

<b>Role</b>	Shall be responsible for fostering the success of the Corporation and securing its sustained, competitiveness in a manner consistent with his fiduciary responsibility.	Shall act with fairness in all his dealings with the Corporation and ensure that his own personal interests do not affect his decisions at the Board level or conflict with the interest of the Corporation. Observe confidentiality except in matters already disclosed publicly and ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.	Person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the Corporation.
<b>Accountabilities</b>	Company, shareholders, management and staff.	Company, shareholders and management.	Company, shareholders and management.
<b>Deliverables</b>	Formulation of the Corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance.	Shall be able to effectively participate in the deliberations of the Board.	Shall be able to effectively participate in the deliberations of the Board.

**Provide the company's definition of "independence" and describe the company's compliance to the definition.**

The Company's definition of "independence" is that an independent director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his duties as a director of the Corporation. The term "independent director" includes, among others, any person who: (a) is not a director or officer of the Corporation or of its related companies or any of its substantial shareholders, except when an independent director of any of the foregoing; (b) does not own more than 2% of the shares of the Corporation and/or its related companies or any of its substantial shareholders; (c) is not related to any director, officer or substantial shareholder of the Corporation (i.e., spouse, parent, child, sibling or spouse of such child or sibling) or any of its related companies or any of its substantial shareholders; (d) is not acting as a nominee or representative of any director or substantial shareholder of the Corporation, and/or any of its related companies and/or any of its substantial shareholders, pursuant to any contract or arrangement; (e) has not been employed in any executive capacity by the Corporation, any of its related companies and/or by any of its substantial shareholders within the last 2 years; (f) is not retained, either personally or through his firm or any similar entity, as professional adviser by the Corporation, any of its related companies and/or any of its substantial shareholders, within the last 2 years; or (g) has not engaged and does not engage in any transaction with the Corporation and/or with any of its related companies and/or substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms' length and are immaterial. A "related company" means another company which is: (a) a holding company; (b) subsidiary; or (c) subsidiary of the holding company of the Corporation. A "substantial shareholder" means any person who is, directly or indirectly, the beneficial owner of more than 10% of any class of the Corporation's equity security.

The Corporation has complied with the foregoing definition of "independence." The independent directors of the Corporation are free from any business or relationship which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their duties as directors.

**Does the Company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.**

The Company has a term limit of five (5) consecutive years for independent directors. An independent director will be eligible again for election as independent director for another five (5) years term after a two (2) year cooling-off period, provided that he has not engaged in any activity that under existing rules disqualifies him from being elected as such.

**5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors) (Amended as of 31 March 2014)**

**(a) Resignation/Death/Removal**

**Indicate any changes in the composition of the Board of Directors that happened during the period:**

Name	Position	Date of Cessation	Reason
Yolanda M. Bautista*	Executive-Director	10 December 2013	Resignation

\*Ms. Y. M. Bautista resigned as Director of STI Holdings on 10 December 2013. Updated based on SEC Form 17-C on Resignation and Election of Directors filed on 11 December 2013.