

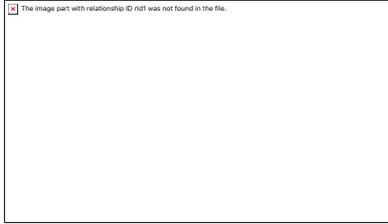


SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended: 31 December 2017
2. SEC Identification Number :CS200811530 3. BIR Tax Identification No. : 007-085-191
4. Exact name of issuer as specified in its charter: NICKEL ASIA CORPORATION
5. PHILIPPINES. Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only) Industry Classification Code:
7. 28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City 1634
Address of principal office Postal Code
8. (632) 798-7622
Issuer's telephone number, including area code
9. Not Applicable
Former name, former address, and former fiscal year, if changed since last report.





30SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

A. Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies’ compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the “comply or explain” approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

B. Preparation of Report

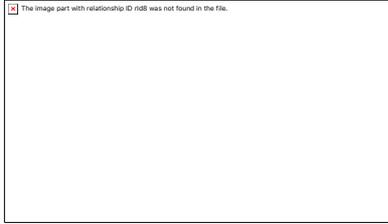
These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

RECOMMENDED CG PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Contains CG Practices/ Policies, labelled as follows:</p> <p>(1) “Recommendations” – derived from the CG Code for PLCs;</p> <p>(2) “Supplement to Recommendation” – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) “Additional Recommendations” – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) “Optional Recommendation” – practices taken from the ASEAN Corporate Governance Scorecard</p> <p>*Items under (1) – (3) must be answered/disclosed by the PLCs following the “comply or explain” approach. Answering of items under (4) are left to the discretion of PLCs.</p>	<p>The company shall indicate compliance or non-compliance with the recommended practice.</p>	<p>The company shall provide additional information to support their compliance with the recommended CG practice</p>	<p>The PLCs shall provide the explanations for any non-compliance, pursuant to the “comply or explain” approach.</p> <p>Please note that the explanation given should describe the non-compliance and include how the overall Principle being recommended is still being achieved by the company.</p> <p>*“Not Applicable” or “None” shall not be considered as sufficient explanation</p>

C. Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission **on or before May 30 of the following year for every year that the company remains listed in the PSE;**
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear **original and manual** signatures
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.



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INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
<p>Principle 1: 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.</p>			
Recommendation 1.1			
<p>1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the following:</i></p>	
<p>2. Board has an appropriate mix of competence and expertise.</p>	COMPLIANT	<p><i>1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors</i></p>	
<p>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.</p>	COMPLIANT	<p>This information is contained in the Information Statements ("IS") and the Management Reports provided by the Company to Shareholders each year. The 2017 and 2018 IS can be accessed at: https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf Please see also the section of the Company's website on the Board of Directors and Officers</p>	

	<p>https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>2. <i>Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</i></p> <p>Please refer to:</p> <p>(a) Corporate Governance ("CG") Manual, Art. III(A)(1) https://www.nickelasia.com/download_file/968/205</p> <p>(b) Policy on Board Nomination and Election of Directors, Annex "1" of the CG Manual, at [C](1.2), which can be accessed thru https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=39</p> <p>(c) Charter of the Nominations Committee https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=72</p>	
<p>Recommendation 1.2</p>		

<p>1. Board is composed of a majority of non-executive directors.</p>	<p>COMPLIANT</p>	<p><i>Identify or provide link/reference to a document identifying the directors and the type of their directorships</i></p> <p>A majority of the members of the Board are non-executive directors. The Board is composed of nine (9) members, five of whom are Non-Executive Directors; two (2) are Independent Directors; and two (2) are Executive Directors</p> <p>The names of the directors and the relevant information including the type of their directorships are on the Company's website: https://www.nickelasia.com/about-us/board-directors-and-officers</p>	
Recommendation 1.3			
<p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to the company's Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p>Please refer to:</p> <p>(a) CG Manual, Art. III(2) – Policy on Training for Directors https://www.nickelasia.com/download_file/968/205</p> <p>(b) Board Charter, Sec. 9 on Orientation and continuing education programs for directors (Annex “4”, CG Manual)</p>	

		https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=72	
2. Company has an orientation program for first time directors.	COMPLIANT	<i>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</i>	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	<p>This information is contained in:</p> <p>(a) Chart on Directors' and Officers' training in 2017 at: https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=2</p> <p>(b) Certificates of attendance of Directors and Officers at: https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=4</p>	
Recommendation 1.4			
1. Board has a policy on board diversity.	COMPLIANT	<i>Provide information on or link/reference to a document containing information on the company's board diversity policy.</i>	

		<p>The Company's Board Diversity Policy is contained in:</p> <p>(a) CG Manual, at Article III(A)(3) https://www.nickelasia.com/download_file/968/205</p> <p>(b) Board Charter at Sec. 2.3 https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=57</p> <p><i>Indicate gender composition of the board.</i></p> <p>Presently, all Directors are male. Under the Company's Board Diversity policy, election shall be made on the basis of merit but candidates that will bring diversity are to be considered. The present composition is diverse in professional experience, expertise and academic background. The Board continues to search for candidates, including female candidates, whose expertise and experience would be an appropriate fit for the Company.</p>	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its		<i>Provide information on or link/reference to a document containing the company's policy</i>	

board diversity and reports on progress in achieving its objectives.		and measurable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	<p>The Corporate Secretary since 2010 is Atty. Barbara Anne C. Migallos. She is not a member of the Board, and is a separate individual from the Compliance Officer.</p> <p>(a) The qualifications of the Corporate Secretary are contained in the Information Statements and the 17-A Reports, which can be accessed at https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=21</p> <p>(b) The duties and functions of the Corporate Secretary are defined</p>	

		<p>in the CG Manual, III(A)(4.2) and in the Board Charter, Sec. 7</p> <p>CG Manual: https://www.nickelasia.com/download_file/968/205</p> <p>Board Charter: https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page+62</p>	
<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p> <p>Information on the training attended by the Corporate Secretary is contained in https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=2 https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=4</p>	
<p>Optional: Recommendation 1.5</p>			

<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p>	<p>NOT COMPLIANT</p>	<p><i>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</i></p>	<p>Board materials are provided to the Directors prior to the board meetings, but the date of distribution of such materials vary and not always be at least five business days prior to the meeting. The Company has four (4) operating mines; investments in renewable energy companies; and a number of other subsidiaries. Their reports take time some to consolidate into reports to the Board that are current, comprehensive and complete.</p> <p>Considering the directors' respective qualifications, expertise and background as well as the clarity of board presentations and materials, directors are able to perform their fiduciary duties notwithstanding that materials may not be distributed at least five (5) business days before a scheduled meeting.</p>
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Recommendation 1.6

<p>1. Board is assisted by a Compliance Officer.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i></p>	
<p>2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</i></p>	
<p>3. Compliance Officer is not a member of the board.</p>	<p>COMPLIANT</p>	<p>The Compliance Officer is Atty. Georgina Carolina Y. Martinez, Vice President for Legal and Special Projects and Assistant Corporate Secretary. She is not a member of the</p>	

		<p>Board, and is a separate individual from the Corporate Secretary.</p> <p>(a) The qualifications of the Compliance Officer are in the Information Statement and the 17-A Report https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=23</p> <p>(b) The duties and functions of the Compliance Officer are detailed in the CG Manual, III(A)(5.2) https://www.nickelasia.com/download_file/968/205</p>	
<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p> <p>Information on the training attended by the Compliance Officer is contained in: https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=2 https://www.nickelasia.com/application/files/7515/2755/6543/Amended_</p>	

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

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<p><i>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</i></p> <p>The Board complies with its fiduciary duties, responsibilities and accountabilities, which are contained in:</p> <p>(a) CG Manual, at Art. III(B)(1)(2) https://www.nickelasia.com/download_file/968/205</p> <p>(b) Board Charter, at Sec. 4 to 4.4 https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=57</p> <p>Directors diligently attend Board and Committee meetings, participate in deliberations and seek clarification when needed, as reflected in the minutes of meetings.</p> <p>Shareholders have the right to inspect corporate records including minutes of board meetings in accordance with Section 74 of the</p>	
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		Corporation Code. Deliberations and decisions of the Board are reflected in the Minutes.	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<i>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</i>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	COMPLIANT	<p><i>Indicate frequency of review of business objectives and strategy</i></p> <p>The review of business objectives and strategies is integrated into the budget process. The budget is formally approved by the Board at the November board meeting each year, and is based on the outlook for the coming year, the business objectives and strategies. Comprehensive reports on the market, financial performance, operations, safety and environment are presented.</p> <p>The Board oversees and monitors the implementation of the Company's business objectives and strategies in the course of quarterly meetings to review the financial and operations results.</p> <p>These deliberations are reflected in the Minutes of the meetings.</p>	

		<p>Shareholders have the right to inspect corporate records including minutes of board meetings in accordance with Section 74 of the Corporation Code.</p> <p>Information on the frequency of meetings and attendance of the Directors may be accessed at: http://edge.pse.com.ph/openDiscViewer.do?edge_no=8849e41eb18270bb3318251c9257320d#sthash.CzWdJXcj.dpbs</p> <p>Link to Management Reports for 2017 and 2018</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=42</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=41</p>	
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Supplement to Recommendation 2.2

<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>COMPLIANT</p>	<p><i>Indicate or provide link/reference to a document containing the company's vision, mission and core values.</i></p> <p>The Company's Vision, Mission, and Core Values may be accessed at https://www.nickelasia.com/about-us/mission-vision-and-core-values</p> <p>The Company's Vision, Mission and Core Values were last reviewed and</p>	
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		revised on 3 May 2018 and are uploaded on the Company's website	
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>Provide information on or link/reference to a document containing information on the strategy execution process.</p> <p>In order to measure and monitor the effectiveness of the Company's business objectives and strategy for each year, the Company holds regular monthly operations meetings and financial reviews with each of its subsidiaries. The operations meetings are intended to monitor the operations, production safety, environment and regulatory compliance of each subsidiary as against the annual business objectives. The finance review tracks the financial performance of each subsidiary compared to the business objectives for the year. Results of these operations meetings and financial reviews are reported to the Board. The Certification signed by the SVP – Operations/COO and CRO on the operations meetings held in 2017 is attached to this Report as Annex 1.</p> <p>Please refer to the Memorandum issued by the President and CEO</p>]

		dated 21 May 2018, attached to this Report as Annex 2.	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p><i>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications</i></p> <p>The Chairman is Manuel B. Zamora, Jr., a Non-Executive Director. His qualifications, academic background and work experience are available at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>Please see also Information Statement that is made available to shareholders every year. The Information Statement for the 2017 and 2018 Annual General Shareholders' meetings may be accessed at https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=12 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=15</p>	
Recommendation 2.4			

<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p>COMPLIANT</p>	<p><i>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</i></p>	
<p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p>COMPLIANT</p>	<p>(a) Article III (B) of the Company's CG Manual provides that "shall adopt an effective succession planning program for Executive Directors, key Officers and Management" and that the Board "shall adopt a policy on retirement age for Executive Directors and Officers as part of Management succession and to promote dynamism in the Company". Available at https://www.nickelasia.com/download_file/968/205</p> <p>(b) Sec. 4 (b), Board Charter https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=56</p> <p>The Company has an existing Succession Planning Program that utilizes on the Zenger Folkman360 Degree Feedback Tool of the Harvard Program of John Clements, and the Company has, as part of its succession planning, implemented</p>	

		its in-house Management Development Program.	
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Recommendation 2.5

<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>		<p><i>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</i></p> <p>Section 4 (4.3)(d) of Board Charter provides that it is the specific duty of the Board to "align as practicable the remuneration of key Officers and of Directors with the long-term interests of the Company and oversee Management's adoption of compensation plans and professional development programs for Officers and succession planning for senior Management"</p> <p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=58</p> <p>For guidance in respect of remuneration, in 2017, the Company participated in the compensation survey for energy and natural resources industry to benchmark on</p>	
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		<p>compensation conducted by Willis, Towers, Watson Data Services, a global advisory, broking and solutions company that provides services in, among other areas, benefits delivery and administration, corporate risk and broking. The Company has also enlisted the services of a compensation consultant to assist in job evaluation and performance metrics.</p> <p>Consistent with the alignment of the remuneration of key officers, including officers of operating subsidiaries, and board members with long-term interests of the Company, the Company adopted a Stock Option Plan for Directors and Officers, including Operating Subsidiaries in 2014. The Plan was approved by the shareholders and by the SEC.</p> <p>https://www.nickelasia.com/application/files/6314/7400/0362/17A-2014.pdf#page=47</p> <p>In April 2018, the Board approved the adoption of a new stock option plan, which was approved at the Annual Stockholders' Meeting held on 28 May 2018</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=d7ca1f8907771d</p>	
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(a) Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT	<p>Article III (B) of the Company's CG Manual provides that the Board shall adopt a "policy specifying the relationship between remuneration and performance", and that "no Director should participate in deliberations involving his own remuneration"</p> <p>https://www.nickelasia.com/download_file/968/205</p>	
(b) Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT	<p>Directors do not participate in discussions or deliberations involving his own remuneration. Please see Corporate Secretary's Certificate, attached to this Report as Annex 3.</p>	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	COMPLIANT	<p><i>Provide proof of board approval</i></p> <p>The Corporate Governance Committee considers remuneration of senior officers and recommends the same to the Board for approval. Please see Secretary' Certificate attached to this Report as Annex 3.</p>	

<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.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</i></p> <p>The Stock Option Plan is deemed a measurable standard to align performance-based remuneration with the Company's long-term interest.</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=32</p>	
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Recommendation 2.6

<p>1. Board has a formal and transparent board nomination and election policy.</p>	<p>COMPLIANT</p>	<p><i>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.</i></p> <p>(a)The Company has a Policy on the Nomination and Election of Directors which contains the process for the nomination of directors</p>	
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		<p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=19</p> <p>(b) Please see also CG Manual which contains the Company's Nomination and Election Policy https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=39</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	<p>CG Manual at Article III(B)(6) https://www.nickelasia.com/download_file/968/205</p>	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	<p><i>Provide proof if minority shareholders have a right to nominate candidates to the board</i></p> <p>Section (B)(2) of the Company's Policy on Nomination and Election of Directors recognizes the right of minority shareholders to nominate directors and outlines how shareholders can effectively exercise the right to nominate. https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=39</p>	

4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i>	
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	<p>Process for the shortlisting of candidates (preparation of Final List of Candidates) is stated in the Policy on Nomination and Election of Directors at Section (B) and (C) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=39</p> <p>The Board's performance assessment includes the assessment of the performance of the Board and Board Committees, including the Nominations Committee, which oversees the process for the nomination and election of directors CG Charter, Art. III(F) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=26</p>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	Please refer to Policy on Nomination and Election of Directors at (B) to (D) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=26	

Optional: Recommendation to 2.6			
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.	COMPLIANT	<p><i>Identify the professional search firm used or other external sources of candidates</i></p> <p>The Nominations Committee has discretion and authority to use search firms or external sources as practicable in searching for Board candidates. See Section (C)(2.2) of Company's Policy on Nomination and Election of Directors https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=27</p> <p>Sources used in the nomination and selection process include available information on the internet.</p> <p>There has been no occasion when the Committee believed that the engagement of a professional search firm was called for under the circumstances,</p>	
Recommendation 2.7			
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	<p><i>Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs</i></p>	
2. RPT policy includes appropriate review and approval of material RPTs, which	COMPLIANT		

<p>guarantee fairness and transparency of the transactions.</p>		<p>The Company's policy on related party transactions, including the definition of RPTs and the review and approval process are contained in:</p>	
<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>COMPLIANT</p>	<p>(a) CG Manual, Art. III(B), Sec. 7 to 7.2 https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=13</p> <p>(b) The Policy and System on Related Party Transactions, which defines RPTS and provides for the review and approval process https://www.nickelasia.com/application/files/6515/0215/9294/Policy_on_Related_Party_Transactions.pdf</p> <p>(c) Charter of the RPT Committee https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=90</p> <p><i>Identify transactions that were approved pursuant to the policy.</i></p> <p>Related Party transactions that are continuing from previous years are disclosed in the Company's Audited Financial Statements, including corresponding assets and liabilities</p>	

		<p>arising from such transactions. The transactions are described and also presented in tabular form. Please see Note 34 of the Company's audited financial statements as of 31 December 2017, on Related Party Transactions with comparative figures for 2016, at pages 79-85 thereof.</p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf#page=80</p> <p>Related Party Transactions are also disclosed in the Information Statement distributed to the shareholders each year</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=21</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=58</p>	
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Supplement to Recommendations 2.7

<p>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 amount of RPTs within any twelve (12)</p>	<p>COMPLIANT</p>	<p><i>Provide information on a materiality threshold for RPT disclosure and approval, if any.</i></p> <p>The Policy and System on Related Party Transactions define Material RPTs as transactions with a Related Party which involve an aggregate amount or value equal to or greater than Fifty Million Pesos (Php</p>	
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<p>month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p>50,000,000.00) over a twelve (12) month calendar year period or such amount as may be recommended by the RPT Committee and approved by the Board of Directors of the Company. https://www.nickelasia.com/application/files/6515/0215/9294/Policy_on_Related_Party_Transactions.pdf</p> <p><i>Provide information on RPT categories:</i></p> <p>RPT categories are indicated in the Company's Audited Financial Statements. See Note 34 of the Audited FS as of 31 December 2017 at pages 79-85 thereof https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf#page=158</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>NOT COMPLIANT</p>	<p><i>Provide information on voting system, if any.</i></p>	<p>In view of a number of factors, among them that no one shareholder has majority control of the Company and no majority control of the Board; that "non-related party shareholders" will change depending on the transaction; and the proxy process; a voting system as called for in this item has not been established.</p> <p>The distribution of shares among a number of shareholders, none of whom holds a majority of the Company's outstanding</p>

			capital, is a positive factor in achieving the objective of assuring that related party transactions are at arms' length, at market prices, and under fair and reasonable terms and conditions.
Recommendation 2.8			
<p>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).</p>	<p>COMPLIANT</p>	<p><i>Provide information on or reference to a document containing the Board's policy and responsibility for approving the selection of management.</i></p> <p>The Company's Board of Directors selects and elects the officers of the Company, including its CEO and other senior officers, as provided under Sec. 25 of the Corporation Code. The Chief Risk Officer, the Chief Compliance Officer and the Chief Audit Executive are likewise selected and appointed by the Board. The Nominations Committee considers the candidates for officers and makes recommendations to the Board.</p> <p>Please see:</p> <p>a) CG Manual, Article III (B)(8) on "Management Team and control functions; selection and assessment" which states that the Board shall be primarily responsible for approving the selection and assessment of the</p>	

		<p>Management led by the Chief Executive Officer (CEO), and the control functions led by their respective heads (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive) https://www.nickelasia.com/download_file/968/205</p> <p>(b) Disclosure to the PSE of the results of the Organizational Meeting of the Board, during which the Board elects Management/officers of the Company http://edge.pse.com.ph/openDiscViewer.do?edge_no=5669878d97e379c243ca035510b6ec2b#sthash.S1dnTEHq.dpbs</p> <p>(c) Disclosure to PSE of Board approval of Chief Risk Officer (CRO), Chief Compliance Officer (CCO) and Chief Audit Executive (CAE) (May 2017) http://edge.pse.com.ph/openDiscViewer.do?edge_no=ce25d291d33cb05e3318251c9257320d#sthash.v5TdGcm6.dpbs</p> <p>(d) Disclosure to the PSE dated 31 August 2017, reporting the appointment of a new Vice President for Legal and Special</p>	
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		<p>Projects and Chief Compliance Officer http://edge.pse.com.ph/openDiscViewer.do?edge_no=4d7c570d95173b043318251c9257320d#sthash.204j6v89.dpbs</p> <p><i>Identity the Management team appointed</i></p> <p>a) The names and positions of the Officers of the Company and its Operating Subsidiaries may be accessed at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>b) Disclosure to the PSE of the results of the Organizational Meeting of the Board http://edge.pse.com.ph/openDiscViewer.do?edge_no=5669878d97e379c243ca035510b6ec2b#sthash.S1dnTEHq.dpbs</p>	
<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).</p>	<p>COMPLIANT</p>	<p>Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management.</p>	

		<p>Please see Article III (B)(8.2) of the CG Manual: "Management Team and control functions; selection and assessment" https://www.nickelasia.com/download_file/968/205</p> <p>Provide information on the assessment process and indicate frequency of assessment of performance.</p> <p>The Board assesses the performance of the CEO and the heads of the other control functions on an annual basis.</p>	
Recommendation 2.9			
<p>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.</p>	COMPLIANT	<p><i>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</i></p>	
<p>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.</p>	COMPLIANT	<p>Please see the Company's CG Manual: The Board shall establish an effective performance management framework that will ensure that performance of management is at par with standards set by the Board and Senior Management. See Art. III (B)(9), https://www.nickelasia.com/download_file/968/205</p>	

		Please see performance evaluation forms for personnel, attached as Annex 4 of this Report	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<i>Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system</i>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT	Internal Control System – please see Art. III(B)(10) to (10.2), CG Manual https://www.nickelasia.com/download_file/968/205	
3. Board approves the Internal Audit Charter.	COMPLIANT	<i>Provide reference or link to the company's Internal Audit Charter</i> https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=51	
Recommendation 2.11			
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	<i>Provide information on or link/reference to a document showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</i>	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well	COMPLIANT	Please see:	

<p>as the effectiveness of risk management strategies.</p>		<p>(a) CG Manual, providing for the Board's oversight responsibility for Enterprise Risk Management, Art. III(B)(11) of the CG Manual https://www.nickelasia.com/download_file/968/205</p> <p>(b) Charter of the Board Risk Oversight Committee https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=85</p> <p>In 2017, the Company retained an external consultant to review the Enterprise Risk Management Process. The findings and recommendations of the consultant were presented to the Board Risk Oversight Committee and escalated to the Board. Please see:</p> <p>(a) The Report of the BROCC to the Board, is attached as Annex 5 of this Report.</p> <p>(b) Corporate Secretary's Certification, Annex 3 of this Report</p> <p><i>Provide proof of effectiveness of risk management strategies, if any.</i></p> <p>There are numerous examples of the effectiveness of risk management</p>	
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		strategies. One such example is the weather in the different mines which is an identified risk. Inclement weather can narrow the time frame for shipments. To address the risk that weather presents, the mines have increased their loading facilities to maximize shipments when weather conditions are favorable.	
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	<i>Provide link to the company's website where the Board Charter is disclosed.</i>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT	The Board Charter may be accessed at: https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=56	
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	<i>Provide information on or link/reference to a document showing company's insider trading policy.</i>	
		The Company's insider trading policy is contained in: (a) Policy on Inside Trading, Code on Business Ethics at Part V (Standards	

		<p>of Business Conduct and Ethics) in particular at Part (V)(G) prohibiting insider trading.</p> <p>(b) Insider Trading Policy, Annex "B" of the Code on Business Ethics, which contains the specific policies and rules against insider trading</p> <p>The Code on Business Ethics and Conduct and its attachments, including Annex "B" on Insider Trading, can be accessed at https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p>	
Optional: Principle 2			
<p>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.</p>	COMPLIANT	<p><i>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</i></p> <p>The Company does NOT grant loans to directors. There has been NO instance when the Company ever granted a loan to a director.</p>	
<p>2. Company discloses the types of decision requiring board of directors' approval.</p>	NOT COMPLIANT	<p><i>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</i></p>	<p>The Company does not disclose the types of decision requiring board approval as the Board is ultimately responsible for corporate actions. Hence, this is not necessary.</p>

			The Board is responsible for the business of the Company consistent with the Corporation Code and relevant corporate law principles. Certain authorities are delegated to Management/officers but such delegation and the acts taken pursuant thereto are always subject to review as deemed appropriate by the Board consistent with its fiduciary duties.
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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

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on all the board committees established by the company.</i></p> <p>The Board Committees and their respective functions, duties and responsibilities can be accessed through https://www.nickelasia.com/corporate-governance/governance-structure</p> <p>Information on the Board Committees and their respective memberships are also uploaded on PSE Edge. http://edge.pse.com.ph/openDiscViewer.do?edge_no=ce25d291d33cb0</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	<p><i>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</i></p> <p>a) CG Manual, Art. III(C)(2)(2.1 – 2.5) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=16</p> <p>b) Audit Committee Charter https://www.nickelasia.com/corporate-governance/governance-structure</p> <p><i>Indicate if it is the Audit Committee's responsibility to recommend the appointment and removal of the company's external auditor.</i></p> <p>Article (IV) (4.2) of the Audit Committee Charter: The Audit Committee shall recommend to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the Company, and provides an</p>	

		<p>objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.</p> <p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=69</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</i></p> <p>Members of the Audit Committee are:</p> <ul style="list-style-type: none"> a) Frederick Y. Dy, Independent Director, Chairman; b) Fulgencio S. Factoran, Jr., Independent Director; c) Takanori Fujimura, Non-Executive Director. <p>The Composition of the Audit Committee is available on PSE Edge: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ce25d291d33cb05e3318251c9257320d#sthash.caKu62j8.dpbs</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience</i></p>	

		<p><i>of the members of the Audit Committee.</i></p> <p>Relevant background, knowledge, skills, and/or experience of the members of the Audit Committee is contained in the Information Statement of the Company and in the 17-A Report https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=17 https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf#page=51</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</i></p> <p>The Chairman of the Audit Committee is Frederick Y. Dy, Independent Director. His background, knowledge, skills, and/or experience are in the Information Statement and the 17-A Reports https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=17 https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf#page=51</p>	

		<p>A_NAC_Annual_Report_2017_FINAL.pdf#page=61</p> <p>See also: https://www.nickelasia.com/about-us/board-directors-and-officers</p>	
Supplement to Recommendation 3.2			
<p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p>	<p>COMPLIANT</p>	<p><i>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</i></p> <p>(a) CG Manual at Art. III(C)(2.3)(g): The Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor and periodically review the non-audit fees paid to the External Auditor in relation to total fees paid to the External Auditor and to the Company's overall consultancy expenses. The Committee should disallow any non-audit work that will conflict with duties as External Auditor https://www.nickelasia.com/download/file/968/205</p> <p>(b) Report of the Audit Committee to the Board, Annex 6 of this Report.</p>	

<p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>COMPLIANT</p>	<p><i>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</i></p> <p>(a) Please refer to Report of the Audit Committee to the Board, Annex 6 of this Report.</p> <p>(b) See also Corporate Secretary's Certificate, Annex 3 of this Report</p>	
<p>Optional: Recommendation 3.2</p>			
<p>1. Audit Committee meet at least four times during the year.</p>	<p>COMPLIANT</p>	<p><i>Indicate the number of Audit Committee meetings during the year and provide proof</i></p> <p>The Audit Committee met four (4) times in 2017, on: 2 March 2017 4 May 2017 3 August 2017 27 October 2017</p>	
<p>2. Audit Committee approves the appointment and removal of the internal auditor.</p>	<p>COMPLIANT</p>	<p><i>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</i></p> <p>(a) Charter of the Audit Committee at Article (IV) (4.1) to (4.5) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_</p>	

[New_Manual_of_Corporate_Governance.pdf#page=69](#)

(b)Corporate Secretary's Certificate, **Annex 3** of this Report.

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

Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions

Please see:

(a) CG Manual, Art. III (C)(4) which provides for the functions, duties and responsibilities of the CG Committee

<https://www.nickelasia.com/corporate-governance/governance-structure>

(b) Charter of the CG Committee
https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=78

Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.

The Nominations Committee, which is separate from the CG Committee,

		<p>considered the quality of directors aligned with the Company's strategic direction. The Board believes that all directors are aligned with the Company's strategic direction. For the Company's Vision and Mission, please refer to https://www.nickelasia.com/about-us/mission-vision-and-core-values</p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>NON-COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</i></p> <p>The Corporate Governance Committee is composed of two independent directors and one non-executive director. The composition of the Corporate Governance Committee is available on PSE Edge: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ce25d291d33cb05e3318251c9257320d#sthash.cqKu62j8.dpbs</p> <p>The qualifications and type of directorship of the members of the CG Committee are shown in: https://www.nickelasia.com/about-us/board-directors-and-officers</p>	<p>The Company has two independent directors at this time, consistent with Sec. 38 of the Securities Regulation Code. Thus, it is unable to have three independent directors as members of the Corporate Governance Committee.</p> <p>With three Non-Executive Directors, including two Independent Directors, constituting the Corporate Governance Committee, the corporate governance objective that there be a sufficient number of directors who exercise independent judgment is substantially achieved.</p> <p>The Board has reviewed the Company's present complement of directors, its productivity and goals achievement over the past three (3) years and the availability of a qualified person who would be suitable and an appropriate fit for the corporate organization. After extended discussions, the Board has deferred the election of a third</p>

		<p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=12</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=15</p>	independent director to a more opportune and appropriate time.
3. Chairman of the Corporate Governance Committee is an independent director.	NON-COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</i></p> <p>The Chairman of the Corporate Governance Committee is Manuel B. Zamora, Jr., a Non-Executive Director and Chairman of the Board https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>Information about Mr. Zamora is also contained in the Company's Information Statement https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=15</p>	<p>The Chairman is a Non-Executive Director but not an Independent Director.</p> <p>For the reasons stated in the Explanation under Recommendation 3.3(2) and 5.1, at present the Company has only two (2) independent directors, one of whom is the Chairman of the Audit Committee and the other is the Chairman of the Board Risk Oversight Committee.</p> <p>In view the SEC recommendation that a director should be the chairman of only one committee, the Board designated a Non-Executive Director as Chairman of the CG Committee.</p>
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	COMPLIANT	<p><i>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</i></p> <p>Corporate Governance Committee meetings in 2017:</p>	

		<p>a) 17 March 2017 (as Compensation Committee)</p> <p>b) 25 May 2017</p> <p>c) 31 August 2017</p> <p>d) 21 November 2017</p> <p>Please refer to the Certification executed by the Corporate Secretary, Annex 3 of this Report.</p>	
Recommendation 3.4			
<p>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.</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</i></p> <p>(a) Corporate Governance Manual, Art. III(C)(5 to 5.3, inclusive) https://www.nickelasia.com/download/file/968/205</p> <p>(b) Charter of the BROC https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=85</p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</i></p>	

		<p>The BROC is composed of three (3) members, two (2) of whom are independent directors. The Chairman of the BROC, Mr. Fulgencio S. Factoran, Jr., is an independent director. The composition of the BROC is available at http://edge.pse.com.ph/openDiscViewer.do?edge_no=ce25d291d33cb05e3318251c9257320d#sthash.cqKu62j8.dpbs</p> <p>Information regarding the type of directorship and the qualifications of the members of the BROC is available at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>The qualifications of each of the members of the Board, including members of BROC, are contained in the Information Statements for 2017 and 2018 https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=13 https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=16</p>	
<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the Chairman of the BROC</i></p>	

		<p>The Chairman of the BROC is an Independent Director and is not the Chairman of the Board or of any other committee.</p> <p>Information about Independent Director Fulgencio S. Factoran, Jr., BROC Chairman, is available at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>Please see also: https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=14 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=17</p>	
<p>4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.</i></p> <p>Information about the background, skills and experience of the members of the BROC is available at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>Please see also 2017 and 2018 Information Statements</p>	

		https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=13 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=16	
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></p> <p>a) CG Manual, Art. III(B)(6; 6.1[a] to 6.1[f]), inclusive, on RPTs https://www.nickelasia.com/download_file/968/205</p> <p>b) Charter of the RPT Committee https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=90</p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	NON-COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</i></p>	<p>The RPT Committee is composed of three Non-Executive Directors, two of whom are Independent Directors. The Chairman of the RPT Committee is a Non-Executive Director.</p>

		<p>The RPT Committee is composed of one (1) Non-Executive Director and two (2) Independent Directors. The Chairman of the Committee is a Non-Executive Director</p> <p>1) Takanori Fujimura, Non-Executive Director, Chairman 2) Fulgencio S. Factoran, Jr., Independent Director 3) Frederick Dy, Independent Director.</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=76</p>	<p>The Company has two (2) Independent Directors. For the explanation on why the Company only has two IDs, please refer to the Explanation given in response to Recommendation 3.3(2) and 5.1.</p> <p>In view of the SEC directive that a director should be the chairman of only one committee, and since the Independent Directors are the Chairmen of the Audit Committee and of the BROOC, respectively, a Non-Executive Director was designated Chairman of the RPT Committee.</p> <p>While the Chairman of the Committee is a Non-Executive Director and not an Independent Director, a majority of the members are Independent Directors. The objective of assuring that related party transactions are on an arms' length basis, at market prices and under fair and reasonable terms are in fact achieved.</p>
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Recommendation 3.6

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.</i></p>	
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	<p>COMPLIANT</p>	<p>The charters of the different committees can be accessed through</p>	

		https://www.nickelasia.com/corporate-governance/governance-structure Each of the Committee Charters provide for performance evaluation and assessment. The functions and responsibilities of each of the Committees are also in the CG Manual https://www.nickelasia.com/download_file/968/205	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	<i>Provide link to company's website where Charters are disclosed.</i> All the committee charters may be accessed/downloaded from the Company website: https://www.nickelasia.com/corporate-governance/governance-structure	
Principle 4: 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.			
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	COMPLIANT	<i>Provide information or link/reference to a document containing information on the process and procedure for</i>	

<p>conducted in accordance with the rules and regulations of the Commission.</p>		<p><i>tele/videoconferencing board and/or committee meetings.</i></p> <p>The Company complies with the rules of the SEC on Board Meetings through Tele/Video Conferencing. In instances of attendance via teleconference, such compliance is indicated in the Minutes</p> <p><i>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</i></p> <p><u>Attendance at Board meetings:</u> Please refer to Certification on attendance at Board meetings http://edge.pse.com.ph/openDiscViewer.do?edge_no=8849e41eb18270bb3318251c9257320d#sthash.CzWdJXcj.dpbs</p> <p><u>Attendance at Committee meetings:</u> https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=75</p> <p><u>Attendance, Shareholders' meetings:</u> Attendance of directors is reflected in the Minutes of Shareholders' Meetings, which are uploaded to the</p>	
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		Company's website within five (5) business days after the meeting https://www.nickelasia.com/investor-relations/company-disclosures	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	Materials for Board and Committee meetings are provided to each Director. Considering the stature, qualifications and experience of the Company's directors, and their responsibilities as directors, it is reasonable to believe that the directors review the materials for all Board and Committee meetings.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	<i>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors</i> Questions raised and clarification or explanation sought by the directors are contained in the Minutes of the Meetings of the Board of Directors of the Company.	
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	COMPLIANT	<i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</i> <i>Provide information or reference to a document containing information on</i>	

<p>proposals/views, and oversee the long-term strategy of the company.</p>		<p><i>the directorships of the company's directors in both listed and non-listed companies</i></p> <p>Except for Mr. Fulgencio S. Factoran who serves as director in two other publicly-listed companies, no director of the Company serves as a director of more than two publicly listed companies. The directorships of non-executive directors in other listed companies is contained in the Information Statement of each year.</p> <p>2017 Information Statement: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs</p> <p>2018 Information Statement: http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.uaPhZbKU.dpbs</p>	
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Recommendation 4.3

<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>COMPLIANT</p>	<p><i>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</i></p> <p>Section IV (8) of the Board Charter requires that a director should notify the Board before accepting a directorship in another company</p>	
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		<p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=62</p> <p>Except for Mr. Factoran, no director of the Company serves as a director of more than two publicly listed companies (including Nickel Asia). The list of directorships of the non-executive directors is contained in the Information Statement of each year.</p> <p>The Company has not received a written notification as described in this section because for a number of years, including 2017, none of its directors has accepted a directorship of a PLC other than those they already hold, as indicated in the Information Statements for 2017 and 2018.</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=12 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=15</p>	
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Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two	COMPLIANT	List of directorships of the executive directors is contained in the Information Statement of each year. Please see:	

boards of listed companies outside of the group.		http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.uaPhZbKU.dpbs	
2. Company schedules board of directors' meetings before the start of the financial year.	COMPLIANT	At the start of each year, a schedule of meetings of the Board of Directors for that year is circulated (with prior consultation with the directors on their respective schedules)	
3. Board of directors meet at least six times during the year.	COMPLIANT	<i>Indicate the number of board meetings during the year and provide proof</i> The Board of Directors met six (6) times in 2017: 15 March 2017; 5 May 2017; 29 May 2017; 4 August 2017; 31 August 2017; and 6 November 2017 http://edge.pse.com.ph/openDiscViewer.do?edge_no=8849e41eb18270bb3318251c9257320d#sthash.CzWdJXcj.dpbs	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	NOT COMPLIANT	<i>Indicate the required minimum quorum for board decisions</i> The minimum quorum for Board decisions is a majority of the nine (9) directors.	The Company does not require a minimum quorum of at least two-thirds of the Board. It complies with the Corporation Code and Article II, Section 6 of its Amended By Laws in that a majority of all of the members of the Board of Directors constitutes a quorum.

		Attendance at Board meetings was generally 100% and in no instance was attendance less than seven (7) out of the nine (9) board members.	Attendance at Board meetings was generally 100%, and in instances where the attendance was less than 100%, there was no instance when attendance was less than seven out of nine members of the Board. Hence, the objective of requiring a quorum of two-thirds is in fact achieved. http://edge.pse.com.ph/openDiscViewer.do?edge_no=8849e41eb18270bb3318251c9257320d#sthash.uazJJplQ.dpbs
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	NOT COMPLIANT	<p><i>Provide information or link/reference to a document containing information on the number of independent directors in the board</i></p> <p>Composition of the Board and the type of directorship of each member may be accessed at https://www.nickelasia.com/about-us/board-directors-and-officers</p> <p>Please see also Information Statements for 2017 and 2018 https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=16 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive</p>	<p>The Company has nine (9) directors, two (2) of whom are independent directors. It is compliant with Sec. 38 of the SRC.</p> <p>The Board has reviewed the Company's present complement of directors, its productivity and goals achievement over the past three years and the availability of a qualified person who would be suitable and an appropriate fit for the corporate organization. After extended discussions, the Board has deferred the election of a third independent director to a more opportune and appropriate time.</p> <p>The objective that the Board should exercise independent judgment is</p>
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		ve_Information_Statement_18Apr2018.pdf#page=19	<p>achieved notwithstanding the fact that the Board has two rather than three independent directors. All directors of the Company are cognizant of their fiduciary duties to the corporation and their duty to vote according to his/her own independent judgment and conscience as to what is in the best interests of the corporation.</p>
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Recommendation 5.2

<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</i></p> <p>The qualifications of the independent directors are contained:</p> <p>(a) Information Statement of each year. http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lzl1LxZ7.dpbs</p> <p>(b) Company website https://www.nickelasia.com/about-us/board-directors-and-officers</p>	
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Supplement to Recommendation 5.2

<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	<p>COMPLIANT</p>	<p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></p> <p>The Company is not aware of any agreement that constrains the directors' ability to vote independently, and has reasonable ground to believe that there are no such agreements.</p> <p>The Charter of the Board of Directors mandates that all directors must exercise independent judgement Sec. 4 to 4.4, refer to 4.4(d) https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=60</p> <p>Directors are aware of and comply with the duty of each director to vote according to his own independent judgment and his own conscience as to what is in the best interests of the company.</p>	
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Recommendation 5.3

<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document showing the years IDs have served as such.</i></p> <p>No Independent Director has served for a cumulative term of more than nine (9) years.</p>	
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		<p>The tenure of each of the incumbent independent directors is in the Information Statement of each year. http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz11LxZ7.dpbs</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director</i></p> <p>(a) Term limits of Independent Directors, CG Manual, at Article III(3): "Independent Directors shall serve for a maximum cumulative term of nine (9) years, reckoned in accordance with the pertinent rules of the SEC, after which the Independent Director shall be perpetually barred from re-election as such in the Company, but may continue to qualify for nomination and election as a non-independent director." https://www.nickelasia.com/download_file/968/205</p>	

		<p>(b) Board Charter, Sec. 3. On Term Limits for Independent Directors https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=58</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</i></p> <p>(a) CG Manual, Art. III(E) (3- https://www.nickelasia.com/download_file/968/205</p> <p>(b) Section 3, Board Charter; term limits for independent directors https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=58</p> <p>There has been no instance where an independent director has served for more than nine years. Messrs. Factoran and Dy, the incumbent Independent Directors, were elected in 2010.</p>	
<p>Recommendation 5.4</p>			

<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>COMPLIANT</p>	<p><i>Identify the company's Chairman of the Board and Chief Executive Officer</i></p> <p>The Chairman of the Board of Directors is Mr. Manuel B. Zamora, Jr.</p> <p>The President and Chief Executive Officer is Mr. Gerard H. Brimo.</p> <p>https://www.nickelasia.com/about-us/board-directors-and-officers</p>	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</i></p> <p>(a) A side by side comparison of the responsibilities of the Chairman and of the Chief Executive Officer is provided on page 29 of the Management Report attached to the 2017 Information Statement and may be accessed at http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#download</p> <p>(b) The role and responsibilities of the Chairman are outlined in the Board Charter, Section 6</p>	

		<p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=61</p> <p>(c) The responsibilities of the CEO are contained in the Company's Amended By-Laws. The By-Laws are available on the Company's website https://www.nickelasia.com/application/files/2614/7399/6450/Nickel_Asia_Corporation_By_Laws.pdf</p> <p><i>Identify the relationship of Chairman and CEO.</i></p> <p>The Chairman and the CEO are not related by consanguinity or affinity.</p>	
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Recommendation 5.5

<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p>NOT COMPLIANT</p>	<p><i>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairman is independent.</i></p> <p>The Chairman is not an independent director. He is a Non-Executive Director.</p> <p>The CG Manual provides, at Article III, Sec. 5 that where the Chairman of</p>	<p>At the Organizational Meeting of the Board of Directors of the Company held on 28 May 2018, the Board of Directors appointed Mr. Frederick Y. Dy as the Lead Independent Director. The Minutes of said meeting defines the authority and responsibilities of the Lead Independent Director. http://edge.pse.com.ph/openDiscViewer.do?edge_no=5669878d97e379c243ca035510b6ec2b#sthash.OJyzCmoC.dpbs</p>
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		<p>the Board is not an independent director, the Board shall designate a lead director as practicable from among the independent directors, including if the positions of the Chairman and the CEO are held by one person</p> <p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=35</p>	
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	COMPLIANT	<p><i>Provide proof of abstention, if this was the case.</i></p> <p>Abstentions by individual directors on matters acted on by the Board, as appropriate or called for, are recorded in the Minutes of the meetings. Corporate records, including Minutes of Board meetings, are available for inspection by shareholders in accordance with the Corporation Codes.</p>	
Recommendation 5.7			
<p>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.</p>	NOT COMPLIANT	<p><i>Provide proof and details of said meeting, if any.</i></p> <p><i>Provide information on the frequency and attendees of meetings.</i></p> <p>CG Manual at Article III, Sec. 7 provides for separate meetings with</p>	<p>The Audit Committee is composed of two independent and one non-executive director. In respect of the external and internal audit functions, it is not deemed necessary, and may be unduly cumbersome, to hold a separate meeting attended by all NEDs. The Audit Committee reports to the Board and if a</p>

		<p>the external auditors and heads of the internal audit, compliance and risk functions without any executive directors present to ensure that proper checks and balances are in place in the corporation. The meetings shall be chaired by the lead ID, if one has been designated.</p>	<p>separate meeting with all NEDs is needed, then such a meeting will be called.</p> <p>The members of the Board Risk Oversight Committee are two independent directors and one executive director. The Committee has not seen any reason for holding a meeting without the presence of the executive director, who is able to give significant inputs on the risks that the Company's business may be exposed to. Further, as reported earlier in this I-ACGR, an independent third party was engaged in 2017 for the Company's ERM. It is not deemed practicable, and may be unduly cumbersome, to hold a separate meeting on the risk function without any executives present. The policy of the BROC is that in the event a separate meeting on risk, without the presence of the executive director is deemed to be advantageous, then one will be called and will be chaired by the Chairman of the BROC, an Independent Director.</p>
<p>2. The meetings are chaired by the lead independent director.</p>	<p>NOT COMPLIANT</p>		<p>At the Organizational Meeting of the Board of Directors held on 28 May 2018, the Board of Directors appointed Mr. Frederick Y. Dy as Lead Independent Director. The Minutes of said meeting defines the authority and responsibilities of the Lead Independent Director.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=5669878d97e379c243ca035510b6ec2b#sthash.OJyzCmoC.dpbs</p>

Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	COMPLIANT	<p><i>Provide name/s of company CEO for the past 2 years</i></p> <p>There is no director who is a former CEO of the Company in the past two years.</p> <p>Mr. Gerard H. Brimo is the incumbent President/CEO and is an incumbent Director. He has been the CEO for more than two years.</p>	
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	<i>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</i>	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT	The CG Manual provides for an annual self-assessment at Article III(F) https://www.nickelasia.com/download_file/968/205	
3. The individual members conduct a self-assessment of their performance.	COMPLIANT	The Charters of the respective Committees also provide for assessment	
4. Each committee conducts a self-assessment of its performance.	COMPLIANT	Audit Committee: https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_	

		<p>Manual of Corporate Governance.pdf#page=71 Corporate Governance Committee: https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=82 Board Risk Oversight Committee: https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=89</p> <p>Attached are copies of:</p> <ol style="list-style-type: none"> 1) Assessment form for the Board as a whole – Annex 8-A 2) Assessment form for the directors individually – Annex 8-B 3) Self-Assessment form for the Audit Committee – Annex 8-C 4) Assessment form for Committees – Annex 8-D 	
<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p>COMPLIANT</p>	<p><i>Identify the external facilitator and provide proof of use of an external facilitator.</i></p> <p>The CG Manual provides at Art. III(F)(1): The Board shall conduct an annual assessment of its performance xxx. Every three years, as much as practicable, the assessment should be supported by an external facilitator.</p>	

		https://www.nickelasia.com/download_file/968/205 The Board will determine when it will be practicable for the assessment to be supported by an external facilitator, consistent with the CG Manual	
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	<i>Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders</i>	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	The criteria for the evaluation of the board, directors and committees are contained in Annexes 8 to 8-D of this Report. Article III (F)(2), CG Manual: the system of evaluation should allow for a feedback mechanism from the shareholders https://www.nickelasia.com/download_file/968/205 A feedback mechanism for shareholders may be accessed at https://www.nickelasia.com/corporate-governance/stakeholder-feedback	

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			
<p>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.</p>	COMPLIANT	<p>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</p> <p>The Company's Code of Business Conduct and Ethics is available through the Company's website and may be accessed through: https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p>	
<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	COMPLIANT	<p><i>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</i></p> <p>In 2014, the respective Human Resources and Administration Groups of the Company and its Operating Companies disseminated the Code to their respective employees by conducting orientations where the Company's corporate governance policies, as well as the Code, were discussed in detail. Every year thereafter, the Company and its Operating Companies conduct similar orientations for new employees. Each employee has</p>	

		<p>been given a copy of the Code. Each employee submits an acknowledgment receipt to confirm receipt of a copy of the Code.</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>COMPLIANT</p>	<p><i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</i></p> <p>https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p> <p>https://www.nickelasia.com/corporate-governance/policies-processes-and-practice</p> <p>https://www.nickelasia.com/application/files/7615/0215/9848/Policy_on_Insider_Trading.pdf</p> <p>https://www.nickelasia.com/application/files/9415/0215/9730/Policy_on_Conflict_of_Interest.pdf</p> <p>https://www.nickelasia.com/application/files/7715/0215/9599/Procurement_Governance_Suppliers_and_Purchasing.pdf</p> <p>https://www.nickelasia.com/application/files/2815/0215/9436/Policy_on_Gifts_Hospitality_and_Entertainment.pdf</p> <p>https://www.nickelasia.com/application/files/4415/0215/9363/Whistle_Blowing_Policy.pdf</p>	

Supplement to Recommendation 7.1			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</i></p> <p>Please see:</p> <p>(a) Standards of Business Conduct and Ethics, Part V (H) and (I)</p> <p>(b) Procurement Governance Policy: Suppliers and Purchasing, Appendix "C" of the Code</p> <p>(c) Policy on Gifts, Hospitality and Entertainment, Appendix "D" of the Code</p> <p>(d) Whistle Blowing Policy, Appendix "E" of the Code</p> <p>All of the above may be accessed through:</p> <p>https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p> <p>https://www.nickelasia.com/corporate-governance/policies-processes-and-practice</p>	
Recommendation 7.2			
<p>1. Board ensures the proper and efficient implementation and monitoring of</p>		<p><i>Provide proof of implementation and monitoring of compliance with the</i></p>	

compliance with the Code of Business Conduct and Ethics.		<i>Code of Business Conduct and Ethics and internal policies.</i>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.		<p>The Company requires all of its employees to submit annually an Annual Certification of Integrity and Compliance attesting to their compliance with the Code of Business Ethics and Conduct. A copy of such form is attached to this report as Annex 9.</p> <p>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</p> <p>The Code of Business Conduct and Ethics covers Directors, Officers and Employees of Nickel Asia Corporation and its subsidiaries</p> <p>https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf#page=2</p>	

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	COMPLIANT	<i>Provide information on or link/reference to the company's disclosure policies and procedures</i>	
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<p>timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>		<p><i>including reports distributed/made available to shareholders and other stockholders</i></p> <p>The disclosure policies and procedures of the Company are contained in:</p> <p>(a) Article IV (A) of the CG Manual https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf</p> <p>(b) Code of Business Conduct and Ethics Part V(D) on Disclosure https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf#page=5</p> <p>(c) Policy requiring Directors and Officers to disclose any dealings in the Company's shares within three (3) business days https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=35</p> <p>Reports made distributed and/or made available (examples)</p>	
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		<p>(a) Annual reports on SEC Form 17-A, uploaded on the website and submitted to the SEC and the PSE</p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf and https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf</p> <p>(b) Annual and sustainability report https://www.nickelasia.com/sustainability https://www.nickelasia.com/download_file/view_inline/1267</p> <p>(c) Quarterly reports, SEC Form 17-Q https://www.nickelasia.com/application/files/5315/0244/0047/Financial_Report_for_Second_Quarter_2017_-_August_9_2017.pdf and https://www.nickelasia.com/application/files/2815/2585/2679/NACS_CFS0917_17Q_FINAL.pdf</p> <p>(d) Information Statements with attached Management Report https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_</p>	
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		<p>Definitive_IS_2017.pdf and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf</p> <p>The Company promptly discloses material information through press releases and disclosures through PSE Edge with a copy to the SEC.. Examples of such disclosures may be accessed through the links below:</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=92d6be5554ba83ff3318251c9257320d#sthash.UpWPbDUi.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=94e066a72940b6b13318251c9257320d#sthash.MJqztr2Y.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=371d1e3ea07876e243ca035510b6ec2b#sthash.2wSCCgO0.dpbs</p>	
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Supplement to Recommendations 8.1

<p>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-</p>	<p>COMPLIANT</p>	<p><i>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</i></p> <p>The Company disclosed its financial results for the year ended December</p>	
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<p>five (45) days from the end of the reporting period.</p>		<p>31, 2016 on 15 March 2017 and for the year ended December 31, 2017 on 14 March 2018.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=22e697425baad87c3318251c9257320d#sthash.x2M6GQJl.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=8a62238ebcadf47a43ca035510b6ec2b#sthash.ksOQ59il.dpbs</p> <p>Consolidated audited financial statements for 2016 and 2017 were released and uploaded to the Company's website.</p> <p>https://www.nickelasia.com/application/files/9614/9118/3474/17-A_NAC_Annual_Report_2016_Final.pdf and</p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf</p> <p>Interim (quarterly) reports were uploaded to the Company's website within 45 days from the end of the reporting period</p> <p>https://www.nickelasia.com/application/files/6814/7399/9437/Financial_Report_for_First_Quarter_2016_-_May_11_2016.pdf</p> <p>https://www.nickelasia.com/application/files/9814/7399/9318/Financial_Re</p>	
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		<p>port for Second Quarter 2015 - August 12 2015.pdf https://www.nickelasia.com/application/files/3214/7399/9326/Financial_Report_for_Third_Quarter_2015 - November 13 2015.pdf</p>	
<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><i>Provide link or reference to the company's annual report where the following are disclosed:</i></p> <ol style="list-style-type: none"> 1. <i>principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</i> 2. <i>cross-holdings among company affiliates; and</i> 3. <i>any imbalances between the controlling shareholders' voting power and overall equity position in the company.</i> <p>No shareholder or group of shareholders is a controlling shareholder of the Company. The Company discloses the stockholders who own more than five percent (5%) of the Company's stock on a quarterly basis including the Public Ownership Report and in the Information Statements provided to the shareholders annually.</p> <p>The Company as well has no cross-holdings among company affiliates.</p>	

		<p>There are no imbalances on shareholders' voting power by virtue of no controlling shareholder.</p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=9 and</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=12</p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf</p> <p>LINK to public ownership report</p>	
Recommendation 8.2			
<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>	COMPLIANT	<p><i>Provide information on or link/reference to the company's policy requiring directors and officers to disclose their dealings in the company's share.</i></p>	
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	COMPLIANT	<p>a) Policy requiring Directors and Officers to report any dealings in shares of stock of the Company within three (3) business days</p> <p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_</p>	

[New_Manual_of_Corporate_Governance.pdf#page=35](#)

- b) Policy on reporting of dealings of Directors and Officers in shares of stock of the Company, Article IV(A)(2) of the CG Manual
https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf

Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.

Trading of the Corporation's shares by directors and officers are disclosed on PSE EDGE and 23-B reports

http://edge.pse.com.ph/openDiscViewer.do?edge_no=24f155efd0c5e5703318251c9257320d#sthash.SvgTCWfU.dpbs

http://edge.pse.com.ph/openDiscViewer.do?edge_no=36fc15d3c7e95bee43ca035510b6ec2b#sthash.bWGEfR4r.dpbs

Supplement to Recommendation 8.2

1. Company discloses the trading of the corporation's shares by directors, officers

COMPLIANT

Provide information on or link/reference to the shareholdings of

<p>(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).</p>		<p><i>directors, management and top 100 shareholders.</i></p> <p>Shareholdings of Directors and Officers are disclosed in the Information Statement https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=11 and https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=14</p> <p>Top 100 shareholders</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7ad5cc9fc9cb110e43ca035510b6ec2b#sthash.EGqerYcV.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=fe5ee6bbe8f22cb243ca035510b6ec2b#sthash.yArjHwRg.dpbs</p> <p><i>Provide link or reference to the company's Conglomerate Map.</i></p> <p>https://www.nickelasia.com/application/files/4615/2280/6585/17-A_NAC_Annual_Report_2017_FINAL.pdf#page=2 https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=3</p>	
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Recommendation 8.3

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i></p> <p>The above information is contained in the Information Statement distributed to the shareholders each year and posted on the Company's website http://edge.pse.com.ph/openDiscVier.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscVier.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz1LxZ7.dpbs2018</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i></p> <p>The above information is contained in the Information Statement distributed to the shareholders each year and posted on the Company's website. http://edge.pse.com.ph/openDiscVier.do?edge_no=ab8611644d4f538</p>	

		d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz11LxZ7.dpbs	
Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	COMPLIANT	<p><i>Disclose or provide link/reference to the company policy and practice for setting board remuneration</i></p> <p>The policy and practice of the Company in respect of Board remuneration is that directors do not receive remuneration other than reasonable per diems, the amount of which is disclosed in the Information Statement provided annually to shareholders and posted on the Company's website</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz11LxZ7.dpbs</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting</p>	COMPLIANT	<p><i>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</i></p>	

<p>executive remuneration, including the level and mix of the same.</p>		<p>Please see CG Manual, Art. III(C) on functions of CG Committee in respect of Remuneration https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=19</p> <p>The Company has a confidential salary structure specifically for officers with corresponding benefits. The rates of Officers are discussed and determined by an Executive Compensation Committee.</p> <p>The Company participated in the Willis Tower Watson Data Services compensation survey for energy and natural resources to benchmark on compensation. The Company also enlisted the services of a compensation consultant to assist in job evaluation and performance metrics.</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>NOT COMPLIANT</p>	<p><i>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</i></p> <p>The Company does not disclose the remuneration of officers on an individual basis.</p>	<p>For reasons of safety and security, the Company does not disclose the remuneration of officers on an individual basis. The remuneration of the top 5 highest paid officers as a group are presented in the Information Statement http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3Q7Dq.dpbs</p>

		A copy of the Company's Retirement Policy and the Retirement Plan is attached to this Report as Annex 10 .	http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz1LxZ7.dpbs
Recommendation 8.5			
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><i>Disclose or provide reference/link to company's RPT policies</i></p> <p>The Company's RPT policies may be found in:</p> <p>(a) Article III (B) of the CG Manual https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf</p> <p>(b) Policy and System Governing Related Party Transactions, Annex "2" of CG Manual https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=44</p> <p><i>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</i></p> <p>Yes, a director with a conflict of interest refrains from board discussion on that particular matter.</p>	

<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>COMPLIANT</p>	<p><i>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</i></p> <ol style="list-style-type: none"> <i>1. name of the related counterparty;</i> <i>2. relationship with the party;</i> <i>3. transaction date;</i> <i>4. type/nature of transaction;</i> <i>5. amount or contract price;</i> <i>6. terms of the transaction;</i> <i>7. rationale for entering into the transaction;</i> <i>8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</i> <i>9. other terms and conditions</i> <p>RPTs in 2017 were carried over from previous years. There were no new RPTs in 2017 requiring separate Board approval. RPTs are listed in pages 79-85 of the Audited Financial Statements as of the year ended 31 December 2017.</p>	

Supplement to Recommendation 8.5

<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>COMPLIANT</p>	<p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p> <p>Please refer to the Company's Policy on Conflict of Interest, Appendix A of the Code on Business Conduct and Ethics https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p> <p>Directors who may have an interest in a specific transaction so indicate during the meeting and abstain from voting thereon. Such abstention is reflected in the Minutes.</p>	
<p>Optional : Recommendation 8.5</p>			
<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference where this is disclosed, if any</i></p> <p>The Company's Corporate Governance policies mandate that RPTs must be conducted in such a way to ensure that they are fair and at arms' length. Please refer to:</p> <p>(a) CG Manual, Article III (7 to 7.3, Inclusive https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=14</p>	

		<p>(b) Charter of the RPT Committee, Sec. 4 https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=90</p> <p>(c) Code of Business Conduct and Ethics, F (1-4, inclusive) https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf#page=5</p>	
Recommendation 8.6			
<p>1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that 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.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference where this is disclosed</i></p> <p>The Company discloses material information on PSE Edge, and to the SEC through Form 17-C, consistent with its Disclosure Policy under the CG Manual (Art. IV), and in compliance with the rules of the PSE and the SEC on prompt disclosure of material information. Set forth below are links to examples of such disclosures:</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=3d020d910638ba153318251c9257320d#sthash.sxJpNa3Q.dpbs</p>	

		<p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=b99bc7153b9f242c72785c150f4cd6d2#sthash.80MRDBmH.dpbs</p> <p>In 2017, there were no transactions that involved the acquisition or disposal of significant assets. All acquisitions or disposals of assets were in the ordinary course, such as the acquisition of equipment for use in mining operations.</p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>COMPLIANT</p>	<p>Identify independent party appointed to evaluate the fairness of the transaction price</p> <p>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</p> <p>In 2017, there were no instances of the occurrence of a material fact or event, including the acquisition or disposal of significant assets which could adversely affect the viability or the interest of its shareholders and other stakeholders. As stated above, all acquisitions or disposals of assets were in the ordinary course of business.</p> <p>In the event there is such a transaction, the Board will decide whether there is a need to appoint an independent party to evaluate the fairness of such a transaction. Indeed, when the Company</p>	

		disposed of shares representing 12.25% of the shares of THPAL in 2016 an independent third party was appointed to evaluate the fairness of a transaction.	
Supplement to Recommendation 8.6			
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 control, ownership, and strategic direction of the company.		<p><i>Provide link or reference where these are disclosed.</i></p> <p>The Company is not aware of any, and has reasonable ground to believe that there are no, shareholder agreement, voting trust agreement, confidentiality agreement and other agreements between and among shareholders that may impact on the control, ownership and strategic direction of the Company.</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	<p>Provide link to the company's website where the Manual on Corporate Governance is posted.</p> <p>The Company's Corporate Governance Manual was submitted to the SEC and the PSE and is available on the Company's website.</p>	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		

		https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf	
<p>3. Company's MCG is posted on its company website.</p>	<p>COMPLIANT</p>	<p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=723794c1536ac0e43318251c9257320d#sthash.aWarCSE.dpbs</p>	
<p>Supplement to Recommendation 8.7</p>			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.</p>	<p>COMPLIANT</p>	<p><i>Provide proof of submission.</i></p> <p>On 30 May 2017 the Company submitted its CG Manual to the SEC, together with annexes thereto. A copy of the letter to the SEC is attached to this Report as Annex 11.</p> <p>A copy of the CG Manual was also submitted to the PSE on PSE Edge http://edge.pse.com.ph/openDiscViewer.do?edge_no=723794c1536ac0e43318251c9257320d#sthash.aWarCSE.dpbs</p> <p>There have been no changes to the MCG since its adoption in May 2014. The Vision, Mission and Core Values were updated on May 3, 2018.</p>	
<p>Optional: Principle 8</p>			
<p>1. Does the company's Annual Report disclose the following information:</p>			

<p>a. Corporate Objectives</p>	<p>COMPLIANT</p>	<p><i>Corporate Objectives are disclosed –</i></p> <p>YES, Corporate Objectives are disclosed. Please see:</p> <p>(a) Page 3, Company's 2016 Annual Report under SEC Form 17-A http://edge.pse.com.ph/openDisCViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p> <p>(b)Page 3, Company's 2017 Annual Report under SEC Form 17-A http://edge.pse.com.ph/openDisCViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download</p>	
<p>b. Financial performance indicators</p>	<p>COMPLIANT</p>	<p><i>Financial performance indicators are disclosed –</i></p> <p>YES, financial performance indicators are disclosed. Please see:</p> <p>(a) Pages 47-48, Company's 2016 Annual Report on SEC Form 17-A http://edge.pse.com.ph/openDisCViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p>	

		(b)Pages 49 to 50, Company's Annual Report for 2017 under SEC Form 17-A http://edge.pse.com.ph/openDiscViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download	
c. Non-financial performance indicators	COMPLIANT	<p><i>Non-financial performance indicators are disclosed –</i></p> <p>YES, non-financial performance indicators are disclosed. Please see pages 40-41 of the 2016 Annual Report distributed to the shareholders at the 2017 Annual Shareholders' meeting and posted on the Company website</p> <p>https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p> <p>https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=18</p>	
d. Dividend Policy	COMPLIANT	<p><i>Dividend policy is disclosed –</i></p> <p>YES, dividend policy is disclosed. Please see:</p> <p>(a)Page 33 of the Company's 2017 Annual Report on SEC Form 17-A</p>	

		<p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p> <p>(b) Page 35, Company's 2017 Annual Report on SEC Form 17-A</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download</p>	
<p>e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors</p>	<p>COMPLIANT</p>	<p><i>Biographical details of all directors are disclosed –</i></p> <p>YES, these are disclosed. Please see:</p> <p>(a) Pages 50-52 of the Company's Annual Report for 2016 under SEC Form 17-A</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p> <p>(b) Pages 52-54, Company's 2017 Annual Report on SEC Form 17-A</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download</p>	

<p>f. Attendance details of each director in all directors meetings held during the year</p>	<p>COMPLIANT</p>	<p><i>Attendance details of each director are disclosed –</i></p> <p>YES, this information is disclosed. Please see:</p> <p>(a) Certification of directors' attendance at Board meetings, posted on the Company's website https://www.nickelasia.com/application/files/7515/2755/6543/Amended_NIKL_CorpGovReport_July2017.pdf#page=4</p> <p>(b) Page 26 of the 2016 Annual Report distributed to the shareholders at the 2017 annual meeting and posted on the Company's website https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf</p>	
<p>g. Total remuneration of each member of the board of directors</p>	<p>COMPLIANT</p>	<p><i>Directors do not receive remuneration as directors except for reasonable per diems for attendance at meetings.</i></p>	

		<p>The per diem for attendance per meeting is shown in the Information Statements provided to all shareholders</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=27 and</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=30</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p><i>The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance –</i></p> <p>YES. Please see page 24 of the 2016 Annual Report provided to the shareholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p> <p>Please see page of the 2017 Annual Report provided to the stockholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=12</p>	

<p>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.</p>	<p>COMPLIANT</p>	<p><i>The Audit Committee of the Board conducts the review and submits a report to the Board.</i></p> <p>The Audit Committee confirmation is in the Annual Report for 2016 (at page 76) distributed to the shareholders and posted on the Company's website https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p> <p>The Audit Committee;s confirmation in the Annual Report for 2017(at page 92)distributed to the shareholders and posted on the Company's website https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=55</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>Please see pages 30-31 of the 2016 Annual Report distributed to the shareholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p>	

		<p>Please see pages 29 to 53 of the 2017 Annual Report distributed to the shareholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=18</p>	
<p>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).</p>	COMPLIANT	<p>See pages 30-31 of the 2016 Annual Report distributed to the shareholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p> <p>See pages 25-28 of the 2017 Annual Report distributed to the shareholders at the annual meeting and posted on the Company's website</p> <p>https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=17</p>	
<p>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.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the</p>	COMPLIANT	<p><i>Provide information or link/reference to a document containing</i></p>	

<p>appointment, reappointment, removal, and fees of the external auditors.</p>		<p><i>information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor.</i></p> <p>Please see Report of the Audit Committee to the Board of Directors, Annex 6 of this Report</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i></p> <p>81.01% of the stockholders voted in favor of the appointment of Sycip Gorres Velayo & Company as the independent external auditor of the Company for 2017. This fact was disclosed in the Minutes of the 2017 Annual Stockholders' Meeting and available on the Company's website: https://www.nickelasia.com/application/files/8414/9664/1978/NAC_AGM2017Minutes_29May2017.pdf</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.</i></p> <p>There was no change in the external auditor in 2017. The Company</p>	

		retained Sycip Gorres Velayo & Company as its external auditor.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	<p><i>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</i></p> <p>The lead audit partner of the Company's independent external auditor is rotated at least once every five (5) years as applicable, in accordance with SRC Rule 68, Part 3(b)(iv)(ix) and SEC Memorandum Circular No. 4, Series of 2012 (Guidelines the Guidelines for the Assessment of Performance of Audit Committees of Companies Listed on the Exchange).</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the</p>	COMPLIANT	<p><i>Provide link/reference to the company's Audit Committee Charter</i></p> <p>The Audit Committee Charter is available on the Company's website and may be downloaded through https://www.nickelasia.com/corporate-governance/governance-structure#toc1</p>	

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	Provide link/reference to the company's Audit Committee Charter https://www.nickelasia.com/corporate-governance/governance-structure#toc1	
Supplement to Recommendations 9.2			
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	Provide link/reference to the company's Audit Committee Charter https://www.nickelasia.com/corporate-governance/governance-structure#toc1	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Provide link/reference to the company's Audit Committee Charter https://www.nickelasia.com/corporate-governance/governance-structure#toc1	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external	COMPLIANT	Disclose the nature of non-audit services performed by the external auditor, if any.	

<p>auditor in the Annual Report to deal with the potential conflict of interest.</p>		<p>Non-audit services performed by the external auditor is contained in the Information Statement which is uploaded to PSE Edge http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz11LxZ7.dpbs</p>	
<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.</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to guidelines or policies on non-audit services</i></p> <p>CG Manual, Article III(C)(2.3)(g): The Audit Committee shall evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the Company's over-all consultancy expenses. The Committee should disallow any non-audit work that will conflict with duties as External Auditor or may pose a threat to the External Auditor's independence xxx https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=16</p>	

Supplement to Recommendation 9.3

<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	<p>COMPLIANT</p>	<p><i>Provide information on audit and non-audit fees paid.</i></p> <p>Audit and non-audit fees paid the external auditor are contained in the first page of the Management Report which is attached to the Information Statement. They are also stated in the body of the Information Statement</p> <p>The Information Statement is available on PSE Edge: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#sthash.lz11LxZ7.dpbs</p>	
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Additional Recommendation to Principle 9

<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>COMPLIANT</p>	<p><i>Provide information on company's external auditor, such as:</i></p> <ol style="list-style-type: none">1. <i>Name of the audit engagement partner;</i>2. <i>Accreditation number;</i>3. <i>Date Accredited;</i>	
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		<p>4. <i>Expiry date of accreditation; and</i></p> <p>5. <i>Name, address, contact number of the audit firm.</i></p> <p>Below are the details of the engagement partner in-charge of auditing the Company's financial statements:</p> <p>Name: Jaime F. Del Rosario CPA Certificate No. 56915 Accreditation No.: SEC Accreditation No. 0076-AR-4 (Group A) Accredited on 01 May 2016; valid until 01 May 2019 Name, address and contact number of auditing firm: SyCip Gorres Velayo & Co. 6760 Ayala Avenue, Makati City, 1226 Metro Manila, Philippines Tel: (632) 891-0307. Fax: (632) 819-0872 / (632) 818-1377.</p>	
<p>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).</p>	<p>COMPLIANT</p>	<p><i>Provide information on the following:</i></p> <p>1. <i>Date it was subjected to SOAR inspection, if subjected;</i></p> <p>2. <i>Name of the Audit firm; and</i></p> <p>3. <i>Members of the engagement team inspected by the SEC.</i></p> <p>SGV advised that this is not applicable.</p>	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>COMPLIANT</p>	<p><i>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</i></p> <p>(a) Article V (A) (5.2) of the CG Manual https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=31</p> <p>(b) Sustainability Report is in the annual report distributed to the shareholders at the annual meeting and posted on the Company's website https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=18</p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>COMPLIANT</p>	<p><i>Provide link to Sustainability Report, if any. Disclose the standards used.</i></p> <p>The Company's Sustainability Report is in the Annual Report distributed to shareholders at the annual</p>	

		<p>shareholders' meeting and can be accessed through the following link: https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf</p> <p>The Independent Assurance Statement issued by GCSS Inc. is contained on page 74 of the Report https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=37</p>	
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Principle 11: 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.

Recommendation 11.1

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Disclose and identify the communication channels used by the company (i.e., website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any</i></p> <p>https://www.nickelasia.com/investor-relations/company-disclosures</p>	<p>The primary communication channels used by the Company are its website, periodic reports that are uploaded to PSE EDGE and posted on the website, and reports regarding material facts and developments that are made promptly on PSE EDGE. Press releases regarding the Company's performance are also issued on a regular basis.</p> <p>The Company, principally through its CFO, promptly responds to requests for</p>
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		https://www.nickelasia.com/application/files/3615/1434/2168/17C_EPIConvention.pdf https://www.nickelasia.com/application/files/3115/0996/7699/PR_9M2017_Financial_Results_FINAL.pdf https://www.nickelasia.com/application/files/2315/0761/6706/NIKL_PR_9M-2017-Shipments.pdf https://www.nickelasia.com/application/files/7415/0183/0902/NIKL_PR_1H_2017_Results.pdf https://www.nickelasia.com/application/files/2914/9992/1620/2017_July_P_R_1H_Shipments.pdf https://www.nickelasia.com/application/files/7714/9188/6335/2017_PR_1Q_Shipments.pdf https://www.nickelasia.com/application/files/7514/8955/1998/FY_2016_Results_-_FINAL.pdf https://www.nickelasia.com/application/files/5314/8703/7364/NIKL_Disclosure_13Feb2017.pdf https://www.nickelasia.com/application/files/2914/8420/4094/PR_Final_-_FY16_Shipments.pdf	<p>information or questions raised by investors and analysts by telephone or via email.</p> <p>The Company holds media and analysts' briefings when necessary or appropriate under the circumstances.</p>
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:			
a. Financial statements/reports (latest quarterly)	COMPLIANT	Nickel Asia Corporation website:	

		https://www.nickelasia.com/investor-relations/financial-report	
b. Materials provided in briefings to analysts and media	COMPLIANT	Please see Explanation under Recommendation 11.1 above.	
c. Downloadable annual report	COMPLIANT	<p>Company's Annual Report for 2016 under SEC Form 17-A http://edge.pse.com.ph/openDiscViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p> <p>Company's Annual Report for 2017 under SEC Form 17-A http://edge.pse.com.ph/openDiscViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download</p> <p>Company's 2016 Annual Report provided to shareholders for the Annual Meeting and posted on the Company's website https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf</p> <p>Company's 2017 Annual Report provided to shareholders for the Annual Meeting and posted on the Company's website https://www.nickelasia.com/application/files/4615/2280/6585/17-</p>	

		A_NAC_Annual_Report_2017_FINAL.pdf	
d. Notice of ASM and/or SSM	COMPLIANT	https://www.nickelasia.com/investor-relations/company-disclosures	
e. Minutes of ASM and/or SSM	COMPLIANT	https://www.nickelasia.com/investor-relations/company-disclosures	
f. Company's Articles of Incorporation and By-Laws	COMPLIANT	Amended Articles of Incorporation – https://www.nickelasia.com/application/files/7614/7399/5923/Amendments_to_Articles_of_Incorporation_-_August_15_2014.pdf Amended By-Laws – https://www.nickelasia.com/application/files/2614/7399/6450/Nickel_Asia_Corporation_By_Laws.pdf	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	http://www.nickelasia.com/	
Internal Control System and Risk Management Framework			
Principle 12: 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.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	<i>List quality service programs for the internal audit functions.</i>	

		<p><i>Indicate frequency of review of the internal control system</i></p> <p>The Chief Audit Executive ensures that the audit activity and all audit professionals conform to professional standards embodied under the International Professional Practices Framework (IPPF) and the Code of Ethics. Ongoing monitoring of the internal audit activity is incorporated in the quarterly reporting to the Board Risk Oversight Committee.</p> <p>The Company conducts an annual review of internal control system, focusing on the key risk areas.</p> <p>Article V of the CG Manual contains the Company's internal control system and risk management framework https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=29</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>		<p><i>Identify international framework used for Enterprise Risk Management</i></p> <p><i>Provide information or reference to a document containing information on:</i></p>	

		<ol style="list-style-type: none"> 1. <i>Company's risk management procedures and processes</i> 2. <i>Key risks the company is currently facing</i> 3. <i>How the company manages the key risks</i> <p>Article V of the CG Manual contains the Company's internal control system and risk management framework https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=29</p> <p>The Company's Enterprise Risk Management System (ERM) is based on the Committee of Sponsoring Organizations of the Treadway Commission.</p> <p>The Company ERM Program is also discussed in page 27 of the 2017 Annual Report distributed to the shareholders at the Annual Meeting and uploaded in the Company's website: https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=17</p> <p>The key risks that the Company is facing and the manner by which it manages these risks are discussed in</p>	
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		<p>its Interim Financial Report on SEC Form 17-Q for the first quarter of 2018, which is uploaded on the Company's website: https://www.nickelasia.com/application/files/4115/2585/2868/NACS_CFS0318_17Q_FINAL.pdf#page=14</p> <p><i>Indicate frequency of review of the enterprise risk management framework.</i></p> <p>The annual internal audit plan includes a review of the significant risks of the Company and of the effectiveness of the ERM process.</p>	
Supplement to Recommendations 12.1			
<p>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 training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to a document containing the company's compliance program covering compliance with laws and relevant regulations.</i></p> <p>The Company's commitment to compliance with laws and relevant regulations is in its Code of Business Conduct and Ethics Part V(A[4]) and Part V(B) on Compliance with Laws, regulations and standards. https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf3page=5</p> <p><i>Indicate frequency of review.</i></p>	

		<p>The annual internal audit plan includes a review of the significant risks of the Company and of the effectiveness of the ERM process</p> <p>See also report on Compliance with laws, rules and regulations applicable to the Corporation, at page 45 of the Company in the Annual Report https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf#page=45</p>	
Optional: Recommendation 12.1			
<p>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.</p>	COMPLIANT	<p><i>Provide information on IT governance process</i></p> <p>The Company has in place sufficient infrastructure to ensure protection against financial data loss, regular back up and archiving procedures and a disaster recovery plan in the event of hardware failure. For cyber security, the Company set up standard security features for its IT systems such as firewalls, passwords and the use of IVPN.</p> <p>Since 2010, the Company has engaged a third party to conduct annual audit of its IT systems.</p>	
Recommendation 12.2			

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</i></p> <p>CG Manual, Article V: Internal Control System and Risk Management Framework https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=29</p> <p>The Company's internal audit function is in-house.</p>	
<p>Recommendation 12.3</p>			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>COMPLIANT</p>	<p><i>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</i></p> <p>Ms. Maria Angela G. Villamor is the Company's Chief Audit Executive.</p> <p>The responsibilities of the Chief Audit Executive is contained in the Audit Committee Charter which is available on the Company's website and may be downloaded through https://www.nickelasia.com/corporate-governance/governance-structure#toc1</p>	

<p>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.</p>	<p>COMPLIANT</p>	<p>CG Manual. Article V(A)(3): The Company shall have a qualified Chief Audit Executive (CAE) appointed by the Board. The CAE shall oversee and be responsible for the internal audit activity of the Company, including any portion that may be outsourced to a third party service provider. https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=30</p>	
<p>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.</p>		<p><i>Identify qualified independent executive or senior management personnel, if applicable.</i></p> <p>The Company does not outsource its internal audit activities</p>	
<p>Recommendation 12.4</p>			
<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	<p>COMPLIANT</p>	<p><i>Provide information on company's risk management function.</i></p> <p>CG Manual, Article V(5 to 5.7): The Company shall have a separate risk management function to identify, assess and monitor key risk exposures. The risk management function shall include, among others: xxx https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=31</p>	

Supplement to Recommendation 12.4			
<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	COMPLIANT	<p><i>Identify source of external technical support, if any.</i></p> <p>The Company and its Operating Subsidiaries have a full complement of technical personnel who are well able to provide support in risk management. In instances when external support is needed, the Company calls on external consultants who are competent and qualified to provide support.</p>	
Recommendation 12.5			
<p>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).</p>	COMPLIANT	<p><i>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</i></p> <p>Mr. Jose B. Anievas, is the Company's Chief Risk Officer. His qualifications are contained in the Information Statement https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=22</p>	

<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>COMPLIANT</p>	<p>Mr. Jose B. Anievas is the Senior Vice President for Operations, Chief Operations Officer, and Chief Risk Officer of the Company. He started working with Taganito Mining Corporation in 2009 as its Resident Mine Manager and later as its Vice President for Operations. He has worked with the mining industry for more than fifty (50) years, thirty-seven (37) years with Philex Mining Corporation and Philex Gold Philippines as its Vice President for Operations until his retirement in December 2002, four (4) years as a freelance mining engineer, two (2) years with Carrascal Nickel Corporation, five (5) years with TMC and currently with NAC. He also served the Government in the Professional Regulation Commission as a member of the Board of Examiners for Mining Engineering in 1997-2000 and was President of the Philippine Society of Mining Engineers in the CARAGA Region in 2010- 2012. He is a Fellow of the Society of Mining Engineers and a Competent Person in the Copper and Gold operations.</p> <p>Mr. Anievas obtained his Bachelor of Science in Mining Engineering Degree from the Mapua Institute of Technology.</p>	
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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	Please see Attestation of the CEO and the CAE, Annex 12 of this Report The Audit Committee has also confirmed that the Company's internal control systems, including financial and operational controls, are adequate and effective. Please see Annex 7 of this Report.	
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	<i>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</i> CG Manual, Article VI(A) https://www.nickelasia.com/download_file/968/205	
2. Board ensures that basic shareholder rights are disclosed on the company's website.		<i>Provide link to company's website</i> The Company's CG Manual can also be accessed through https://www.nickelasia.com/corporate-governance#toc5	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	COMPLIANT		

		<p>This is a fundamental principle in Philippine Corporation Law and the Company is in full compliance with this principle. In the election of directors, the Company complies with cumulative voting, as mandated under the Corporation Code.</p>	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>COMPLIANT</p>	<p><i>Provide information on all classes of shares, including their voting rights if any.</i></p> <p>Common shares have all the rights of a shareholder such as the right to vote, the right to dividends, pre-emptive rights to issuances of the same class of shares.</p> <p>Preferred Shares have the right to vote but shall not participate in any dividends declared by the Company except a fixed cumulative dividend.</p> <p>Amended Articles of Incorporation – https://www.nickelasia.com/application/files/7614/7399/5923/Amendments_to_Articles_of_Incorporation_-_August_15_2014.pdf</p>	

<p>3. Board has an effective, secure, and efficient voting system.</p>	<p>COMPLIANT</p>	<p><i>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</i></p> <p>Voting is by poll.</p> <p>Page 28 of the 2017 Information statement: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#sthash.epk3QZDq.dpbs</p> <p>Page 20 of the 2018 Information Statement: https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=38</p> <p>Minutes of 2016 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/182/199</p> <p>Minutes of 2017 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/861/199</p>	
<p>4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to</p>	<p>NOT COMPLIANT</p>	<p><i>Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.</i></p>	<p>No one shareholder or group of shareholders holds a majority of the Company's outstanding capital stock. The Company has no "controlling"</p>

<p>protect minority shareholders against actions of controlling shareholders.</p>			<p>shareholders, and "supermajority" mechanisms are not deemed necessary for the protection of minority shareholders.</p>
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</i></p> <p>CG Manual, Art. VI(A)(3): Shareholders holding at least 10% of the Company's outstanding capital stock shall have the right to propose the holding of meetings and to include Agenda items ahead of the scheduled Annual and Special Shareholders' Meeting https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=32</p> <p>By Laws: https://www.nickelasia.com/application/files/2614/7399/6450/Nickel_Asia_Corporation_By_Laws.pdf</p>	
<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	<p>COMPLIANT</p>	<p><i>Provide information or link/reference to the policies on treatment of minority shareholders</i></p> <p>Articles III (6.1) and VI (2.4) of the CG Manual provide for rights of minority shareholders to nominate candidates to the Board of Directors https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=32</p>	

		<p>Manual of Corporate Governance.pdf#page=14 https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=32</p> <p>The Policy on the Nomination and Election of Directors expressly recognizes the right of minority shareholders to nominate directors and outlines the nomination process to ensure all shareholders are aware of the process should they wish to nominate</p> <p>https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=39</p>	
<p>7. Company has a transparent and specific dividend policy.</p>	<p>COMPLIANT</p>	<p><i>Provide information on or link/reference to the company's dividend Policy.</i></p> <p>See page 33 of the Company's Annual Report for 2016 under SEC Form 17-A http://edge.pse.com.ph/openDiscViewer.do?edge_no=04ae3c3de9f2d11b3318251c9257320d#download</p> <p>see page 35, Company's Annual Report for 2017 under SEC Form 17-A</p>	

http://edge.pse.com.ph/openDiscViewer.do?edge_no=34ab42ba55ee6a2f43ca035510b6ec2b#download

Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration

(a) **14 March 2018:** Cash dividend representing 32.9% of 2017 attributable net income was declared. Payment date was 10 April 2018, within 30 days from declaration.
http://edge.pse.com.ph/openDiscViewer.do?edge_no=ec445a6dd2c66ee143ca035510b6ec2b#sthash.wZU54B4L.dpbs

(b) **15 March 2017:** Cash dividend representing 30.94% of the Company's 2016 attributable net income was declared. The dividend was paid out on 11 April 2017, within 30 days from declaration.
http://edge.pse.com.ph/openDiscViewer.do?edge_no=1415d0d2405b05953318251c9257320d#sthash.il5lzn4.dpbs

Optional: Recommendation 13.1			
<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p>		<p><i>Identify the independent party that counted/validated the votes at the ASM, if any.</i></p> <p>Stock Transfer Services, Inc., the Company's independent stock transfer agent, counted and tabulated the results at the ASM.</p>	
Recommendation 13.2			
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out.</i></p> <p>(a) The Notice and Agenda for the Annual Stockholders' Meeting scheduled on 28 May 2018, with the Information Statement, the Management Report and Audited Financial Statements were released for distribution to stockholders on 27 April 2018, or 31 days before the meeting.</p> <p>(b) The Notice and Agenda for the Annual Stockholders' Meeting scheduled on 29 May 2017, with the Information Statement, the Management Report and Audited Financial Statements were</p>	

		<p>released for distribution to stockholders on 28 April 2017, 31 days before the meeting.</p> <p><i>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</i></p> <p>Directors as such do not receive compensation; they only receive per diems. There was no specific approval of remuneration of Directors and Officers. Information on Remuneration was provided in the Information Statement (Directors' per diems and compensation of top 5 officers as a group).</p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</i> https://www.nickelasia.com/investor-relations/company-disclosures</p>	
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>	<p>COMPLIANT</p>	<p><i>Provide link or reference to the company's notice of Annual Shareholders' Meeting</i></p> <p>Notice of the 2016 Annual Stockholders' Meeting:</p>	

		<p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=6a82964f35b786123318251c9257320d#sthash.9gaUmaGB.dpbs https://www.nickelasia.com/investor-relations/company-disclosures</p> <p>Notice of the 2017 Annual Stockholders' Meeting: http://edge.pse.com.ph/openDiscViewer.do?edge_no=d730c3fe2f297a3443ca035510b6ec2b#download https://www.nickelasia.com/investor-relations/company-disclosures</p> <p>Notice of the 2018 Annual Stockholders' Meeting: http://edge.pse.com.ph/openDiscViewer.do?edge_no=d730c3fe2f297a3443ca035510b6ec2b#sthash.i6pb8qIJ.dpbs https://www.nickelasia.com/investor-relations/company-disclosures</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	<p>COMPLIANT</p>	<p>The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies) is contained in pages 7-11 of the Information Statement, which was distributed with the Notice and Agenda</p>	

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=abf591381a4f2dff43ca035510b6ec2b#download	
b. Auditors seeking appointment/re-appointment	COMPLIANT	Item 8 of the Notice and Agenda http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#download	
c. Proxy documents	COMPLIANT	Proxies were distributed with the Notice and Agenda. http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#download	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	<i>Provide link or reference to the rationale for the agenda items</i> The Company provides rationale for the agenda items for the annual stockholders meeting - http://edge.pse.com.ph/openDiscViewer.do?edge_no=ab8611644d4f538d3318251c9257320d#download They are likewise available in the company's website: http://www.nickelasia.com/company-disclosures/	
Recommendation 13.3			

<p>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.</p>	<p>COMPLIANT</p>	<p>Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</p> <p>The results of the 2017 Annual Stockholders Meeting is disclosed in PSE Edge: http://edge.pse.com.ph/openDiscViewer.do?edge_no=fab85c6ec9fb72d33318251c9257320d#sthash.CgiweERR.dpbs</p> <p>The results of the 2018 Annual Stockholders Meeting is disclosed in PSE Edge: http://edge.pse.com.ph/openDiscViewer.do?edge_no=fcb00962875ad49b43ca035510b6ec2b#sthash.Bkecj5MD.dpbs</p> <p>Relevant questions raised and answers during the ASM is contained in the Minutes of the Meeting of the ASM which is uploaded on the Company's website 5 days after the date of the ASM.</p> <p>Minutes of 2016 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/182/199</p>	
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		<p>Minutes of 2017 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/861/199</p>	
<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.</p>	<p>COMPLIANT</p>	<p><i>Provide link to minutes of meeting in the company website.</i></p> <p>Minutes of the Annual and Special Shareholders' Meetings were available on the company website and was uploaded within five business days from the end of the meeting:</p> <p>Minutes of 2016 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/182/199</p> <p>Minutes of 2017 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/861/199</p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</p> <p>Voting results: http://edge.pse.com.ph/openDiscViewer.do?edge_no=fab85c6ec9fb72d33318251c9257320d#sthash.GHwC9Hk8.dpbs</p>	

		<p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any</p> <p>Shareholders were given an opportunity to ask questions.</p> <p>Minutes of 2016 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/182/199</p> <p>Minutes of 2017 Annual Shareholders' meeting: https://www.nickelasia.com/download_file/861/199</p>	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	<p>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</p> <p>The external auditors of the Company were present during the 2017 ASM</p>	
Recommendation 13.4			
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	Article VI (8) of the CG Manual provides that "The Board shall make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate	

		disputes in an amicable and effective manner, which shall be included in the company's Manual on Corporate Governance".	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	<p><i>Provide link/reference to where it is found in the Manual on Corporate Governance</i></p> <p>The alternative dispute mechanism is included in the Company's CG Manual and can be found in Article VI (8) of the CG Manual https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=34</p>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	<p><i>Disclose the contact details of the officer/office responsible for investor relations, such `as:</i></p> <ol style="list-style-type: none"> <i>1. Name of the person</i> <i>2. Telephone number</i> <i>3. Fax number</i> <i>4. E-mail address</i> <p>Below are the details of the Company's Chief Financial Officer who also acts as Investor Relations Officer:</p> <ol style="list-style-type: none"> 1. Name: Emmanuel L. Samson 2. Telephone number: +63 2 798 7622 3. Fax Number: +63 2 892 5344 	

		4. E-mail address: manny.samson@nickelasia.com	
2. IRO is present at every shareholder's meeting.		Indicate if the IRO was present during the ASM. YES, the IRO was present at the ASM held on 29 May 2017. He was also present as the ASM. Held on 28 May 2018.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	Provide information on how anti-takeover measures or similar devices were avoided by the board, if any. The Company has no anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT	Indicate the company's public float.	The Company's public float as of 31 December 2017 is at 18.55%. SEC Memorandum Circular No. 13, Series of 2017 (Rules and Regulations on Minimum Public Ownership on Initial Public Offerings) only requires a minimum public float of 20%. As of 31 March 2018, the Company's public ownership was 21.311%.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with		Disclose or provide link/reference to policies and practices to encourage	

the company beyond the Annual Stockholders' Meeting		<i>shareholders' participation beyond ASM</i>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		<i>Disclose the process and procedure for secure electronic voting in absentia, if any.</i>	

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 company in creating wealth, growth and sustainability.	COMPLIANT	<p><i>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</i></p> <p>Company's duties to its stakeholders can be found in Article VII of the CG Manual. https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=34</p> <p>The Company's stakeholders are identified in Page 44 of the 2016 Annual Report, and in Page 41 of the 2017 Annual Report. The modes of engagement with stakeholders and the Company's responses to concerns of stakeholders are also reported.</p>	
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		https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf#page=45 https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf	
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Recommendation 14.2

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>COMPLIANT</p>	<p><i>Identify policies and programs for the protection and fair treatment of company's stakeholders</i></p> <p>Programs for the stakeholders are reported in Page 44 of the 2016 Annual Report and Page 38 of the 2017 Annual Report https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf#page=45 https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=19 Please see also report on Empowering Communities, which includes social development and corporate social responsibility programs, at Pages 56 to 59 of the 2016 Annual Report and Pages 64 to 69 of the 2017 Annual Report</p>	
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Recommendation 14.3			
<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</i></p> <p>Stakeholders may communicate their concerns to the Corporate Governance Officer (corporategovernanceofficer@nickelasia.com), or to the Chief Compliance Officer (chiefcomplianceofficer@nickelasia.com), or to the Chief Audit Executive (chiefauditexecutive@nickelasia.com).</p> <p>The foregoing information are indicated in the Company's website: https://www.nickelasia.com/corporate-governance/stakeholder-feedback</p>	

		<p><i>Provide information on whistleblowing policy, practices and procedures for stakeholders</i></p> <p>The Company's Whistleblowing policy can be found in the Company's Code of Business Conduct and Ethics, Appendix E. The same is also uploaded to the Company's website: https://www.nickelasia.com/application/files/4415/0215/9363/Whistle_Blowing_Policy.pdf</p> <p>Stakeholders who may have concerns may communicate their concerns through any of the following means:</p> <ol style="list-style-type: none"> 1. By email to cgcomplaints@nickelasia.com 2. Through a dedicated CG hotline: (632) 7987618 <p>The Company will soon provide a dedicated fax number for the same purpose.</p> <p>The foregoing information are indicated in the Company's website: https://www.nickelasia.com/corporate-governance/stakeholder-feedback</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.		<i>Provide information on the alternative dispute resolution system established by the company.</i>	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when 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.	COMPLIANT	<p><i>Disclose any requests for exemption by the company and the reason for the request.</i></p> <p>The Company has not requested for any exemption from the application of a law, rule or regulation, including any corporate governance matter.</p>	
2. Company respects intellectual property rights.	COMPLIANT	<p><i>Provide specific instances, if any.</i></p> <p>Examples: All of the software used by the Company are duly licensed.</p> <p>The Company respects the legal protection of trademarks and tradenames</p> <p>The Company's Assistant Vice President – Management Information System & Administration issued a Certification confirming that all of the software used by the Company are duly licensed. A copy of such Certification is attached to this Report as Annex 13.</p>	

Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare		<i>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</i>	The Company ships out its production to buyers in other countries, principally China, who are substantial corporations. The Company does not have retail customers
2. Company discloses its policies and practices that address supplier/contractor selection procedures	COMPLIANT	<p><i>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</i></p> <p>Please see report on the Supply Chain at page 45 of the Annual Report on the procurement process, accreditation of suppliers, and bidding https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf</p>	
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.		<p><i>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</i></p> <p>CG Manual, Art. VIII(B), Encouraging Employee participation</p>	

		https://www.nickelasia.com/application/files/7215/0216/0560/NAC_New_Manual_of_Corporate_Governance.pdf#page=32	
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	<p><i>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</i></p> <p>The Company has an Employee Stock Option Plan to reward Officers and Directors and to link the former's interest to the Company and the stockholders.</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=38</p> <p>Employees are given benefits under the collective bargaining agreements which are way and above the standards provided by the Labor code, as amended, and other allied laws.</p> <p>See report on the welfare of employees, including Collective Bargaining Agreements, at Pages 52 to 55 of the 2016 Annual Report and</p>	

		<p>Pages 48 to 53, 56 to 57 of the 2017 Annual Report https://www.nickelasia.com/application/files/5414/9691/3399/2016_NAC_Annual_and_Sustainability_Report_V4.pdf https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=29</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p><i>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</i></p> <p>The Company has a comprehensive safety program designed to minimize risks to health arising out of work activities and to assure compliance with occupational health and safety standards and rules and regulations that apply to the Company's operations. Employees also have their medical and physical examination every year. Aside from that, they are given flu vaccination once a year. The Employees also enjoy the following benefits:</p> <ul style="list-style-type: none"> -Health Insurance (via HMO provider) -Group Life & Personal Accident Insurance -Dental services -Medicine Allowance Health & wellness programs 	

		<p>-Free hospitalization at RTNFI Hospital 100% -Hospitalization subsidy</p> <p>Details of the abovementioned is contained in the Management Report of each year. https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=43 https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=42</p> <p>See also Pages 52-55 of the 2016 Annual Report, and pages 48-53, 56-57 of the 2017 Annual Report on the welfare of employees: https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf#page=53 https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf#page=29</p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>Disclose and provide information on policies and practices on training and development of employees. Include information on any training conducted or attended.</p> <p>The Company has developed a training and development program for the employees based on the</p>	

		<p>training needs analysis conducted. Every year, the Company provides training and development opportunities for all employees to enhance their knowledge, skills and competencies towards the achievement of their individual performance targets, as well as their career goals. The trainings cover a variety of aspects aimed at further enriching their technical competency, as well as their intangible or "soft skills" that would help them to do their role more effectively. All training activities are documented and included in the official newsletter/ magazine of the operating companies. Aside from this, an internal report is prepared and submitted by Human Resources after each training activity of the concerned departments</p> <p>Details of the abovementioned is contained in the Management Report of each year.</p> <p>https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=43</p> <p>https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=42</p>	
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Recommendation 15.2

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</i></p> <p>The Company's Code of Business Conduct and Ethics contain explicit provisions prohibiting any Officer, Director or employee from conducting any unlawful act including inducing or using third parties to circumvent laws, rules and regulations; and avoiding any conduct that may create the impression of unlawful or unethical conduct. The Code also provides guidelines and assistance in case of doubt as to the legality of any act. Violations to the Code are dealt with in accordingly.</p> <p>https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>COMPLIANT</p>	<p><i>Identify how the board disseminated the policy and program to employees across the organization</i></p> <p>In compliance with the directive of the Board, the Code has been disseminated to all Operating Companies and is cascaded to all employees of the Company and of the Operating Companies by their respective Human Resources and Administration Groups.</p>	

Supplement to Recommendation 15.2

<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p><i>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices.</i></p> <p><i>Include any finding of violations of the company policy.</i></p> <p>The Company's Code of Business Conduct and Ethics contain explicit provisions prohibiting any Officer, Director or employee from conducting any unlawful act including inducing or using third parties to circumvent laws, rules and regulations; and avoiding any conduct that may create the impression of unlawful or unethical conduct. The Code also provides guidelines and assistance in case of doubt as to the legality of any act. Violations to the Code are dealt with in accordingly.</p> <p>https://www.nickelasia.com/application/files/2515/0216/0470/Code_of_Business_Conduct_and_Ethics.pdf</p> <p>Further, the Company observes and enforces the NAC Code of Conduct (the "Handbook"), the employee handbook defining the violations of Company policies, rules and regulations. Section C thereof imposes upon an employee convicted of a crime involving moral turpitude while performing work for</p>	
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		<p>the Company the penalty of termination from employment without prejudice to any legal action that the Company may file against the employee. Section D.2 thereof states that imposes sanctions on, among others, employees who demand or receives a bribe or payment from a supplier or contractor of a company in connection with such supplier's or contractor's transactions with the Company. Employees committing such acts are penalized with a suspension for ten (10) working days for the first offense and are terminated from employment for a second offense. A copy of the Handbook is attached to this report as Annex 14.</p>	
<p>Recommendation 15.3</p>			

<p>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</p>	<p>COMPLIANT</p>	<p><i>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</i></p> <p>The Company's Whistleblowing policy can be found in the Company's Code o Business Conduct and Ethics, Appendix E. The same is also uploaded to the Company's website: https://www.nickelasia.com/application/files/4415/0215/9363/Whistle_Blowing_Policy.pdf</p> <p><i>Indicate if the framework includes procedures to protect the employees from retaliation.</i></p> <p>YES. Section 4 of the Whistle Blowing Policy provides for anonymous reporting and protection from retaliation: https://www.nickelasia.com/application/files/4415/0215/9363/Whistle_Blowing_Policy.pdf#page=3</p> <p><i>Provide contact details to report any illegal or unethical behavior.</i></p> <p>Such behavior should be reported to the Corporate Governance Officer.</p> <p>Pursuant to the Whistle Blowing Policy, complaints may be reported to the Company by any of the following means:</p>	
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		<ol style="list-style-type: none"> 1. By email to cgcomplaints@nickelasia.com 2. By phone, using this number: (632) 798-7618 <p>The Company is also setting up a dedicated fax number for Corporate Governance-related complaints and concerns.</p>	
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's Whistle Blowing Policy may be accessed through https://www.nickelasia.com/application/files/4415/0215/9363/Whistle_Blowing_Policy.pdf	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p>The CGO is to report to the Board on the enforcement of the whistleblowing framework. There has been no incident of whistle blowing.</p>	

Principle 16: 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.

Recommendation 16.1

<p>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.</p>	<p>COMPLIANT</p>	<p><i>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</i></p> <p>Social development programs are created and implemented in all the mines of the Company. The focus areas of these programs are designed to address needs of communities around the mine 37 sites. These programs are carried out through the Social Development Management Plans (SDMPs) and Corporate Social Responsibility (CSR) activities of the Group. The main difference between the two programs is that the SDMP is required by the government, while CSR is voluntary on the part of the Group. Details of the Company's SDMP and CSR can be found in the Annual Report of each year.</p> <p>See Management Reports for 2017 and 2018; see also 2016 Annual Report at Pages 57 to 59, and 2017 Annual Report at pages 48 to 49 https://www.nickelasia.com/application/files/3015/2652/1512/NIKL_Definitive_IS_2017.pdf#page=43</p>	
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		https://www.nickelasia.com/application/files/1415/2652/1629/NAC_Definitive_Information_Statement_18Apr2018.pdf#page=42 https://www.nickelasia.com/application/files/6614/9569/0595/2016_NAC_Annual_and_Sustainability_Report_-_FINAL.pdf#page=58 https://www.nickelasia.com/application/files/6215/2747/1293/NAC_AR_2017.pdf	
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Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	COMPLIANT	<p><i>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</i></p> <p>The Company's policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development can be found in the Company's Sustainability Reports. https://www.nickelasia.com/sustainability</p>	
2. Company exerts effort to interact positively with the communities in which it operates	COMPLIANT	<p><i>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</i></p>	

		The Company's policies, policies, programs and practices to interact positively with the communities in which it operates can be found in the Company's Sustainability Reports. https://www.nickelasia.com/sustainability	
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R316 i-ACGR revised by DFP/dfp37

R316 i-ACGR revised by DFP/dfp3

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant **Nickel Asia Corporation** by the undersigned in the City of **TAGUIG CITY** on ___ May 2018.

MAY 30 2018

SIGNATURES


MANUEL B. ZAMORA, JR.
 Chairman of the Board


GERARD H. BRIMO
 President and CEO


FREDERICK Y. DY
 Independent Director


FULGENCIO S. FACTORAN, JR.
 Independent Director


BARBARA ANNE C. MIGALLOS
 Corporate Secretary


GEORGINA CAROLINA Y. MARTINEZ
 Vice President and Compliance Officer

MAY 30 2018

SUBSCRIBED AND SWORN before me this ___ day of May 2018, affiants exhibiting to me their valid government IDs as follows:

Name	Competent Evidence of Identity	Date and Place Issued
Manuel B. Zamora, Jr.	Passport #: P6372003A	March 11, 2018/ DFA Manila
Gerard H. Brimo	Passport #: P1914438A	Feb. 12, 2017/ DFA Manila

Frederick Y. Dy	Passport #: P4331947A	Sept. 12, 2017/ DFA Manila
Fulgencio S. Factoran, Jr.	Passport #: EC4081648	May 04, 2015/DFA NCR South
Barbara Anne C. Migallos	Passport #: EC0356963	Feb. 20, 2014/ DFA Manila
Georgina Carolina Y. Martinez	Passport #: EC2153996	Sept. 20, 2014/ DFA NCR South

Doc. No. 525

Page No. 106

Book No. 10

Series of 2018

In Amor
ATTY. LETICIA M. AMON
NOTARY PUBLIC
TAGUIG CITY
UNTIL DEC. 31, 2019
PTR NO. 347179 / 1-3-2018
MCLE NO. VI 0004659
11 PARAISO ST. UPPER DICUTAN TAGUIG CITY

CERTIFICATION

I, **JOSE B. ANIEVAS**, of legal age, Filipino, with office address at the 28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, after having been duly sworn in accordance with law, hereby state that:

1. I am the Senior Vice President for Operations/Chief Operating Officer/Chief Risk Officer of Nickel Asia Corporation (the "Company"), a corporation duly organized and existing under Philippine law, with principal office address at the 28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

2. I certify that for the year 2017, the Company held regular operations meetings on the following dates:

- January 26, 2017
- February 23, 2017
- March 30, 2017
- April 27, 2017
- May 30, 2017
- June 20, 2017
- July 26, 2017
- August 30, 2017
- September 26, 2017
- October 24, 2017
- December 4, 2017

3. I am issuing this Certification to attest to the truth of the foregoing and for all legal purposes that this may serve.

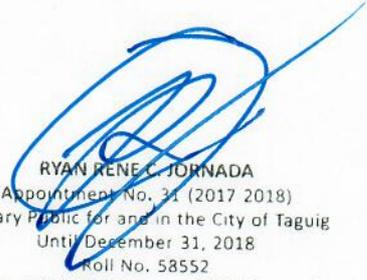
Issued this 30th day of May 2018 at Taguig City.



JOSE B. ANIEVAS
Senior Vice President - Operations
Chief Operating Officer
Chief Risk Officer

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the City of Taguig this 30th day of May 2018. Affiant exhibited to me his Philippine Passport No. P4396681A issued by the DFA in Manila on 16 September 2017 and valid until 15 September 2022.

Doc. No. 18
Page No. 5
Book No. 4
Series of 2018



RYAN RENE C. JORNADA
Appointment No. 31 (2017-2018)
Notary Public for and in the City of Taguig
Until December 31, 2018
Roll No. 58552

PTR No. A 3781856 January 2018/Taguig City
IBP No. 015794 (Lifetime)/O.R. No. 1070904 / 30 January 2017
MCLE Compliance No. V-0018775, until 19 April 2019
28F NAC Tower, 32nd Street, BGC, Taguig City

MEMORANDUM

TO : ALL OFFICERS
FROM : PRESIDENT & CEO
SUBJECT : STRATEGY EXECUTION PROCESS
DATE : May 21, 2018

All units of the Company are responsible for the execution of the Company's business strategy and objectives, as reviewed and approved by the Board of Directors. In this regard, Management, shall (i) regularly monitor and measure the effectivity of the business strategy adopted to ensure that corporate objectives are met, (ii) timely report to the Board of Directors major issues encountered in the implementation of the business strategy and where necessary, provide recommendations or propose an alternative and more optimal approach in order to achieve the corporate objectives, and (iii) ensure that the execution of the business strategy is aligned with the Company's Vision, Mission and Values.

Short-Term Strategy: Annual Corporate Objectives

The annual corporate objectives of the Company shall be specified and determined during the Company's budgetary process. The budget shall be presented for the approval of the Board of Directors.

To monitor, measure and ensure that the annual corporate objectives are achieved and to determine the effectivity of the strategy implemented by the Company,

1. The COO shall conduct monthly operations meetings among the OPCOs to monitor operations, production, safety, environment and regulatory compliance of each OPCO as against the annual goals (each, an "Ops Meeting");
2. The CFO shall conduct a monthly finance review among the OPCOs, marketing and the Executive Vice President (EVP) for business development to track the financial performance of each OPCO versus annual budget and actual performance for the same period in the previous year (each, a "Finance Review"); and
3. Results of the Ops Meetings and Finance Review shall be reported to the Board of Directors during its regular quarterly meetings.

Nothing herein shall preclude the Board of Directors, the President & CEO or the EVP from conducting any other activity or adopting any other method to monitor, measure and determine the effectivity of the strategy execution.

Long Term Strategy: Goals/Objectives

The Company's long-term corporate objectives shall be formulated by the President & CEO in collaboration with the EVP and the senior management team, as warranted, for the evaluation and approval by the Board of Directors.

The President and Executive Vice President shall jointly develop a strategic plan to achieve the approved long-term corporate objectives. Such plan shall identify specific directions that the Company will pursue to sustain its growth by identifying available opportunities, taking into consideration Company's strengths and identified weaknesses and threats. The strategic plan shall provide action programs and metrics needed to ensure that the Company is on track in achieving the approved long-term goals and objective.

The plan shall be reviewed periodically by the President & CEO and the EVP. Any changes shall be communicated to the Board of Directors for approval.

For your guidance and implementation.


GERARD H. BRIMO
President & CEO

SECRETARY'S CERTIFICATE

I, **BARBARA ANNE C. MIGALLOS**, of legal age, Filipino, and with office address at 7th Floor, The Phinma Plaza, 39 Plaza Drive, Rockwell Center, Makati City, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly elected and incumbent Corporate Secretary of **NICKEL ASIA CORPORATION** (the "Company"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office at 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.
2. My duties and responsibilities as such Corporate Secretary include attendance at, and taking the Minutes of meetings of the Company's Board of Directors, the Board Committees and Shareholders.
3. I attended meetings of the **Corporate Governance Committee**, the mandate of which includes Remuneration [CG Manual at Art. III(C)] and I hereby certify that:
 - a) The Corporate Governance Committee (CG Committee), which functions as the Remuneration Committee, held the following meetings in 2017, at which meetings the minutes were duly taken and recorded:
 - (i) 17 March 2017 (then the Compensation Committee)
 - (ii) 25 May 2017;
 - (iii) 31 August 2017; and
 - (iv) 21 November 2017.
 - b) At the said meetings, the Committee upon consultation with members of the Board of Directors considered and approved the compensation of Senior Officers of the Company and its Operating Subsidiaries, including salary increases and allowances. The Committee further considered and approved the mid-year and year-end bonus programs for officers as well as employees of the Company and its Operating Subsidiaries.
 - c) No Director participated in deliberations involving his own remuneration. Independent Directors and Non-Executive Directors do not receive any compensation other than reasonable per diems.
4. I attended meetings of the **Audit Committee** and I hereby certify that:
 - a) The Audit Committee, chaired by Independent Director Frederick Y. Dy, had meetings with the external auditors on the following dates, at which meetings the minutes were duly taken and recorded:
 - (i) 2 March 2017;
 - (ii) 4 May 2017;
 - (iii) 3 August 2017; and
 - (iv) 27 October 2017.
 - b) The meetings of the Audit Committee included sessions for dialogues with the external audit team which were held without the presence of anyone from management.

- c) The Audit Committee approves the appointment and removal of the internal auditor as provided in the Charter of the Audit Committee. In 2017, there was no change in the internal auditor.
5. I also attended meetings of the **Board Risk Oversight Committee (BROC)**, and hereby certify that:
- a) The Board Risk Oversight Committee (BROC), chaired by Independent Director Fulgencio S. Factoran, Jr., held the following meetings, at which meetings the minutes were taken and duly recorded:
- (i) 4 May 2017
 - (ii) 3 August 2017
 - (iii) 27 October 2017
- b) At the meeting held on 3 August 2017, the Committee approved the engagement of an external consultant for Enterprise Risk Management Process. At the same meeting, the consultant presented the Over-all Project Approach, with three aspects:
- (i) Assessment, covering the identification and prioritizing risks; assessment of risk interrelationships; and sourcing and analysis of risks;
 - (ii) Improvement, which includes the development of risk management strategies and of risk management action plans; and
 - (iii) Monitoring, which covers the development of the risk monitoring process and of risk reports, and defining the role of Internal Audit in the ERM process.
- c) At the same meeting on 3 August 2017, the ERM Road Map, integrating the above aspects and defining the flow and process of the activities, was considered by the BROC. The ERM Road Map was escalated to the Board.
- d) At the meeting held on 27 October 2017, the Chief Risk Officer Mr. Jose B. Anievas presented a detailed report on the Company's ERM approach and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of May 2018 at Makati City.


BARBARA ANNE C. MIGALLOS
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this 29th day of May 2018, affiant exhibiting to me her Community Tax Certificate No. 24531844 issued on 4 January 2018 at Makati City, and her Passport No. P7148981A issued on 11 May 2018 at DFA NCR South, expiring on 10 May 2028 bearing her photograph and signature, in accordance with Rule II, Section 12 and Rule IV Section 2 (b) of the 2004 Rules on Notarial Practice.

Doc. No.: 228;
 Page No.: 47;
 Book No.: I;
 Series of 2018.


DANCIA ISABELLE F. PALAD
 NOTARY PUBLIC FOR AND IN THE CITY OF MAKATI
 APPOINTMENT NO. M-226 (2018-2019)
 COMMISSION EXPIRES ON DECEMBER 31, 2019
 7th Floor, The PHINMA Plaza, 39 Plaza Drive
 Rockwell Center, Makati City 1210
 PTR No. 8615275; Makati City; 1/4/2018
 IBP O.R. No. 020917; Quezon City; 1/4/2018
 TIN 500-029-394
 Attorney's Roll No. 84582, APRIL 2015

Nickel Asia Corporation
Assessment Form – Chief Audit Executive
Ratings:

- 5 **Excellent**
4 **Above average**
3 **Average**
2 **Below Average**
1 **Poor**

Duties and Responsibilities Chief Audit Executive	ASSESSMENT	
	Rating (1-5)	REMARKS
a. Periodically reviews the Internal Audit Charter and presents it to the Officers and the Board Audit Committee for approval.		
b. Establishes a risk-based internal audit plan, including policies and procedures, to determine the priorities of the internal audit activity, consistent with the organization's goals.		
c. Communicates the internal audit activity's plans, resource requirements and impact of resource limitations, as well as significant interim changes, to the Officers and the Audit Committee for review and approval.		
d. Spearheads the performance of the internal audit activity to ensure it adds value to the organization.		
e. Reports periodically to the Audit Committee on the internal audit activity's performance relative to its plan.		
f. Presents findings and recommendations to the Audit Committee and gives advice to the Officers and the Board on how to improve internal processes.		
g. Executes an effective and thorough Audit process.		
h. Follows through on the previous Audit findings.		

i. Achieves a high customer satisfaction level from the auditees and the auditors.		
j. Provides practical, reasonable, and acceptable recommendations based on Audit findings.		

**Nickel Asia Corporation
Assessment Form – Chief Compliance Officer**

Ratings:

- 5 Excellent
- 4 Above average
- 3 Average
- 2 Below Average
- 1 Poor

Duties and Responsibilities Chief Compliance Officer	ASSESSMENT	
	Rating (1-5)	REMARKS
a. Ensures proper on-boarding of new Directors (i.e., orientation on the Company's business, charter, articles of incorporation and bylaws, among others) in accordance with the Company's Directors' and Officers' Training Policy.		
b. Monitors, reviews, evaluates and ensures the compliance by the Company, its Officers and Directors with the relevant laws, the RMCG, the Code, applicable rules and regulations and all governance issuances of regulatory agencies.		
c. Reports any substantial violation of the relevant compliance laws, the RMCG, rules and regulations and all governance issuances of regulatory agencies by the Management and Directors and recommends the imposition of the appropriate disciplinary action.		
d. Ensures the integrity and accuracy of all documentary submissions to regulators.		
e. Appears before the SEC when summoned in relation to compliance-related issues.		
f. Collaborates with other departments within the Company to properly address compliance issues, which may be subject to investigation.		
g. Identifies possible areas of compliance issues and works towards the resolution of the same.		
h. Ensures the attendance of Directors and		

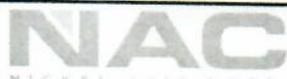
Duties and Responsibilities Chief Compliance Officer	ASSESSMENT	
	Rating (1-5)	REMARKS
Officers to relevant trainings.		

Nickel Asia Corporation
Assessment Form – Chief Risk Officer

Ratings:

- 5 **Excellent**
4 **Above average**
3 **Average**
2 **Below Average**
1 **Poor**

Duties and Responsibilities Chief Risk Officer	ASSESSMENT	
	Rating (1-5)	REMARKS
a. Supervises the entire Enterprise Risk Management (ERM) process and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and documentation.		
b. Communicates the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee (BROC).		
c. Collaborates with the CEO in updating and making recommendations to the BROC.		
d. Recommends new ERM policies and related guidance, as may be needed.		
e. Provides insights on the following:		
(i) Conduct of the risk management processes;		
(ii) Compliance with established risk policies and procedures;		
(iii) Review of risk measures by risk owners for their effectiveness;		
(iv) Communication and interaction between the BROC and the CRO;		
(v) Adequacy of risk mitigating factors implemented;		
(vi) Thoroughness and effectiveness of the ERM System.		



PERFORMANCE EVALUATION AND DEVELOPMENT SHEET

Name		Current Position of the Ratee	
Company		Date Assigned to Current Position	
Department/Section		Date of Employment	
Direct Superior/Rater		Date of Evaluation	
Position		Evaluation Period	February to May 2018

Section I: Evaluation of Work Performance

Annual

Other, pls. specify

Instructions

- Write 3 to 6 performance objectives based on KRA/KPI of the employee for the appraisal period. You may refer to the KRA/KPI and the job description.
- Quantify these objectives, ensure that the deliverables per objective are clear and measurable.
- Discuss the objectives between the Ratee and Rater and both parties must agree on the objectives.
- Write in the space provided the corresponding weight of each objective. The total should equal to 100%.
- For the appraisal period involved, rate the accomplishment of each objective on a scale of 1 to 5 (with 5 as the highest):
 - Outstanding (O) - Consistently exceeds job requirements
 - Very Good (VG) - Consistently meets and occasionally exceeds job requirements
 - Good (G) - Consistently meets all job requirements
 - Needs Improvement (NI) - Meets most but fails in some of the job requirements
 - Unacceptable (U) - Fails in most of the requirements of the job

Performance Objectives

	Weight	Rating
1	0%	
2	0%	
3	0%	
4	0%	
5	0%	
6	0%	

Total and Weight Score: 0% 0.00

Remarks:

Section II: Evaluation of Work Methods/Behavior

Consider the individual's performance in the following areas as evidenced by and related to the objectives listed above. Indicate a rating for each work method by putting an "x" mark on the appropriate column. Space is provided for statements or comments that emphasize strengths and/or needed improvement areas.

A. Management Skills	1	2	3	4	5
Plans, aligns, establishes objectives to OPCO and/or corporate goals					
Organizes people and resources to accomplish objectives					
Ensures the implementation/accomplishment of unit/departament's objectives according to timelines					
Complies with enforces prescribed Company operational SOPs (as well as safety, security, health SOPs)					
Mentors and develops people to ensure business sustainability					
Manages a team or teams effectively to produce desired results or targets					

COMMENTS:

B. Interpersonal Skills:

	1	2	3	4	5
Works effectively with other people. Coordinates and cooperates with other groups/departments					
Communicates clearly/effectively, connects with others					
Manages conflict/differences maturely and professionally					

COMMENTS:

Section II: Evaluation of Work Methods/Behavior

C. Supervising Skills

	1	2	3	4	5
Provides direction and alignment so team members can maximize their efforts					
Assigns tasks appropriately, directs or delegates as necessary					
Evaluates Performance of team members regularly, coaches, counsels, controls as needed					
Motivates and inspires the team, strives to give meaning to their jobs					
Conducts/recommends training and development activities for his/her team members					

COMMENTS:

D. Analytical Skills:

	1	2	3	4	5
Identifies, seeks root causes of problems and takes appropriate action					
Interprets and utilizes information for organizational advantage/benefit					
Constantly performs process checking to look for areas for improvement or innovation					

COMMENTS:

E. Personal Work Characteristics:

	1	2	3	4	5
Makes decisions/takes actions based on Corporate values					
Open to new challenges, ideas, learnings and approaches					
Flexible/adaptable as the situations dictate, effective in managing change					
Takes calculated risks, weighs pros and cons prudently					
Stable and cool under pressure/stress					

COMMENTS:

AVERAGE RATING:

#####

FOR HR USE ONLY

Section III: Overall Performance Rating

Weight:

I-60%

II-40%

0.00

#DIV/0!

Overall Rating

#DIV/0!

Section IV: Performance Development Plans

1. What are his/her strengths and how can these be sustained?
2. What are his/her areas for improvement?
3. What exposure, trainings or learning sessions can help?
4. When can these be scheduled/applied?
5. When can we assess/evaluate progress?
6. Is the employee promotable?
7. When can the employee assume higher post responsibilities?

Section V. Employee's Comments, if any

This is to certify that I have read the contents of this performance evaluation for this period.

Employee's Signature:

Over Printed Name

Date: _____

Evaluated by:

Signature over Printed Name

Date: _____

Reviewed by:

Signature over Printed Name

Date: _____

Human Resources Review:

Signature over Printed Name

Date: _____

NOTE: The Rater must discuss the ratings with his/her immediate Superior before discussing with the Ratee

**Report of the Audit Committee
To the Board of Directors**

The Audit Committee of Nickel Asia Corporation (the "Company" or "NAC") hereby submits this Report to the Board of Directors in connection with the Committee's compliance with its functions, duties and responsibilities consistent with the Company's Corporate Governance Manual and the Charter of the Audit Committee.

1. The Audit Committee confirms that, as constituted by the Board of Directors, the Audit Committee is composed of three (3) Directors, two of whom are Independent Directors and one (1) a Non-Executive Director. The Chairman of the Committee is an Independent Director.
2. The NAC Audit Committee had four (4) meetings in 2017:
 - March 2, 2017
 - May 4, 2017
 - August 3, 2017
 - October 27, 2017
3. The Audit Committee discussed with the Internal Group of the Company, headed by the Company's Chief Audit Executive and with the External Auditor, SyCip, Gorres, Velayo & Co. ("SGV") the scope and the plans for their respective audits.
4. Based on the Audit Committee's review of the reports of, and discussions with, the Chief Audit Executive and the internal audit team as well as discussion with the External Auditors, the Audit Committee confirms that the internal control systems, including financial and operational controls, are adequate and effective.
5. The Audit Committee reviewed and approved all audit services provided by SGV to the Company and its Subsidiaries and the audit fees for such services. Such audit fees are reported in the Company's Information Statement.
6. The Audit Committee also reviewed and approved non-audit work undertaken by the External Auditor and evaluated the External Auditor's independence consistent with prevailing independence standards.
7. The Audit Committee reviewed and discussed the audited financial statements of the NAC Group of Companies for the year ended December 31, 2017 with Management, which has the primary responsibility for the financial statements, and with the External Auditor.
8. Based on such review and discussions and consistent with its oversight responsibility, the Audit Committee recommended to the Board of Directors the approval of the Company's audited financial statements for the year ended December 31, 2017 and its inclusion in the Company's annual reports, including its annual report to the Securities and Exchange Commission on SEC Form 17-A.

9. Based on a review of SGV & Co.'s performance and qualifications, including consideration of management's recommendation, the Audit Committee approved the appointment of SGV & Co., as the Independent Auditor of the NAC Group of Companies for the year 2018.

Submitted on May 3, 2018.



FREDERICK Y. DY
Committee Chairman
Independent Director



FULGENCIO S. FACTORAN, JR.
Independent Director
Committee Member



TAKANORI FUJIMURA
Non-Executive Director
Committee Member

NICKEL ASIA CORPORATION
Board Assessment Form:
Leading Practices and Principles
on Good Corporate Governance

ANNEX
ANNEX " 8A "

Ratings:

- 5 Excellent
- 4 Above average
- 3 Average
- 2 Below Average
- 1 Poor

Structure	Rating (1-5)	Reason and Suggested Improvements
1. The Board has a proper mix of directors with the appropriate skills, knowledge and experience to enable them to effectively participate in Board deliberations.		
2. The Board has a process of selection that ensures an appropriate mix of directors and officers who can perform competently and professionally and add value to the Company.		
3. The powers, roles, responsibilities and accountabilities between the Board and management are clearly defined, segregated and understood.		
4. The Board has the necessary committees in place to assist the Board in the performance of its duties and responsibilities.		
5. The roles of the Chairman and the CEO are separate or, if not there are adequate checks and balances to help ensure that independent outside views, perspective, and judgments are given proper hearing in the Board.		

Leadership, Roles and Responsibilities		
6. The Board, together with the Management determines and periodically reviews the Company's purpose, vision, mission and strategic objectives and business plans and policies that guide and direct activities of the Company, and the means to attain the same.		
7. The Board oversees management's implementation of sound strategic policies and guidelines on major capital expenditures, business strategies, operational budgets, plans and policies.		
8. The Board regularly and periodically monitors the Company's corporate performance against such strategic objectives and business plans.		
9. The Board provides oversight with regard to enterprise risk management and identifies key risk areas and key performance indicators and monitor these factors with due diligence.		
10. The Board adopts and decides on Company's governance principles, model/framework, guideline and practices and oversees the implementation thereof.		
11. The Board ensures that the Company complies with all relevant laws and regulations and endeavors to adopt accepted best business practices.		

12. The Board approves objectives and policies for Company's social, community and environmental performance.		
13. The Board exercises corporate powers in accordance with the principles of sound corporate governance, and secures the Company's long-term viability and success.		
Internal Control		
14. The Board has a good understanding of Management's responsibilities in relation to internal control.		
15. The Board ensures the continuing soundness, effectiveness and adequacy of the Company's internal control environment.		
16. The Board ensures that the Company has an internal audit system that can reasonably assure that the Company's key organizational and operational controls are complied with.		
17. The Board ensures that the Company has an independent audit mechanism for the proper audit and review of financial statements by independent auditors.		
18. The Board adopts a system of check and balance within the Board and regularly reviews its system of checks and balances for effectiveness.		

Code of Conduct & Other Corporate Governance Policies		
19. The Board understands and actively promotes the Company's principles and values.		
20. There is a written Code of Business Conduct and Ethics (the "Code of Conduct") to be followed by the Board, CEO, officers and employees.		
21. There is a formal system to monitor compliance with the Code of Conduct.		
22. The Code of Conduct is communicated, understood and followed by the Board, CEO, officers and employees.		
23. The Code of Conduct provides that there shall be no waiver of any provision of the Code of Conduct in favor of directors or officers, except when expressly granted by the Board and any such waiver must be promptly disclosed to the stockholders.		
24. There is a formal channel established to allow employees to report unethical conduct.		
25. The Board ensures has and is communicating and implementing a formal conflict of interest policy and it contains guidelines and provisions prohibiting the Company whether directly or indirectly from granting loans to directors and officers.		

**Nickel Asia Corporation
Self-Assessment – Individual Director**

Annex "8B"

Ratings:

- 5 Excellent
- 4 Above average
- 3 Average
- 2 Below Average
- 1 Poor

Leading Practices and Principles on Good Corporate Governance	Rating	Reason and Suggested Improvements
1. I understand the mission, vision and values of the Company.		
2. I act in a manner characterized by transparency, accountability, integrity and fairness fully aware that the office of a director is one of trust and confidence.		
3. I devote sufficient time and attention necessary to properly discharge and effectively perform my duties and responsibilities as a member of the Board.		
4. I keep myself updated on developments in the Company, including its financial and operational performance.		
5. I ensure that my personal interest do not conflict with the interest of the Company.		
6. I exercise independent judgment.		
7. I have a working knowledge of the statutory and regulatory requirements affecting the Company, including the contents of its Articles of		

Incorporation and By-Laws, the requirements of the SEC, and where applicable, the requirements of other regulatory agencies.		
8. I observe confidentiality of non-public information acquired by reason of my position as a director.		
9. I attend all board meetings except when prevented by justifiable cause.		
10. I actively participate in board discussions and deliberations.		
11. I take steps, such as attendance in seminars, reading journals and other materials, to enhance and update my knowledge on corporate governance and enable me to discharge my duties and responsibilities as a director.		
12. I am aware of key issues and challenges facing the Company today and in the future.		

**Board Self-Assessment
Individual Director**

Nickel Asia Corporation
 Self-Assessment Form
 Corporate Governance Committee

Ratings:
 5 Excellent
 4 Above average
 3 Average
 2 Below Average
 1 Poor

	Rating	Comments – areas for improvement
Committee Structure and Procedures		
1. Committee has at least three members, two of whom are Non-Executive Directors		
2. Chairman of the Committee is an Independent Director		
3. Committee meets at least twice in a calendar year		
4. Minutes of committee meetings are prepared and records are kept		
Functions and responsibilities: Does the Committee fulfill its functions and responsibilities?		
5. The Committee fulfills its responsibility to ensure proper observance of corporate governance principles and best practices, including:		
<ul style="list-style-type: none"> a. Corporate governance framework: the Committee oversees the implementation of the corporate governance framework and periodically reviews the framework to ensure that it remains appropriate in the light of the Company's size, complexity and business strategy, as well as its business and regulatory environments. b. Corporate Governance policies: Recommends corporate governance policies and ensures that these are reviewed and updated regularly and consistently implemented 		

Nickel Asia Corporation
 Self-Assessment Form
 Board Risk Oversight Committee

Ratings:
 5 Excellent
 4 Above average
 3 Average
 2 Below Average
 1 Poor

	Rating	Comments – areas for improvement
Committee Structure and Procedures		
1. Committee has at least three members, two of whom are Independent Directors		
2. Chairman of the Committee is an Independent Director		
3. Committee meets at least twice in a calendar year		
4. Minutes of committee meetings are prepared and records are kept		
Functions and responsibilities: Does the Committee fulfill its functions and responsibilities?		
5. The Committee fulfills its functions and responsibilities, including		
a. Develop a formal enterprise risk system which contains: <ul style="list-style-type: none"> • a risk register • well-defined risk management goals, objectives and oversight • uniform processes of assessing risks and developing strategies to manage prioritized risks • design and implement risk management strategies • continuing assessment to improve risk strategies, processes and measures 		
b. Oversee the implementation of the enterprise risk management (ERM) plan; conduct regular discussions		

**NICKEL ASIA CORPORATION
AUDIT COMMITTEE SELF-ASSESSMENT
FOR THE YEAR 2017**

Specific actions/Dimensions	Part of the Audit Committee Charter (Y/N)	Has this been Implemented? (Y/N)	Follow up actions needed
Setting of Committee Structure and Operation			
1. At least 3 directors compose the Committee			
2. Chairman is independent director			
3. Qualifications and skills of members and chair			
4. Financial knowledge			
5. Succession plan of members and chair			
6. Meetings (frequency, etc)			
7. Reporting to the board and issuance of certification on critical compliance issues			
Evaluations			
Resources including outside advisors			
Training and education			
Financial Reporting and Disclosures			
Understanding of the company's business and the industry in which it operates			
Compliance with financial reporting obligations			
Definition of management's responsibility over financial statements			
Appropriateness of accounting policies adopted by management			
Reasonableness of estimates, assumptions, and judgments used in the preparation of the financial statements			
Identification of material errors and fraud, and adequacy of risk controls			
Availability of measures in case of finding or error or misstatement in financial reporting			
Identification of unusual or complex transactions, including related party transactions			
Determination of impact of new accounting standards and interpretation			

Specific actions/Dimensions	Part of the Audit Committee Charter (Y/N)	Has this been implemented?	Follow up actions needed
10. Assessment of financial annual and interim reports as to completeness, clarity, consistency and accuracy of disclosures of material information including on subsequent events and related party transactions			
11. Review of management representation letter before submission to external auditor			
12. Communication of the audit committee with legal counsel covering litigation, claims, contingencies or other significant legal issues that impact financial statements			
13. Fair and balance review of financial reports			
14. Assessment of correspondence between the company and regulators regarding financial statement filings and disclosures			
Oversight on Risk Management and Internal Controls			
1. Obtaining management assurance on the state of internal controls			
2. Review of internal auditor's evaluation of internal controls			
3. Evaluation of internal control issues raised by external auditors			
4. Assessment of control environment including IT systems and functions			
5. Setting a framework for fraud prevention and detection, including whistle-blower program			
6. Deliberation on findings of weaknesses in controls and reporting process			
7. Understanding and assessment of identified risks			
8. Evaluation of sufficiency and effectiveness of risk management processes and policies			
9. Preparation and implementation of business continuity plan			
10. Promotion of risk awareness in the organization			

Specific actions/Dimensions	Part of the Audit Committee Charter (Y/N)	Has this been implemented? (Y/N)	Follow up actions needed
Oversight on Management and Internal Audit			
1. Evaluation on compliance with the Code of Conduct for management			
2. Communication with management and internal auditor			
3. Assessment of adequacy of resources and independence of internal auditor			
4. Qualifications of an internal auditor			
5. In-house or outsource internal audit function			
6. Compliance with International Standards on the Professional Practice of Internal Auditing			
7. Review and approval of annual internal audit plan			
8. Extent and scope of internal audit work			
9. Reporting process			
Oversight on external audit			
1. Assessment of independence and professional qualification and competence of external auditor			
2. Engagement and rotation process of external auditor or firm			
3. Review and approval of scope of work and fees of external auditor			
4. Assessment of non-audit services			
5. Understanding disagreements between the auditor and management			
6. Actions on the findings of the external auditor			
7. Management's competence on financial reporting responsibilities including aggressiveness and reasonableness of decisions			
8. Evaluation of performance of external audit – reappointment and resignation			
9. Compliance of external auditor with auditing standards			
10. Completeness and timeliness of communication with external auditor as to critical policies, alternative treatments, observations on internal control, audit adjustments, independence, limitations on the audit work set by management, and other material issues that affect the audit and financial reporting			

Overall rating:

9-10 – Excellent

7-8 – Very good

5-6 – Good

3-4 – Fair

1-2 - Poor

ANNUAL CERTIFICATE OF INTEGRITY AND COMPLIANCE

At Nickel Asia Corporation, we are expected to act with integrity in accordance with our Code of Business Conduct and Ethics, and we review our activities and certify our compliance with the Code each year.

Please answer the following questions and complete the balance of the form.

1) Have you read, and do you understand, the Company's Code of Business Conduct and Ethics (Code)?
Yes _____ No _____

2) Have you conducted our business activities in accordance with the Code?
Yes _____ No _____

3) Have you complied with all Company internal accounting controls and procedures?

Yes _____ No _____

4) Have you been involved in raising, investigating, or resolving a Code issue?
Yes _____ No _____

5) Do you wish to raise a Code issue for corrective action in this certificate? If so, please describe the issue here.

For questions 1, 2, and 3 if you have answered "no", please provide a detailed explanation.
Do you have any additional comments?

Name: _____

Title: _____

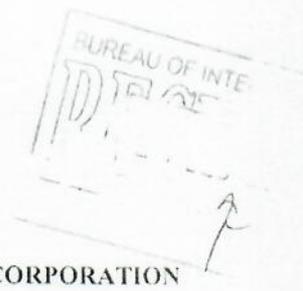
Date: _____

Schedule IV

**NICKEL ASIA CORPORATION
RETIREMENT PLAN**

RULES AND REGULATIONS

**ARTICLE I
NAME, PURPOSE AND EFFECTIVE DATE**



Section 1. NAME

The name of this Plan shall be the **NICKEL ASIA CORPORATION RETIREMENT PLAN**.

Section 2. PURPOSE

This Plan shall establish the **NICKEL ASIA CORPORATION RETIREMENT TRUST FUND** which will provide retirement, death, disability, and severance benefits for all eligible employees of the Company.

Section 3. DATE AND EFFECTIVITY

The Plan shall be in effect on January 1, 2014.

CERTIFIED TRUE COPY
By:
E. M. ZALAMEA, BARRISTER AT LAW
Attorney
E. M. ZALAMEA ASSOCIATES, INC.

**ARTICLE II
DEFINITION OF TERMS**

Section 1. DEFINITIONS

The following words or phrases used in the Plan shall be defined as follows:

- a) "Company" shall mean **NICKEL ASIA CORPORATION**.
- b) "Plan" shall mean the Retirement Plan adopted herein together with any amendments or further amendments duly adopted by the Company.
- c) "Fund" shall mean the Retirement Trust Fund established under this Plan, and shall mean generally the Company's contributions together with all income, gains and other additions thereto, less any losses, expenses, and benefit payments therefrom.
- d) "Trustee" or "Trustees" shall mean the entity, person or persons appointed by the Company responsible for the assets of the fund and general administration of the Plan.
- e) "Member" shall mean any officer or employee who has qualified for membership under Article III and whose membership has not been terminated.

-
- f) "Plan Salary" or "Pay" shall mean the latest daily salary paid to the Member, or if paid monthly shall be converted to daily, for services rendered during normal working days and hours excluding allowances, overtime pay, commissions, bonuses and/or profit-sharing payments and other fluctuating emoluments or monetary benefits which are not considered as part of or integrated into the regular salary of the employee.
 - g) "Service" shall mean the period of service rendered by a Member as determined from the records of the Company. Period of service shall be reckoned from date of hire to date of retirement, death, permanent disability, or severance.
 - h) "Credited Service" shall mean the number of years and completed months of Service rendered by the Member. For purposes of determining the number of years of Credited Service, leave of absence without pay shall not be considered while a fraction of six (6) months or more shall be considered as one (1) year and a fraction of less than six (6) months shall be in accordance with Company policy.
 - i) "Regular Employment Status" shall mean an employee who is under the regular payroll of the Company on a full-time basis, including probationary employees, and is not considered a consultant, a casual, a contractual or project employees.
 - j) "Beneficiary" shall mean the person or persons who shall receive the death benefit provided for herein. The nomination of beneficiaries shall be in accordance with Article VI Section 2.
 - k) "Actuarial Advisor" shall mean a person who is accredited with the Insurance Commission as an actuary or a consulting firm with an accredited actuary in its staff.

Section 2. GENDER

The masculine pronoun shall include the feminine gender and the single number shall include the plural unless the context indicates otherwise.

**ARTICLE III
MEMBERSHIP**

Section 1. MEMBERSHIP

Membership in the Plan shall be automatic for all officers and employees of the Company who are considered as having Regular Employment Status. Membership in the Plan will commence retroactively on the first day of the month coincident with or next following his attainment of Regular Employment Status. Upon commencement of membership the Company may require the Member to execute a pledge to the effect that he has read and is in conformity with this Plan and that he shall abide by its provisions and with any amendments and supplementary rules thereto.



Section 2. TERMINATION

Membership in the Plan shall cease automatically upon termination of the Member's service to the Company.

Section 3. RE-EMPLOYMENT

A Member whose membership in the Plan is terminated and is subsequently employed by the Company shall, upon re-admission to the Plan, be treated as a new Member.

Section 4. LEAVE OF ABSENCE

Membership in the Plan shall continue during any period over which a Member is on leave of absence approved by the Company in writing, and during any period of absence due to furlough, sickness, accident or other causes not constituting a severance of the employer-employee relationship.

**ARTICLE IV
THE FUND**

Section 1. NON-CONTRIBUTORY PLAN

No Member shall be required to make any contributions to the Fund.

Section 2. FUNDING

The funding of the Plan shall be determined by the Actuarial Advisor and payment of the benefits thereunder shall be provided for through the medium of a Fund held by a Trustee under an appropriate Trust Agreement. The contributions to the Fund so created together with gains and losses realized and unrealized plus contributed accrued liabilities, if any, shall constitute the Fund.

Section 3. VALUATION

The contributions to the Fund shall be actuarially determined at least once every two or three years.

Section 4. PROCEDURE FOR PAYMENT

Application for the payment of the retirement benefits under Article V must be made in writing in the form and manner prescribed by the Trustee and must be filed with the Trustee at least thirty (30) days in advance of the date of actual retirement, resignation or separation without cause. Decision of the Trustee shall be final and binding upon all parties.



Section 5. MANNER OF PAYMENT

At the option of the Trustee, all benefits under the Plan shall be payable to the withdrawing Member in the form of a single sum payable anytime within sixty (60) days from the date of such withdrawal from the Plan. Such benefit shall be payable directly to the Member or to his beneficiary as the circumstances of each case may warrant.

Section 6. NON-DIVERSION OF FUNDS

All contributions made to the Fund shall be held solely and exclusively for the benefit of the Members or their beneficiaries and no part of the said Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of the members or their beneficiaries.

Section 7. WAIVER OF CLAIMS

Receipt of any benefit by any Member of the Plan shall be deemed a final settlement of any and all claims that the Member may have under the Plan. The Member shall hereby waive, quitclaim and release the Company and the Plan from any and all claims, actions and liabilities arising from this Plan.

**ARTICLE V
RETIREMENT DATES AND BENEFITS**

Section 1. NORMAL RETIREMENT

The Normal Retirement Date of a Member shall be the first day of the month coincident with or next following his sixtieth (60th) birthday provided he has served the Company for at least five (5) years of Service. The Member's Normal Retirement Benefit shall be a sum equal to 30 days Pay for every year of Credited Service.

Section 2. OPTIONAL RETIREMENT

With the consent of the Company, a Member may elect to retire prior to his Normal Retirement Date provided he is at least age fifty-five (55) and has completed at least fifteen (15) years of Service. The Member's Optional Retirement Benefit shall be a sum equal to 30 days Pay for every year of Credited Service.

Section 3. MANDATORY RETIREMENT

A Member who is allowed by the Company to continue to work on a case to case and yearly extension basis beyond his Normal Retirement Date up to age sixty-five (65) shall continue to be a member of the Plan up to his Mandatory Retirement Date. The Mandatory Retirement Date of a Member shall be the first day of any month after attaining his Normal Retirement Date. The Member's Mandatory Retirement Benefit shall be a sum equal to 30 days Pay for every year of Credited Service, including the extension of service.

Section 4. DISABILITY BENEFIT

In the event that a Member is retired by the Company due to permanent total incapacity or disability or due to sickness, as determined by a competent physician appointed by the Company, his disability retirement benefit shall be a single sum equal to 30 days Pay for every year of Credited Service.

Section 5. SEVERANCE BENEFIT

A Member who is involuntarily separated by the Company due to a retrenchment program or redundancy or for causes not due to his own fault, misconduct, or material neglect shall be entitled to a benefit determined in accordance with the Termination Pay provision under the Labor Code or similar legislation on involuntary termination or if applicable, the amount of retirement benefits due to him hereunder, whichever is greater but shall not be entitled to all or any combination of all.

Section 6. TAX EXEMPTION OF BENEFITS

In accordance with the provisions for tax qualification under Republic Act No. 4917 (as reiterated by Section 32 (B) (6) (a) of the Tax Code of 1997), any retirement benefit received from the Plan shall be wholly exempt from tax provided the Member has been in the service of the Company for at least ten (10) years and is at least age fifty (50) at the time of retirement. It is further provided that any amount received under the Plan due to death, disability, or for any cause beyond the Member's control shall likewise be exempt from all taxes.

Section 7. DISMISSAL FOR CAUSE

A Member who is dismissed by the Company for cause shall not be entitled to any benefit under the Plan.

Section 8. FORFEITURES

The portion of the amount standing to the credit of a separated Member which is not paid to him by virtue of the limitations specified in this Plan shall be retained in the Fund and shall be used to reduce future contributions of the Company. Such forfeitures, which may arise from severance of employment, death or any other reason, shall not be applied to increase the benefits any Member would otherwise receive under the Plan at any time prior to the termination of the Plan or the complete discontinuance of Company contributions thereunder.

**ARTICLE VI
DEATH BENEFIT**

Section 1. BENEFIT

In the event that a Member dies from any cause except self-inflicted injuries, his beneficiaries shall be entitled to receive a death benefit in a lump sum equal to 30 days Pay for every year of Credited Service.

Section 2. NOMINATION OF BENEFICIARY

Procedure. Each employee shall, upon eligibility to participate in the Plan, forthwith nominate in writing, in such forms as shall be prescribed by the Trustee, a person or persons entitled to succeed such Member, by testate or intestate succession under existing laws, to receive the amount which may be due the Member in case of his death or inability to receive in person any sum due him from the Fund.

Every nomination or appointment shall remain in force until the death of the nominee or appointee or until revoked or amended by the Member making it by delivering to the Trustee another nomination or appointment in the prescribed form.

In the event of death of a designated or appointed beneficiary during the lifetime of the designating or appointing Member, said Member shall forthwith nominate or appoint another person in place of the deceased beneficiary.

Failure to Nominate. If at the death of the Member there shall exist no valid nomination by him of a beneficiary, the existing laws on succession shall prevail.

If the person or persons from among those enumerated in the existing laws on succession do not exist at the time of the member's death, no death benefit shall be paid by the Plan. The death benefit which should have been paid shall be forfeited in favor of the Fund.

Minor / Incompetent Beneficiary. In case the beneficiary is a minor or under any disability to give legal discharge for payment of the benefits, then payment of the benefits shall not be made until a legal guardian is appointed in behalf of the minor or person under disability, but the beneficiary shall not be entitled to any income on the amount of the accrued benefits during the period that the payment was deferred because of the absence of a legal guardian; provided further that if the amount of benefit is such that existing laws would allow the payment thereof to the surviving parent of the minor or incompetent beneficiary, then benefit payments for the account of said beneficiary shall be made to the surviving parent of said beneficiary.

**ARTICLE VII
ADMINISTRATION**

Section 1. THE PLAN

The Plan shall be administered by a Trustee appointed by the Company who shall be responsible for the general administration of the Plan and the management of the Fund. The Company may create a Retirement Committee which will coordinate with the Trustee in the implementation of this Plan. The Trustee may seek the advice of counsel and may appoint an investment manager or managers to manage the Fund, an independent accountant to audit the Fund and an actuary to value the Fund. Fees and expenses incurred in the investing and accounting and / or actuarial audit, amendment and other services for the Plan may be charged to the Fund.

Section 2. TRUST AGREEMENT

The powers, authorities and discretion necessary or expedient for the Trustee to perform his / their duties shall be expressed in the Trust Agreement executed by the Company and the duly appointed person(s) or entity.

Section 3. RETIREMENT COMMITTEE

The duties of the retirement committee shall consist of the following functions solely as they relate to the Plan:

1. Implement the rules and procedures set forth in this Plan in filling applications for benefits, for furnishing proofs necessary to establish the Member's qualification, age and continuous service.
2. Recommend to the Trustee the appropriate payment of the amount due to the Member in accordance with the provisions of the Plan less accountabilities to the Company, if any.
3. Interpret together with the Trustee the meaning, coverage, interpretation and application of the provisions of the Plan.

**ARTICLE VIII
AMENDMENT AND TERMINATION OF THE PLAN**

Section 1. NON-FORFEITURE OF RIGHTS

Upon termination of the Plan or upon the complete discontinuance of contributions under the Plan, the rights of each Member to benefits accrued to the date of such termination or discontinuance, to the extent then funded, or the rights of each Member to the amounts credited to his account, if any, are non-forfeitable.

Section 2. AMENDMENT

The Company may amend or modify this Plan at any time. Any amendment should conform to Republic Act Nos. 4917 and 7641 and their implementing regulations. Said amendments shall be immediately communicated to the trustee and the Members of the Plan.

Section 3. TERMINATION BY LIQUIDATION

The Company reserves the right at any time on account of business necessity to terminate, withdraw, amend, or modify the Plan in whole or in part, at the discretion of the Company. In the event of the termination of the Plan, the liability of the Company to make contributions shall cease, and the assets of the Fund shall be allocated, subject to provisions for expenses of administration or liquidation.

The Trustee shall pay all debts and obligations of the Fund and settle or dispose of any claims then outstanding against the Fund, and thereafter allocate the property remaining in the Fund to the employees or their beneficiaries, as follows:

- a. A sum in full or pro-rata to provide for the payment to members who are eligible for normal and mandatory retirement, or for death and disability benefits, but who have not received their benefit payments by the date of termination of the plan.
- b. If any amount remains after (a) above, a sum, in full or pro-rata, to provide for the payment of benefits to employees who are eligible for optional retirement by the date of termination of the Plan.
- c. If any amount remains after (b) above, a sum, in full or pro-rata, to provide for the payment of benefits to employees who remain and who may have contingent benefit interest as the Trustee/Retirement Committee may determine on the termination of the Plan.
- d. Any amount remaining in the Fund after making the above allocations and after paying all liabilities shall revert to the Company.

Section 4. TERMINATION BY TRANSFER

In the event the Company terminates the Plan by transferring it to any other Fund which is similar, in the opinion of the Trustee, to the purpose and terms of this Plan, each Member shall be entitled to the same benefits as they would have had from this Plan had this Plan not been terminated.

**ARTICLE IX
EFFECT OF LEGISLATION**

Section 1. SOCIAL SECURITY SYSTEM AND WORKMEN'S COMPENSATION

Except as otherwise provided, whatever benefits may be due the Member on account of the Social Security Law shall not be deducted from the benefits under this Plan.

Section 2. NON-DUPLICATION OF BENEFITS

In the event existing or future laws, including the Collective Bargaining Agreement, require the Company to pay similar or analogous benefits to those already herein provided, the Member concerned shall not be entitled to receive both what the law, legislation or CBA requires the Company to give but shall be entitled only to whichever benefit is the greater among them; or, the Company may exercise the right to reduce its current contributions or benefits under this Plan by the amount of any amount of any payments required by the subsequent legislation or CBA in accordance with the regulations promulgated by the Company.



**ARTICLE X
MISCELLANEOUS PROVISIONS**

Section 1. IRREVOCABILITY

The Company shall have no right, or interest in the contributions made by them to the Trust and no part of the Fund shall revert to the Company except after satisfaction of all liabilities of the Plan; however, such contributions as may have been made by the Company as a result of overpayment may revert to the Company.

Section 2. NON-TRANSFERABILITY OF RIGHTS

No benefit payable under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or change; and any action by way of anticipating, alienating, selling, transferring, assigning, pledging, encumbering, changing the same shall be void and of no effect.

Section 3. LIEN OF THE COMPANY

The Company shall have the first lien upon the amount standing to the credit of its employee-member to cover all liabilities of the Member to the Company. Said amount of liability shall be deducted by the Trustee from the benefit payment to the Member and shall be remitted to the Company.

Section 4. EMPLOYMENT

The establishment of the Plan shall not be construed as conferring any right upon any Member or any person to a continuation of employment.

APPROVED:

NICKEL ASIA CORPORATION

By:

Name : **GERARDO IGNACIO B. ONGKINGCO**
Position : **VICE PRESIDENT - HUMAN RESOURCES**
Date : _____

(Please sign each page of the Plan Rules.)

CERTIFIED TRUE COPY

By: _____
E. M. ZALAMEA, FASE, FIAA, MICA
Actuary
E. M. ZALAMEA ACTUARIAL & FINANCIAL

SECRETARY'S CERTIFICATE

I, **BARBARA ANNE C. MIGALLOS**, of legal age, Filipino, and with office address at 7th Floor, The Phinma Plaza, 39 Plaza Drive, Rockwell Center, Makati City, after having been duly sworn in accordance with law, hereby certify that:

1. I am the duly elected and incumbent Corporate Secretary of **NICKEL ASIA CORPORATION** (the "**Corporation**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with office at 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

2. As such Corporate Secretary, I have custody of the books and records of the Corporation, including the minutes of meetings of its board of directors and stockholders.

3. At a meeting of the Board of Directors of said Corporation, held on 6 November 2017, wherein a quorum was present and acted throughout, the following Resolutions were adopted and are now in full force and effect, to wit:

"WHEREAS, on 27 March 2015, the Board approved the establishment of the Nickel Asia Corporation Retirement Plan for its permanent and core employees.

WHEREAS, the effectivity date of the Retirement Plan was not mentioned in the 27 March 2015 Resolution.

NOW, THEREFORE, for and in consideration of the above, the Corporation hereby:

RESOLVED, as it hereby resolves, that the Nickel Asia Corporation Retirement Plan for its permanent and core employees shall take effect on 1 January 2014.

RESOLVED, FINALLY, that the plan shall be administered by Security Bank Trust Corporation."

5. The above-quoted board resolutions are still valid and binding, and have not been revoked, amended or repealed.

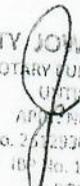
6. This certification is being issued to attest to the truth of the foregoing statement and for whatever purpose it may serve.

IN WITNESS WHEREOF, I have hereunto set my hands, this 28 December 2017, at Makati City, Philippines.


BARBARA ANNE C. MIGALLOS
Corporate Secretary

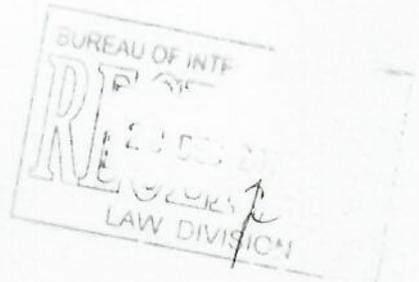
SUBSCRIBED AND SWORN to before me this 28 DEC 2017, at
TAGUIG CITY, affiant exhibiting to me his
_____ issued on
_____ at Manila, Philippines.

Doc. No. 397
Page No. 81
Book No. 93
Series of 2017.


ATTY. JOWELL A. MENDOZA
NOTARY PUBLIC FOR TAGUIG CITY
(UTR. DEC. 31, 2018)
APR. NO. 29 (2016-2018)
PTR No. 2672930, 01/4/2017, PASIG CITY
REG. No. 1058109, 1/6/2017
ROLL NO. 59001
MCLE COMPLIANCE NO. V-0023127-7/23/16
32ND ST. CAR PLAZA BONIFACIO
GLOBAL, TAGUIG CITY



December 26, 2017



C E R T I F I C A T I O N

This is to certify that the amount of **Pesos: TWENTY MILLION EIGHT HUNDRED SEVEN THOUSAND THREE HUNDRED EIGHTY THREE & 00/100 (Php20,807,383.00)** was received on December 20, 2017 as initial contribution of **NICKEL ASIA CORPORATION RETIREMENT PLAN** under SBC TRUST No. **73663**.

This certification is being issued upon the request of the above mentioned client for whatever legal purpose it may serve.

Security Bank Corporation
Trust & Asset Management Group
By:


JANEFER F. GAOAT
Assistant Vice President


DELIA J. GARBANZOS
Assistant Vice President

PHP 20,807,383.00

Valid only when signed by the Bank's authorized signatories and accompanied by a copy of the original document.

30 May 2017

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Metro Manila Philippines



TO: TERESITA J. HERBOSA
Chairperson

RE: The New Manual of Corporate Governance of Nickel Asia Corporation
=====X

Dear Chairperson Herbosa:

We write to formally submit to your office our Company's, **NICKEL ASIA CORPORATION (NAC)**, new Manual of Corporate Governance that was approved by NAC's Board of Directors in a meeting yesterday, 29 May 2017.

This is pursuant to the requirement under SEC Memorandum No. 19 series of 2016 dated 22 November 2016.

We hope that you find the foregoing in order.

Sincerely yours,


JOSE RODERICK F. FERNANDO *Ce*
Chief Compliance Officer
Vice President for Legal and Special Projects

28 May 2018

ATTESTATION

The undersigned hereby attest that **Nickel Asia Corporation** (the "Company") has a sound internal audit, control and compliance system in place and that it is working effectively.



GERARD H. BRIMO
Chief Executive Officer



MARIA ANGELA G. VILLAMOR
Chief Audit Executive

CERTIFICATION

I, **MARNELLE ALVAREZ JALANDOON**, of legal age, Filipino, with office address at the 29th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, after having been duly sworn in accordance with law, hereby state that:

1. I am the Assistant Vice President – Management Information System & Administration of Nickel Asia Corporation (the "Company"), a corporation duly organized and existing under Philippine law, with principal office address at the 28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

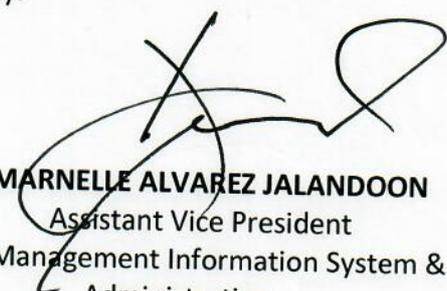
2. As such, I am in charge of the management information systems of the Company.

3. I confirm that all software used by the Company are duly licensed.

4. I am issuing this Certification to attest to the truth of the foregoing and for all legal purposes that this may serve.

MAY 30 2018

Issued this ___ day of May 2018 at Taguig City.


MARNELLE ALVAREZ JALANDOON
Assistant Vice President
Management Information System &
Administration

MAY 30 2018

SUBSCRIBED AND SWORN to before me, a Notary Public for and in the City of Taguig this ___ day of May 2018. Affiant exhibited to me his Passport No. EC4420917 issued by DFA Manila and valid until June 16, 2020.

Doc. No. *524*
Page No. *100*
Book No. *10*
Series of 2018


ATTY. LETICIA M. AMON
NOTARY PUBLIC
TAGUIG CITY
UNTIL DEC. 31, 2019
PTR NO. 347179 / 1-3-2018
MCLE NO. VI 0004859
11 PARAISO ST. UPPER BICUTAN TAGUIG CITY



**CODE OF CONDUCT OF EMPLOYEES
With Rules and Regulations on Discipline & Sanctions**

INTRODUCTION

Nickel Asia Corporation (NAC) was established in early 2006 in order to consolidate, under a single holding company, ownership of several companies in the Philippines. The Company has been publicly listed at Philippine Stock Exchange and Securities Exchange Commission last November 2010.

Nickel Asia Corporation is the Philippines' largest producer of lateritic nickel ore and one of the largest in the world. We have a long operating history, starting with the sale of ore in 1977 from our first mine, Rio Tuba, in Batangas town at the southern tip of Palawan Island. We exclusively supply limonite ore from our Rio Tuba operations to Coral Bay Nickel Corporation (CBNC), the country's first hydrometallurgical nickel processing plant in which we have a 10% equity interest.

Nickel Asia has expanded to four operating mines which includes Taganito Mining Corporation, Hinatuan Mining Corporation and Cagdianao Mining Corporation at Surigao Del Norte. Our Taganito operation also supplies all of the limonite ore requirements for the Taganito HPAAL Nickel Corporation (THNC), the country's second hydrometallurgical nickel processing plant. In 2015, NAC has acquired its fifth nickel operating mine, Geogen Corporation which is undergoing development in order to meet our production standards.

Apart from our four operating mines we have other properties in various stages of exploration for nickel. We continue our search for opportunities in copper and gold through Cordillera Exploration and Company, Inc. . Beyond our mineral resource operations, we are also investing into renewable energy and power generation through Emerging Power Inc., our renewable energy subsidiary.

We remain focused on growth while continuing to take our responsibilities toward environmental protection, local development and community relations and the safety of everyone involved in our operations. We are committed to responsible mining and to world-class standards in all that we do.

ATTNEX "14"

**"TO BE A WORLD-CLASS DIVERSIFIED MINERAL RESOURCE COMPANY THAT HAS EXEMPLARY
RELATIONSHIPS WITH ALL STAKEHOLDERS"**

VISION STATEMENT

MISSION STATEMENT

Using best global industry practices, we are committed to:

- Optimizing our current operations
- Exploring and developing additional deposits for nickel and other minerals to sustain our growth
- Delivering to our customers quality mineral products in a timely manner
- Nurturing our employees and providing a safe and healthy workplace for them to achieve their full potential
- Uplifting the quality of life of our host communities
- Protecting the environment in all our operations
- Adopting the highest standard of corporate governance

CORE VALUES

- **Competence**
The ability of an individual to perform a job properly. Performs a job effectively with thorough knowledge, great skill, judgment and attributes. One has to have constant innovation and personal development.
- **Efficiency**
The ability to accomplish a task with minimum wastage in time, resources and manpower.
- **Responsibility to all stakeholders**
Maintains an effective relationship with all stakeholders and supports all initiatives of the company to improve quality of life. Treats every employee with dignity and respect, complies with laws, and carries out job function in an ethical manner.
- **Teamwork**
Able to work harmoniously and cooperatively with others; willingness to offer assistance and contributes individual strengths towards a common goal; establishes and maintains effective work relationships both within and across sections/departments with business partners and subsidiaries to achieve a common goal. Being responsible for your actions and contributions to the other members of the team to achieve optimum results.

- **Integrity and honesty**
Consistency of behavior with high standards of performance and work ethics. Speaks the truth and will stand up for it at all times and at all cost. Adheres to the norms and standards of the company and of the society as a whole.
- **Financial growth**
Always on the lookout for chances and opportunities to decrease cost and increase/maximize profit so as to achieve the company's financial objective.
- **Dedication**
Gives 100% effort in performing a task; willingness to sacrifice one's self and time. Maintains a positive thinking and actions at work.
- Establish and pursue production activities and work goals in accordance with acceptable industry global best practice and standards.
- Engage in the exploration and development of other mineral resources other than nickel to respond to challenges of market demands and sustain the business growth of the corporation.
- Keep and nurture the best Corporate Social Responsibility practices through exemplary relationships with its mining host communities in the improvement of their livelihood, health, education and quality of life, its business partners and contractors, the government regulatory agencies and local government units as well as the Indigenous People and most especially among fellow employees and management group of the Corporation.
- Work efficiently by optimizing production of its mineral products with least wastage of resources.
- Sustain good and professional business reputation by producing quality products and delivering them on schedule to clients.
- Observe and follow laws, rules and regulations and the pertinent policies and practices of the Corporation in the protection and enhancement of the environment in the context of sustainable development adhered to by the mining industry.
- Observe and practice Good Corporate Governance, in relation to:
 - All the policies, rules and regulations of the company with respect to its employees on matters of employment and the terms and conditions of work as mandated by law;
 - The pertinent rules and regulations of the government, both national and local, affecting the business of mining which impacts on the community and environment at large
 - Professionally and honestly deal with contractors, clients and business partners of the company and;

3

- Be responsible to and respect fellow employees in performing work, and
- Ensure a fair return of investment to the shareholders and owners of the corporation.
- The seven (7) Core Values of NAC are the best set of parameters that reinforces its VMCV and establishes the Quality of Employees Conduct, thus:
 - Employees must be **Competent, Efficient, and Responsible** to all the stakeholders of the company, practice **Teamwork**, always possess **Integrity and Honesty**, pursue **Financial Growth** of the company, and always remain **Dedicated** to the company.

DEFINITIONS

- Code of Conduct** – is a set of guidelines outlining the social norms and rules of the company, in order for the employees to conduct their actions and decisions in accordance to NAC's Core Values and ethical standards.
- Verbal Reprimand** – is calling attention to the offense and counseling the offender that a repetition of such violation in the future would necessitate the issuance of written reprimand or any stiffer sanction warranted by the circumstances.
- Written Reprimand** – is a written notice admonishing the employee with a warning that a repetition of the same or a similar violation in the future shall warrant a stiffer sanction. The written reprimand should contain a summary of the incidents requiring the imposition of this sanction.
- Preventive Suspension** – Placing an erring employee under suspension without pay if he poses a serious and imminent threat to life or property of the company or his co-workers. Maximum period is 30 days. An investigation must be conducted within the 30 days and the appropriate action will be administered depending on the outcome of the investigation. The suspension is not itself a penalty for the offense, although, it may be considered as such after the offense is proven and the proper penalty is determined.
- Suspension**
- Temporary separation from work for a period of time without pay imposed as a penalty. During such time, the suspended employee shall not be allowed within company premises without the approval of his immediate superior.
- Dismissal/Termination** - Permanent separation from work with forfeiture of benefits/bonuses outside what is legally mandated.
- Employee**
- A person employed by Nickel Asia Corporation or any of its affiliates, whether on a regular or probationary status, regardless of job position or level. The term "employee" shall cover all job levels, i.e., rank and file, supervisory, managerial, and officer levels.

4

Due Process – Procedure sanctioned by law wherein the erring employee is entitled to two notices: one, Notice to Explain (NTE) and two, Notice of Decision; and an opportunity to answer and rebut the charges against him, in between such notices.

COMPANY CODE OF CONDUCT

Implementing Guidelines

- The Company believes that rules and regulations are essential to the efficient operation of the Company as well as for the guidance of all its employees.
- The Employees' Code of Conduct sets forth the Company's policy for disciplinary action, which applies uniformly to all employees, from rank and file to officers.
- As it strives to be just, objective, and consistent in dealing with employees, the Company will always respond to violations with the appropriate disciplinary action.
- The Company expects all its employees to conduct themselves creditably, whether inside or outside Company premises. Each one is also expected to observe all the rules and regulations contained in this policy as well as those that may subsequently be prescribed by Management. Any employee who violates any of the rules prescribed herein will be penalized accordingly.
- These rules apply whether the violations are committed:
 - Inside the Company premises while the employee is on/off-duty.
 - Outside the Company premises while the employee is performing official duty; or
 - Outside the Company premises even while the employee is off-duty, if the incident is connected with the employee's work with the Company.
- If an employee commits any offense not specifically defined in these rules, violates any Company regulation for which no penalty has been specified, or commits any other act contrary to the interest of the Company, the penalty to be imposed will be determined by Management on a case-to-case basis, considering the gravity of the act to be penalized.
- An employee charged with a serious offense will be placed in preventive suspension not exceeding 30 days to allow an impartial investigation and to ensure the safety and security of all documents, papers, and effects that may have been used in committing the offense.
- The HR Department or Section along with Line management will have primary responsibility for the enforcement of the rules described in this policy, including compliance with all governmental laws and regulations.
- The sanction of any employee under these rules will not be a bar to his prosecution in the proper court of justice if the same act constitutes a violation of the Revised Penal Code or other penal laws.
- Prescription of Offenses shall be as follows:

- Light offenses (those warranting written reprimand) shall have a prescriptive period of 180 days reckoning from the date the offense was discovered.
- Serious or grave offenses (warranting suspension regardless of the number of days) shall have 365 days reckoning from the date the offense was discovered.
- When the results of a single act two (2) or more offenses are committed under this Policy, the corrective action shall be cumulatively imposed.
- When an offense is necessary and indispensable to the commission of another offense, the corrective action for the more serious offense shall be imposed.

CLASSIFICATION OF VIOLATIONS AND SANCTIONS

TYPE OF OFFENSES	1 st OFFENSE	2 nd OFFENSE	3 rd OFFENSE	4 th OFFENSE
SECTION A. VIOLATIONS AGAINST INDIVIDUALS				
1. Infliction or attempt to inflict bodily injury within company premises or property for any reason whether committed during work time whether the individual suffers injury or not:	5 working days suspension	10 working days suspension	Termination of contract	Termination of employment or contract
2. Threatening, coercing or interfering with the work or related work activities of any fellow employee in any manner and with unlawful purpose or intention:	3 working days suspension	5 working days suspension	Termination of contract	Termination of employment or contract
The above sanctions shall apply whether or not the aggrieved individual forgives or settles amicably with the offending employee.				
5. Attempt to take or taking the life of any employee willfully or through negligence:	Termination from employment or contract			

TYPE OF OFFENSES	1 st OFFENSE	2 nd OFFENSE	3 rd OFFENSE	4 th OFFENSE
SECTION B. VIOLATIONS AGAINST COMPANY PROPERTIES (OWNED/RENTED)				
1. Willfully or negligently damaging any company property :				
1. If the value of the property is less than One Million Pesos (Php/1,000,000.00)	If willful, immediate termination of employment or contract.	If willful, termination of employment or contract.	Termination of employment or contract.	
2. If the value of the property is One Million Pesos (Php/1,000,000.00) and above.	If negligent, 5 working days suspension.	If negligent, 10 working days suspension.		
		Immediate termination of employment or contract.		
Any violation committed under this Section shall be without prejudice to Company's right of action against the employee involved for payment of the amount of the property damaged.				
2. Stealing/ robbing company property or that of fellow employees or other people within company premises	Immediate termination of employment or contract without prejudice to criminal prosecution and recovery of the property stolen irrespective of whether or not the offended employee or party has settled amicably with the offending employee			
3. Unauthorized use of company equipment or materials for personal purposes either during company time or outside company premises.	2 working days suspension	5 days suspension	Termination of employment or contract	
4. Purchasing, renting, or substituting company equipment or materials not in conformance with the specifications required by the company.	Termination of employment or contract without prejudice to any legal action that may be brought by the company.			
5. Procuring or obtaining contract services not in accordance with pertinent company policies, rules and regulations.	Termination of employment or contract without prejudice to any legal action that may be brought by the company.			

7

6. Falsifying or forging the signatures of authorized company employees in acquiring or renting equipment or materials.	Termination of employment or contract without prejudice to any legal action that may be brought by the company.
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TYPE OF OFFENSES	1 st OFFENSE	2 nd OFFENSE	3 rd OFFENSE	4 th OFFENSE
SECTION C. VIOLATIONS OF COMPANY SECURITY AND SAFETY RULES				
1. Illegally carrying or possessing any deadly weapon within company premises.	Termination of employment or contract without any prejudice to any legal action that may be brought by the company.			
2. Final conviction of a crime involving moral turpitude committed within or outside company premises during office hours while on duty.	Termination from employment or contract without prejudice to any legal action that may be brought by the company.			
3. Willful refusal to follow security and safety requirements or standard company procedures.	Written Reprimand	5 working Days Suspension	10 working days suspension	Termination of employment or contract
4. Failure to report violations of security and safety rules which had come to the knowledge of the employee.	Written Reprimand	3 working days suspension	5 working days suspension	Termination of employment or contract

8

TYPE OF OFFENSES	1 st OFFENSE	2 nd OFFENSE	3 rd OFFENSE	4 th OFFENSE
SECTION D: VIOLATIONS AGAINST DECENCY OR GOOD CUSTOM				

As defined by the Philippine Revised Penal Code, it involves crimes such as **Grave Scandal** where the acts of the offender are highly scandalous and offensive against decency or good customs. It is deemed committed if done within **public knowledge** or **public view**. It goes against established usage, good taste, and social conventions of the community or society at large.

1. Illicit or unlawful sexual relationships under scandalous circumstances between employees or between an employee and the spouse of another within or outside company premises which is of public knowledge and adversely affecting the integrity and morale of company employees and the good name of the company.	Meeting counseling among the immediate head of the offending employee/s, Head of HR Department and employees concerned. Such meeting is to be initiated by the pertinent HR Head or Immediate Superior of concerned employees.	Written notice of reprimand with warning of termination	Termination of employment or contract	
2. Demanding or receiving payment of money, materials, or services from suppliers or contractors of the company in consideration of a favor in connection with any transaction, contract, or agreement between the supplier/contractor with the company.	10 working days suspension	Termination of employment or contract		

3. Fraudulently requesting or encouraging or influencing another employee to fraudulently acquire or rent any equipment or material or service not needed even as a spare or standby by the company at the time the request was made.	Termination of employment or contract together with the offending employee who made the fraudulent request without prejudice to any legal action by the company.			
4. Concealing and not reporting to the company knowledge of the commission of violations under nos. 2 and 3 above:	Written Reprimand	5 working days suspension	10 working days suspension	Termination of employment or contract
5. Illegal possession, use, and sale of any prohibited drugs inside company premises. <i>*Please refer to Drug Free Workplace Policy of NAC</i>	Termination of employment or contract			
6. Intoxication during hours of work within company premises. <i>*Please refer to Alcohol Free Workplace Policy of NAC</i>	Written Reprimand	3 working days suspension	5 working days suspension	Termination of employment or contract
7. Engaging in, allowing, or encouraging the showing of lewd motion pictures or materials using company property within company premises during work hours.	Written Reprimand	2 working days suspension	5 working days suspension	Termination of employment or contract
8. Instigating a fight with co-employees within company premises during or outside work hours.	Written Reprimand	5 working days suspension	Termination of employment or contract	
9. Spreading false and/or offensive rumors and/or gossip against a co-employee and/or Company to taint both reputations in whatever means (verbal, written, and social media)	Written Reprimand	5 working days suspension	Termination of employment or contract	

10. Engaging in any grossly indecent conduct or using defamatory language towards another employee within company premises during work hours.	Written Reprimand	5 working days suspension	Termination of employment or contract
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TYPE OF OFFENSES AND CONDITIONS OF WORK	1 st OFFENSE	2 nd OFFENSE	3 rd OFFENSE	4 th OFFENSE
1. Falsifying official company records or submission of fake documents.	Termination of employment or contract			
2. Submission of fake or fraudulent liquidation of expenses.	Termination of employment or contract			
3. Insubordination or willful refusal to obey and follow the work instruction of an immediate superior without justification.	3 working days suspension	5 working days suspension	Termination of employment or contract	Termination of employment or contract
4. Willful neglect of work duties and responsibilities. Non performance of expected deliverables.	Written Reprimand	3 Working days suspension	5 working days suspension	Termination of employment or contract
5. Leaving the place of work during working time without any official purpose.	Written reprimand with warning of suspension	3 Working days suspension	5 working days suspension	Termination of employment or contract
6. Absence without approved leave application by the immediate head and properly submitted to HR.	Written reprimand with warning of suspension	3 days suspension	Termination of Employment	
7. Failure to report for work immediately after expiration of leave of absence.	Written Reprimand	3 Working days suspension	5 working days suspension	Termination of employment or contract
8. Frequent tardiness or late reporting for work.	Verbal Notice	1 st Written Reprimand	2 nd Written Reprimand with advice	5 working days suspension Meeting and counselling with

9. Habitual or frequent absenteeism of at least 4 times a month.	Written reprimand	3 working days suspension	5 working days suspension	Termination of employment	Warning of termination of employment on the 6 th time.
10. Failure to pass the rating on Annual Performance Evaluation.	Written Reprimand	3 Working days suspension	5 working days suspension	Termination of employment or contract	
11. Sleeping during work hours.	Written Reprimand	3 Working days suspension	5 working days suspension	Termination of employment or contract	
12. Failure to comply with Annual Physical Examination (APE)	Written Reprimand	3 Working days suspension	5 working days suspension	Termination of employment or contract	

All employees are expected to comply with and observe company rules and regulations on safety, health and environment shall be dealt with by the pertinent Safety, Health, Environment and Social Committee or group of the pertinent companies of NAC unless the company issues supplementary rules and regulations thereto.

Management may terminate, suspend, and otherwise discipline employees of the Company depending on the gravity of the first and succeeding offenses and on the number of times such offenses are committed. Past infractions of an employee may be considered in the over-all evaluation and decision of a case.

If there are offenses not specifically provided herein, any such offenses analogous to any of the offenses as above stated, shall be duly investigated and dealt with accordingly.

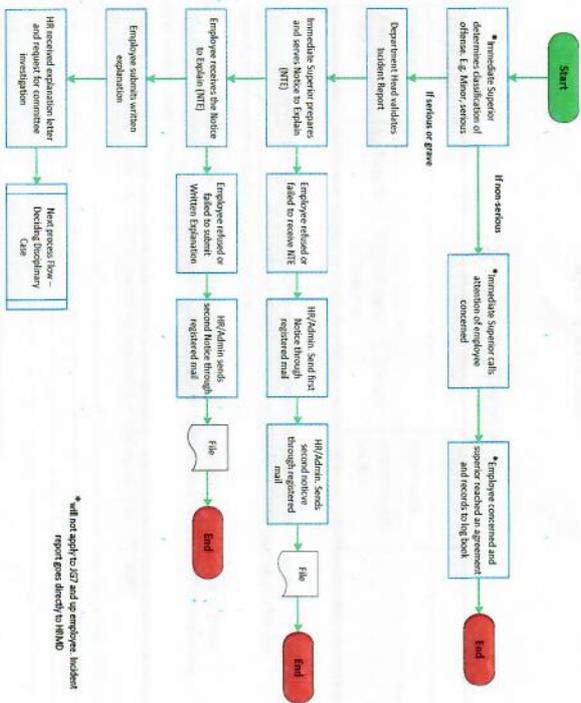
PROCEDURE ON DISCIPLINARY INVESTIGATION

Due process observed with two-notice rule:

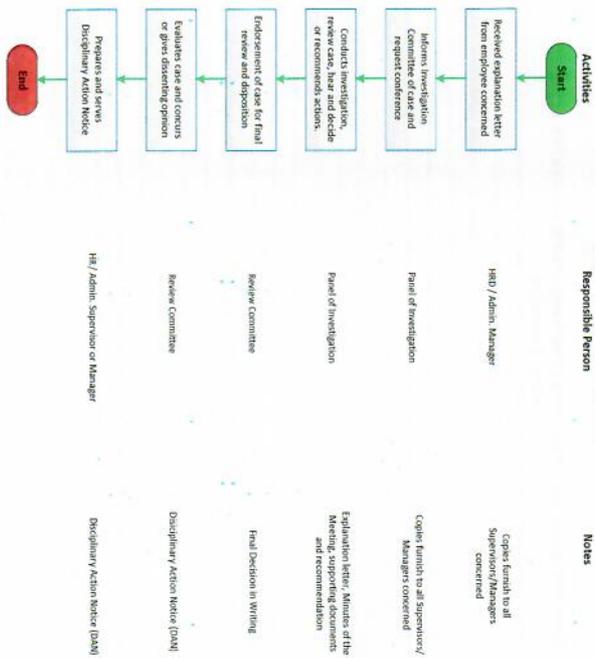
1. In the conduct of an investigation involving aforementioned violations and sanctions, due process must be observed by giving a First Notice to the erring employee setting forth the violation and the nature and specifics thereof as to time, place, date and other circumstances when committed.
2. The concerned employee shall be allowed to submit a written explanation within FIVE (5) WORKING DAYS from receipt of the First Notice and present any evidence against the violations charged and allowed the assistance of a lawyer. Failure of the employee to submit a written explanation shall be a waiver of his/her right to explain him/herself and the allegations in the First Notice shall be deemed admitted.
3. In the event that the company is convinced with the explanation of the employee, then the violation will be disregarded.
4. In the event that the explanation does not establish all the facts of the case, the company shall convene an Investigating Panel to conduct an investigation to resolve the issue/s of the alleged violation.
5. For purposes of the above, an **Investigating Panel** shall be created consisting of the following:
 - HR Department Head or Representative concerned.
 - Immediate Superior of the employee concerned.
 - Third neutral member from any of the other departments of the company.
6. The company shall thereafter serve a Second Notice in writing to the employee and his lawyer, if represented by one, of the final decision of the company setting forth the penalty and the basis of such.
7. Such members shall be formally advised to convene by the Resident Manager concerned or the HR Head in the case of NAC Head Office employees.
8. The investigating panel may put the employee under preventive suspension if the employee, in view of the alleged violation of this Code, poses a danger on to his/her co-employees or to company property.
9. A decision of the panel shall have the concurring majority votes of at least two (2) members of the panel. The decision rendered by the panel shall be final and executory. Such decision shall be without prejudice to the company's right to file any legal action available to it under applicable laws and/or any other government issuances against the employee concerned and other parties involved.

10. All official documents and records of proceedings of the investigation shall be compiled and kept in a confidential file by the HR Department.

REPORTED VIOLATION OF COMPANY POLICIES
PROCESS 1



RESOLVING DISCIPLINARY CASE
PROCESS 2





DISCIPLINARY ACTION NOTICE

Employee	Date
Position	I.D. No.
Department/ Section	Status
Infraction Committed	Previous Infraction Committed

ACTION TAKEN	
<input type="checkbox"/> EXONERATED	
<input type="checkbox"/> WRITTEN WARNING	
<input type="checkbox"/> PREVENTIVE SUSPENSION :	Days Effective:
<input type="checkbox"/> SUSPENSION : Day/s	Effective:
<input type="checkbox"/> TERMINATION : Effective	
Initiated by (Immediate Superior) :	Reviewed by (HR Admin) :
Name/Signature/Date:	Name/Signature/Date:
Recommend Approval (Department/Division Manager) :	Name/Signature/Date:
Name/Signature/Date:	Name/Signature/Date:
Approved by (HRM/Executive Officer) :	Received by Employee:
Name/Signature/Date:	Name/Signature/Date: