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|  BELLE CORPORATION | POLICY | Governance & Corporate Affairs | Policy No. GOV 2017-003 | |
| | | | References: Annual Corporate Governance Report | |
| | RELATED PARTY TRANSACTIONS | Effective Date as approved by BOD on 07.29.2013 | Amended on 01.01.2017 Ver.1, Rev. 1 | |

1. Objective

- 1.1. To provide guidelines that address Related Party Transactions (RPT) in the manner that will safeguard the interest of the Company and in particular of its minority shareholders and other stakeholders.

2. Scope / Coverage

- 2.1. This policy covers material transactions between Belle Corporation and Related Parties, which include (but are not limited to) subsidiaries, affiliates, associates, directors, officers and employees.

3. Definition of Terms

- 3.1. Related Parties – are enterprises and individuals that has the ability to control directly, or indirectly through one or more intermediaries or are controlled by, or under common control with the Company, including holding companies, and subsidiaries, or exercise significant influence over the other party in making financial and operational decisions. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties. (REF: BEL 2016 SEC Form 17-A, SGV Report p84).
- 3.2. Material transactions – are transactions reaching the set threshold amount as recommended by Management and approved by the Board of Directors.

4. Policy

It is the Company's policy that transactions with related parties are made at terms equivalent to prevailing market rates and at arm's length basis.

5. Guidelines

- 5.1. Belle Management shall present material transactions entered into by the Company with related parties to the Related Party Transactions Committee for review prior to Board approval and Management execution.
- 5.2. Management shall conduct a periodic assesment on the following:
- 5.2.1. Collectibility of receivables from related parties and the necessity to provide allowance for doubtful accounts for such receivables
 - 5.2.2. Market and financial risks faced by related parties
 - 5.2.3. Guarantees issued to or received from related parties
 - 5.2.4. Financial and economic soundness of RPTs (e.g. receivables and payables, cash placements and loans, investments in shares of stock, management / service fees, etc.)
- 5.3. Full disclosure of the details, nature, extent and all other material information on transactions with related parties shall be stated in the Company's financial statements, and its quarterly and annual reports to the SEC and PSE. The financial reports are available on the corporate website and readily accessible to the public.