



INSIDER TRADING POLICY

JULY 2017

	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

TABLE OF CONTENTS

1.0	INTRODUCTION	2
1.1	PURPOSE AND OBJECTIVES.....	2
1.2	SCOPE	2
2.0	INSIDER TRADING	3
2.1	MATERIAL NONPUBLIC INFORMATION	3
2.2	BLACKOUT PERIOD	4
3.0	REPORTING ON DEALINGS IN ABS-CBN SECURITIES	4
3.1	REPORT OF TRADING ACTIVITIES OF DIRECTOR OR OFFICER.....	4
3.2	REPORT OF CHANGE IN BENEFICIAL OWNERSHIP OF DIRECTOR OR OFFICER.....	5
4.0	PENALTIES FOR NON-COMPLIANCE	5
5.0	RECOVERY OF SHORT-SWING PROFITS	5
6.0	GUIDANCE	6

	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

1.0 INTRODUCTION

ABS-CBN Corporation (the “Company”) requires all members and advisors of the Board of Directors and Principal Officers to report any purchase, sale or change in their shareholdings of the Company’s common shares or Philippine Depository Receipts (“PDRs”), in compliance with the requirement of the Philippine Stocks Exchange (“PSE”) and Securities and Exchange Commission (“SEC”) for such disclosure.

1.1 PURPOSE AND OBJECTIVES

The overall objective of the Insider Trading Policy is to establish mandatory requirements for ABS-CBN Corporation with respect to transactions in the Company’s securities.

This policy aims to:

1. Set clear rules regarding any dealing by directors, officer, and employees in the Company’s own securities;
2. Uphold the Company’s reputation and integrity, and maintain the investor confidence in the Company;
3. Promote equitable treatment of shareholders; and
4. Ensure that the Company complies with legal and regulatory requirements.

1.2 SCOPE

The Insider Trading Policy (the “Policy”) covers all transactions in the Company’s securities (“ABS-CBN securities”), including common stock, preferred stock, bonds and any other securities the Company may issue from time to time such as warrants, notes and debentures, as well as to derivative securities relating to the Company’s securities, whether or not issued by the Company. This Policy applies to transactions involving the PDRs covering the Company’s common shares.

This Policy applies to all individuals and/or entities who have access to and knowledge of undisclosed material information about the Company. Unless otherwise provided in other policies, the following individuals and/or entities (the “Insiders”) are covered by the Policy:

1. Employees of the Company and its subsidiaries;
2. Members and Advisors of the Board of Directors;
3. Members of the Executive Committee;
4. Employees, officers, consultants, and former employees/consultants of the Company and its subsidiaries who have knowledge of undisclosed material information or material change from time to time until such information has been publicly disclosed;
5. Insiders’ spouse or relatives by affinity or consanguinity within the second degree, legitimate or common-law, which include grandparents, parents, siblings, children, and grandchildren; and

	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

- Anyone who obtains undisclosed material information or material change from any of the foregoing insiders.

2.0 INSIDER TRADING

It is unlawful for Insiders to purchase or sell ABS-CBN securities while in possession of material information that has not yet been publicly disclosed.¹

It is also unlawful for any Insider to communicate material nonpublic information about the Company or its subsidiaries to any person wherein the Insider communicating the information knows or has reason to believe that such person will likely buy or sell the Company's securities while in possession of such information.²

2.1 MATERIAL NONPUBLIC INFORMATION

Under the Section 27.2 of the Securities Regulation Code, an information is considered "material nonpublic", if:

- It has not been generally disclosed to the public and would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the information; or
- It would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell, or hold a security.

The following information and/or events are considered "material", though not meant to be exhaustive:

- Significant changes in corporate objectives, organizational structure, or management;
- Mergers, acquisitions, divestitures, or joint ventures;
- Strategic, operational, or marketing plans;
- New programs or services;
- Financial results and projections/forecasts;
- Purchase or sale of substantial assets;
- Extraordinary borrowings or liquidity problems;
- Major equity investments or debt offerings;
- Change in dividend policy and declaration of stock dividends or stock splits;
- Stock repurchase programs, tender offers, or issuances of new securities;
- Significant litigation exposure or government investigation.

¹ Securities Regulation Code, sec. 27.1

² Id, sec. 27.3

	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

Nonpublic information relating to the Company is also the property of the Company and the unauthorized use of such information is forbidden. Employees should not discuss internal Company matters or developments with anyone outside the Company, except as required in the performance of their regular employment duties. It is important that all such communications on behalf of the Company shall be made only through designated authorized individuals. If employees receive inquiries of this nature, they should decline comments and refer the inquirer directly to the Company designated individuals responsible for such inquiries.

2.2 BLACKOUT PERIOD

Insiders and their respective spouses or relatives by affinity or consanguinity within the second degree, legitimate of common-law may only buy or sell Company securities two (2) full trading days after the time that the material information has been publicly-released.

The Company also has four (4) routine quarterly blackout periods coinciding with the release of the Company's financial and operational results. In connection with these quarterly disclosures, the blackout period will be ten (10) full trading days prior and two (2) full trading days after the release of the report. Members of the Board of Directors and Advisors, Executive Committee, Investor Relations and Comptrollership groups of the Company are subject to these quarterly blackout periods. The policy also extends to the above spouses or relatives by affinity or consanguinity within the second degree, legitimate of common-law. The Company's Corporate Secretary or Compliance Officer or their representatives will send a notice of the specific blackout period.

The Company shall impose these blackout periods upon notice by the Corporate Secretary or the Compliance Officer or their representatives to the concerned persons.

3.0 REPORTING ON DEALINGS IN ABS-CBN SECURITIES

3.1 REPORT OF TRADING ACTIVITIES OF DIRECTOR OR OFFICER

The members and advisors of the Board of Directors and Principal Officers of the Company must report to the Company any purchase, sale, or change in their shareholdings of the Company's common shares or Philippine Depositary Receipts within three (3) trading days from the date of transaction. The reports on dealings in ABS-CBN securities must be submitted to the Compliance Officer, who shall then file the required forms to the PSE and SEC within five (5) trading days from the date of transaction. Please note that only Principal Officers are required to file this report.

	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

3.2 REPORT OF CHANGE IN BENEFICIAL OWNERSHIP OF DIRECTOR OR OFFICER

In addition to the above report of trading activities, a newly appointed Director or officer, whether or not beneficially owning ABS-CBN securities, must file a statement with SEC and PSE using SEC Form 23-A (Initial Statement of Beneficial Ownership) within ten (10) calendar days from the date of appointment indicating the amount of ABS-CBN securities of which he/she is a beneficial owner.³

If there has been any change in such ownership, a Director or officer of the Company must file a statement with SEC and PSE using SEC Form 23-B (Statement of Changes in Beneficial Ownership) indicating his/her ownership of ABS-CBN securities at the close of the calendar month. This report must be filed within ten (10) calendar days after the close of each calendar month thereafter.⁴

Please note that the requirement for the filing of the beneficial ownership reports applies to all officers.

4.0 PENALTIES FOR NON-COMPLIANCE

Any Insider who violates Section of the Policy by purchasing or selling ABS-CBN securities, while in possession of material nonpublic Information shall be subject to civil liability brought by an investor who contemporaneously with the purchase or sale of securities that is subject of the violation, purchased or sold securities of the same class.

In addition, such Insider, upon conviction, may suffer a fine of not less than Fifty thousand Pesos (P50,000.00) nor more than Five million Pesos (P5,000,000.00) or imprisonment of not less than seven (7) years nor more than twenty-one (21) years, or both, in the discretion of the court.⁵

Employees of the Company who violate this Policy shall also be subject to disciplinary action by the Company.

5.0 RECOVERY OF SHORT-SWING PROFITS

In addition to any civil or criminal liabilities and disciplinary actions, any profit realized by beneficial owners, Principal Owners, Directors, or Principal Officers from any purchase or sale, or any sale or purchase, of any equity security of the Company within any period of less than six (6) months, unless such security was acquired in good faith in connection with a debt previously contracted, shall inure to and be recoverable by

³ 2015 Implementing Rules and Regulations of the Securities Regulation Code (2015 IRR), sec. 23.1.1

⁴ Id., sec. 23.1.2

⁵ Securities Regulation Code, sec. 73

 ABS-CBN	INSIDER TRADING POLICY		
	Finance Division		
	Investor Relations		
	Prepared By	Investor Relations	Effectivity Date
Policy Owner	Investor Relations	Last Update Date	July 20, 2017

the Company, irrespective of any intention of holding the security purchased or of not repurchasing the security sold for a period exceeding six (6) months.⁶

6.0 GUIDANCE

In case of doubt, Company Insiders are encouraged to consult the Corporate Secretary or the Compliance Officer prior to buying or selling Company securities to determine if the non-public information they possess are material or if the Company has an existing blackout period.

⁶ Securities Regulation Code, sec. 23.2