary corporate governance practices among Filipino publicly listed companies. The award reflects the company's success in prioritizing shareholder rights, ensuring equitable treatment, maintaining transparency and accountability, and steering corporate strategy through effective board oversight. PIZZA's first Golden Arrow Award signifies a major landmark in their enduring dedication to corporate governance excellence—a critical element as the company continues to grow and innovate.

Corporate Governance & Sustainability Committee		Steering Committee	
<b>Chairman</b>		<b>Core</b>	
Paulo Campos	Independent Director  Co-founder and Chief Executive Officer of Zalora Philippines	Christopher Po Ricardo Po, Jr. Vicente Gregorio Jean Lapa  Jennifer Tan  Myrose Victor  Jenifer San Juan-Tecson	Chairman Vice Chairman President & CEO Executive Development Consultant Group Procurement Director Head of Investor Relations Investor Relations
<b>Members</b>		<b>People</b>	
Fernan Lukban	Independent Director Highly regarded consultant in family business, strategy, entrepreneurship, and good governance; founding fellow of the	Jorge Concepcion Rommel Turbanos Jose Arnold Alvero Yiow Tan  Marielle Santos	Shakey’s COO Peri-Peri GM Potato Corner COO Group Director - International Chief HR Officer

Frances Yu	institute of Corporate Directors	<b>Planet</b>	
	Independent Director Retail strategist and market research practitioner, Founder of FYJ Consulting, Inc., and former VP of Rustan's supermarket	Grace Requinala Kathrina David	Systems Manager Supply Chain Management Head
		<b>Pizza</b>	
		Gale Roque  Oliver Sicam	Quality Assurance Manager Group Director – Marketing and R&D

## Anti-Corruption

*[GRI 205-1: Operations assessed for risks related to corruption]*

*[GRI 205-2: Communication and training about anti-corruption policies and procedures]*

*[GRI 205-3: Confirmed incidents of corruption and actions taken]*

PIZZA has in place a zero-tolerance policy against corruption, that applies to the entire organization. New hires are all required to undergo anti-corruption training during onboarding sessions and our Board of Directors receive 1:1 training on management and reporting for incidents. The anti-corruption program and procedures are listed on the [company website](#). PIZZA's Code of Business Conduct and Ethics also covers elements of anti-corruption with provisions on Conflict of Interest, Conduct of Business, Receipt of Gifts, Compliance with Laws, Whistleblowing, among others.

*[GRI 205-1: Operations assessed for risks related to corruption]*

1,102 operations (100% of total) were assessed for anti-corruption

The risks identified and addressed were primarily around employee collusion, especially at the store level. PIZZA has mitigating policies in place and conducts regular audits to manage the risk.

*[GRI 205-3: Confirmed incidents of corruption and actions taken]*

During the reporting year, there were zero (0) confirmed cases of corruption.

## Understanding Our Impacts

*[GRI 2-6: Activities, value chain and other business relationships]*

Our sustainability strategy is anchored on the environmental, social, and economic impacts of various business activities along our value chain. We map PIZZA's relevant sustainability issues against our value chain in order to manage our risks and negative impacts and identify opportunities to scale our positive impact and create greater value for our stakeholders.

**Research & Development** – Formulating and testing of food products and non-food materials

**Sourcing** – Procurement, storage, and distribution of food and non-food materials

**Store Operations** – Preparation of food products and services, including the management and maintenance of store logistics and facilities

**Business Segments** – Offering of products and services through dine-in, delivery, carry-out, functions, and the SuperCard+

**Guest Engagement** – Marketing and feedback mechanisms conducted for guests

	Research & Development	Sourcing	Store Operations	Business Segments	Guest Engagement
Impact Creation					
PEOPLE	Diversity & Inclusion				
	Talent Acquisition & Management				
	Employee Engagement				
	Workplace Culture & Environment				
				External Guest Engagement	
		Job Creation			
		Livelihood Support			
PLANET		Natural Resource Efficiency			
	Environmental Impact Management				
	Supply Chain Management				
PIZZA	Product Development & Innovation				
	Food Safety & Quality				
	Healthier Products				
	Nutritional Transparency			Nutritional Transparency	
GOOD GOVERNANCE	Business Ethics & Compliance				
	Labor Practices				

## How We Engage

[GRI 2-25: Processes to remediate negative impacts]

[GRI 2-26: Mechanisms for seeking advice and raising concerns]

[GRI 2-29: Approach to stakeholder]

Channels of Engagement	Concerns	How we address them
Employees		
<ul style="list-style-type: none"> <li>• Town hall meetings</li> <li>• Performance appraisals</li> <li>• Training and development programs</li> <li>• Informal training and mentorship</li> <li>• Email blasts and social media</li> <li>• Team building activities</li> <li>• Collective Bargaining Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Career growth and development</li> <li>• Employee salaries and benefits</li> <li>• Growing organization</li> </ul>	<ul style="list-style-type: none"> <li>• Training and mentorship programs</li> <li>• Proper compensation and benefits and voluntary store reassignment programs</li> <li>• Organizational review and manpower planning</li> </ul>
Guests		
<ul style="list-style-type: none"> <li>• Store service</li> <li>• In-store feedback mechanism</li> <li>• Guest feedback channels (Email, SMS, Website, App)</li> <li>• Social media channels – Facebook, Twitter, Instagram, Viber</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of service in both dine in and delivery channels</li> <li>• Food quality and safety</li> <li>• Safe eating environment</li> <li>• Delivery app performance</li> <li>• Availability of major products</li> </ul>	<ul style="list-style-type: none"> <li>• QSCH standards and audit processes Proficiency Test for Managers and training of store personnel</li> <li>• RM Assembly, Specialists Assembly to address Guest Related issues, Best Practices sharing</li> <li>• Implementation of health and safety protocols</li> <li>• Guest recovery protocols and IT support</li> <li>• Transparent communications and new product innovations in lieu of out of stock products</li> </ul>
Communities		
<ul style="list-style-type: none"> <li>• Consultation sessions prior to store opening</li> <li>• Community and advocacy events</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of service</li> <li>• Hiring opportunities</li> <li>• Corporate social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Partnership with the Down Syndrome Association of the Philippines to provide job opportunities for individuals with Down Syndrome</li> <li>• Partnership with the City of Manila to provide job</li> </ul>

		opportunities for senior citizens and persons with disabilities
Suppliers		
<ul style="list-style-type: none"> <li>• Communication lines (phone, email, meetings)</li> <li>• Supplier accreditation process</li> <li>• Supplier negotiations and bidding</li> <li>• Order placement and PO issuance</li> </ul>	<ul style="list-style-type: none"> <li>• Issues with bidding and procurement</li> <li>• Scheduling and logistical concerns</li> <li>• Minimum accreditation requirements and schedule</li> <li>• Inflationary pressures</li> </ul>	<ul style="list-style-type: none"> <li>• Regular engagement with suppliers</li> <li>• Supplier orientation process on Company policies and commitments</li> </ul>
Government		
<ul style="list-style-type: none"> <li>• Annual audits, reports, and publications</li> <li>• Press releases</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Opportunities and areas for public and private sector collaboration</li> <li>• Completeness and accuracy of reports</li> <li>• Transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance, transparency and timeliness on submission of required reports and renewal of permits and licenses</li> <li>• Updating of company policies and systems based on latest government regulations, as needed</li> <li>• Attendance and participation to government-sponsored learning sessions and compliance programs</li> </ul>
Investors and Shareholders		
<ul style="list-style-type: none"> <li>• Investor touch points (meetings, conferences, commissary visits, email, phone)</li> <li>• Press releases</li> </ul>	<ul style="list-style-type: none"> <li>• Business viability and growth</li> <li>• Financial outlook and disclosures</li> <li>• Business risks and opportunities</li> <li>• Sustainability and ESG</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitating effective two-way communication between the Company and financial community</li> <li>• Transparency and accountability with regard to the company's strategic plans</li> <li>• Regular engagements through different touch points with investors and shareholders</li> </ul>
Media		
<ul style="list-style-type: none"> <li>• Press briefings and conferences</li> <li>• TV and radio advertisements</li> </ul>	<ul style="list-style-type: none"> <li>• Proper representation and labeling</li> <li>• Marketing practices</li> </ul>	<ul style="list-style-type: none"> <li>• Regular consultations</li> <li>• Branding and marketing guidebook</li> </ul>

# People

## Employees

### Diversity and Inclusion

*[GRI 3-3: Management of material topics]*

*[GRI 2-7: Employees]*

*[GRI 405-1: Diversity of governance bodies and employees]*

PIZZA is committed to building a talent pool that puts a premium on a variety of skills and potential, does not discriminate based on ethnicity, religion, or gender, and supports the different communities where our stores operate through local hiring. We believe a diverse and inclusive organization is critical for business growth, innovation, and longevity.

Diversity and inclusion must be reflected from the very top – a diverse set of Board of Directors is vital to drive continuous growth and achieve strategic objectives. Our [Board Charter](#) states our Board Diversity Policy and commitment.

Guided by our policies, our Humans Resource Department cultivates an inclusive workplace where all employees, with their multifaceted backgrounds, thoughts, and experiences, are valued and invited to contribute to our growth and success. Though our middle managers and front-line leaders have a fair gender split, the gender distribution is still skewed towards males at the executive and senior management level.

As we progress, our focus remains on identifying and nurturing the best talent, recognizing the unique contributions that individuals from diverse backgrounds can bring to our team. We aspire to evolve our leadership composition to include a breadth of perspectives, enhancing our ability to innovate and maintain a competitive edge. In every facet of our business, we are committed to fostering an environment where excellence is the cornerstone, and diversity and inclusion are simply the result of our pursuit of the highest caliber of talent and leadership.

#### **Total employees in 2023: 2,269 (2022: 1,724)**

PIZZA defines employees as full-time employees only, from rank-and-file at the restaurant floor to executive leaders. This represents the total number of employees by the end of 2023.

#### **Total workers in 2023: 4,831 (2022: 3,759)**

Including outsourced personnel, our workforce in 2023 amounted to 7,100. Outsourced personnel are vital to our operations as they comprise all our store riders, store members, participants from our inclusive hiring programs, cluster maintenance technicians, and utilities.

Employee Breakdown	2023	2022
<b>By gender</b>		
Female	1,146 (51%)	863 (50%)
Male	1,123 (49%)	861 (50%)
<b>By age</b>		
Under 30 years old	907 (40%)	515 (30%)
30-50 years old	1,286 (57%)	1,153 (67%)
Over 50 years old	76 (3%)	56 (3%)

Board of Directors Breakdown	2023	2022
<b>By gender</b>		
Female	2 (25%)	2 (25%)
Male	6 (75%)	6 (75%)
<b>By age</b>		
Under 30 years old	0	0
30-50 years old	2 (25%)	2 (25%)
Over 50 years old	6 (75%)	6 (75%)

#### 2023 Inclusivity at PIZZA in Numbers

On the Job Training (OJT) opportunities	329
Special Program for Employment of Students (SPES)	240
Love 'Em Down Participants	50 (2022: 7)
Senior Citizens	66 (2022: 10)
Persons with Disabilities	45 (2022: 10)

#### Embracing Tomorrow's Workforce

PIZZA, in collaboration with the Department of Labor and Employment (DOLE), hosted the Student and Out of School Youth Job Caravan under the Special Program for Employment of Students (SPES) in June 2023. Over six days, we provided employment opportunities to students and out-of-school youth, reflecting our commitment to promoting the quality of life through inclusive hiring practices.

#### SPOTLIGHT STORY

##### Empowering Communities: PIZZA's Path to Inclusive Employment

Under leadership of President and Chief Executive Officer Vicente Gregorio, PIZZA has demonstrated a deep commitment to breaking cycles of inequity through inclusive hiring practices. The company's efforts, highlighted in their partnerships with the Public Employment Service Office (PESO) of Manila and the Down Syndrome Association of the Philippines (DSAPI), emphasize their dedication to providing job opportunities for senior citizens, persons-with-disabilities (PWDs), and individuals with Down Syndrome. These initiatives are part of PIZZA's broader sustainability and community engagement goals, aiming to remove barriers to dignified employment and promote meaningful interaction within the communities they serve.



The "Love 'Em Down" program, in collaboration with DSAPI, is a cornerstone of PIZZA's commitment to inclusivity, offering individuals with Down Syndrome not only employment but also the chance to build skills and contribute meaningfully to the workplace. This initiative enriches PIZZA's stores with the unique passion and dedication of its participants, thereby enhancing the customer experience and creating a more welcoming atmosphere.

A noteworthy development in 2023 was the expansion of these inclusivity efforts through PIZZA's subsidiary, Peri-Peri Charcoal Chicken & Sauce Bar. During the year Peri-Peri achieved its target of doubling its inclusivity hires, with seventeen participants at the close of 2023 including 11 senior citizens and six persons with disabilities.

By launching and actively promoting these hiring programs, PIZZA not only strives to make a significant social impact but also hopes to inspire other corporations to follow suit. The ultimate goal is to foster a more inclusive society, where diverse talents and abilities are valued and where everyone has the opportunity to contribute to their community.

## Talent Acquisition and Management

*[GRI 3-3: Management of material topics]*

*[GRI 401-1: New employee hires and employee turnover]*

*[GRI 404-1: Average hours of training per year per employee]*

*[GRI 404-2: Programs for upgrading employee skills and transition assistance programs]*

*[GRI 404-3: Percentage of employees receiving regular performance and career development reviews]*

At PIZZA, we believe that our strong talent acquisition and management program allows us to create a culture of high performance and productivity, maintain a highly motivated workforce that is diverse and inclusive, and delivers our seamless guest-centric service.

**New employee hire rate:** 41% (49% female: 51% male)

**Turnover rate:** 29% (46% female: 54% male)

The turnover rate refers to the percentage of employees who have left the Company out of total employees at the end of the reporting year.

## Training and Development

PIZZA'S Human Resources Division stands at the helm of our employees' growth. Guided by our Training and Development policy, our HR teams work with our Department Heads to develop and deliver learning programs that build competencies, address performance gaps, adapt to business developments, and prepare high-potential employees as part of succession planning.

<b>Shakey's Company Wide Training Programs and Courses</b>	<b>Description</b>
<b>Training Programs</b>	
Comprehensive Onboarding Program	Onboarding program for newly hired employees that covers company orientation and philosophies, product knowledge, guest service, duties and responsibilities, safety and security guidelines, and cashiering
Management Development Program	Develops Manager Trainees in restaurant operations
Restaurant Train the Trainer Workshop	Transforms employees both at the restaurant operations and Corporate Support Office (CSO) into credible and effective trainers who can cascade company goals, philosophies, means, and standards to employees
New Store Opening Training	Equips core teams of opening stores with technical capabilities required for store operations
Restaurant Staff Development Program	Trains restaurant staff in the technical and leadership competencies necessary for Shift Management positions through leadership training, certification, and dual specialization sessions
<b>Training Courses</b>	
Operations Training Courses	Upskills Store Operations employees with technical and leadership competencies that will enable them to perform their jobs successfully
Corporate Support Office Training Courses	Reinforces company goals, philosophies, means, and standards among our CSO employees while also offering learning opportunities to enhance their skill set and improve attitude and habits

Our training programs include tailored courses, classroom training, on-the-job training, and learning assessment tests. Graduates of training programs receive a certification upon completion. We also offer training opportunities through stand-alone courses, open to full-time and outsourced employees.

In addition to formal training programs, continuous hands-on and informal learning opportunities are offered to PIZZA employees to improve employee engagement and instill the company's WOW! Culture and values. These include sit downs and coaching sessions, general assemblies, team building sessions, People Day feedback conversations, and sales rallies.

#### **PIZZA'S WOW! Culture**

PIZZA's corporate "WOW!" Culture is built around the SPAVI WOW! Principle, which is the core of the company's service ethos. This principle is guided by three imperatives—being better than before, better than others, and better than expected, setting a dynamic performance metric that pushes boundaries.

The application of the WOW! Culture towards guests is termed 'WOW the Guest', which focuses on consistently exceeding guests' expectations. It is a practice of assessing every interaction through the lens of the three imperatives of WOW-ing, with a robust system to ensure every experience is better than the last, exceeds industry standards, and surpasses what the guests anticipate.

Average training hours in 2023	Female	Male	Per employee
By gender	92	84	88

## Performance Management System

PIZZA promotes and rewards people based on exemplary performance. Through our annual Performance Management System (PMS), employees set clearly defined goals, receive continuous feedback, and are recognized for their contribution. PIZZA employees are evaluated against our core WOW! Values through the PMS system.

Both the involved individual and their direct manager work together to monitor and evaluate progress of goals. Our standardized performance appraisal process ensures assessments are done objectively so that Management and employees meet our performance standards.

Through our Individual Development Plan (IDP), selected high-potential individuals collaborate with their manager, selecting 3-4 areas to work on during the year and developing a tailored plan to enhance performance. Since 2019, this development program has sought to close competency gaps and promote career growth while empowering employees to take ownership of their development. IDP takes on a 70-20-10 approach where 70% of upskilling experience is through on-the-job training, 20% is from direct coaching, and 10% is formal classroom learning.

97% of our employees, from rank-and-file all the way to executive levels, went through a performance review process in 2023.

### 261 full-time employees received promotions in rank and positions

As a result of our various training and development efforts and robust performance management system, 12% of our full-time employees received a promotion during the reporting year thanks to their excellent performance and contributions to the company.

## Employee Engagement

*[GRI 3-3: Management of material topics]*

*[GRI 2-25: Processes to remediate negative impacts]*

*[GRI 2-30: Collective bargaining agreements]*

*[GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees]*

PIZZA's WOW! Culture drives our employee engagement and performance. We actively embed our core values from onboarding to day-to-day operations. This includes integrating the WOW! culture across our brands, as seen in Potato Corner where HR facilitates cross-functional meetings and specific WOW! sessions to deepen its impact. Additionally, for our international teams, such as in China, we've tailored resources like the WOW! Grid to ensure cultural relevance and continuity of our core values.

We recognize our duty to provide a secure livelihood for our employees. PIZZA offers fair and competitive compensation and benefits that conform with and go beyond national labor statutes, standards, and requirements through our Code of Business Conduct and Ethics. Employees are entitled to benefits that go beyond statutory labor standards such as healthcare coverage and medical services, vacation and sick leave, paternity and maternity leave, flexible working arrangements depending on the nature of work, and retirement benefits to qualified employees, among others. To continue to attract and retain the best

talent, we stay current on market standards for salary and benefits and adopt best practices in developing strong employee relations. Apart from providing an engaging environment as well as stable employment, we regularly recognize and honor our exemplary employees and high-performing stores.

The Confederation of Filipino Workers – Shakey’s Pizza Asia Ventures, Inc. Workers Chapter, a recognized and registered labor organization, acts on behalf of our company-owned Shakey’s store rank-and-file employees as the representative body to express concerns regarding their employment terms. Through mechanisms such as quarterly engagements with HR leads and direct lines with the employee relations team, the organization works with PIZZA to settle these grievances. The organization’s Labor Management Council, co-chaired by both rank-and-file and senior executives, ensures that the employee’s right to association and collective bargaining is upheld through our conflict resolution and grievance procedure.

#### **17% of total full-time employees covered by collective bargaining agreements**

391 members of our total workforce represents regular restaurant rank-and-file employees (excluding restaurant managers and restaurant officers) directly employed in all Shakey’s company-owned restaurants. For regular full-time employees not covered by the CBA, such as corporate support employees and store employees of our other businesses, employment terms and conditions are based on their respective employment contracts. PIZZA respects the freedom of all our employees to exercise their right to organize and bargain for better employment terms and conditions.

### **Workplace Culture and Environment**

*[GRI 3-3: Management of material topics]*

*[GRI 2-27: Compliance with laws and regulations]*

*[GRI 403-1: Occupational health and safety management system]*

*[GRI 403-2: Hazard identification, risk assessment, and incident investigation]*

*[GRI 403-5: Worker training on occupational health and safety]*

*[GRI 403-6: Promotion of worker health]*

A healthy and safe working environment is a prerequisite to the well-being of our workforce and paramount to the success of our operations. PIZZA is committed to creating decent and safe working conditions whether in the corporate workplace or on our store and warehouse floors to protect our employees and workers from injury and health risks. We fulfill this through our Occupational Safety and Health (OSH) Program and Policies, in full compliance with RA 11058 and the Department of Labor and Employment (DOLE)’s standards.

Our Health and Safety Committee manages our OSH program. This includes orientation and regular training, support for work permits for at-risk establishments, and provision of select protective equipment. Work-related hazards are regularly identified and assessed for severity and frequency and given appropriate control systems to prevent these safety risks. Any disabling injury whether permanent, temporary, or resulting in fatalities are reported to DOLE and submitted with required supporting documents to be processed.

In accordance with RA 11058, PIZZA also has put the following OSH policies in place to ensure a safe, productive, and supportive workplace:

1. Company Commitment on Occupational Safety and Health
2. Promotion of a Drug-Free Workplace
3. Mental Health Services in the Workplace
4. Prevention and Control of HIV-AIDS
5. Prevention and Control of Tuberculosis

6. Prevention and Control of Hepatitis B
7. Composition and Duties of Health and Safety Committee

We support our employees' overall health and wellbeing by providing benefits such as medical services and healthcare coverage to our full-time employees. The Human Resources and Organizational Excellence team regularly releases internal communications to promote physical, emotional, mental, intellectual, spiritual, environmental, social, financial, and occupational wellness. We reinforce the Comprehensive Dangerous Drugs Act of 2002 (RA 9165) to establish a drug-free work environment through our Employee Code of Conduct.

#### **SPOTLIGHT STORY**

##### **Project Nerdy: Near & Ready**

Store Operations employees took at least 43 minutes to get to work, according to a baseline study in August 2020. Hours spent in bumper-to-bumper traffic negatively impacts overall wellbeing and exacerbates air pollution. Through Project Nerdy ("Near and Ready"), we ensure restaurant employees, restaurant and area managers, and outsourced personnel are assigned to locations closer to their homes in efforts to reduce travel time to 30 minutes or less. This initiative not only aims to boost employee productivity, satisfaction, and wellbeing but it also prepares PIZZA stores to be more resilient and crisis ready.

By the end of 2023, 76% of our company-owned store-based workforce (including employees, management, and outsourced personnel) were assigned to a location within 30 minutes of travel time from their homes. This translates to about 84% of Shakey's workforce (795 total), 81% of Peri-Peri's workforce (326 total) – surpassing their respective annual targets of 80% and 70%. Our emerging brands, R&B and Project Pie, have also exceeded their targets of 50% of the workforce falling within these parameters, achieving 75% and 87% respectively by year end. We are working to improve these brands and aim to integrate Potato Corner into the initiative as well.

To sustain our commitment to promoting employee wellbeing and diversity, PIZZA has also made a deliberate effort this year to ensure newly hired company-owned store employees come from local communities situated near their assigned location.

## Guests

### External Guest Engagement

*[GRI 3-3: Management of material topics]*

*[GRI 2-25: Processes to remediate negative impacts]*

With nearly 50 years of history in the country, Shakey's has become one of the most recognizable brands in the Philippine food service industry. Our new brands, Peri-Peri, Project Pie, R&B, and the latest acquired Potato Corner have established a strong following themselves. Building brand equity hinges on our commitment to giving guests a WOW-ing experience. With guest centricity and passion for service excellence at the core of our WOW! Culture, the PIZZA team embodies the values by putting themselves in our guests' shoes and acting on their needs and wants.

With over two million users nationwide, our Supercard customer loyalty program enables holders to numerous exclusive benefits such as discounts, freebies and promotions. In 2022, we extended these

perks from Shakey's and Peri-Peri to R&B and pilot stores in Potato Corner. As of 2023, all customers of Potato Corner company-owned stores can now take advantage of Supercard benefits.

We believe that continuous feedback and evaluation deepens relationships and builds loyalty with our customers. Our Guest Engagement Team sets the tone for our guest-centric culture and oversees the customer relationships with our brands across both company-owned and franchised stores. Through an integrated feedback management system, we connect with customers and address their concerns in a streamlined and timely manner – closing guest feedback tickets within 24 hours.

Whether it's regarding satisfaction, health and safety, or privacy and data security, we engage with our guests across multiple touchpoints beyond the service period such as our WeCare emails, Electronic Guest Comment Card, Shakey's delivery hotlines, website, mobile application, and social media accounts. The Guest Engagement team consolidates, analyzes, and reports feedback to continuously improve the way we engage our guests.

#### **Levering Technology to Enhance Guest Experience**

During the year, we have upgraded our feedback systems for delivery and dine-in services. Now, guests who order through our in-house Super App automatically receive an SMS with a feedback link. Similarly, dine-in guests using their Supercard get a feedback prompt via SMS to their registered number. Following the acquisition of Potato Corner at the end of 2021, we've not only retained its guest recovery and engagement mechanisms but are also improving upon them. We are currently looking into ways to integrate Potato Corner into PIZZA's guest feedback systems.

We received a total of over 546,702 tickets, or documented interactions with customers from across all our customer touchpoints and platforms. Out of the tickets, only 4% were complaints and negative feedback regarding our products and service.

Essential to our integrated feedback management is our Auto Feedback Link. This links a feedback form directly to our In-House Delivery guests who order via our website, mobile application, and hotline (excluding 3<sup>rd</sup> party food delivery service providers) to monitor our performance in three service areas – overall experience, delivery promptness, and product quality. We achieved a 4% response rate during the year, of which 61% were positive. To accommodate increasing feedback from guests through online channels, our in-house Contact Center team manages our online interactions with guests.

The insights from our customer interactions helps us identify the underperforming stores that need support, as well as excelling stores whose best practices can be replicated.

#### **Rolled out the first and only 31-minute delivery guarantee anywhere in Metro Manila**

PIZZA leverages technology and feedback to continuously improve our delivery time. At the same time, we work closely with our drivers to ensure that their safety is not compromised in the pursuit of the goal. We do this by setting a maximum speed limit and designing efficient and systematic routes. Furthermore, the drivers are not penalized for delays in deliveries.

Our customer engagement and management approach leverages technology from response and communication to tracking and evaluation. We have systems in place to meet industry standards for data security, as mandated by the Data Privacy Act of 2012.

During the year under review, there was one complaint on consumer privacy and one security incident on data privacy, both of which have been resolved as immediately as possible. Our information technology team continuously aims to ensure that repeat incidents are avoided in the future and that the risks of any incident to the business are kept to a minimum.

Community Engagement

PIZZA is accountable to the stakeholders in the communities where we operate, including from where we source our ingredients, supplies, utilities, and staff. Our advocacies go beyond providing quality products and services and are in pursuit of enduring and meaningful partnerships with change agents who share our vision of a better future.

Job Creation and Livelihood Support

*[GRI 3-3: Management of material topics]*

*[GRI 203-2: Significant indirect economic impacts]*

*[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]*

As PIZZA grows, so do employment opportunities along our value chain ecosystem. We create livelihood opportunities and encourage decent working environments for our core businesses as well as our partners, vendors and suppliers. Our [Supplier Code of Conduct and Ethics](#) (SCOCE) is key to our ability to create positive impact while expanding our locus of positive influence.

**Total number of jobs supported across PIZZA value chain in 2023: 18,187**

PIZZA contributes to the national economy by supporting 18,187 jobs (2022: 8,858). This figure includes company-owned restaurant and corporate support employees and workers, as well as those whose jobs are indirectly supported through our business relationships such as our franchised staff, store riders, participants from our inclusive hiring programs, call center agents, and maintenance and utilities staff.

**SPOTLIGHT STORY**

**Empowering Entrepreneurs: Potato Corner's Economic Upliftment Efforts**

Potato Corner, a recent acquisition by PIZZA, has significantly contributed to economic upliftment in the Philippines, fueling entrepreneurship through its inclusive franchising model. The brand, born as a modest food cart, has burgeoned into a premier franchisor, endorsed by the Philippine Franchising Association. As of end 2023, there are now 734 Potato Corner franchisees.

Potato Corner’s expansion, a significant growth pillar for PIZZA, has been swift and assertive. During the year we opened up 300 additional domestic stores and 59 international stores. In the Philippines, we launched innovative concepts like the multi-branded drive-thru snack stop with R&B and an independent drive-thru store in Quezon City. Internationally, the brand's reach is also accelerating, with stores now open in Thailand, Singapore, China, Malaysia and Canada.

In 2022, Potato Corner launched the country’s first franchisee loan program, a collaboration with Robinsons Bank. This initiative offers Potato Corner franchisees, both existing and prospective, speedy, and convenient access to financing with competitive rates and flexible terms. It's a move that not only recognizes the franchisees as vital to Potato Corner’s lifeblood but also as central to the nation's economic resilience and progress. In 2023, 38 applicants were approved as eligible for loans and six were onboarded during the year.



PIZZA's community engagement efforts are rooted in a deep commitment to creating positive societal impact and nurturing healthy, inclusive communities. An example of these values in action is PIZZA's support for women's sports, particularly through the sponsorship of the Shakey's Super League, highlighting the company's dedication to promoting gender equality and empowering women athletes across the Philippines.

#### **Serving Up Empowerment: Shakey's Super League**

In 2023, PIZZA reaffirmed its commitment to women's sports in the Philippines by supporting the Shakey's Super League (SSL) for its second year. Throughout the year, PIZZA sponsored three key volleyball tournaments, starting with the Girls' Volleyball Invitational League in May, featuring high school teams, followed by the National Invitationals in July with participation from 12 universities, and culminating in the Pre-Season Championship in September, which brought together 16 universities from the UAAP and NCAA.

This series of tournaments not only showcased the talent and competitive spirit of women athletes across the country but also highlighted PIZZA's role in promoting women's sports. A notable achievement of this year's initiative was the remarkable fundraising effort through the SSL Bundle, which raised Php 12.0 million. These funds are earmarked for sports development programs, demonstrating PIZZA's tangible support for the growth and sustainability of women's volleyball in the Philippines.

## Planet

### Natural Resource Efficiency

*[GRI 3-3: Management of material topics]*

At PIZZA, we strive to improve the efficiency by which our organization consumes natural resources. We implement industry best practices for water and energy management and closely monitor our consumption of these vital resources.

The Sustainability Steering Planet Subcommittee meets each quarter to review our resource management report, monitor developments, and identify new opportunities for reducing water and energy consumption.

### Water Consumption Reduction

*[GRI 3-3: Management of material topics]*

*[GRI 303-2: Management of water discharge-related impacts]*

*[GRI 303-3: Water withdrawal]*

Water is essential to our business operations, from general cleaning and sanitation at stores to the cooking process. We monitor, measure, and analyze our water usage to continuously improve our resource efficiency, ensure the cleanliness and safety of our operations, and mitigate our environmental impact. This is especially important for PIZZA as we operate in high water stress areas, such as Metro Manila.



We invest in technology to reduce our water use, for example by installing automatic low-flow hand washing machines, and engage our stakeholders to use our water resources responsibly.

#### **24 stores installed with low-flow hand washing machines (24 in 2022)**

Low-flow technology helps conserve water without compromising cleanliness by releasing the right amount of water. In 2023, 4 Peri-Peri stores and 21 Shakey's stores installed low-flow hand washing machines. These stores account for 7% of our total number of Peri-Peri and Shakey's stores.

<b>Water withdrawal and intensity</b>	<b>2023</b>	<b>2022</b>
Water withdrawal (CBM)	1,591,244	781,688
Water intensity* (CBM/PHP Million)	85.36	55.49

*\*Water intensity is calculated as water withdrawn divided by total systemwide sales in PHP. This metric means that for every million Pesos of sales generated in 2023, PIZZA withdrew 85.36 cubic meters of water.*

All wastewater discharged from all PIZZA facilities adheres to minimum standards established by the Department of Environment and Natural Resources (DENR) Administrative Order (DAO) 2021-19, the City Environment & Natural Resources Office (CENRO), the Municipal Environment & Natural Resources Office (MENRO), and Laguna Lake Development Authority (LLDA).

In 2023, 46 of standalone Shakey's stores utilized onsite sewage treatment plants to treat effluents from their operations before discharging (2022: 37).

#### **Energy Consumption Reduction**

*[GRI 3-3: Management of material topics]*

*[GRI 302-1: Energy consumption within the organization]*

*[GRI 302-3: Energy intensity]*

Energy fuels our operations, powering our stores, offices, warehouses, equipment, and vehicles, which primarily rely on electricity, gasoline, and LPG. We are committed to minimizing energy use by implementing efficiency measures and promoting behavioral changes. Our approach includes investing in technology like thermal insulation and inverter-type cold storage to conserve energy. We encourage our staff to actively participate in energy saving efforts, for example by turning off lights when not needed. While we have greater oversight over company-owned locations, we share our energy-saving strategies with leased spaces and franchisees, aiming to broadly reduce our energy footprint.

<b>Energy</b>	<b>2023</b>	<b>2022</b>
Total energy consumption (GJ)	66,685,428	97,958,127
Non-renewable	66,685,428	97,958,127
Renewable	0	0
Energy intensity* (GJ/PHP Million)	3,577	6,954

*\*Energy intensity is calculated as total energy consumption divided by total systemwide sales in PHP. This metric means that for every million Pesos of sales in 2023, PIZZA consumed 3,577 gigajoules of energy.*

## Environmental Impact Management

Managing our resources responsibly goes hand-in-hand with managing and mitigating our negative impacts on the environment and doing our part in tackling climate change.

### Greenhouse Gas Emission Reduction

[GRI 3-3: Management of material topics]

[GRI 305-1: Direct (Scope 1) GHG emissions]

[GRI 305-2: Energy indirect (Scope 2) GHG emissions]

[GRI 305-4: GHG emissions intensity]

Our senior leadership team and Board of Directors are jointly responsible for assessing the impacts and developing the appropriate mitigation and adaptation strategies to reduce our carbon emissions and manage climate-related risks.

Effective responses to climate change rely on credible strategies to transition towards a low carbon economy. PIZZA strives to increase the uptake of renewable energy in our operations. We are exploring mixed energy sources, such as solar panel installations at the corporate head office, free-standing stores, and commissaries, and use of solar powered water heaters.

#### GHG Emissions & GHG Intensity of PIZZA (Scopes 1 & 2)\*

Emission	2023	2022
Scope 1 (tonnes CO <sub>2</sub> e)	4,190,375	6,170,473
Scope 2 (tonnes CO <sub>2</sub> e)	55,387	34,080
Emission intensity (tCO <sub>2</sub> e/Php Million)**	228	440

*\*Standards used for the computation are based on the GHG Protocol Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Philippine Department of Energy. The gasses reported include carbon dioxide, methane, and nitrous oxide.*

*\*\*Emission intensity is calculated as total GHG emissions divided by total systemwide sales in PHP. This metric means that for every million pesos of sales in 2023, PIZZA emits 228 tons CO<sub>2</sub>e of greenhouse gasses.*

### Landfill Waste Reduction

[GRI 3-3: Management of material topics]

[GRI 301-1: Materials used by weight or volume]

[GRI 306-1: Waste generation and significant waste-related impacts]

[GRI 306-2: Management of significant waste-related impacts]

[GRI 306-3: Waste generated]

We recognize that we are responsible for managing the waste we generate across our operations, including procurement of raw materials, food preparation, managing logistics and serving our guests through multiple sales channels and store formats. Our opportunities lie in reducing at source, procuring more responsible materials, improving segregation, recovery, and recycling.

## Waste from our operations

Our waste action plan targets significant reduction in plastic and food waste, the predominant types of waste in the Food and Beverage sector.

Waste generated from our operations	2023	2022
Total waste (kg)	208,991	164,690

We implement waste segregation measure, wherever possible, within our stores and across our corporate offices. At our headquarters, we have installed five centralized “Stop Before You Drop” trash bins labeled with different waste types and a materials recovery facility (MRF) to reinforce proper separation of recyclables through behavioral change among our corporate support office employees.

## Waste from customer packaging

Our customer packaging significantly contributes to plastic waste. To address this, we're assessing and minimizing its environmental impact throughout its lifecycle, from production to disposal. In 2023, we primarily used timber-based materials, like cardboard for pizza boxes and paper for takeout containers.

While sourcing sustainable packaging is a step forward, we face a greater hurdle in the Philippines due to underdeveloped waste management systems, with the urgent task of keeping these materials out of landfills and recycling them effectively. The post-consumer waste challenge is complex, as it falls outside our direct control. Nonetheless, we are dedicated to reducing the environmental footprint of our packaging along our entire value chain. In the interim, we are committed to offsetting our usage of non-biodegradable plastic packaging through our Net Zero Plastic Waste program.

Materials	2023	2022
Materials used (MT)	47,540	26,292
Renewable materials (%)	97%	98%
Non-renewable materials (%)	3%	2%

## Net Zero Plastic Waste

[GRI 3-3: Management of material topics]

[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]

PIZZA is actively pursuing a robust strategy to address our plastic footprint resulting from post-consumer waste. Recognizing that some plastic use is currently unavoidable, we have taken concrete action by partnering with the Plastic Credit Exchange (PCX). Our partnership with the Plastic Credit Exchange (PCX) enables us to work towards Net Zero Plastic Waste for our brands that rely on flexible packaging. We operationalize this commitment by purchasing plastic credits, similar to the carbon offset model, which fund the collection and recycling, or co-processing, of a volume of plastic waste equivalent to our packaging output.

## January 2023 marks our fourth year of committing to Net Zero Plastic Waste.

PIZZA actively engages in plastic waste management through the PCX program, which ensures the removal and repurposing of plastics equivalent to our usage into new products or energy, aiding in coal replacement. In 2023, we purchased 140 metric tons of plastic credit to offset our plastic packaging

procured for the year. Recognizing that offsetting our plastic footprint is an interim step, we are committed to continuously exploring sustainable solutions to minimize plastic use.

To uphold the integrity of our plastic offsets, PCX mandates third-party audits by Isla Lipana & Co. (PricewaterhouseCoopers). The audit validates PIZZA'S plastic footprint, supporting PCX in certifying the Net Zero Plastic Waste status of our brands. It also verifies our PIZZA'S plastic footprints against our annual packaging usage, confirming that a matching amount of plastic waste has been responsibly recycled or co-processed. We began the audit in earnest in 2023 and anticipate full Net Zero Waste certification in 2024. This rigorous process, detailed in the PCX credit registry, not only enhances our plastic management but also aligns PIZZA with [Extended Producer Responsibility Act of 2022](#).

For more information on our Net Zero Plastic Waste program with PCX, visit [our website](#).

## Supply Chain Management

PIZZA recognizes our contribution to sustainable development is not limited to our operations and direct activities. We seek to magnify our positive impact across our value chain through the relationships with our business partners.

### Supplier Credibility

*[GRI 3-3: Management of material topics]*

*[GRI 2-25: Processes to remediate negative impacts]*

*[GRI 2-27: Compliance with laws and regulations]*

*[GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships]*

As stated in our Supplier Accreditation Policy, we seek business partners that meet our commercial standards, comply with relevant government regulations, and align with our social and environmental aspirations as a responsible member of the community.

Instituted in 2021, our [Supplier Code of Conduct and Ethics](#) (SCOCE) outlines the company's stance on responsible sourcing and supply chain sustainability and the corresponding requirements we expect our suppliers, manufacturers, and service providers to uphold.

The SCOCE covers our standards on:

- Human rights (child labor, forced labor and human trafficking, nondiscrimination, harassment, working hours, wages, and benefits)
- Health, safety, and quality
- Business ethics (business integrity, no gift policy, fair competition, privacy and intellectual property, conflict of interest)
- Environmental compliance with applicable laws and regulations
- Management systems

**100% of our current suppliers signed and acknowledged the SCOCE as a requirement to work with PIZZA.** Currently, all supplier audits are mainly for Quality Assurance to evaluate and ensure product quality and safety standards.

As part of accountability, we have also provided the company's contact details in the SCOCE as open communication lines for our partners to report any cases of misconduct by our people or anyone acting on behalf of our business.

The role of our Board's Corporate Governance & Sustainability Committee includes oversight for supply chain management. To keep abreast with changes in social, environmental, and governance issues across the supply chain, we intend to formally engage with our key stakeholders from our employees and Board of Directors to our suppliers and other external groups such as NGOs, labor groups, or industry peers to help us update and revise our Supplier Code of Conduct and Ethics when necessary.

% of palm oil suppliers certified by the Roundtable on Sustainable Palm Oil	100% (2022: 100%)
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**Potato suppliers meet energy efficiency guidelines and are energy star certified.**

**Beverage suppliers follow sustainability guidelines on water, community, and supplier principles.**

### Local Sourcing

*[GRI 3-3: Management of material topics]*

*[GRI 204-1: Proportion of spending on local suppliers]*

*[GRI 413-1: Operations with local community engagement, impact assessments, and development programs]*

As a proud Philippine company with WOW-ing restaurant brands well-loved by many Filipinos, we allocate 62% of our total procurement budget on suppliers registered in the Philippines (2022: 82%), particularly on our food items and packaging materials.

We continuously work with our local suppliers to fulfill most of our requirements, namely chicken, fresh produce, and packaging materials. We believe that this approach supports local businesses and the economy.

### 2023 KPIs (domestic operations)

% spend on food items spent on local suppliers	62% (2022: 82%)
% of chicken locally sourced	100% (2022: 100%)
% of fresh produce locally sourced	100% (2022: 100%)

### Potato Corner's Harvest Chips: Supporting Local Farmers

Potato Corner's Harvest Chips initiative exemplifies PIZZA's dedication to sustainable practices that support local communities. Harvest Chips are a limited-time treat that are crafted from potatoes cultivated by local farmers in the Benguet region, in collaboration with Gawad Kalinga, a non-profit striving to eliminate poverty in the Philippines. Through the production Harvest Chips by Gawad Kalinga's Enchanted Farm workers, Potato Corner not only introduces a novel culinary delight to its customers but also fosters a new revenue avenue for local farmers. In 2023, Harvest Chips were featured in 645 stores and the initiative supported 43 workers and 40 local farmers.

This thoughtful initiative integrates Potato Corner’s innovative drive while solidifying its commitment to supporting the local economy and uplifting the lives of Filipino farmers through meaningful partnerships.

## Pizza

### Profit-Purpose Alignment

#### Product development and innovation

*[GRI 3-3: Management of material topics]*

At PIZZA, we constantly look for ways to come up with offerings that are enticing, accessible, unique, and sustainable. Led by our Research and Development team, we believe that developing new products with sustainability in mind drives innovation and WOWs guests.

##### **Product Concept Development**

Guest insights indicate innovations for new menu concepts and product improvement which are evaluated and tested for market potential. Boundaries breed creativity – we optimize the existing equipment and ingredients that we have in pursuit of innovative ideas, allowing us to get the most use out of our existing resources and reduce any potential food waste.

##### **Kitchen Profile Development**

Based on the product concept brief, we develop and fine-tune the kitchen profile to produce a final prototype that is commercially ready. This includes testing the store processes to determine replicability, food and packaging costs, and feasibility of current kitchen equipment.

##### **Product Feasibility**

The operational viability and scalability of the product are measured through production consistency, financial forecasting, reliability of supply for raw materials and kitchenware, and the distribution capacity through our multiple sales channels.

##### **Product Launching**

New products are systematically prepared for introduction to the market. This phase involves supply build-up, systems preparations, the completion of product manuals, as well as training and marketing communication materials.

We work with our store operations and suppliers to determine, customize, and ration the pack sizes of raw materials and items according to the stores’ consumption, enabling us to minimize food wastage. Moreover, we work with suppliers to ensure our goods are packed and delivered using materials that secure their quality and safety.

New products launched	23 (2022: 40)
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## Food quality and safety

*[GRI 3-3: Management of material topics]*

*[GRI 2-27: Compliance with laws and regulations]*

*[GRI 416-1: Assessment of the health and safety impacts of product and service categories]*

*[GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services]*

We ensure that the food we serve is of excellent quality and is safe for consumption. We promote and adhere to our health and safety protocols that align with the highest standards demanded by the industry at every stage of our operations, from product development to sourcing, logistics, and production to serving our guests.

### **Product Development**

We are in full compliance with the Food and Drug Administration (FDA) Philippines and the National Meat Inspection Service (NMIS) requirements. PIZZA's R&D team has developed and implemented our internal principles and standards in food safety and quality. A shelf-life guide of materials is maintained to ensure safety and quality.

### **Supplier Audit**

PIZZA procures materials only from suppliers that satisfy our globally accepted food quality and safety standards on food safety practices, microbial hazards assessments, employee and facility sanitation, and end-product analysis. Audits are conducted by our quality assurance (QA) officers during the screening process for new suppliers and as part of risk-based surveillance. In doing so, we uphold the Health, Safety, and Quality requirements in our Supplier Code of Conduct and Ethics.

40 suppliers were screened for food quality and safety in 2023. Out of these screenings, 13 new suppliers have eventually been accredited and 23 existing suppliers have passed surveillance audits. For the 4 existing suppliers who have failed the audits, we have taken appropriate actions based on the severity of the non-conformance.

### **Audit on Receiving**

All materials must be thoroughly inspected upon arrival. Product temperature, delivery vehicle cleanliness, hygiene, shelf-life, and packaging integrity are measured for compliance. Stringent receiving procedures are also carried out for materials delivered to our stores.

### **Audit on Dispatching**

The inspection extends to the dispatching activities to our stores – from the delivery vehicles' compliance with hygiene and temperature requirements, quality and safety of finished products, to the packaging interior before dispatch.

### **Food Safety Training**

PIZZA employees are trained in food handling and serving, as well as recognizing and preventing food-related health hazards. We require all our food handlers to be trained as food service professionals using ServSafe standards. The training includes food safety, time and temperature, cleaning and sanitation, cross-contamination and allergens, and personal hygiene.

### **Quality, Service, Cleanliness, Hospitality (QSCH) Audits**

Our internal and external QSCH audits ensure that safety and quality controls are consistently maintained for both our food and service across all our stores.



Our internal QSCH audit is conducted thrice a year across our company-owned and franchised stores to help us benchmark against similar players in the dining industry. Stores are assessed on:

- *Service and Hospitality*  
We give emphasis on THINK GUEST – one of the main components of our WOW Culture. This not only includes the cleanliness and conditions of our stores, but also the way we attend to and serve our guests.
- *Product Quality*  
We pay extra attention to the standard product freshness, storage, and food preparation, and other quality control points.

% of Shakey's stores that underwent internal QSCH audits	99% (2022: 99%)
% of Peri-Peri stores that underwent internal QSCH audits	96% (2022: 81%)
% of Potato Corner (PC) stores that underwent PC QSCH audits*	11%

*\*baseline year for PC QSCH audits. In 2022, 71% of PC stores underwent the previous quality management audit system.*

Potato Corner is building capability to audit international stores. Currently, Thailand, a major market under a franchisee, has its own store audit system.

The third-party audit is executed by Mystery Guests who appraise our stores on service and hospitality, cleanliness and conditions of stores, and food quality.

### **Mystery Guest Audits in 2023**

Number of Shakey's stores covered by mystery guest audits	266 (2022: 162)
Number of Peri-Peri stores covered by mystery guest audits	73 (2022: 44)

For complaints on food quality and service, we train our staff to promptly address these incidents through replacements, vouchers, and free meals. Our staff escalates these to store managers who are empowered to make decisions on how to properly resolve and prevent recurrence.

## **Healthier Products**

*[GRI 3-3: Management of material topics]*

PIZZA is committed to evolving alongside guests' tastes. We will continue to offer choices that delight guests while also providing indulgences for the growing segment of health-conscious and environmentally minded guests. We've broadened our selection of healthier and eco-friendlier options to meet guest demands, including Shakey's plant-based burger, chicken nuggets, and pizza, and R&B's plant-based milk tea with soy milk and seaweed boba, introduced in 2022. Project Pie and Peri-Peri have also introduced balanced diet choices. During the year, Shakey's launched three new products for our health-conscious guests, including Taco Pizza and two new salad options.

Shakey's Good Menu includes Century Pacific's 'unMEAT'—a non-GMO, cholesterol-free, preservative-free, and trans-fat-free option, rich in protein and fiber. Partnering with CNPF, we aim to offer delicious, affordable, healthy, and environmentally positive alternatives.

As pioneers in the Philippine restaurant industry's shift to plant-based options, we seek to make such diets affordable and widely available. Our plant-based offerings have maintained popularity among vegetarian,

vegan, and flexitarian patrons, and through our bundle rotations. Based on focus group insights and guest feedback, we are confident that our healthy menu items will impress even those new to plant-based foods.

### Nutritional Transparency

*[GRI 3-3: Management of material topics]*

PIZZA values nutritional transparency, not least as a tool to promote healthier lifestyles for guests. Currently, nutritional value and allergen information for Potato Corner's flavored fries and allergen information for all Shakey's offerings are readily disclosed upon customer request.

## 2023 Sustainability Data Summary

### ECONOMIC

Economic Value Generated	UOM	2022	2023
Direct economic value generated (revenues)	million Php	10,191	14,151
Economic value distributed		9,114	13,162
Employee wages and benefits		1,264	1,617
Payments to suppliers, workers, and other operating costs <sup>1</sup>		7,407	10,792
Dividends paid to stockholders and interest payments to loan providers		272	407
Taxes given to government		171	346
Economic value retained		1,077	989

#### Procurement practices

	UOM	2021	2022	2023
Percentage of procurement budget used for significant locations of domestic operations that is spent on local suppliers	%	86%	82%	62%

### SOCIAL

#### Employees

Employees by Gender	UOM	2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	head/ % of total	728 (56%)	571 (44%)	1,299 (100%)	861 (50%)	863 (50%)	1,724 (100%)	1,123 (49%)	1,146 (51%)	2,269 (100%)
Executive/Senior leaders	head	4	0	4	8	2	10	5	1	6
Mancom		17	10	27	18	20	38	17	14	31
Middle Management		34	31	65	46	71	117	76	109	185
Frontline Leaders		280	267	547	407	416	823	429	454	883
Rank and File		393	263	656	382	354	736	596	568	1,164

Employees by Age	UOM	2021			2022			2023		
		<30 years	30-50 years	>50 years	< 30 years	30-50 years	>50 years	< 30 years	30-50 years	>50 years
Full-time employees	head/ % of total	412 (32%)	847 (65%)	40 (3%)	515 (30%)	1153 (67%)	56 (3%)	907 (40%)	1,286 (57%)	76 (3%)
Executive	head	Not disclosed			0	4	6	0	2	4
Mancom					3	25	10	1	18	12
Middle Management					13	91	13	22	145	18
Frontline Leaders					216	594	13	281	588	14
Rank and File					283	439	14	603	533	28

		Male	Female	Total	Male	Female	Total	Male	Female	Total
New hires	head/ % of total	140 (60%)	95 (40%)	235 (100%)	169 (50%)	170 (50%)	339 (100%)	467 (51%)	452 (49%)	919 (100%)
New hire rate	%	18%			20%			41%		
Turnover	head/ % of total	128 (53%)	112 (47%)	240 (100%)	173 (52%)	158 (48%)	331 (100%)	359 (54%)	302 (46%)	661 (100%)
Turnover rate	%	18%			19%			29%		

<sup>1</sup> Value includes all other operating costs and investments to community such as donations and CSR activities.

## Workers

	UOM	2021	2022	2023
<b>Total</b>	head	2,215	3,759	4,831

<b>Jobs Supported</b>				
Jobs supported across the PIZZA value chain <sup>2</sup>	number	6,042	8,858	18,187

## Diversity and equality – Governance bodies

<b>Board of Directors</b>	<b>UOM</b>	2021			2022			2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>By gender</b>										
	head/ % of total	8 (89%)	1 (11%)	9 (100%)	8 (89%)	1 (11%)	9 (100%)	8 (89%)	1 (11%)	9 (100%)
<b>By age</b>		<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
	head/ % of total	0 (0%)	2 (22%)	7 (78%)	0 (0%)	2 (22%)	7 (78%)	0 (0%)	2 (22%)	7 (78%)

## Parental leave - Maternity and Paternity Leave

	UOM	2022		2023	
		Male	Female	Male	Female
Employees entitled to parental leave		12	42	6	61
Employees that took parental leave		9	41	6	61
Employees that returned to work within reporting period		9	40	6	59
Employees still employed 12 after their return to work		9	40	6	59

## Training and Development

	UOM	2022			2023		
		Male	Female	Total	Male	Female	Total
<b>Average training hours per employee</b>	hours	60	70	65	84	92	88
Executive		23	16	21	32	51	36
Senior manager		48	37	42	36	37	37
Middle manager		33	37	35	15	11	12
Supervisor		112	127	120	192	205	198
Rank and File		9	12	10	16	19	17

## Anti-corruption

	UOM	2021	2022	2023
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	%	100	100	100
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	%	100	100	100
Percentage of directors and management that have received anti-corruption training	%	100	100	100
Total number and nature of confirmed incidents of corruption	number	0	0	0

<sup>2</sup> This figure includes company-owned restaurant and corporate support employees and workers, as well as those whose jobs are indirectly supported through our business relationships such as our franchised staff, store riders, participants from our inclusive hiring programs, call center agents, and maintenance and utilities staff.

## ENVIRONMENT

In 2022, the Philippine economy began to reopen as the pandemic started to dissipate. Restaurant operating conditions varied significantly from the previous two years. We have also continued to invest in our brands, adding Potato Corner to our roster. Furthermore, we improved the capability of our stores, whether company-owned or franchised, to track, measure, and report their environmental performance and capture a more representative view of our environmental impact. Given these factors, we opted to omit previous years' data points.

	UOM	2022	2023
<b>Energy<sup>3</sup></b>			
Non-renewable (total)	GJ	97,958,127	66,685,428
Gasoline	GJ	25,339	29,930
LPG	GJ	97,757,925	66,375,076
Diesel	GJ	2,596	453
Electricity	GJ	172,266	279,970
Renewable (total)	GJ	0	0
Energy intensity (per million Php) <sup>4</sup>	GJ/million Php	6,954	3,577
<b>Water<sup>4</sup></b>			
Water consumption	CBM	502,517	1,107,528
Water discharge	CBM	279,171	483,716
Water withdrawal <sup>5</sup>	CBM	781,688	1,591,244
Water intensity (per million Php) <sup>5</sup>	CBM/ million Php	55.49	85.36
<b>Emissions<sup>4&amp;6</sup></b>			
GHG emissions (Scope 1 and 2)	tCO <sub>2</sub> e	6,204,553	4,245,762
GHG emissions (Scope 1)	tCO <sub>2</sub> e	6,170,473	4,190,375
GHG emissions (Scope 2)	tCO <sub>2</sub> e	34,080	55,387
GHG emissions intensity (per million Php) <sup>5</sup>	tCO <sub>2</sub> e/million Php	440	228
<b>Materials used<sup>7</sup></b>			
Total materials used	MT	26,292	47,540
Renewable	MT	25,892	46,202
Non-renewable	MT	400 <sup>7</sup>	1,338
<b>Waste<sup>8</sup></b>			
Total waste generated	kg	164,690	208,991
Total waste diverted from disposal	kg	36	48,106
Total waste directed to disposal	kg	164,654	160,885
<b>Non-hazardous/solid waste (total)</b>	<b>kg</b>	<b>164,690</b>	<b>208,991</b>
<i>By method</i>			
Disposed			
Incineration	kg	0	86,872
Landfilled	kg	164,654	74,103
Other disposal operations	kg	0	0
Diverted			
Preparation for reuse	kg	0	0

<sup>3</sup> 2023 energy, water, and emissions figures now comprise all Company-Owned (CO) and Franchised Stores (FS) across all our brands, covering our domestic and international footprint, as well as our corporate support office and commissary. These are total numbers representing our systemwide view of the PIZZA business – within (CO) and outside (FS) the company. As we continue to build capacity and improve the robustness of our data, we have estimated energy, water, and emissions data for Potato Corner franchised stores using usage data of company-owned stores as baseline.

<sup>4</sup> Intensity figures are computed based on systemwide sales in millions of PHP, covering both company-owned and franchise sales across the entire PIZZA business.

<sup>5</sup> Water withdrawal significantly increased due to additional business units tracking water data for this reporting year.

<sup>6</sup> Standards used for the computation are based on the GHG Protocol Corporate Protocol and Reporting Standard. Location-based grid emission factors are based on the Philippine Department of Energy. The gasses reported include carbon dioxide, methane, and nitrous oxide.

<sup>7</sup> Materials used increased this year as the data includes Potato Corner and our commissary, Bakemasters Inc. Materials data include ingredients and supplies procured for all PIZZA businesses, including company-owned and franchised stores. Renewable materials mainly consist of our food items and paper packaging. Non-renewable materials cover our non paper-based packaging and exclude fuel sources.

<sup>8</sup> All of Potato Corner (both company-owned and franchised stores) and Peri-Peri franchised stores are still excluded from the scope of waste, while Bakemasters Inc. data have been included for this reporting year. This disclosure mainly covers food waste and packaging waste from our operations. We are also working to improve our data collection systems and training our people to measure hazardous waste data moving forward.

Recycling	kg	36	48,106
Other recovery operations, including composting	kg	0	0
<i>By location</i>			
Onsite recovery operation	kg		
Offsite recovery operation	kg	36	48,106
Onsite disposal operation	kg		
Offsite disposal operation	kg	164,654	160,885

# Content Indices for Sustainability Disclosures

## PH SEC Form 17-A Annex B Content Index 2023

This report complies with the Philippine Stock Exchange Sustainability Reporting Guidelines for Publicly Listed Companies.

Contextual Information	Location and additional information
Name of Organization	Shakey's Pizza Asia Ventures Inc. (PIZZA)
Location of Headquarters	Philippines
Locations of Operations	Philippines
Report Boundary	Corporate Support Office and all primary businesses – Shakey's Pizza, Peri-Peri, R&B, Project Pie Potato Corner, Bakemasters, Inc. This includes all our company-owned stores, commissaries, and corporate support offices operating in the Philippines. For franchisees, both local and global, disclosures will indicate if these are covered.
Business Model, including Primary Activities, Brands, Products, and Services	Full-service restaurant chain, specializing in casual dining
Reporting Period	January 1, 2023 – December 31, 2023
Highest Ranking Person responsible for this report	Christopher Po, Chairman
Contact for questions regarding the report	Investor Relations, investorrelations@shakeys.biz
“Comply or Explain” Provisions	
<b>Materiality Process</b>	Our Business and Sustainability Commitment: Materiality Process
<b>Economic: Economic Performance</b> Direct Economic Value Generation and Distributed	Our Business and Sustainability Commitment: Governing and Operationalizing Sustainability Sustainability Data Summary SEC 17-A 2022 Annual Report - Management's Discussion and Analysis or Plan of Operation
<b>Economic: Economic Performance</b> Climate-related risks and opportunities	Planet: Environmental Impact Management Sustainability Data Summary
<b>Economic: Procurement Practices</b> Proportion of spending on local suppliers	Planet: Local Sourcing Sustainability Data Summary
<b>Economic: Anti-corruption</b> Training on Anti-corruption Policies and Procedures, Incidents of Corruption	Corporate Governance: Anti-Corruption Sustainability Data Summary
<b>Environment: Resource Management</b> Energy consumption within the organization, Reduction of energy consumption, Water consumption within the organization, Materials used by the organization	Planet: Natural Resource Efficiency, Environmental Impact Management Sustainability Data Summary
<b>Environmental: Environmental Impact Management</b> Air Emissions, Solid and Hazardous Wastes	Planet: Natural Resource Efficiency, Environmental Impact Management Sustainability Data Summary



<b>Social: Employee Management</b> Employee Hiring and Benefits, Employee Training and Development, Labor-Management Relations, Diversity and Equal Opportunity	People: Employees Sustainability Data Summary
<b>Social: Workplace Conditions, Labor Standards, and Human Rights</b> Occupational Health and Safety, Labor Laws and Human Rights	People: Workplace Culture and Environment Sustainability Data Summary
<b>Social: Supply Chain Management</b>	Planet: Supply Chain Management People: Guests Sustainability Data Summary
<b>Social: Relationship with Community</b> Significant Impacts on Local Communities	People: Community Engagement Planet: Net Zero Plastic Waste, Local Sourcing

## GRI Content Index 2023

PIZZA has prepared its sustainability disclosures and annual report with reference to the latest 2021 GRI Standards. As part of our ongoing commitment to inspire our stakeholders to contribute to sustainable development, we continue to share not only our progress and opportunities, but also our challenges and learnings.

Together with available public information listed below, this report references Global Reporting Initiative Standards as summarized in the following table.

GRI Standards		Location of disclosure in this report	Additional references
<b>GRI 1: Foundation</b>			
<u>GRI 2: General Disclosures</u>			
2-1	Organizational details	PH SEC Form 17-A Annex B Content Index 2023	
2-2	Entities included in the organization's sustainability reporting	PH SEC Form 17-A Annex B Content Index 2023	
2-3	Reporting period, frequency, and contact point	PH SEC Form 17-A Annex B Content Index 2023	
2-6	Activities, value chain and other business relationships	Sustainability at Shakey's: Creating Impact Across our Business	
2-7	Employees	People: Employees Sustainability Data Summary	
2-8	Workers who are not employees	Sustainability Data Summary	
2-9	Governance structure and composition		<a href="#">Board of Directors</a> <a href="#">Board Committees</a>
2-10	Nomination and selection of the highest governance body		<a href="#">Corporate Governance and Sustainability Charter</a>
2-11	Chair of the highest governance		<a href="#">Board of Directors</a>
2-12	Role of the highest governance body in overseeing the management of impacts	Our Business and Sustainability Commitment: Governing and Operationalizing Sustainability	
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability report		
2-15	Conflicts of interest		<a href="#">Governance Documents</a>
2-16	Communication of critical concerns		<a href="#">Governance Documents</a>
2-17	Collective knowledge of the highest governance body		SEC 17-A Annual Report 2023 - Directors
2-19	Remuneration practices		SEC 17-A Annual Report 2023 - Executive Compensation
2-20	Process to determine remuneration		
2-22	Statement on sustainable development strategy	Sustainability at Shakey's: Our Sustainability Commitment	
2-23	Policy commitments		<a href="#">Governance Documents</a>
2-24	Embedding policy commitments		
2-25	Processes to remediate negative impacts	Sustainability At Shakey's: How We Engage	
2-26	Mechanisms for seeking advice and raising concerns	Sustainability At Shakey's: How We Engage	
2-27	Compliance with laws and regulations	Sustainability at Shakey's: How We Engage People: Workplace Culture and Environment Planet: Supply Chain Management – Supplier Credibility Pizza: Food Quality and Safety Sustainability Data Summary	
<b>2-28</b>	<b>Membership associations (NEW)</b>	<b>Philippine Franchising Association (Shakey's and Potato Corner)</b>	
2-29	Approach to stakeholder engagement	Sustainability at Shakey's: How We Engage	
2-30	Collective bargaining agreements	People: Workplace Culture and Environment	
<u>GRI 3: Material Topics</u>			

3-1	Process to determine material topics	Our Business and Sustainability Commitment: Materiality Process, Governance and Operationalizing Sustainability	
3-2	List of material topics	Our Business and Sustainability Commitment: Sustainability Framework, Governance and Operationalizing Sustainability	
3-3	Management of Material topics	People Planet Pizza	
<b>GRI 200: Economic Disclosures</b>			
<u>GRI 201: Economic Performance</u>			
201-1	Direct economic value generated and distributed	Sustainability Data Summary	
201-3	Defined benefit plan obligations and other retirement plans		SEC 17-A Annual Report 2022 - Retirement Plan Obligations
<u>GRI 203: Indirect Economic Impacts</u>			
203-2	Significant indirect economic impacts	People: Community Engagement	
<u>GRI 204: Procurement Practices</u>			
204-1	Proportion of spending on local suppliers	Planet: Local Sourcing Sustainability Data Summary	
<u>GRI 205: Anti-corruption</u>			
205-1	Operations assessed for risks related to corruption	Corporate Governance: Anti-Corruption  There were zero (0) incidents of corruption during the reporting period.	
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		
<u>GRI 206: Anti-competitive Behavior</u>			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were zero (0) incidents of legal action during the reporting period.	
<b>GRI 300: Environmental Disclosures</b>			
<u>GRI 301: Materials</u>			
301-1	Materials used by weight or volume	Planet: Landfill Waste Reduction, Net Zero Plastic Waste Sustainability Data Summary	
<u>GRI 302: Energy</u>			
302-1	Energy consumption within the organization	Planet: Energy Consumption Reduction, Greenhouse Gas Emissions Reduction Sustainability Data Summary	
302-3	Energy intensity		
<u>GRI 303: Water and Effluents</u>			
303-2	Management of water discharge-related impacts	Planet: Water Consumption Reduction Sustainability Data Summary	
303-3	Water withdrawal		
303-4	Water discharge		
303-5	Water consumption		
<u>GRI 305: Emissions</u>			
305-1	Direct (Scope 1) GHG emissions	Planet: Greenhouse Gas Emissions Reduction Sustainability Data Summary	
305-2	Energy indirect (Scope 2) GHG emissions		
305-4	GHG emissions intensity		
<u>GRI 306: Waste</u>			
306-1	Waste generation and significant waste-related impacts	Planet: Landfill Waste Reduction, Net Zero Plastic Waste Sustainability Data Summary	
306-2	Management of significant waste-related impacts		
306-3	Waste generated		
306-4	Waste diverted from disposal		
306-5	Waste directed to disposal		

<b>GRI 400: Social Disclosures</b>			
<u>GRI 401: Employment</u>			
401-1	New employee hires and employee turnover	People: Talent Acquisition and Management Sustainability Data Summary	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People: Employee Engagement	
401-3	Parental leave	Sustainability Data Summary	
<u>GRI 403: Occupational Health and Safety</u>			
403-1	Occupational health and safety management system	People: Workplace Culture and Environment	
403-2	Hazard identification, risk assessment, and incident investigation		
403-5	Worker training on occupational health and safety		
403-6	Promotion of worker health		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Planet: Supply Chain Management	
<u>GRI 404: Training and Education</u>			
404-1	Average hours of training per year per employee	People: Talent Acquisition and Management Sustainability Data Summary	
404-2	Programs for upgrading employee skills and transition assistance programs	People: Talent Acquisition and Management	
404-3	Percentage of employees receiving regular performance and career development reviews	People: Talent Acquisition and Management	
<u>GRI 405: Diversity and Equal Opportunity</u>			
405-1	Diversity of governance bodies and employees	People: Diversity and Inclusion Sustainability Data Summary	
<u>GRI 406: Non-discrimination</u>			
406-1	Incidents of discrimination and corrective actions taken	There were zero (0) incidents of discrimination during the reporting period.	
<u>GRI 413: Local Communities</u>			
413-1	Operations with local community engagement, impact assessments, and development programs	People: Community Engagement Planet: Net Zero Plastic Waste, Local Sourcing	
<u>GRI 416: Customer Health and Safety</u>			
416-1	Assessment of the health and safety impacts of product and service categories	Pizza: Food Quality and Safety	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There was one (1) incident of non-compliance during the reporting period, the resolution of which is ongoing as at the end of the period.	
<u>GRI 417: Marketing and Labeling</u>			
417-2	Incidents of non-compliance concerning product and service information and labeling	There were zero (0) incidents of non-compliance during the reporting period.	
417-3	Incidents of non-compliance concerning marketing communications	There were twenty-three (23) minor incidents of non-compliance with regards to marketing communications during the reporting period - all of which have been resolved.	
<u>GRI 418: Customer Privacy</u>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There was one (1) incident of substantiated complaints on customer privacy and one (1) security incident on data privacy during the reporting period, both of which have been resolved.	

## APPENDIX Q

Risk Exposure	Risk Management Policy	Objective
<i>PIZZA's financial performance may be materially and adversely affected by fluctuations in prices or disruption in the supply of key raw materials.</i>	<i>Aside from actively monitoring raw materials availability and prices, maintains appropriate levels of inventory to manage supply disruption risk.</i>	
<i>Actual or alleged contamination or deterioration of, or safety concerns about, PIZZA's food products or similar products produced by third parties could give rise to product liability claims, guest dissatisfaction, and harm PIZZA's reputation.</i>	<i>PIZZA mitigates food quality and safety risks by having both personnel and its supply chain team observe quality standards such as the ServSafe certification standard. The Company's stores undergo third-party food safety reviews, internal safety audits and routine health inspections. PIZZA also considers food safety and quality assurance when selecting its suppliers. The Company has developed processes and procedures to ensure that food quality and food safety standards are observed in its kitchens.</i>	
<i>PIZZA relies on key third-party suppliers to supply key raw material requirements. A failure by these third-party suppliers to adhere to contractual obligations or a significant disruption in the supply chain and logistics can significantly affect its business operations.</i>	<i>As a policy, PIZZA maintains multiple accredited suppliers for major raw materials to allow for sourcing flexibility. The Company also maintains appropriate levels of inventory to manage supply disruption risk.</i>	
<i>PIZZA's growth is highly dependent on its ability to open new stores, maintain existing stores, and operate these stores in a profitable manner. Failure to successfully locate and secure suitable store locations in its target markets may delay PIZZA store openings and significantly affect its business and results of operations.</i>	<i>The Company has recently established a Business Development Team mainly focused on international and domestic store expansion and project management. PIZZA also undertakes upgrades and renovations at each store at least once every five years. The Company believes that periodic updates and renovations help maintain consistency in design across store formats and contribute to providing our guests with a distinctively Shakey's dining experience.</i>	
<i>Any infringement or failure to protect PIZZA's trademarks and proprietary rights could materially and adversely affect its business.</i>	<i>It is the Company's policy to protect and vigorously defend its rights to intellectual property by regular monitoring and enforcement of its rights in markets in which its restaurants currently exist or markets which it intends to enter in the future. The Company also licenses the use of its registered trademarks to franchisees through franchise agreements which restrict franchisees with respect to the use of our trademarks and impose quality control standards with the goods and services offered in connection with the trademarks.</i>	
<i>PIZZA may be subject to labor unrest, slowdowns and increased wage costs.</i>	<i>PIZZA manages these risks by entering into Collective Bargaining Agreements ("CBAs") and adopting policies to ensure a healthy working environment for its employees that are at minimum in compliance with national and local laws and regulations.</i>	
<i>PIZZA is reliant on its franchisees for the successful management and operations of its franchise stores. In</i>	<i>The Company enters into franchise agreements with each franchisee to operate in accordance with our defined operating procedures, adhere to systemwide menu, and meet</i>	

## APPENDIX Q

<i>addition, a portion of the company's revenue is derived from royalty and franchise payments. A failure by the franchisees to deliver what is expected of them may significantly harm the brand image and goodwill of the Shakey's brand, as well as adversely affect the business operations and results of operations of PIZZA.</i>	<i>applicable quality, service, health and cleanliness standards. In addition, PIZZA's franchised stores are monitored and supervised by Area Business Managers who assist franchisees with sales and marketing efforts and advise them on growth and expansion plans. Our ABMs also monitor compliance to QSCH (i.e., quality, service, cleanliness and hospitality) standards and compliance with financial obligations.</i>
<i>PIZZA is exposed to the credit risks of its customers, and delays or defaults in payment by its customers could have a material adverse effect on PIZZA's financial condition, results of operations and liquidity.</i>	<i>PIZZA manages credit risk by trading only with recognized and creditworthy third parties. As a policy, all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, the Company also monitors receivable balances on an ongoing basis.</i>
<i>PIZZA's manual and electronic data processing systems are vulnerable to possible data breaches</i>	<p><i>The following policies and manuals are in place:</i></p> <ul style="list-style-type: none"> <li><i>a. Breach Reporting Guidelines for Employees</i></li> <li><i>b. Data Privacy Manual</i></li> <li><i>c. Data Breach and Security Incident Management Policy</i></li> </ul>
<i>Workplace safety</i>	<p><i>Safety protocols, Workplace audits, proper vehicle maintenance, defensive driving, health and safety committee. The following corporate policies were put in place to ensure a safe, productive, and supportive workplace:</i></p> <ul style="list-style-type: none"> <li><i>1. Drug-Free Workplace Policy</i></li> <li><i>2. AIDS Prevention and Control Policy</i></li> <li><i>3. Tuberculosis Prevention and Control Policy and Program</i></li> <li><i>4. Hepatitis B Policy and Program</i></li> <li><i>5. Mental Health in the Workplace Policy and Program</i></li> </ul>

REPUBLIC OF THE PHILIPPINES       )  
CITY OF Pasig City               ) S.S.

### CERTIFICATION OF CHIEF EXECUTIVE OFFICER

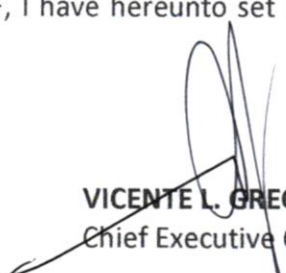
I, Vicente L. Gregorio, of legal age, Filipino with address at WOW Center, 15KM East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City 1700, after having been duly sworn to in accordance with law hereby depose and state:

1. I am the Chief Executive Officer of Shakey's Pizza Asia Ventures, Inc. (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippine with principal place of business at WOW Center, 15KM East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City 1700.

2. I certify that the Corporation has a sound internal audit, control and compliance system in place and is working effectively.

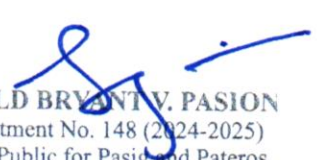
3. The foregoing is in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have hereunto set my signature this MAY 29 2024 at Pasig City.

  
**VICENTE L. GREGORIO**  
Chief Executive Officer

SUBSCRIBED AND SWORN TO before me this MAY 29 2024 in Pasig City, with the affiant exhibiting to me his Tax Identification No. 115-733-046.

Doc. No. 254 ;  
Page No. 52 ;  
Book No. I ;  
Series of 2024.

  
**HAROLD BRYANT V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
IBP OR No. 300904; 01.02.24; RSM  
PTR OR No. 1634521; 01.02.24; Pasig City  
33rd Flr., The Orient Square  
F Ortigas, Jr. Road, Ortigas Center  
Pasig City, Metro Manila 1600  
Admitted to the Bar in 2023



REPUBLIC OF THE PHILIPPINES )  
CITY OF Pasig City ) S.S.

### CERTIFICATION OF CHIEF AUDIT EXECUTIVE

I, **Darel G. Pallesco**, of legal age, Filipino with address at WOW Center, 15KM East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City 1700 after having been duly sworn to in accordance with law hereby depose and state:

1. I am the Chief Audit Executive of Shakey's Pizza Asia Ventures, Inc. (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippine with principal place of business at WOW Center, 15KM East Service Road corner Marian Road 2, Barangay San Martin de Porres, Paranaque City 1700.

2. I certify that the Corporation has a sound internal audit, control and compliance system in place and is working effectively.

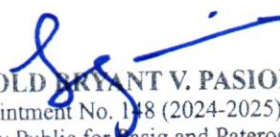
3. The foregoing is in accordance with the records of the Corporation presently in my custody.

IN WITNESS WHEREOF, I have hereunto set my signature this MAY 29 2024  
at Pasig City.

  
**DAREL G. PALLESCO**  
Chief Audit Executive

SUBSCRIBED AND SWORN TO before me this MAY 29 2024 in Pasig City, with the affiant exhibiting to me his Driver's License No. D06-11-010997 valid until May 26, 2032.

Doc. No. 253 ;  
Page No. 52 ;  
Book No. 1 ;  
Series of 2024.

  
**HAROLD BRYANT V. PASION**  
Appointment No. 148 (2024-2025)  
Notary Public for Pasig and Pateros  
Until December 31, 2025  
Attorney Roll No. 90844  
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Admitted to the Bar in 2023

## **EXPLANATION OF AGENDA ITEMS**

### **Proof of notice and determination of quorum**

The Company has established a designated website in order to facilitate the registration of and voting in absentia by stockholders at the annual meeting, as allowed under Sections 23 and 57 of the Revised Corporation Code. A stockholder or member who participates through remote communication and votes by proxy shall be deemed present for purposes of quorum.

The Corporate Secretary will certify the date the notice of the meeting was published as required by the Securities and Exchange Commission Notice on Alternative Mode of Distributing and Providing Copies of the Notice, Information Statement, Management Report, SEC Form 17A dated April 17, 2023.

The Corporate Secretary will further certify the existence of a quorum. For purposes of quorum, only the following Stockholders shall be counted as present:

- A. Stockholders who have registered and voted on the website on or the cut off date;
- B. Stockholders who have sent their proxies via the website on or before the deadline;

A majority of the outstanding capital stock shall constitute a quorum for the transaction of business.

The complete guidelines for voting in absentia is found on the Attached Appendix 1.

### **Approval of minutes of previous meeting**

The minutes of the meeting held on June 20, 2022 are posted at the company website, <https://www.shakeyspizza.ph/> .

### **Annual report**

The Chairman, Mr. Christopher T. Po, will deliver a report to the stockholders on the performance of the company in 2022 and the outlook for 2023. The financial statements as of December 31, 2022 (FS) will be attached in the Information Statement.

Copies of the Management Report and SEC Form 17-A will be uploaded to the Company's Website at <https://www.shakeyspizza.ph/> and PSE EDGE under Shakey's Pizza Asia Ventures Inc. Company Disclosures.

### **Election of directors (including the independent directors)**

Each stockholder entitled to vote may cast the votes to which the number of shares he owns entitles him, for as many persons as there are to be elected as directors, or he may give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of Directors to be elected. The nine nominees receiving the highest number of votes will be declared elected as directors of the company.

Please refer to the attached Appendix 1 for the complete guidelines on voting.

Election of external auditor and fixing of its remuneration

The profile of the external auditor will be provided in the Information Statement for examination by the stockholders.

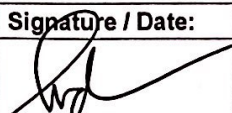
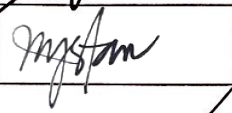
A resolution for the election of the external auditor will be presented to the stockholders for adoption by the affirmative vote of stockholders representing a majority of the voting stock present at the meeting.

Consideration of such other business as may properly come before the meeting

The Chairman will answer questions on matters concerning the Agenda, the Information Statement and the Management Report sent via the voting website.



## SUPPLIER CODE OF CONDUCT

Policy No:	Effectivity Date:	Page:
	October 19, 2020	Page 1 of 6
Recommending for approval:	Signature / Date:	Approved by:
Kathrina David		Vicente L. Gregorio
Mary Jennifer S. Tan		

Shakey's Pizza Ventures, Inc. (SPAVI) has operated with high ethical business standards and integrity for more than 40 years. To keep the trust placed in us, we count on our Suppliers and business partners across the globe to commit and uphold to our high standards of integrity, values and operating principles. Our Supplier Code of Conduct, outlines SPAVI's expectations and guidelines with respect to responsible sourcing, including our commitments to human rights, the environment, health, safety and quality, business ethics and the development of a sustainable supply chain.

**"Suppliers"** refers to any third party that provides goods or services to SPAVI including, but not limited to, our direct and indirect Suppliers, co-manufacturers and co-packers, labor providers, logistic providers, distributors and licensees including their parent, subsidiary or affiliate entities.

We expect our Suppliers to fully comply with applicable laws and to adhere to internationally recognized environmental, social and corporate governance standards with applicable laws in countries where they operate and conduct business.

It is the responsibility of our suppliers to ensure that their own suppliers in the value chain comply with standards that would not violate the SPAVI code of conduct.

By its acceptance of any purchase order and contract or any agreement from Shakey's Pizza Ventures, Inc. (SPAVI), the Supplier acknowledges its acceptance of the Supplier Code and intention to comply with its requirements.

### I. HUMAN RIGHTS

#### A. Child Labor

SPAVI does not engage in or support the use of child labor. SPAVI suppliers must not recruit child labor in accordance to Republic Act No. 7610 known as the "Special Protection of Child Abuse, exploitation and Discrimination Act" and as defined by

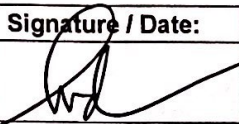
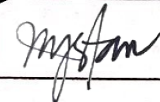
SUPPLIER'S CONFORME:

Name of Company/Registered Business Name	Name & Signature of Authorized Representative	Date Signed





## SUPPLIER CODE OF CONDUCT

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Mary Jennifer S. Tan		

ILO Convention 138 & 182 and United Nations Convention on the Rights of the Child (1989), and all relevant national and international laws, regulations and provisions applicable in their country of production or operations.

### B. Forced Labor and Human Trafficking

SPAVI does not tolerate any form of abusive or illegal labor in our supply chain. SPAVI suppliers will make sure that forced, bonded, indentured or involuntary prison labor are not present in its operations. SPAVI requires that all labor in its supply chain be voluntary and that workers are allowed freedom to leave their employer after reasonable notice.

### C. Non-Discrimination

SPAVI supplier will not discriminate with regards to workers based on race, religion, beliefs, gender, marital or maternal status, age, political affiliation, national origin, disability, sexual orientation or any other basis.

SPAVI supplier will, as a general principle, base decisions relating to hiring, salary, fringe benefits, promotion, termination on workers individual skills and ability to do the job.

### D. Harassment

SPAVI supplier will not engage, support or allow physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation. All disciplinary actions must be recorded and be fair, proportionate and fully compliant with the Labor Laws.

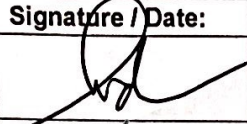
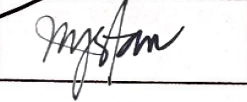
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Mary Jennifer S. Tan		

### E. Working Hours, Wages and Benefits

SPAVI is committed to upholding applicable laws regarding working hours, wages and benefits for individuals employed throughout the supply chain. We encourage our Suppliers to work toward paying a wage that is sufficient for workers to meet their basic needs and provide some discretionary income.

## II. HEALTH, SAFETY & QUALITY

SPAVI requires that all workers be provided with a safe and healthy working environment. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Applicable occupational Health and Safety regulations will be adhered to, and a working environment which is safe and conducive to good health shall be provided.

## III. ETHICS

### A. Business Integrity

SPAVI is committed to conducting business ethically and lawfully in countries where we operate across our supply chain. We prefer to do business with Suppliers and business partners who demonstrate a strong commitment to ethical behavior.


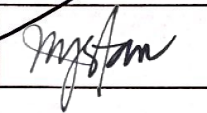
Suppliers conduct their business in accordance with the highest ethical standards and to have controls in place that prohibit and detect the misuse of company assets, corruption, bribery, improper gifts, extortion, embezzlement and even the appearance of conflicts of interest.

SUPPLIER'S CONFORME:

Name of Company/Registered Business Name	Name & Signature of Authorized Representative	Date Signed
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## SUPPLIER CODE OF CONDUCT

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Mary Jennifer S. Tan		

Suppliers will not offer or accept bribes or other unlawful incentives to/from their business partners. Suppliers are expected not to offer SPAVI employees gifts or any other kind of personal benefit resulting from the relationships with the suppliers.

Suppliers' business dealings should be fair, legal and honest.

### B. No Gift Policy

SPAVI does not allow receiving and soliciting of gifts from our suppliers, business contacts and partners. Sending gifts to the employee's home or any location other the company premises is strictly prohibited. This is for the equal protection of both our companies and to eliminate all perceived bias and unjust treatment. "NO GIFT POLICY" is applicable the whole year round.

### C. Fair Competition

Suppliers will conduct their business in line with fair competition and in accordance with all applicable anti-trust and anti-corruption laws.

### D. Privacy & Intellectual Property

Suppliers and business partners with access to SPAVI's confidential information should not disclose such information to any other person without the written consent coming from the authorized representative of SPAVI.

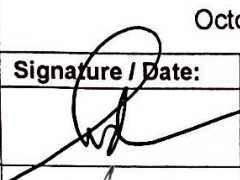
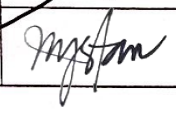
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## SUPPLIER CODE OF CONDUCT

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Mary Jennifer S. Tan		

Suppliers will safeguard and make only appropriate use of confidential information and ensure that all employees and business partners' privacy and valid intellectual property rights are protected. The Supplier agrees that the information it acquired through proposals and negotiations shall be retained in confidence and shall not be reproduced, used, disseminated, displayed, tested, published, or disclosed to any third party.

SPAVI maintains a corporate Data Privacy policy which emphasize on respect of and values data privacy rights in accordance to RA 10173 or The Data Privacy Act of 2012 and ensure that all personal data collected (e.g. from suppliers, etc.) are processed in adherence to the general principles of RA 10173 which are transparency, legitimate purpose, and proportionality.

### E. Conflict of Interest

SPAVI supplier will not enter into an agreement or connive with any of the officer of the Company to secure a favorable engagement. In the event that the Supplier has a relative within the 3<sup>rd</sup> degree of consanguinity or affinity with any of the employees of the Company, the Supplier shall disclose and made known such fact as soon as possible.

## IV. ENVIRONMENT

SPAVI is committed to reducing our environmental impact across our supply chain and to supporting sustainable operational and agricultural production practices. SPAVI suppliers shall ensure compliance with applicable laws and regulations relating to environmental protection including environmental classification, reporting, and inspections by authorities.

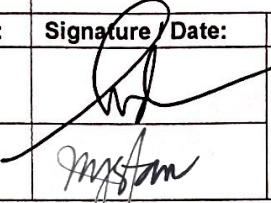

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Operations fully comply with all local environmental laws and regulations.

All required environmental permits are obtained, maintained and kept current and any operational, registration and reporting requirements shall be followed.

### V. MANAGEMENT SYSTEMS

Suppliers ensure that adequate and effective management systems, policies, procedures, financial documentation and training are in place to ensure ongoing compliance with the Supplier Code. We reserve the right to request from our Suppliers information about the management of relevant issues outlined in the Supplier Code.

SPAVI reserves the right to verify compliance with this Supplier Code through internal and external assessment mechanisms, such as self-assessment questionnaires, announced on-site independent third-party audits, and worker well-being surveys. Such audits may inspect Suppliers' facilities, operations, books and records, and supplier-provided housing, and may include confidential worker interviews. If non-compliances are observed, the supplier will be required to take corrective actions.

We also reserve the right to request that Suppliers disclose information that may pertain to geographical location of facilities that produce any item supplied to SPAVI, origin of raw materials produced within their facilities and environmental performance indicators

Suppliers who believe that an employee of SPAVI, or anyone acting on behalf of SPAVI has engaged in illegal or otherwise improper conduct, should report the matter to the Company. Violations and concerns may be reported directly at +632 8867 7603 ), and/or email to [gmwecare@shakeys.biz](mailto:gmwecare@shakeys.biz). Rest assured that identities will be kept confidential and supplier's relationship with SPAVI will not be affected by an honest report of potential misconduct.

#### SUPPLIER'S CONFORME:

Name of Company/Registered Business Name	Name & Signature of Authorized Representative	Date Signed