



A subsidiary of the Philippine International Trading Corporation

**MATERIAL RISK FACTORS AND MEASURES TAKEN TO MANAGE SUCH RISKS**

RISK FACTORS	CONTROL MEASURES
<p><b>1. Strategic</b></p>	<p>The PPI Board and its management constantly monitors the status of the accomplishment of its Vision, Mission and Strategic Objectives. Quarterly Board Meetings and Weekly Mancom Meetings are conducted to address any identified risks and to ensure the achievement of its Vision, Mission and objectives.</p>
<p><b>2. Liquidity</b></p>	<p>PPI intensifies its Sales and Collection efforts to improve its liquidity and meet its contractual obligation when it falls due. Payments to suppliers are being intensified to bring back supplier confidence and ensure availability of stocks for delivery to customers.</p>
<p><b>3. Compliance</b></p>	<p>PPI being an ISO 9001:2008 Certified organization complies with the standards. A yearly quality management systems audit is being conducted by the internal auditors and its external auditor, TUV Sud, to ensure that all systems and procedures are in place and complied with.</p> <p>As a SEC Registered company, PPI needs to comply with the SEC Reportorial Requirements the submission of which is regularly monitored by the Corporate Secretary and the Legal Department to ensure compliance.</p>

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