

EVER- GOTESCO RESOURCES AND HOLDINGS, INC.
RELATED PARTY TRANSACTION COMMITTEE CHARTER

Purpose

The Related Party Transaction Committee (the "Committee") shall have the primary function of reviewing all material related party transactions of the company and should be composed of at least three directors, two of whom should be independent, including the Chairman.

Definition of Terms

1. **Related Party** – a person or entity that is related to the Company or any of its subsidiaries or affiliates, who has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes:
 - a. Individuals owning directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company.
 - b. Individuals owning, directly or indirectly, an interest in the voting power of the corporate shareholder of the Company that give them significant influence over the corporate shareholder of the Company and close members of the family of any such individual.
 - c. Members of the board of directors of the Company or of the board of any of its subsidiaries or affiliates.
 - d. Officers (whether a bylaw officer or not) and members of senior management of the Company or of any of its subsidiaries or affiliates.
 - e. A subsidiary or affiliate of the Company.
2. **Significant influence** – the power to participate in the financial and operating policy decisions of an entity or control over policies. Significant influence may be gained by share ownership, status or agreement.
3. **Subsidiary** – a corporation more than 50% of the voting stock of which is owned or controlled, directly or indirectly, through one or more intermediaries, by another corporation, which thereby becomes its parent corporation.
4. **Affiliate** – a corporation that directly or indirectly, through one or more intermediaries, is controlled by, or is under the common control of, another corporation, where such ownership in shares is less than 50% of the voting stock.
5. **Close members of the family of a person** – family members who may be expected to have control, joint control or significant influence, or be influenced by that person in their dealings with the entity and include:
 - a. That person's children and spouse or domestic partner;
 - b. Children of that person's spouse or domestic partner;
 - c. Dependents of that person or that person's spouse or domestic partner
 - d. Relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law

6. **Related Party Transaction (“RPT”)** – a transfer of resources, services or obligations between a related party and the Company or any of its subsidiaries and affiliates.
7. **Material RPTs** – are those RPTs that meet the threshold values amounting to ten percent (10%) or higher of a company’s total assets, as defined in SEC MC No. 10 Series of 2019, dated April 25, 2019.
8. **Significant RPTs** – are RPTs with transactions value exceeding P5 Million, or its foreign currency equivalent.

Membership

The Committee shall be composed of at least three (3) members to be elected by the Board from among its members, immediately after the annual stockholders’ meeting, and shall serve as such for a term of one year, or until the next annual stockholders’ meeting.

Any member may be removed from the Committee, with or without cause, by majority vote of the Board. Any vacancy in the membership of the Committee may be filled by a majority vote of the Board.

Requirements of the RPT

1. Directors or Officers are required to declare and disclose any RPT and the material interest that they, or an immediate family member, may have on such RPT transaction.

2. The following information, to the extent relevant, with respect to the proposed RPT should be disclosed in the Term Sheet:

- a. A general description of the transaction/s including the material terms and conditions.
- b. The name of the Related Party and the basis on which such person or entity is a Related Party.
- c. The Related Party's interest in the transaction/s including the Related Party's position or relationship with, or ownership of, any entity that is party to or has an interest in the transaction/s.
- d. The total value of the proposed transaction and the share of the Related Party's interest in the transaction/s.
- e. Whether the Company will be a party to the transaction and if not, the nature of its participation in the transaction/s.
- f. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result or in connection with the proposed transaction.
- g. Any other material information regarding the transaction/s or the Related Party's interest in the transactions.

3. The Term Sheet disclosing the RPT shall be submitted to the CFO, or the Corporate Secretary, or the RPT Committee. Such report shall then be consolidated by the secretariat

designated by the RPT Committee as provided under this Policy.

4. An officer who has knowledge of an RPT shall report the same to the RPT Committee if he or she learns that such particular RPT has not been reported to the RPT Committee as required under this Policy. A person who reports an RPT under this provision shall not be subject to any liability or sanction.

5. Certification is required from all service providers, suppliers and vendors that they do not have a conflict of interest with the Company.

6. Disclaimer is required from all approving officer/s signing contracts, agreements/ work orders and purchase orders that they are not related to the counterparties of the proposed transaction.

Exceptions

Any of the following types of transaction shall not require review and approval by the RPT Committee and the Board, respectively:

1. Transactions in the Ordinary Course of Business

a. The services the Company renders in the ordinary course of business provided that the transaction has no policy deviations and the services are on substantially the same terms as those prevailing at the time for comparable services provided to unrelated parties (e.g. they are carried out under agreements with standard terms and conditions applicable to other clients/patrons/service providers).

b. A transaction where the rates or charges involved in the transaction are determined by competitive bids following company policy or fixed by law or regulated by a governmental authority.

c. Discounts and special privileges granted to VIPs and patrons and clients with high volume of transactions with the Company or its subsidiaries or affiliates, and as part of regular marketing promotions if the Related Party falls within the category entitled to the privilege.

d. Transactions which go through market rates set in general by the provider of the goods or services.

e. Repeat services or transactions provided by an existing service provider under standard terms and conditions already approved by the Board, the RPT Committee, the CEO, or Management.

f. Transactions between the Company or any of its subsidiaries or affiliates relating to a transaction or service where the particular subsidiary or affiliate is established or is identified by the Board or Management as the provider of support services for the Company or a subsidiary or affiliate.

2. Recurring settlement of intercompany charges

a. Auxiliary services granted with preferential rates or waivers given to all employees (including Senior Officers) as part of employees' incentives or benefits approved by the Remuneration Committee.

3. Ordinary Employee Benefits

4. Benefits and Privileges granted to Members of the Board of Directors

Quorum

A majority of the members of the Committee shall constitute a quorum for holding a Related Party Transaction Committee meeting. The affirmative vote of a majority of the Committee members present at a duly constituted meeting shall be required to approve any matter requiring the Committee's approval or in passing a resolution of the Committee.

Meetings

The Committee shall meet upon the call of its Chairman. Meetings of the Committee shall be held at the principal office of the Company unless advised otherwise by the Chairman.

Notice of the Committee meetings shall be sent to the Committee members at least one week prior to the scheduled meeting. Meetings may be held via teleconferencing or videoconferencing. The minutes of Committee meetings shall be submitted to the Board for information and ratification at the next succeeding meeting of the Board.

Review and Approval Procedures

1. All related party transactions with value exceeding P5 Million (in a single transaction or in aggregate transactions), (except those exempted under Part III of the Guidelines) shall be disclosed to and be evaluated and approved by the RPT Committee. A Report on Significant and material related party transaction shall be submitted to the Board of Directors.
2. Material Related party Transactions shall be evaluated by the RPT Committee and endorsed to the Board of Directors for approval. Such RPTs shall also be guided by provisions of SEC Memorandum Circular No. 10 Series of 2019, dated April 25, 2019.
3. The Committee will consider the following factors to the extent relevant to the RPT in conducting an independent review:
 - a. The identities of the parties involved in the transaction or relationship;
 - b. The terms of the transactions are fair and reasonable;
 - c. The aggregate value of the transaction;
 - d. Purpose and timing of the transaction;
 - e. The extent of Related Party's interest on the transaction; and,
 - f. Whether the RPT would present an improper conflict of interest for the Company or any of its subsidiaries or affiliates, or the Related Party taking into account the size of the transaction and the overall financial position of the Related Party.
4. Related Party Transactions involving directors and officers shall be submitted to the Board of Directors for approval. If for any reason the Board of Directors cannot approve the Material RPT involving directors or officers, such Material RPT shall be submitted to the stockholders for approval.
5. Any member of the Board or Committee who has interest in the transaction must abstain from participation in the review and approval of any RPT.
6. The Committee shall have the authority to inquire into and evaluate any RPT below the P5 Million threshold at its discretion. The Related Party involved in any such RPT subject to

the inquiry of the RPT Committee shall cooperate and disclose the information required by the RPT Committee. The RPT Committee may advise Management to cancel, rescind or nullify any RPT that in its opinion is unfair and prejudicial to the Company (or its subsidiary or affiliate party to the RPT).

7. The Committee may establish such rules of procedure as it deems necessary from time to time.

Duties and Functions

The Committee shall perform the following functions:

- a. Evaluate and monitor existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified and ensure that subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, related party transactions and changes in relationships shall be reflected in the relevant reports to the Boards and regulators/supervisors;
- b. Evaluate all material related party transactions to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or determine any potential reputational risk issues that may arise as a result of in connection with the transactions. In evaluating related party transactions, the Committee shall take into account the following:
 - i. The relationship and interest of the company to the related party and the transaction;
 - ii. The material facts of the proposed related party transaction, including the proposed aggregate value of such transaction;
 - iii. The benefits of the proposed related party transaction to the corporation;
 - iv. The availability of other sources of comparable products or services;
 - v. An assessment of whether the proposed related party transaction is on terms and conditions that are comparable to the terms which are generally available to an unrelated party under similar circumstances.
- c. Ensures that appropriate disclosures are made with proper information provided in order to regulate and supervise authorities relating to the related party transaction, its exposures, and its policies on conflicts of interest or potential conflicts of interest.
- d. Reports the status of the related party transaction to the Board of Directors on a regular basis.
- e. Ensures that transactions with related parties are subject to a periodic independent review or proper audit process.
- f. Oversees the implementation of the system to identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of the policies and procedures of related party transactions.