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**SECURITIES AND EXCHANGE COMMISSION**

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A B S C B N H O L D I N G S C O R P O R A T I O N

(Company's Full Name)

16 F N O R T H T O W E R , R O C K W E L L B U S I

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C I T Y 1 5 5 0

(Business Address: No. Street City/Town/Province)

ENRIQUE I. QUIASON

Contact Person

8-631 09 81

Company Telephone Number

Material Related Party Transactions Policy

1 2 3 1

Month

Day

Fiscal Year

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Domestic

Foreign

Total No. of Stockholders

To be accomplished by SEC Personnel concerned

File Number

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MATERIAL RELATED PARTY TRANSACTIONS POLICY

ABS-CBN HOLDINGS CORPORATION

A. Statement of Policy

It is the policy of ABS-CBN Holdings Corporation (the "Corporation") to ensure the fairness and arm's length characteristic of every Related Party Transaction, as defined herein, and that the said transaction will inure to the benefit and best interest of the Corporation.

All Related Party Transactions shall be reviewed, approved, and disclosed, as may be required by law and regulations, in accordance with this policy.

In reviewing Related Party Transactions, the relevant provisions of the Corporation Code, applicable laws, rules and regulations, the Corporation's Articles of Incorporation, By-Laws, and Manual on Corporate Governance shall be deemed applicable.

B. Board Oversight and Responsibility

The Board of Directors of the Corporation (the "Board") shall have the overall responsibility in ensuring that transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with applicable laws and regulations to protect the interest of the Corporation's shareholders and other stakeholders. It has approved this Material Related Party Transactions Policy to ensure effective compliance with existing laws, rules and regulations at all times and that these Related Party Transactions are conducted on an arm's length basis, and that no shareholder or stakeholder is unduly disadvantaged.

C. Definition of Terms

The Corporation adopts the definition of terms under SEC Memorandum Circular No. 10, Series of 2019, to wit:

1. Related Parties – covers the Corporation's reporting directors, officers, substantial shareholders and their spouses and relatives within the fourth civil degree of consanguinity or affinity, legitimate or common-law, if these persons have control, joint control or significant influence over the Corporation. It also covers the Corporation'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.
2. 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.
3. Affiliate – refers to an entity linked directly or indirectly to the Corporation through any one or a combination of the following:

- a. 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 Corporation, or vice-versa;
 - b. Interlocking directorship or officership, except in cases involving independent directors as defined under existing regulations;
 - c. Common stockholders owning at least ten percent (10%) of the outstanding voting stock of the Corporation and the entity; or
 - d. Management contract or any arrangement granting power to the Corporation to direct or cause the direction of management and policies of the entity, or vice-versa.
4. Associate – an entity over which the Corporation holds twenty percent (20%) or more of the voting power, directly or indirectly, or which the Corporation has significant influence.
5. 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.
6. Control – a person or an entity controls the Corporation if and only if the person or entity has all of the following:
 - a. Power of the Corporation;
 - b. Exposure, or rights, to variable returns from its involvement with the Corporation; and
 - c. The ability to use its power over the Corporation to affect the amount of the Corporation's returns.
7. Related Party Transactions (RPT) – a transfer of resources, services or obligations between the Corporation 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.
8. Material Related Party Transactions (Material RPT) – any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Corporation's total assets based on its latest audited financial statement.
9. Materiality Threshold – Ten Percent (10%) of the Corporation's total assets based on its latest audited financial statement. For purposes of this policy, and since the Corporation is a parent company, the total assets shall pertain to the Corporation's total consolidated assets.
10. Related Party Registry – a record of the organizational and structural composition, including any change thereon, of the Corporation and its related parties.
11. Abusive Material RPTs – refer to Material RPTs that are not entered at arm's length and unduly favor a Related Party.

D. Approval of Material RPTs

1. The Board shall approve Material RPTs, as herein defined, prior to entering into said transaction/s and/or ratified should it be determined that all RPTs within the 12-month period meet the aggregate threshold for Material RPTs.

An external independent party shall be appointed to evaluate the fairness of the terms of the material RPTs.

2. In the review of material RPTs, the Board of Directors shall ensure that said material RPTs are in the best interests of the Corporation, and consider all the relevant facts and circumstances available, including but not limited to the following:
 - a. The terms of the transaction;
 - b. The purpose and timing of the transactions;
 - c. The extent of each Related Party's interest in the transaction;
 - d. The aggregate value of the transaction;
 - e. The extent to which the terms of the transaction are less favorable than terms generally available in non-related transactions under similar circumstances;
 - f. The benefits to the Corporation in entering into the transaction. A price discovery mechanism, which shall include, among others, the hiring of an external expert, or opening the material RPT to a bidding process, or in certain cases, publication of available property for sale, shall be implemented to ensure that material RPTs are engaged into at terms that promote the best interest of the Corporation and its shareholders;
 - g. Whether the transaction would present an improper conflict of interests or special risks or contingencies for the Corporation 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. Relative thereto, directors and officers with personal interest in the transaction shall fully and timely disclose any and all material facts, including their respective interests in the material RPT and fully abstain from the discussion, approval and management of such transaction or matter affecting the Corporation. Should there be a refusal to abstain, their attendance shall not be counted for purposes of assessing quorum and their votes shall not be counted for purposes of determining majority approval. Thus, all Conflict of Interest disclosures of the board of directors and executive officers, including the Chairman and Chief Executive Officer, shall be referred to the Board of Directors; and
 - h. Any and all material information or factor that the Board of Directors may deem relevant.
3. Pursuant to SEC Memorandum Circular No. 10, Series of 2019, all individual Material RPTs shall be approved 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 material RPT. In case that a majority of the independent directors' vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock.

For aggregate RPT transactions within a twelve (12)-month period that breaches the materiality threshold of ten percent (10%) of the Corporation's total assets, the same board approval would be required for the RPTs that meets and exceeds the materiality threshold covering the same related party.

4. Disclosure requirement: The board members, substantial shareholders, and officers shall fully disclose to the Board of Directors all material facts related to Material RPTs, as well as their direct and indirect financial interest in any transaction or matter that may affect or is affecting the Corporation. Such disclosure shall be made at the board meeting where the material RPT will be presented for approval and before the completion or execution of the material RPT.

Directors with personal interest in the transaction should abstain from participating in discussions and voting on the same. In case there is a refusal to abstain, their attendance shall not be counted for purpose of determining approval.

5. Senior Management Responsibility: Senior Management shall provide a Related Party Registry to clearly identify and tag the persons and companies that are considered as the Corporation's related parties. The Related Party Registry shall be reviewed and updated quarterly to capture organizational and structural changes in the Corporation and its related parties.

Senior Management shall likewise provide an effective audit, compliance and risk system which will be able to: (i) define the related parties' extent of relationship with the Corporation, (ii) assess situations in which a non-related party (with whom the Corporation has entered into a transaction) becomes a related party, (iii) generate information on the nature and amount of exposures of the Corporation to a particular related party.

E. Self-assessment and Periodic Review

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

The Corporation's Compliance Officer shall ensure that the Corporation complies with relevant rules and regulations and is informed of regulatory developments in areas affecting Related Parties. Said officer shall aid in the review of the Corporation's transactions and identify any potential material RPT that would require approval by the Board. Said officer shall ensure that the Corporation's material RPT policy is kept updated and is properly implemented.

F. Whistleblowing Mechanism

The Whistleblowing Policy of the Corporation shall include reports on abuses on RPTs. Said policy encourages all stakeholders to communicate, confidentially and without risk of reprisal, legitimate concerns about illegal, unethical, abusive or questionable RPTs.

G. Remedies for Abusive RPTs

The Corporation, upon proper investigation and upon finding that there is an abusive RPT or RPTs which were not conducted in accordance with this policy, nor conducted in a fair and arm's length basis, may allow recovery of losses or opportunity costs arising out of the abusive RPT.

An interested director or officer of the Corporation shall be disqualified from being a director, trustee or officer of any other corporation on the basis of a final judgment rendered by a court of competent jurisdiction that an abusive RPT was conducted. The disqualification shall be for a period of one (1) year or more, as determined by the SEC, without prejudice to any other administrative, civil or criminal penalties under the laws and regulations.

H. Disclosure and Regulatory Reporting


1. A summary of all RPTs entered into during the reporting year shall be disclosed in the Corporation's Integrated Annual Corporate Governance Report (I-ACGR) to be submitted annually every May 30;
2. The Advisement Report (attached as Annex "A") of any Material RPT must be filed within three (3) calendar days from the execution date of the Material RPT. The Advisement Report shall be signed by the Corporation's Chairman of the Board and Corporate Secretary; and
3. The disclosures above (1 and 2), shall include the following information:
 - a. Complete name of the Related Party/ies;
 - b. Relationship of the parties;
 - c. Execution date of the RPT;
 - d. Financial or non-financial interest of the related parties;
 - e. Type and nature of transactions as well as a description of the assets involved;
 - f. Total assets (consolidated assets, since the Corporation is a parent company);
 - g. Amount or contract price;
 - h. Percentage of the contract price to the total assets of the Corporation;
 - i. Carrying amount of collateral, if any;
 - j. Terms and conditions;
 - k. Rationale for entering into the transaction; and
 - l. The approval obtained (i.e. names of directors present, name of directors who approved the RPT and the corresponding voting percentage obtained).

I. Changes to this policy

Any changes to this policy shall be subject to the approval the majority of the board of directors and approved by majority of the stockholders constituting a quorum, as provided for under SEC Memorandum Circular No. 10, Series of 2019.

This Material Related Party Transactions Policy was approved by the majority of the Board of Directors on October 23, 2019.

Signed:


Oscar M. Lopez
Chairman of the Board


Enrique I. Quiason
Compliance Officer



**ADVICE REPORT ON
MATERIAL RELATED PARTY TRANSACTIONS**

Reporting PLC: ABS-CBN HOLDINGS CORPORATION SEC Identification Number: A1999-04544

Name of Related Party: Execution Date of Transaction:

Relationship between the Parties including financial/non-financial interest:

Type/Nature of Transaction and Description of Assets Involved	Terms and Conditions	Rationale for Entering into the Transaction	Total Assets ¹ of Reporting PLC	Amount/ Contract Price	Percentage of the Contract Price to the Total Assets of the Reporting PLC	Carrying Amount of Collateral, if any	Approving Authority ²

¹ Total assets shall pertain to consolidated assets if the reporting PLC is a parent company.

² The information shall include the names of directors present, names of directors who approved the Material Related Party Transaction and the corresponding voting percentage obtained.

SIGNATURES

Pursuant to the requirements of the Commission, the company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABS-CBN HOLDINGS CORPORATION

(Name of Related Party)

.....

Name, Signature of the Corporate Secretary/
Authorized Representative³

.....

Name, Signature of the Related Party/Authorized Representative³

³ Proof of authority must be attached to the Advisement Report.