



SECURITIES AND EXCHANGE COMMISSION

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The following document has been received:

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April 23, 2025

Securities and Exchange Commission

THE SEC Headquarters
17/F SEC Headquarters,
7907 Makati Avenue Barangay Bel-Air, Makati City

Attention: Director Oliver O. Leonardo
Director, Markets and Securities Regulation Department

Director Rachel Esther J. Gumtang-Remalante
Director, Corporate Governance and Finance Department

Philippine Stock Exchange, Inc.

Disclosure Department
6th Floor, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Philippine Dealing and Exchange Corporation

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

Attention: Atty. Suzy Claire R. Selleza
Head, Issuer Compliance and Disclosure Department

Gentlemen:

Further to our disclosure on our Board of Directors' approval of the revisions to our Related Party Transactions Policy (the "Policy") on April 14, 2025, we are pleased to submit the Revised Policy.

We trust that you find the attached in order.

Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lalaïne P. Monserate".

ATTY. LALAINÉ P. MONSERATE

Vice President – Legal and Compliance Officer

REVISED POLICY ON RELATED PARTY TRANSACTIONS

1 Purpose

- 1.1 To establish policies and guidelines on the Related Party Transactions (RPTs) of the House of Investments, Inc. (The Company).
- 1.2 To define the roles and responsibilities of the personnel-in-charge in the identification, review, approval, and disclosure of RPTs.
- 1.3 To promote good corporate governance and additional protection to its shareholders by ensuring that related party transactions are done under reasonable, fair and arm's length terms, in compliance with pertinent laws, rules and regulation.

2 Scope and Limitations

This policy applies to House of Investments, Inc. and its subsidiaries and affiliates.

Please refer to Annex "A": List of Covered Companies.

3 Definition of Terms

For the purpose of this Policy, the following definition of terms shall apply:

- 3.1 **Related Party** -covers the Company's substantial shareholders, directors, officers and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law, if these persons have control, joint or significant influence over the Company. It also covers the Company's parent, subsidiary, fellow subsidiary, associate, affiliate, joint venture or an entity that is controlled, jointly controlled or significantly influenced or managed by a person who is a related party.
- 3.2 **Related Party Transactions (RPTs)** -a transfer of resources, services or obligations between the company and a related party, regardless of whether a price is charged. It should be interpreted broadly to include not only transactions that are entered into with related parties, but also outstanding transactions that are entered into with an unrelated party that subsequently becomes a related party.
- 3.3 **SEC Material RPTs** -any transaction of the Company with a related party as defined herein, where the amount involved would bring the aggregated 12-month period with the same party at 10% or higher of the Company's total consolidated assets based in its latest audited Financial Statement.
- 3.4 **Company Material RPTs** -any transaction of the Company and/or its subsidiaries with any related party amounting to Ten Million Pesos (PhP10,000,000.00) and above.
- 3.5 **Material RPTs** - refers to both SEC Material and Company Material RPTs.

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3.6 **Affiliate** -refers to an entity linked directly or indirectly to the Company through any one or a combination of any of the following:

- Ownership, control or power to vote, whether by permanent or temporary proxy or voting trust, or other similar contracts, by a company of at least ten percent (10%) or more of the outstanding voting stock of the Company, or vice-versa;
- Interlocking directorship or officership, except in cases involving independent directors as defined under existing regulations;
- Common stockholders owning at least ten percent (10%) of the outstanding voting stock of the company and the entity; or
- Management contract or any arrangement granting power to the reporting Company to direct or cause the direction of management and policies of the entity, or vice-versa.

3.7 **Associate** - An entity over which the Company holds twenty percent (20%) or more of the voting power, directly or indirectly, or which the Company has significant influence.

3.8 **Significant Influence** - The power to participate in the financial and operating policy decisions of the Company but has no control or joint control of those policies.

3.9 **Control** - A person or an entity controls a company if and only if the person or entity has all of the following:

- Power over the Company;
- Exposure, or rights, to variable returns from its involvement with the Company; and
- The ability to use its power over the Company to affect the amount of the Company's returns.

3.10 **Joint Control** - is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

3.11 **Parent** - is an entity that controls one or more entities.

3.12 **Subsidiary** - a company more than fifty percent (50%) of the voting stock of which is owned or controlled, directly or indirectly, through one or more intermediaries, by another company, which thereby becomes its parent corporation.

3.13 **Joint venture** - is a contractual arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

3.14 **Substantial Shareholder** - any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

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3.15 **Related Party Registry** - A record of the organizational and structural composition, including any change thereon, of the company and its related parties.

4. Implementing Guidelines

4.1. General Policies

- 4.1.1. The House of Investment, Inc. recognizes that RPTs can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company and its stockholders', especially the minority stockholders', and other stakeholders' best interests.
- 4.1.2. The Board of Directors of the House of Investments, Inc. shall assign to the Corporate Governance, Nominations and Related Party Transactions Committee, members of which are all independent directors, the duty of monitoring, reviewing and evaluating material related party transactions for endorsement to the Board.
- 4.1.3. It is the Company's policy that RPTs are conducted in accordance with the principles of transparency, integrity and fairness, to ensure that they are conducted at arm's length, the terms are fair, and they will inure to the best interest of the Corporation and its subsidiaries or affiliates and their shareholders, including minority shareholders.
- 4.1.4. As a publicly-listed company, the Company shall adhere to the rules and regulations mandated by government institutions and supervising bodies pertaining to RPTs (i.e. Securities and Exchange Commissions, etc.).

Please refer to SEC Memorandum Circular No. 10, Series of 2019: Rules on Materials Related Party Transactions for Publicly-Listed Companies.

- 4.1.5. The Company shall at all times observe, uphold and respect the rights of its shareholders, minority and majority alike, through this RPT Policy.

4.2. Coverage

- 4.2.1. This policy covers both SEC and Company Material Related Party Transactions between the Company and a Related Party as defined above. If the Company's Subsidiary has not adopted its own policy on RPTs, this policy shall also cover the RPTs between such Subsidiary and a Related Party as defined above.
- 4.2.2. Transactions amounting to Ten Million Pesos (Php10,000,000.00) or more that were entered into with an unrelated party that subsequently becomes a related party may be excluded from the limits and approval process required in the policy. However, any alteration to the terms and conditions, or increase in exposure level, related to these transactions after the non-related party becomes a related party shall subject the material RPT to the requirements of this Material RPT Rules. The prospective treatment should, however, be without prejudice to regulatory actions

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that may be enforced for transactions noted to have not been conducted on an arm's length basis.

4.3. Identification, Review and Approval of RPTs

- 4.3.1. Prior to execution of all material related party transactions, the transaction proponent will submit necessary information (refer to Section 4.3.2) of the proposed transaction every first Friday of the month to the Compliance Officer for RPT evaluation by the Corporate Governance, Nominations and Related Party Transactions Committee, copy furnish the Controller. The Controller, in close coordination with the Compliance Officer, will monitor RPTs for potential breach of the SEC Materiality Threshold (as defined in Section 3.3)
- 4.3.2. The transaction proponent shall be responsible for presenting to the Corporate Governance, Nominations and Related Party Transactions Committee all material RPTs, which shall include the following information:
- 4.3.2.1 Material facts of the transaction as mentioned in Section 4.8.5.
 - 4.3.2.2 Whether the terms are no less favorable than those generally available to non-related parties under the same circumstances
 - 4.3.2.3 Extent of the related party's interest in the transaction
 - 4.3.2.4 Purpose and duration of the transaction
 - 4.3.2.5 Availability of other sources of comparable products or services, if applicable
 - 4.3.2.6 Confirmation of compliance with Revenue Regulation No. 2-2013 (Transfer Pricing Guidelines)
 - 4.3.2.7 All other factors that the Corporate Governance, Nominations and Related Party Transactions Committee and/or Board of Directors may deem important.
- 4.3.3. Before the execution of an SEC Material RPT, the Board of Directors through the Corporate Governance, Nominations and Related Party Transactions Committee should appoint an external independent party to evaluate the fairness of the terms of the material RPTs. An external independent party may include, but is not limited to, auditing/accounting firms and third party consultants and appraisers. The independent evaluation of the fairness of the transparent price ensures the protection of the rights of shareholders and other stakeholders.

I. Guidelines to Ensure Arm's Length Terms

- 4.3.4. All RPTs shall be conducted at arm's length with consideration paid or received by the Company or any of its subsidiaries on terms no less favorable to the Company than terms available to any unrelated/unaffiliated customers or third-party for similar goods, services or transaction. No

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preferential treatment shall be extended to a Related Party that is not extended to a non-Related Party under similar circumstances.

4.3.5 To ensure that all RPTs are on arm's length, the Corporate Governance, Nominations and Related Party Transactions Committee review shall include the following:

4.3.5.1 Evaluate on an ongoing basis, existing relations between and among businesses and counterparties.

4.3.5.2 Evaluate all RPTs to ensure that these are not undertaken on more favorable economic terms (e.g., price, commissions, interest rates, fees, tenor, collateral). In evaluating RPTs, the Committee takes into account, among others, the following:

- The terms of the transaction;
- The related party's relationship to the Company and interest in the transaction;
- The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
- Purpose and timing of the transaction;
- The benefits to the company of the proposed RPT;
- The availability of other sources of comparable products or services; and
- An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances.
- Whether the transaction would present an improper conflict of interest or special risks or contingencies 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;
- Any material information or other factors the Corporate Governance, Nominations and Related Party Transactions Committee deems relevant.

4.3.5.3 Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties.

4.3.5.4 Ensure that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process.

4.3.6. All material RPTs shall be subject to the approval of the majority of the Board of Directors. Furthermore, the Board shall approve a Material RPT before its commencement.

However, all SEC Material RPTs, either individually or in the aggregate over a twelve (12) month period with the same related party which breaches the threshold provided under Section 3.3, shall be subject to the approval by at least two-thirds (2/3) vote of the board of directors, with at least a majority of the independent directors voting to approve the transaction. In case that a

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majority of the independent directors' vote is not secured, the RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

4.3.7. Directors and officers with actual or potential personal interest in the material related party transaction shall fully and timely disclose to the Board of Directors through the Corporate Secretary and Compliance Officer their respective interest in the material RPT. Likewise, they shall abstain from the discussion, approval, and management of the transaction. This applies also to a Director or Officer who is a shareholder, partner, or officer of the related party. In case they refuse to abstain, their attendance shall not be counted for the purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.

4.3.8. The Compliance Officer shall oversee the implementation of the system for identifying, monitoring and reporting RPTs.

4.4. Related Party Transactions Not Covered by the Policy

4.4.1. The following RPTs shall not be subject to review by the Committee provided they will not breach the SEC materiality threshold as defined in Section 3.3:

4.4.1.1 Compensation of directors and employment of executive officers approved or endorsed by the Personnel & Compensation Committee or the Board.

4.4.1.2 Banking, finance or insurance-related services and transactions with a Related Party, if the terms are generally the same as or similar to offers of other banks in the ordinary course of business.

4.4.1.3 Share transactions such as dividends, repurchase, rights offerings, available to all shareholders on a pro-rata ownership basis.

4.4.1.4 Any transaction with a Related Party involving system cost recoveries, agreements or intercompany advances in exchange for rendering of services in the ordinary course of doing business for as long as it is compliant with Revenue Regulation No. 2-2013 (Transfer Pricing Guidelines).

4.4.1.5 Any transaction with a Related Party involving the rendering of services as a common or contract carrier or public utility at rates or charges fixed in conformity with law or governmental authority.

4.4.1.6 Transfer of resources between wholly-owned subsidiaries of an ultimate common parent company or between a wholly-owned subsidiary and its parent for as long as it is compliant with Revenue Regulation No. 2-2013 (Transfer Pricing Guidelines).

4.5. Whistle Blowing Mechanism

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4.5.1. The Whistleblower Policy of the Company extends to any concerns about illegal, unethical or questionable SEC and Company Material RPTs. Directors, officers, employees and stakeholders are encouraged to communicate any legitimate concerns.

4.5.2. A Whistleblower may send or communicate a report following the Company's policy on Whistleblowing as prescribed on the Company's website.

Please refer to House of Investment's website <https://hoi.com.ph/pdf/whistleblowing-policy/>

4.6. Self-assessment and Periodic Review

4.6.1. A Related Party Registry shall be maintained by the Compliance Officer in coordination with the Corporate Secretary to capture organization and structural changes in the company and its related parties. Such shall be reviewed and updated regularly.

4.6.1.1 Directors and officers shall annually disclose to the Board of Directors, through the Corporate Secretary and the Compliance Officer, details of their other directorships, shareholdings, and officerships, as well as that of their spouses and relatives within the fourth degree of consanguinity and affinity. The duty to disclose covers any changes in the said directorships, shareholdings, and/or officerships.

4.6.2. The Company's Compliance Officer shall ensure that the Company complies with relevant rules and regulations and is informed of regulatory developments in areas affecting related parties. Furthermore, the Compliance Officer shall ensure that the Company's RPT policy is reviewed regularly, kept updated and is properly implemented throughout the Company.

4.6.3. The Group Internal Audit Department shall conduct a periodic review of the effectiveness of the Company's system and internal controls governing RPTs to assess consistency with the board-approved policies and procedures. The resulting audit reports, including exceptions or breaches in limits, shall be communicated directly to the Audit Committee.

4.7. Remedies for Abusive RPTs

4.7.1. The Company is committed to protecting the rights of minority shareholders at all times, particularly from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly. All transactions including RPTs that require shareholder's approval are submitted to all shareholders, including minority shareholders, during the Annual Stockholders Meeting or Special Stockholders' Meeting duly called for the purpose. Any dissenting shareholder may exercise his/her appraisal right and demand payment of fair value of his/her shares in the manner provided under the Section 82 of the Revised Corporation Code of the

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Philippines on grounds provided under the Company's Revised Manual on Corporate Governance.

- 4.7.2. A material related party transaction shall be considered abusive if the same is not entered at arm's length and unduly favors a related party to the undue prejudice and substantial disadvantage of the Company.
- 4.7.3. Should the material related party transaction be found abusive, the Corporation, through its management, shall discontinue such transaction by serving a written notice to the related party within five (5) days from receipt of the decision of the Board of Directors as stated above or from receipt of the Board of Directors' assessment that the transaction is abusive.
- 4.7.4. The Company shall likewise demand from the related party the restitution of losses or opportunity costs that the Company incurred from such material related party transaction.
- 4.7.5. A director, officer, or personnel who has been found to be remiss in handling material related party transactions, whether deliberate or through gross negligence, shall be suspended or removed from his/her position, depending on the gravity of the offense, as the case may be, and as allowed under existing laws, rules, regulations, and company policies. Provided, however, that such director, officer, or personnel shall be solidarily liable with the related party from whom the restitution of losses or opportunity costs are demanded.

4.8. Regulatory Reporting of SEC Material RPTs

- 4.8.1. The Compliance Officer shall ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the Company's SEC Material RPT exposures, and policies on conflicts of interest or potential conflicts of interest.
- 4.8.2. Advisement Report of any SEC Material RPT should be filed within three (3) calendar days from the execution date of the transaction. The Advisement Report shall be signed by the Company's Corporate Secretary and Compliance Officer.

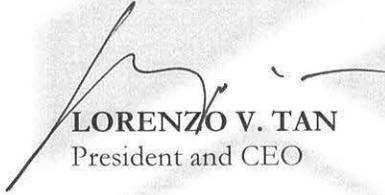
Please refer to Annex 1: Advisement Report

- 4.8.3. The proponent shall inform the Corporate Secretary and the Compliance Officer of the planned execution date of the SEC Material RPT so as to give them enough time to issue the Advisement Report.
- 4.8.4. The Compliance Officer shall include a summary of SEC Material RPTs entered into during the reporting year which shall be disclosed in the Company's Integrated Annual Corporate Governance Report (1-ACGR) to be submitted annually every 30th of May.
- 4.8.5. At the minimum, the disclosures in both Sections 4.8.2. and 4.8.4. shall include the following information:
 - 4.8.5.1 complete name of the related party;
 - 4.8.5.2 relationship of the parties;

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- 4.8.5.3 execution date of the material RPT;
- 4.8.5.4 financial or non-financial interest of the related parties;
- 4.8.5.5 type and nature of transaction as well as a description of the assets involved;
- 4.8.5.6 total assets (consolidated assets, if reporting Company is a parent company);
- 4.8.5.7 amount or contract price;
- 4.8.5.8 percentage of the contract price to the total assets of the reporting Company;
- 4.8.5.9 carrying amount of collateral, if any;
- 4.8.5.10 terms and conditions;
- 4.8.5.11 rationale for entering into the transaction; and
- 4.8.5.12 the approval obtained (i.e., names of Directors present, name of Directors who approved the material RPT and the corresponding voting percentage obtained).


HELEN Y. DEE
Chairperson


LORENZO V. TAN
President and CEO


LALAINÉ P. MONSERATE
Compliance Officer

House of Investments, Inc.

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ANNEX A: List of covered companies

1. House of Investments, Inc. (HI) and its divisions
2. Landev Corporation and subsidiaries
3. Security Agencies (Greyhounds, Blackhounds, Bluehounds)
4. Investment Managers, Inc. (IMI)
5. San Lorenzo Ruiz Investment Holdings and Services, Inc. (SLR)
6. HI Cars, Inc.
7. RCBC Realty Corporation (RRC)
8. A.T. Yuchengco Centre, Inc. (ATYC)
9. Tarlac Terra Ventures, Inc. (TTVI)