



MATERIAL RELATED PARTY TRANSACTIONS POLICY

1. POLICY STATEMENT

Globalport 900, Inc. (the "COMPANY" or "PORT") hereby adopts this Policy on Related Party Transactions (the "Policy") pursuant to Securities and Exchange Commission ("SEC") Memorandum Circular NO. 10, Series of 2019.

2. DEFINITIONS

The following defined terms apply to this Policy:

- (a) Abusive Material RPTs – These refer to Material RPTs that are not entered into at arm's length and unduly favor a Related Party.
- (b) Affiliate – an entity linked directly or indirectly to PORT through any one or a combination of the following:
 - (i) ownership, control, or power to vote, whether by permanent or temporary proxy or voting trust, or other similar contracts by an entity of at least ten percent(10%) or more of the outstanding voting stock of PORT, or vice versa;
 - (ii) interlocking directorships or officerships, except independent directors as defined by relevant laws and/or regulations;
 - (iii) common stockholders owning at least ten percent(10%) of the outstanding voting stock of the entity and of PORT; and/or
 - (iv) management contract or any arrangement granting power to the reporting entity to direct or cause the directions of management and policies of the entity, or vice-versa.
- (c) Associate – An entity where PORT holds twenty percent (20%) or more of the voting power, directly or indirectly, or which PORT has Significant Influence.
- (d) Audit Committee – refers to PORT's Audit Committee.
- (e) Control – A person or an entity controls PORT if, and only if, the person or entity has all of the following:
 - (i) power over PORT;
 - (ii) exposure or rights, to variable returns from its involvement with PORT; and
 - (iii) the ability to use its power over PORT to affect the amount of the returns of PORT.

- (f) **Material RPT** – Any transaction or series of transactions within a twelve (12) month period between PORT and a Related Party which involves an amount, whether on its own or in the aggregate, equal to, or more than, the Materiality Threshold regardless of the currency involved and regardless of whether or not a price was actually charged or a payment was actually made.
- (g) **Materiality Threshold** – Is an amount equal to ten percent (10%) of the value of PORT's total assets based on PORT's latest Audited Financial Statements. If PORT is a parent company, then, the total assets shall pertain to its total consolidated assets.
- (h) **Related Parties cover:**
 - (i) any person or group of persons who have control, joint control or significant influence over PORT such as the members of its board of directors, its corporate officers, and Substantial Shareholders and and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law;
 - (ii) PORT's parent, subsidiaries, fellow subsidiaries, associates, affiliates, partnerships, joint ventures and similar arrangements where PORT is invested whether or not these are in the form of a legal entity; and
 - (iii) entities that are controlled, jointly controlled or significantly influenced or managed by a Related Party.
- (i) **RPT** – Any transfer of resources, services, or obligations, regardless of the currency involved and regardless of whether or not a price was actually charged or a payment was actually made, between PORT and a Related Party or between PORT and an un-Related Party that becomes a Related Party subsequent to the transaction.
- (j) **Significant Influence** – The power to participate in the financial and operating policy decisions of PORT without necessarily having Control or joint Control over those policy decisions.
- (k) **Substantial Shareholder** – Any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of PORT's issued and outstanding capital stock.

3. SCOPE, COVERAGE and OBJECTIVES

The Policy applies to any transaction between PORT and a Related Party, whether in a single transaction, or a series of transactions which in the aggregate within a twelve (12) month period, involves an amount equal to or more than the Materiality Threshold regardless of the currency involved and whether or not a price was actually charged or a payment was actually made.

This Policy excludes transactions that meet the Materiality Threshold between PORT and an un-Related Party even if the un-Related Party becomes a Related Party subsequent to the transaction. However, if the un-Related Party subsequently becomes a Related Party any alteration to the terms and conditions of previously excluded transactions that increases the value of said transactions will subject said transactions to this Policy.

It is the objective of this Policy to ensure:

- (a) that every RPT is conducted in a manner that protects PORT and its stakeholders from any conflict of interest which may arise between PORT and its Related Parties;
- (b) that every RPT is at arm's length, has fair terms, and inures to the best interest of PORT and Related Parties; and its stakeholders, subsidiaries and affiliates; and
- (c) that a set of guidelines shall govern the proper review, evaluation, approval, ratification, disclosure, and implementation of RPTs in compliance with relevant legal and regulatory requirements.

4. GENERAL POLICIES

PORT shall ensure compliance with the requirements of the Revised Corporation Code, its Articles of Incorporation and By Laws, regulations and circulars released by the Securities and Exchange Commission (SEC) and other related laws, rules and regulations in approving Material RPTs.

The Board of Directors, the Audit Committee and the Compliance Officer of PORT shall ensure that all RPTs are on terms and conditions that are at arm's length and within acceptable market rates, sufficiently documented, and coursed through all appropriate levels of approval as provided under this Policy.

The Audit Committee, with the aid of the Compliance Officer of PORT, is responsible for the review and endorsement of all Significant Influence and RPTs. All Material RPTs shall be referred to the Board of Directors for review and approval.

Related Parties shall not be given preferential treatment that is not likewise available to similarly situated un-Related Parties.

PORT shall maintain a Related Party Registry which shall contain a list of persons and entities that PORT considers as Related Parties. The Related Party Registry shall be reviewed and updated on a quarterly basis to capture organizational and structural changes in PORT and its Related Parties. The Compliance Officer of PORT shall be responsible for the custody and regular updating of the Related Party Registry.

5. MATERIAL RPTS

A qualified external independent party (*e.g.*, auditor, accountant, lawyer, industry expert, etc.) must review and evaluate the terms and conditions of any Material RPT before it is presented to the board of directors of PORT for approval.

A Material RPT requires the approval by at least two-thirds (2/3) vote of the board of directors with a vote of a majority of the independent directors of PORT. If a majority vote of the independent directors is not obtained, the Material RPT may be presented to the stockholders of PORT who may ratify the Material RPT by a vote of stockholders representing at least two-thirds (2/3) of the issued and outstanding capital stock of PORT entitled to vote. The voting requirements in this paragraph apply to any material change (*e.g.*, change in value, interest rate, payment terms, commissions, security or collateral requirements, etc.) to the terms and conditions of a Material RPT.

communication and/or report received, and such communications and/or reports shall be forwarded to the Audit Committee.

The Audit Committee shall be responsible in determining whether such communication and/or report requires any action or response. Such action or response shall be included in the log maintained by the Head of Legal or a person designated by the Audit Committee (in the event that the Head of Legal is the subject of a communication and/or report).

The determinations mentioned in the above-mentioned paragraph may be recorded based on the categories established by the Audit Committee – the communication and/or report is not “a complaint” or “concern”; the communication and/or report does not involve accounting, internal accounting control, auditing or financial reporting matters; whether or not action shall be required (in the event that action shall be required, a record include the action taken and its outcome). The status shall be reported to the Audit Committee by the Head of Legal and/or any other person designated by the Audit Committee, on a monthly basis or at such frequency as the Audit Committee may require otherwise.

All communications and/or reports shall be under the direct control of the Audit Committee, likewise, such communications and/or reports received shall be placed in confidential files and shall be retained for seven (7) years, or for such longer time as may be deemed necessary by the Audit Committee.

(b) COMMUNICATIONS AND/OR REPORTS ON OTHER MATTERS

Misdirected communications and/or reports determined by the Audit Committee or concerns not relating to accounting, internal accounting control, auditing or financial reporting matters shall be addressed to and acted upon by the responsible officer of the concerned and affected business unit or department. In view thereof, the employees with such concern shall communicate and/or report the same to the responsible officer in order to ensure that the same shall be properly acted upon.

In upholding its integrity and fairness, the Company shall not tolerate retaliation against a director, officer, or employee, or other interested party who, in good faith, raises a concern or reports a possible violation under this policy. This policy, likewise shall not be used for addressing personal grievances.

Pursuant to the requirements of the SEC, the undersigned signed this Policy on __ October 2021 on behalf of PORT



MR. EDWIN JOSEPH G. GALVEZ
Chairman of the Board



ATTY. E. HANS S. SANTOS
Compliance Officer