

COVER SHEET

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S.E.C. Registration Number

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(FORMERLY EAST ASIA POWER RESOURCES CORPORATION)

(Company's Full Name)

**21st FLOOR, PACIFIC STAR BUILDING, SEN. GIL PUYAT CORNER MAKATI AVE.,
MAKATI CITY**

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

Contact Person

(632) 7938905

Company Telephone Number

SEC FORM – ACGR-1 Consolidated Report for 2014

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Month Day

Fiscal Year

FORM TYPE

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Month Day

Annual Meeting

Secondary License Type, If Applicable

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Dept. Requiring

Amended Articles Number/Section

Total Amount of Borrowings

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To be accomplished by SEC Personnel concerned

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR-1

ANNUAL CORPORATE GOVERNANCE REPORT

1. Date of Report (Date of earliest event reported): **2014**
2. SEC Identification Number: **60566**
3. BIR Tax Identification No. : **004-504-281-000**
4. Exact name of issuer as specified in its charter:

CENTURY PROPERTIES GROUP INC.

5. Province, country or other jurisdiction of incorporation: **Metro Manila**
6. Industry Classification Code: (SEC Use Only)
7. Address of principal office/Postal Code: **21st Floor, Pacific Star Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City**
8. Issuer's telephone number, including area code: **(632) 793-8905**

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Nine (9)
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Actual number of Directors for the year	Nine (9)
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
Jose E.B. Antonio	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Atty. Monico V. Jacob	ID	CPI	Dindin Cruz – None	07/11/2011	07/23/2014, 4yrs	Annual	4
Washington Z. Sycip	ID	CPI	Dindin Cruz – None	07/11/2011	07/23/2014, 4yrs	Annual	4
John Victor R. Antonio	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Jose Marco R. Antonio	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Jose Roberto R. Antonio	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Jose Carlo R. Antonio	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Rafael G. Yaptinchay	ED	CPI	Dindin Cruz – None	07/11/2011	07/23/2014	Annual	4
Ricardo P. Cuerva	NED	CPI	Dindin Cruz - None	07/11/2011	07/23/2014	Annual	4

(b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Board of Directors of CPGI believes that corporate governance is a necessary component of what constitutes sound strategic business management. CPGI undertakes every effort necessary to create awareness and promote best governance standards. The company has only one class of shares and each share carries one vote. The compliance officer handles the disclosure duties to ensure adherence to mandated regulatory compliances, corporate principles and best practices. The corporate powers, business and property of the corporation are exercised and controlled by the Board of Directors.

The Company follows the following policies under the revised Amended Corporate Governance Manual as submitted to the Honorable Commission on July 2014 in compliance with SEC Memo 9 series 2014.

ARTICLE 6: STOCKHOLDERS' RIGHTS AND PROTECTION OF MINORITY STOCKHOLDERS' INTERESTS

¹ Reckoned from the election immediately following January 2, 2014.

The Company recognizes that the most cogent proof of corporate governance is that which is visible to the eyes of its shareholders. Therefore, the provisions hereunder are issued for the guidance of all internal and external parties concerned, as governance covenant between the Company and all its shareholders.

A. For the protection of shareholders and minority interests, the Board shall be committed to respect the following rights of the stockholders:

(1) Voting Right

- (a) Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts, in accordance with the Corporation Code.
- (b) Cumulative voting shall be used in the election of directors.
- (c) A director shall not be removed without cause, if it will deny minority shareholders of representation in the Board.

(2) Pre-Emptive Right

All stockholders shall have pre-emptive rights, unless the same is denied in the Articles of Incorporation, or an amendment thereto, of the Company. All stockholders shall have the right to subscribe to the capital stock of the Company. The Articles of Incorporation shall lay down the specific rights and powers of the shareholders with respect to the particular shares they hold, all of which shall be protected by law so long as they shall not be in conflict with the Corporation Code.

(3) Power of Inspection

Subject to reasonable restrictions in accordance with the Corporation Code and jurisprudence, all shareholders shall be allowed to inspect the corporate books and records of the Company, including minutes of Board meetings and stock registries, and shall be furnished with annual reports, including financial statements, without cost.

(4) Right to Information

- (a) The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers of the Company, and certain other matters such as the directors' and officers' holdings of the Company's shares, dealings with the Company, relationships among directors and key officers of the Company, and the aggregate compensation of the directors and officers.
- (b) The minority shareholders shall have the right to propose the holding of a stockholder's meeting, and the right to propose items in the agenda of the meeting, provided that the items in the agenda are for legitimate business purposes. Legitimate business purposes shall include information on matters under the immediately succeeding subsection.
- (c) The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders.

5. Right to Dividends

- (a) All shareholders shall have the right to receive dividends, subject to the discretion of the Board.
- (b) The Company shall be compelled to declare dividends when its retained earnings shall be in excess of one hundred percent (100%) of its paid-in capital stock except in the following cases:
 - (b.1) When justified by definite corporate expansion projects or programs approved by the Board, or
 - (b.2) When the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or
 - (b.3) When it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for a special reserve for probable contingencies.

6. Appraisal Right

The shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:

- (a) In case an amendment to the Articles of Incorporation of the Company has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respects superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
 - (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
 - (c) In case of merger or consolidation.
- B. It shall be the duty of the Board to promote shareholder rights, remove impediments to exercise of shareholders' rights, and allow possibilities to seek redress for violation of their rights. The Board shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. The Board shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions, subject to legal constraints.

ARTICLE 7: GOVERNANCE SELF-RATING FORM

The Board shall create an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in this Code.

The creation and implementation of such self-rating form, including its salient features, may be disclosed in the corporation's annual report.

ARTICLE 8: REPORTORIAL OR DISCLOSURE SYSTEM OF COMPANY'S CORPORATE GOVERNANCE POLICIES

The essence of corporate governance is transparency. The more transparent the internal workings of the Company are, the more difficult it will be for Management and dominant stockholders to mismanage the Company or misappropriate its assets.

It is therefore essential that all material information about the corporation which could adversely affect the viability or the interest of the Company's stockholders and other stakeholders shall be publicly and timely disclosed. Information shall include but not limited to earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions and direct and indirect remuneration of the Board and Management.

The Board shall therefore commit at all times to full disclosure of materials information dealings. It shall cause the filings of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders. (as amended on July 31, 2014)

The following are the guidelines of the Company's disclosure system:

- A. The reports or disclosures required under this Manual shall be prepared and submitted to the Commission by the responsible committee or officer through the Company's Compliance Officer
- B. All material information shall be publicly disclosed. Material information shall be anything that could potentially affect share price, and shall include earnings results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of directors and changes in ownership.
- C. Other information that shall always be disclosed includes remuneration, including stock options, of all directors and senior management and off-balance sheets transactions.
- D. All disclosed information shall be released via the approved stock exchange procedure for company announcements, as well as through the current and annual reports.
- E. The Board shall commit at all times to fully disclose material information dealings. The Board shall cause the filing of all required information for the interest of the stakeholders.

ARTICLE 9: COMMITMENT TO GOOD CORPORATE GOVERNANCE

The Board of Directors and its Senior Management shall establish and implement this Manual on Corporate Governance in accordance with the SEC Revised Code of Corporate Governance. The rules embodied in this manual shall be used as reference by the members of the Board and Management.

The following are the guidelines for the effective implementation of this Manual:

A. COMMUNICATION PROCESS

- (1) This Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.
- (2) All directors, executives, and division and department heads of the Company are tasked to ensure the thorough dissemination and communication of this Manual to all employees and related parties and to enjoin compliance in the process.
- (3) An adequate number of printed copies of this Manual must be reproduced by the Human Resources Department, or its equivalent, of the Company, with a minimum of at least one (1) hard copy of the Manual for every department.

B. TRAINING PROCESS

- (1) If necessary, funds shall be allocated for the purposes of conducting an orientation program or workshop to operationalize this Manual
- (2) A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.

C. MONITORING AND ASSESSMENT

- (1) Each Committee shall report regularly to the Board of Directors.
- (2) The Compliance Officer shall establish an evaluation system to determine and measure compliance with this Manual. Any violation thereof shall subject the responsible officer to employee to the penalty provided under Article 11 of this Manual.
- (3) The establishment of such evaluation system, including the features thereof, shall be disclosed in the Company's Annual Report (SEC Form 17-A). The adoption of such performance evaluation system must be covered by Board approval.
- (4) This Manual shall be subject to annual review, unless the same frequency is amended by the Board.
- (5) All business processes and practices being performed within any department or business unit of the Company that are not consistent with any portion of this Manual shall be revoked, unless upgraded to compliant extent.

ARTICLE 10: REGULAR REVIEW OF THE MANUAL AND SCORECARD

To monitor the compliance of CPGI with this Manual, Commission shall require the Company to accomplish annually a scorecard on the scope, nature and extent of the actions of the Board and Senior Management to meet the objectives of this Manual.

The Commission shall periodically review this Code to ensure that it meets its objectives.

(c) How often does the Board review and approve the vision and mission?

The Board gives the essential chart of the vision and mission of the company in line with the corporate objectives of Management. However, the Vision and Mission statements of the company are not specifically discussed in the Board meetings unless necessary to amend or improve its statement. To date, the Board has not amended nor changed its company statement on its vision and mission.

(d) Directorship in Other Companies

- (i) Directorship in the Company's Group²

² The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

Identify, as and if applicable, the members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Jose E.B. Antonio	Century Properties Inc. (CPI, Parent Company)	No type of directorship indicated (NA), Chairman
	Century City Development Corporation (CCDC)	NA, Chairman
	Century City Corporation (CCC)	NA, Chairman
	Century Limitless Corporation (CLC)	NA, Chairman
	Century Properties Management Inc. (CPMI)	NA, Chairman
John Victor R. Antonio	CPI	NA
	CCDC	NA
	CCC	NA
	CLC	NA
	CPMI	NA
Jose Marco R. Antonio	CPI	NA
	CCDC	NA
	CCC	NA
	CLC	NA
	CPMI	NA
Jose Roberto R. Antonio	CPI	NA
	CCC	NA
	CLC	NA
Jose Carlo R. Antonio	CPI	NA
	CLC	NA
	CPMI	NA
Rafael G. Yaptinchay	CPI Triventures Construction Management Inc.	NA NA, Chairman
Ricardo P. Cuerva	CPI Pinehill Construction Corporation	NA NA, Chairman

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Rafael G. Yaptinchay	Marc Ventures Inc.	Independent
Atty. Monico V. Jacob	STI Education Systems Holdings	Independent

	Inc.	
Washington Sycip	Belle Corporation First Phil. Holdings Corp. Lopez Holdings Corp Metro Pacific Investment Corp Philippine National Bank PHINMA Group	Independent Independent Independent Independent NED Independent

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Jose E.B. Antonio	CPI	Majority Shareholder
John Victor R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Marco R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Roberto R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio
Jose Carlo R. Antonio	CPI	Shareholder, son of Jose E.B. Antonio

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	No limits placed	N.A.
Non-Executive Director	No limits placed	N.A.
CEO	No limits placed	N.A.

(e) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Jose E.B. Antonio	1 nominal	2,102,738,635/CPI	21.70
Jose Victor R. Antonio	1 nominal	525,361,160/CPI	5.42
Jose Marco R. Antonio	1 nominal	525,361,160/CPI	5.42
Jose Roberto R. Antonio	1 nominal	525,361,160/CPI	5.42
Jose Carlo R. Antonio	1 nominal	525,361,160/CPI	5.42
Rafael G. Yaptinchay	1 nominal	121,635,343/CPI	1.26
Ricardo P. Cuerva	1 nominal	1,092,130,097/CPI	11.27
TOTAL	7	5,417,948,715	55.91

2) Chairman and CEO

(a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes No

Identify the Chair and CEO:

Chairman of the Board	Jose E.B. Antonio
CEO/President	Jose E.B. Antonio

The Chairman and CEO of the Company is held by one individual. Mr. Jose E.B. Antonio is the current Chairman of the Board and Chief Executive Officer of the Company who has the moral integrity and excellent business acumen to effectively manage the Company in its corporate goals and objectives. The Board having a mix of non-executive and independent directors are separate from Management and gives the assurance of a balanced view and perspective with regards to matters pertaining to board decisions.

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	Foster long term growth	Manages company operations
Accountabilities	Policies formulation and expressed fiduciary duties towards shareholders	Initiate and develop corporate objectives and implement policies
Deliverables	Comply with principles of good governance	Meet revenue and growth targets

3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

The board looks for suitable candidates within the organization and provides training and opportunities for growth and development to identified potential candidates who could fill positions once vacant

4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

The company strives to promote diversity within the Board. Positions which are not taken up by the major shareholders are filled by members who have relevant experience and can bring ideas and opinions that is both beneficial for the Company and its shareholders.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.

The company's independent directors are well versed in corporate matters, experts in the field of financial, law and industry matters. Other non executive directors are experts in their own sector or industry.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

	Executive	Non-Executive	Independent Director
Role	Represents Management	Represents major shareholders' interests	Provides neutral observations
Accountabilities	Management of business affairs	Ensures sustainable growth	Setting high standards for best practice
Deliverables	Meet corporate objectives	Monitors company progress	Safeguard interest of all shareholders

Provide the company's definition of "independence" and describe the company's compliance to the definition.

An independent director shall mean a person other than an officer or employee of the corporation, its parent or its subsidiaries, or any other individual having a relationship with the corporation as would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

In compliance with the SEC Memorandum circular no 9 series of 2011, an independent director has a term limit of five years. After the 5 year term limit, a two year (2) grace period is implemented with no term limits.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
NA	NA	NA	NA

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	Nominated/Elected	Ex-officio – CEO
(ii) Non-Executive Directors	Nominated/Elected	Major Shareholders
(iii) Independent Directors	Nominated/Elected	Expertise in industry; Experience and knowledge
b. Re-appointment		
(i) Executive Directors	Election at Annual	One vote for one share

	Stockholders Meeting	
(ii) Non-Executive Directors	Election at Annual Stockholders Meeting	One vote for one share
(iii) Independent Directors	Election at Annual Stockholders Meeting	One vote for one share
c. Permanent Disqualification – No Directors Permanently Disqualified		
(i) Executive Directors	NA	NA
(ii) Non-Executive Directors	NA	NA
(iii) Independent Directors	NA	NA
d. Temporary Disqualification – No Directors Temporarily Disqualified		
(i) Executive Directors	NA	NA
(ii) Non-Executive Directors	NA	NA
(iii) Independent Directors	NA	NA
e. Removal – No Directors removed from office		
(i) Executive Directors	NA	NA
(ii) Non-Executive Directors	NA	NA
(iii) Independent Directors	NA	NA
f. Re-instatement – No Directors Removed from or re-instated into office		
(i) Executive Directors	NA	NA
(ii) Non-Executive Directors	NA	NA
(iii) Independent Directors	NA	NA
g. Suspension – No Directors Suspended		
(i) Executive Directors	NA	NA
(ii) Non-Executive Directors	NA	NA
(iii) Independent Directors	NA	NA

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Jose E.B. Antonio	8,225,848,623 shares or 85.00%
Atty. Monico V. Jacob	8,225,848,623 shares or 85.00%
Washington Z. Sycip	8,225,848,623 shares or 85.00%
John Victor R. Antonio	8,225,848,623 shares or 85.00%
Jose Marco R. Antonio	8,225,848,623 shares or 85.00%
Jose Roberto R. Antonio	8,225,848,623 shares or 85.00%
Jose Carlo R. Antonio	8,225,848,623 shares or 85.00%
Rafael G. Yaptinchay	8,225,848,623 shares or 85.00%
Ricardo P. Cuerva	8,225,848,623 shares or 85.00%

6) Orientation and Education Program

- (a) Disclose details of the company's orientation program for new directors, if any.

Though no formal policy is in place, as per Corporate Governance manual and best practice, all new directors and senior officers are required to take the orientation on good governance and risk management. The Board of Directors shall take note on the need to implement a policy program for new directors. The current board members are all on their 4th year in office since CPGI has changed its Management from East Asia Power Resources last 2011.

- (b) State any in-house training and external courses attended by Directors and Senior Management³ for the past three (3) years:

1. Corporate Governance Orientation Course for Directors and Officers – August 2011, conducted by Sycip Gorres and Velayo
2. ISO Training Seminar for Systems and Data – May 2012, Neville Clark Inc.
3. Strategic Planning Seminar – July 2012, In-house, Corporate Planning Group
4. Risk Management Seminar – October 2012, Ateneo Graduate School of Business
5. Corporate Governance Seminar for Directors and Key Officers – November 2014, Philippine Stock Exchange

- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
NA	NA	NA	NA
NA	NA	NA	NA

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	Does not vote on activities in which there is a conflict of interest	Are not allowed to be involved in the decision making process if conflict of interest is present	Are not allowed to be involved in the decision making process if conflict of interest is present
(b) Conduct of Business and Fair Dealings	Should follow best practices and company policies	Should follow best practices and company policies	Should follow best practices and company policies
(c) Receipt of gifts from third parties	No formal policy	No formal policy	No formal policy
(d) Compliance with Laws & Regulations	Monitored by the compliance officer and other officers	Monitored by the compliance officer and other officers	Monitored by the compliance officer and other officers

³ Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

(e) Respect for Trade Secrets/Use of Non-public Information	Policy on non-disclosure in place. Discouraged from using such information	Policy on non-disclosure in place. Discouraged from using such information	Policy on non-disclosure in place. Discouraged from using such information
(f) Use of Company Funds, Assets and Information	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance
(g) Employment & Labor Laws & Policies	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities
(h) Disciplinary action	Based on Manual of Corporate Governance	Based on Manual of Corporate Governance and Company policy	Based on Manual of Corporate Governance and Company policy
(i) Whistle Blower	No formal company policy	No formal company policy	No formal company policy
(j) Conflict Resolution	No formal company policy	No formal company policy	No formal company policy

2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

The rules and procedures have been disseminated to management and employees under the Company's code of conduct and ethics.

3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.

An infringement of the rules and policies are reported to senior management and suitable action is taken within the bounds of law and accordingly with the process of company policies on business ethics. For senior management and directors, the process for infraction and penalties are stated in the manual for corporate governance and accordingly implemented by the SEC.

4) Related Party Transactions

(a) Policies and Procedures

Describe the company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
(2) Joint Ventures	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance

	officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
(3) Subsidiaries	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
(4) Entities Under Common Control	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company and other officers in charge for other contracts as the case may be.
(5) Substantial Stockholders	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party. Contracts are reviewed by senior management, approved by the majority of the board, monitored and recorded accordingly by the Compliance officer such contracts are deemed material for disclosure and affects directly the shareholders of the company
(6) Officers including spouse/children/siblings/parents	No such related party transaction
(7) Directors including spouse/children/siblings/parents	No such related party transaction
(8) Interlocking director relationship of Board of Directors	The board member has to have knowledge of industry if he/she serves on the board of subsidiary etc.

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s Jose E.B. Antonio John Victor R. Antonio Jose Marco R. Antonio Jose Roberto R. Antonio Jose Carlo R. Antonio	No actual conflict of interest involved. Jose E.B. Antonio is the father of siblings Messrs. John Victor R. Antonio, Jose Marco R. Antonio, Jose Carlo R. Antonio and Jose Roberto R. Antonio. Through CPI, of which all are shareholders, they own the majority shares of CPGI.
Ricardo P Cuerva	Mr. Cuerva is one of the shareholders of CPI. No actual nor probable conflict of

	interest as of to date
Name of Officer/s	N.A.
Name of Significant Shareholders PCD Nominee Corporation Foreign and Filipino	PCD Nominee corporation owns beneficial shares of more than 5%. No actual nor probable conflict of interest is involved since these shares are publicly held and traded.

(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

	Directors/Officers/Significant Shareholders
Company	No formal mechanism in place currently
Group	No formal mechanism in place currently

5) Family, Commercial and Contractual Relations

- (a) Indicate, if applicable, any relation of a family,⁴ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
Jose E.B. Antonio John Victor R. Antonio Jose Marco R. Antonio Jose Roberto R. Antonio Jose Carlo R. Antonio	Family	Jose E.B. Antonio is the father of siblings Messrs. John Victor R. Antonio, Jose Marco R. Antonio, Jose Carlo R. Antonio and Jose Roberto R. Antonio. Through CPI, of which all are shareholders, they own the majority shares of CPGI.
Ricardo P. Cuerva	Shareholder of Parent Company of CPGI and indirect beneficial owner of shares of CPGI. Business partner of the subsidiaries for construction under Century Properties Construction Group	Mr. Cuerva is one of the business partners of the CPGI subsidiaries for construction under Century Properties Construction Group

- (b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Ricardo P. Cuerva	Indirect shareholder of the parent company CPI and CPGI	Mr. Cuerva is the Chairman of Pinehill Corporation, which owns 11% of CPI and indirectly the beneficial owner of CPGI.

⁴ Family relationship up to the fourth civil degree either by consanguinity or affinity.

		He also manages the construction of projects of the subsidiaries
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- (c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

No such shareholders agreements in place that may impact control, ownership and strategic direction of the company

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
NA	NA	NA

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and third parties, including regulatory authorities.

The company has not had disputes in the last 3 years with the stockholders, regulatory authorities and third parties. Though there is no formal alternative dispute resolution in place, the company will seek advise from independent parties to resolve the matter.

The company further undertakes that it shall formulate a system for alternative dispute resolutions in the next committee board meeting to be incorporated in the manual of good governance.

Alternative Dispute Resolution System	
Corporation & Stockholders	None in place
Corporation & Third Parties	None in place
Corporation & Regulatory Authorities	None in place

C. BOARD MEETINGS & ATTENDANCE

- 1) Are Board of Directors' meetings scheduled before or at the beginning of the year?

Board meetings are held as needed, but at least once in every quarter. The company generally decides on these meetings a few weeks in advance of the date these take place rather than pre-scheduling before or at the beginning of the year.

- 2) Attendance of Directors – All directors were re-elected in July 2014.

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Jose Eduardo B. Antonio	July 2014	10	10	100%
Member	John Victor R. Antonio	July 2014	10	8	80%
Member	Jose Marco R. Antonio	July 2014	10	10	100%
Member	Jose Carlo R. Antonio	July 2014	10	10	100%
Member	Jose Roberto R. Antonio	July 2014	10	10	100%

Member	Ricardo P. Cuerva	July 2014	10	10	100%
Member	Rafael G. Yaptinchay	July 2014	10	10	100%
Independent	Washington Z. Sycip	July 2014	10	7	70%
Independent	Atty. Monico V. Jacob	July 2014	10	8	80%

3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?

No. Non-executive directors do not have separate meeting during the year.

4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

Under the Corporations Bylaws, a majority of the number of directors constitutes a quorum for the transaction of corporate business and every decision of at least majority of the directors present in the meeting at which there is a quorum is valid as a corporate act except for the election of officers and other corporate acts expressly stated in the SEC and PSE requiring the vote of the majority of all members of the Board.

5) Access to Information

(a) How many days in advance are board papers⁵ for board of directors meetings provided to the board?
Generally, all board papers are sent at least one week prior to the meeting

(b) Do board members have independent access to Management and the Corporate Secretary?

Yes. All board members have independent access through landline, mobile, email, fax and other means of communication.

(c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

Under the companys manual of corporate governance, the Corporate Secretary must be a licensed lawyer and the role of the corporate secretary is expressly stated in the manual. He is basically the individual who keeps the official records of the company, particularly the minutes and transactions of the meetings held by the Board and shareholders. Apart from the principal function, and as required by the Companys Bylaws, he is the custodian of record books showing details required by law with respect to stockholdings of the corporation, attends to the giving and serving of notices of the corporation; certifies to corporate acts and countersigns corporate documents or certificates; and makes reports or statements as may be required by law or rules.

Such role includes assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc.

(d) Is the company secretary trained in legal, accountancy or company secretarial practices? Please explain should the answer be in the negative.

The corporate secretary is a licensed in law practice; an attorney with expertise in legal and corporate law.

(e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees:

Yes

No

⁵ Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

Committee	Details of the procedures
Executive	Copies of presentations provided for by Management
Audit	Copies of presentations provided for by Management
Nomination	Copies of presentations provided for by Management
Remuneration and Compensation	Copies of presentations provided for by Management
Others (specify) Risk Management Committee	Copies of presentations provided for by Management

6) External Advice

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details:

Procedures	Details
No formal procedure but members can ask for expert external advice	External advise not requested in the past

7) Change/s in existing policies

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the company and the reason/s for the change:

Existing Policies	Changes	Reason
N.A	No changes made	N.A.

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Based on industry standards	Based on industry standards
(2) Variable remuneration	Not provided	Not provided
(3) Per diem allowance	Not provided	Per diem allowance is given to Management officers who are on duty travel abroad for sales events
(4) Bonus	Based on annual profitability	Based on annual profitability
(5) Stock Options and other financial instruments	Not provided	Not provided
(6) Others (specify)	Not provided	Not provided

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the company's policy on remuneration and the structure of its compensation package. Explain how the compensation of Executive and Non-Executive Directors is calculated.

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Fixed annual payment	Basic Pay, performance bonus depending on profitability	Based on Industry standard
Non-Executive Directors	Pier Diem for Independent Directors / No Remuneration for other NED	Pier diem for Ind. Directors and NED heading committees	Based on industry standard

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
NA	NA

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year:

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	46,769,656	0	0
(b) Variable Remuneration	0	0	0
(c) Per diem Allowance	0	0	750,000
(d) Bonuses	0	0	0
(e) Stock Options and/or other financial instruments	0	0	0
(f) Others (Specify)	0	0	0
Total	46,769,656	0	750,000

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	No other benefits provided	No other benefits provided	No other benefits provided
2) Credit granted	No other benefits provided	No other benefits provided	No other benefits provided
3) Pension Plan/s Contributions	No other benefits provided	No other benefits provided	No other benefits provided
(d) Pension Plans, Obligations incurred	No other benefits provided	No other benefits provided	No other benefits provided
(e) Life Insurance Premium	No other benefits provided	No other benefits provided	No other benefits provided
(f) Hospitalization Plan	No other benefits provided	No other benefits provided	No other benefits provided
(g) Car Plan	No other benefits provided	No other benefits provided	No other benefits provided
(h) Others (Specify)	No other benefits provided	No other benefits provided	No other benefits provided
Total	NA	NA	NA

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares:

Director's Name	Number of Direct Option/Rights/Warrants	Number of Indirect Option/Rights/Warrants	Number of Equivalent Shares	Total % from Capital Stock
NA	NA	NA	NA	NA

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

Incentive Program	Amendments	Date of Stockholders' Approval
NA	NA	NA

5) Remuneration of Management

Identify the five (5) members of management who are not at the same time executive directors and indicate the total remuneration received during the financial year:

Name of Officer/Position	Total Remuneration
Ramon S. Villanueva	23,987,577
Domie S. Edivane	
Carlos Benedict K. Rivilla	
Gerry Ilagan	
Kristina Lowella Garcia	

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	5	0	0	NA	Oversees the implementation of policies and corporate matters	Perform oversight management functions and decisions d for board	Management of overall system of operation for CPPI and subsidiaries
Audit	2	0	1	Develop a transparent financial management system	Check all financial reports against its compliance; monitors external audit	Performs oversight financial management functions	Pre-approve all audit plans and scope of work
Nomination	1	1	1	Determine personnel that can act as guides to the company's future undertakings.	Pre-screen and shortlist candidates	Define role duties and responsibilities	Decide if candidates possess the right qualifications
Remuneration	1	1	1	Compensate competent personnel adequately for retention	Establish procedures to develop policy on executive remuneration	Provide oversight over remuneration of senior management and other key personnel	Designate amount of remuneration to attract and retain the right individuals

Others (specify) Risk Management	1	0	2	Safeguard the company from potential and adherent risks	Establish procedures to safeguard management from exposed risks and prevention of potential risks	Provides oversight on risk management	To implement procedures and resolutions for addressing risks
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2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jose E.B. Antonio	July 23, 2014	4	4	100	1 yr
Member (ED)	John Victor R. Antonio	July 23, 2014	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	July 23, 2014	4	4	100	1 yr
Member (ED)	Jose Roberto R. Antonio	July 23, 2014	4	4	100	1 yr
Member (ED)	Jose Carlo R. Antonio	July 23, 2014	4	4	100	1 yr

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (Ind)	Monico Jacob	July 23, 2014	3	3	100	1 yr
Member (ED)	Jose Carlo R. Antonio	July 23, 2014	3	3	100	1 yr
Member (ED)	Jose Marco R. Antonio	July 23, 2014	3	3	100	1 yr

Disclose the profile or qualifications of the Audit Committee members.

Atty. Monico Jacob has extensive exposure and expertise in legal, finance and accounting. Mr. Jacob is also involved in corporate rehabilitation program of PAL and appointed receiver. Mr. Jose Carlo R. Antonio has extensive exposure in investment banking group of Citigroup and Golman Sachs. Mr. Carlo Antonio graduated magna cum laude in Wharton with a degree in Finance and Economics. Mr. Jose Marco Antonio's background as a financial analyst for blackstone Real Estate Partners. Mr. Marco Antonio graduated summa cum laude at Wharton School in Pennsylvania with a dual major in Finance and Management.

Describe the Audit Committee's responsibility relative to the external auditor.

To assist the Board of Directors in fulfilling its oversight responsibilities for the Company's corporate governance processes and analyze the efficiency of the company's internal and external auditors

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jose E.B. Antonio	July 23, 2014	2	2	100	1 yr
Member (ED)	John Victor R. Antonio	July 23, 2014	2	2	100	1 yr
Member (ID)	Atty. Monico V. Jacob	July 23, 2014	2	2	100	1 yr

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jose E.B. Antonio	July 23, 2014	2	2	100	1 yr
Member (ED)	John Victor R. Antonio	July 23, 2014	2	2	100	1 yr
Member (ID)	Atty. Monico V. Jacob	July 23, 2014	2	2	100	1 yr

(e) Others (Specify) Risk Management Committee

Provide the same information on all other committees constituted by the Board of Directors:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jose E.B. Antonio	July 23, 2014	1	1	100	100
Member (ED)	Jose Carlo R. Antonio	July 23, 2014	1	1	100	100
Member (ID)	Monico V. Jacob	July 23, 2014	1	1	100	100
Member (ID)	Washington Sycip	July 23, 2014	1	1	100	100

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

Name of Committee	Name	Reason
Executive	NA	NA
Audit	NA	NA
Nomination	NA	NA
Remuneration	NA	NA
Others (specify)	NA	NA

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	Approval of JV's and endorsement to the board of placement and subscription transactions	NA
Audit	Quarterly updates on operations and financial records of corporation	Examined internal control issues at CPGI and subsidiaries

Nomination	Review and Evaluate qualifications of nominees	Nominate competent members only
Remuneration	Established a transparent procedure on compensation policies	Keep pace with industry standards on compensation
Others (specify)Risk Management	Formulate Risk Management policy	Internal controls

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	No Executive program	NA
Audit	Regular updates on operational activities	Firm up internal controls for subsidiaries
Nomination	Review and evaluate qualifications of all nominees	Continue to attract well qualified board members
Remuneration	Establish transparent procedure on compensation policies	Keep pace with industry standards on compensation
Others (specify)Risk Management	Improve Risk Management procedures	Internal and operational controls

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company:

“The Company's philosophy of risk management has its foundation in the concept that taking material risks is required in order to seek rewards and to fulfill the Company's multi-faceted mission. However, these risks should be assessed in order to insure that effective mitigation strategies are employed to the greatest extent possible. Mitigation strategies should consider transferring or insuring risk, reducing the likelihood of the risk occurring, reducing the severity of the risk should it occur, avoiding the risk altogether, or accepting the risk, while continuing to monitor it to ensure it stays within the Company's risk appetite.”

(b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof:

“The Risk Management Committee assists the Board of Directors (Board) in fulfilling its responsibility for oversight of the organization's risk management processes. It reviews and endorses to the Board changes or amendments to the ERM Policy, as well as the adequacy and effectiveness of the Company's enterprise risk management process. The Risk Management Committee provides a report to the Board on its assessment of the effectiveness of the risk management process and reviews reports from Internal Audit (IA) with regard to the independent validation of compliance with the approved ERM Policy and assessment of current state of ERM framework”

(c) Period covered by the review: CY 2014

(d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness:

"The ERM framework, policy and plan shall be reviewed periodically given the company's current internal and external environment. Based on results of monitoring and reviews, decisions shall be made on the corporate-wide desired state of the ERM framework and how the risk management framework, policy and plan can be improved. These decisions shall lead to improvements in the Company's management of risk and its risk management culture.

Action plans to bridge the gaps between the current and desired states of the ERM framework shall be developed"

(e) Where no review was conducted during the year, an explanation why not.

2) Risk Policy

(a) Company

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Business Development: <ul style="list-style-type: none"> • Compliance Requirements • Meet demand and expansion requirements 	<ul style="list-style-type: none"> • Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal • Continuous improvement on the Business Development's systems processes and procedures. 	Site Acquisition
Project and Product Development/Design: <ul style="list-style-type: none"> • Actual over budget • Timely delivery of the Product • Quality Product • Actual Product commensurate with the Marketed product 	<ul style="list-style-type: none"> • Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). • Adherence to International/Best Standards/Practices • Continuous improvement on the Project and Product systems processes and procedures. 	Product Deliver
Pre-Sales Management: <ul style="list-style-type: none"> • Timely deployment of Sales Agents • Sales Support (Training, financial, actual deployment) • Achieve targeted Sales 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Discovering and penetrating new markets (e.g. Locally and Internationally) • Continuous improvement on the Pre-Sales systems processes and procedures. 	Generate/Produce Sales
Documents and Collections: <ul style="list-style-type: none"> • Completeness and 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. 	Complete documents Timely collection of

<p>timely acquisition and availability(to client) of required documents</p> <ul style="list-style-type: none"> • Completeness and timely collection of payments 	<ul style="list-style-type: none"> • Adequate monitoring of documents and collections • Adherence to International/Best Standards/Practices • Continuous improvement on the Documents and Collections systems processes and procedures. 	<p>payments</p>
<p>Inventory Management:</p> <ul style="list-style-type: none"> • Monitoring of inventory per Project • Timely holding and booking of Units 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures. 	<p>Generate/Produce Sales</p>
<p>After-Sales Management:</p> <ul style="list-style-type: none"> • Complete and timely submission of required Notices (to Clients) • Proper turn-over of Units • Manage client complaints 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adherence to International/Best Standards/Practices • Continuous improvement on the After-Sales systems processes and procedures. 	<p>Client Satisfaction</p>
<p>Supporting Functions:</p> <ul style="list-style-type: none"> • Inefficiencies and ineffectiveness in various supporting business processes 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adherence to International/Best Standards/Practices • Continuous improvement on the Company's systems processes and procedures. 	<p>Various business objectives relating to compliance, reporting and operations</p>
<p>Inherent Risks:</p> <ul style="list-style-type: none"> • Significant down-turn of economy of certain targeted Markets • Virus epidemic breakthrough • Economic down-turn of the Philippines • Natural Calamities and Environmental Issues 	<ul style="list-style-type: none"> • Adequate planning to ensure inherent risk is manage and minimize based on the risk appetite of the Company • Timely monitoring of significant events which may affect the production of sales. • Business continuity and flexibility to run operations to other targeted Markets 	<p>Sustainability and Business Continuity</p>

(b) Group

Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Business Development: <ul style="list-style-type: none"> • Compliance Requirements • Meet demand and expansion requirements 	<ul style="list-style-type: none"> • Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal • Continuous improvement on the Business Development's systems processes and procedures. 	Site Acquisition
Project and Product Development/Design: Actual over budget <ul style="list-style-type: none"> • Timely delivery of the Product • Quality Product • Actual Product commensurate with the Marketed product 	<ul style="list-style-type: none"> • Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). • Adherence to International/Best Standards/Practices • Continuous improvement on the Project and Product systems processes and procedures. 	Product Deliver
Pre-Sales Management: <ul style="list-style-type: none"> • Timely deployment of Sales Agents • Sales Support (Training, financial, actual deployment) • Achieve targeted Sales 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Discovering and penetrating new markets (e.g. Locally and Internationally) • Continuous improvement on the Pre-Sales systems processes and procedures. 	Generate/Produce Sales
Documents and Collections: <ul style="list-style-type: none"> • Completeness and timely acquisition and availability(to client) of required documents • Completeness and timely collection of payments 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring of documents and collections • Adherence to International/Best Standards/Practices • Continuous improvement on the Documents and Collection's systems processes and procedures. 	Complete documents Timely collection of payments
Inventory Management: <ul style="list-style-type: none"> • Monitoring of inventory per Project • Timely holding and booking of Units 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures. 	Generate/Produce Sales
After-Sales Management:	<ul style="list-style-type: none"> • Adherence to Company's systems processes and 	Client Satisfaction

<ul style="list-style-type: none"> • Complete and timely submission of required Notices (to Clients) • Proper turn-over of Units • Manage client complaints 	<ul style="list-style-type: none"> • procedures. • Adherence to International/Best Standards/Practices • Continuous improvement on the After-Sales systems processes and procedures. 	
<p>Supporting Functions:</p> <ul style="list-style-type: none"> • Inefficiencies and ineffectiveness in various supporting business processes 	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adherence to International/Best Standards/Practices • Continuous improvement on the Company's systems processes and procedures. 	Various business objectives relating to compliance, reporting and operations
<p>Inherent Risks:</p> <ul style="list-style-type: none"> • Significant down-turn of economy of certain targeted Markets • Virus epidemic breakthrough • Economic down-turn of the Philippines • Natural Calamities and Environmental Issues 	<ul style="list-style-type: none"> • Adequate planning to ensure inherent risk is manage and minimize based on the risk appetite of the Company • Timely monitoring of significant events which may affect the production of sales. • Business continuity and flexibility to run operations to other targeted Markets 	Sustainability and Business Continuity

(c) Minority Shareholders

Indicate the principal risk of the exercise of controlling shareholders' voting power.

Risk to Minority Shareholders
All shareholders have one vote per share; so, minority shareholders voting power is not truncated.

3) Control System Set Up

(a) Company

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Business Development	Inability to meet the demands of the Market and requirements for expansion which may result to opportunity loss.	<ul style="list-style-type: none"> • Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal • Continuous improvement on the Business Development's systems

		processes and procedures.
Project/Product development and design	Potential issues on the costs, schedules and actual product which may result to increase in expenses.	<ul style="list-style-type: none"> • Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). • Adherence to International/Best Standards/Practices • Continuous improvement on the Project and Product systems processes and procedures.
Pre-sales Management	Potential loss of production/sales which may result to negative net-income.	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Discovering and penetrating new markets (e.g. Locally and Internationally) • Continuous improvement on the Pre-Sales systems processes and procedures.
Documents and Collections	Potential issues on completeness and accuracy of documents and collection of payments	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Document and Collection's systems processes and procedures.
Inventory Management	Potential issues on the efficiency and effectiveness on the inventory of projects	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures.
After-Sales Management	Potential issues on client satisfaction	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures.
Supporting Functions	Potential issues on the efficiency and effectiveness of various business processes	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures.

(b) Group

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control
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		(Structures, Procedures, Actions Taken)
Business Development	Inability to meet the demands of the Market and requirements for expansion which may result to opportunity loss.	<ul style="list-style-type: none"> • Adequate checklist of items: Zoning, legally permissible, financially viable, and negotiation tie-up with Corporate Legal • Continuous improvement on the Business Development's systems processes and procedures.
Project/Product development and design	Potential issues on the costs, schedules and actual product which may result to increase in expenses.	<ul style="list-style-type: none"> • Adequate planning, monitoring, execution (e.g. especially on securing permits and licenses). • Adherence to International/Best Standards/Practices • Continuous improvement on the Project and Product systems processes and procedures.
Pre-sales Management	Potential loss of production/sales which may result to negative net-income.	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Discovering and penetrating new markets (e.g. Locally and Internationally) • Continuous improvement on the Pre-Sales systems processes and procedures.
Documents and Collections	Potential issues on completeness and accuracy of documents and collection of payments	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Document and Collection's systems processes and procedures.
Inventory Management	Potential issues on the efficiency and effectiveness on the inventory of projects	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures.
After-Sales Management	Potential issues on client satisfaction	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the Inventory systems processes and procedures.
Supporting Functions	Potential issues on the efficiency and effectiveness of various business processes	<ul style="list-style-type: none"> • Adherence to Company's systems processes and procedures. • Adequate monitoring and updating of inventory data • Continuous improvement on the

		Inventory systems processes and procedures.
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(c) Committee

Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:

Committee/Unit	Control Mechanism	Details of its Functions
Risk Management Committee	Oversight Control by assisting the Board of Directors	<ol style="list-style-type: none"> 1. Oversight function 2. Formulate, review and endorse to the Board an ERM Policy (thru the help of the Risk Management Department) 3. Review adequacy and effectiveness of Risk Management Processes (thru the help of the independent validation of Internal Audit Department)

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the company:

(a) Explain how the internal control system is defined for the company:

“Internal control is a process, effected by the Company’s board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance.”

- *Geared to the achievement of objectives* in one or more categories – operations, reporting and compliance
- *A process* consisting of ongoing tasks and activities – a means to an end, not an end itself
- *Effected by people* – not merely about policy and procedure manuals, systems, and forms, but about people and the actions they take at every level of an organization to affect internal control
- *Able to provide reasonable assurance* – but not absolute assurance, to the Company’s Board of Directors, Executive Committee and Senior Management
- *Adaptable to the Company structure* – flexible in application for the Company or for a particular subsidiary, group, operating unit, or business process

(b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate:

“The Board Audit Committee assists the Board of Directors fulfill its responsibility for oversight of the Company’s corporate governance processes. This entails an understanding of the risks, control and financial reporting issues inherent to the Company”

(c) Period covered by the review: CY 2012

(d) How often internal controls are reviewed and the directors’ criteria for assessing the effectiveness of the internal control system:

“At least annually, the Board Audit Committee, to obtain management’s assurance on the state of internal controls,

risk management and corporate governance processes, the Committee relies on the expertise and knowledge of Management, the Internal Auditors and External (independent) Auditors.”

(e) Where no review was conducted during the year, an explanation why not.

2) Internal Audit

(a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
To provide independent and objective assurance and consulting services to add value and improve the Company’s operations, reporting and compliance.	To assist the Board of Directors thru the established Board Audit Committee on the assessment and evaluation of the adequacy and effectiveness of the Company’s governance, risk management process and system of internal controls.	In-house Internal Audit	Lujer P. Danao	<ul style="list-style-type: none"> • Directly reporting to the Board Audit Committee • Administratively to the CEO/President or CFO (as the case maybe)

(b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?

As explicitly stated in the Board Audit Committee Charter:

“Set up the Internal Audit Department (“IAD”), including the appointment of the Chief Audit Executive (“CAE”). The Committee, having appointed the CAE, shall also concur in his/her replacement, re-assignment or dismissal.”

(c) Discuss the internal auditor’s reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

As explicitly stated in the Board Audit Committee Charter:

“The Committee shall establish and identify the reporting lines of the CAE so that the reporting levels allow the IAD to fulfill its responsibilities and maintain its independence (e.g. IAD functionally and administratively reports to the Committee and President or CFO, respectively).”

“Ensure that the Internal Auditors have free and full access to all Company’s records, properties and personnel relevant to and required by its function and that the IAD shall be free from interference in determining its scope, performing its work and communicating its results.”

(d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Name of Audit Staff	Reason
N/A	N/A

(e) Progress against Plans, Issues, Findings and Examination Trends

State the internal audit's progress against plans, significant issues, significant findings and examination trends.

Progress Against Plans	Risk Management Audit Plan
Issues ⁶	<ul style="list-style-type: none">• Varying execution of Management on the established policies and procedures• Varying assumptions Management of sound internal controls/best practices• Varying interpretations and implementation of Management on international standards.
Findings ⁷	<ul style="list-style-type: none">• Business Process Improvement (encompassing internal controls and risk management embedded within the Business process)• Lack of formal policies and procedures
Examination Trends	Year to Year basis

[The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

- 1) Preparation of an audit plan inclusive of a timeline and milestones;
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;
- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.]

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column "Implementation."

Policies & Procedures	Implementation
Various policies, procedures, memorandum and implementing guidelines on reporting, compliance and operations (w/c includes authorization, receipts and disbursements and safe guarding of assets).	Implemented

(g) Mechanisms and Safeguards

⁶ "Issues" are compliance matters that arise from adopting different interpretations.

⁷ "Findings" are those with concrete basis under the company's policies and rules.

State the mechanism established by the company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the company's shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the company):

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
External Auditors directly reports to the Board Audit Committee Internal Auditors directly reports to the Board Audit Committee and administratively to the President/CEO (as the case maybe)	All requested information are provided with utmost care and honesty; the Company does not interfere to influence the Analyst's conclusions	All requested information are provided with utmost care and honesty; the Company does not interfere to influence the Bank's conclusions	The Company undertook an ISO-QMS exercise last 2012 with Neville Clarke and is on-going with the process to achieve certification.

(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

"The document will be signed by two (2) independent directors (one of whom is the Chairman of the Board), the Chief Executive Officer and the Compliance Officer".

H. ROLE OF STAKEHOLDERS

1) Disclose the company's policy and activities relative to the following:

	Policy	Activities
Customers' welfare	Commit to producing high quality real estate that is of global quality	Sales Events
Supplier/contractor selection practice	Ability to deliver quality products in a timely manner	Major purchases are generally sent out for bids before decision making
Environmentally friendly value-chain	na	na
Community interaction	Involve local stakeholders where possible	CSR activities
Anti-corruption programmes and procedures?	No specific or formal program	The company as a rule does not indulge in corrupt practices
Safeguarding creditors' rights	Transparency in financial dealings	Meet financial & other covenants set by creditors

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?

Yes, the CSR is part of the annual report

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company's policy for its employees' safety, health, and welfare?

The company provides a broad competitive range of benefits in order to promote the health and general well being of its employees. Besides the government mandated benefits, the company offers insurance and other above industry standard benefits such as transportation allowance, communication allowances, bonuses etc.

(b) Show data relating to health, safety and welfare of its employees.

The company engaged the insurance company Philhealthcare inclusive of medical, dental and hospitalization benefits

(c) State the company's training and development programmes for its employees. Show the data.

Orientation programs for new employees are handled by our human resources department. Other in house training and development is handled by our corporate planning group.

(d) State the company's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures

The company's compensation policy is based on the firm's profitability. For rewards and adjustments in compensation, the company implements KPI's KRA's to facilitate the rate of adjustments based on performance

4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behaviour? Explain how employees are protected from retaliation.

We have established an arbitration department with our human resources team. All grievances are addressed to a committee in HR.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
PCD Nominee	2,253,483,971	23.2%	Standard Chartered Bank for 5% Deutsche Bank for 8.73%

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
NA	NA	NA	NA
TOTAL			

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	Yes
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	Yes
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
SGV and Co.	3m	Na

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.

Disclosures made to the PSE and SEC, company websites, news releases

5) Date of release of audited financial report: Audited Financial Statement – April 15, 2014

6) Company Website

Does the company have a website disclosing up-to-date information about the following?

Business operations	yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes

Company's constitution (company's by-laws, memorandum and articles of association)	yes
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Should any of the foregoing information be not disclosed, please indicate the reason thereto.

7) **Disclosure of RPT**

RPT	Relationship	Nature	Value

When RPTs are involved, what processes are in place to address them in the manner that will safeguard the interest of the company and in particular of its minority shareholders and other stakeholders?

All related party transactions are fully disclosed to the Board of Directors and are done in the regular course of business and conducted on an arm's length basis, negotiated based on prevailing competitive commercial terms. None of the Company's shareholders are granted special privileges or concessions.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	2/3 total shareholdings present/ majority of capital stock present
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Notice; Presentation of corporate acts; discussion through question and answer
Description	Stockholders are apprised of corporate acts requiring stockholders approval in the notice and agenda of meeting and information statement; During the meeting itself, proposed corporate acts on which stockholder approval is sought are presented and explained to the stockholders, and questions/comments are solicited, received and entertained.

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
NA	NA

Dividends

Declaration Date	Record Date	Payment Date
April 13, 2012 cash dividends	April 27, 2012	May 24, 2012
April 15, 2013 cash dividends	April 29, 2013	May 16, 2013
April 30, 2014 cash dividends	May 15, 2014	June 05, 2014
October 13, 2014 stock dividends	October 27, 2014	November 14, 2014

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

Measures Adopted	Communication Procedure
At stockholders meeting, time is set aside for investors to question the board and management	Part of agenda

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - a. Amendments to the company's constitution
 - b. Authorization of additional shares
 - c. Transfer of all or substantially all assets, which in effect results in the sale of the company

All these decisions are discussed and approved by the shareholders on record. During the AGM, the agenda is sent out to shareholders in advance so that they can prepare to discuss the issues. If management is proposing such changes, the investors have the right to vote with, or against, the management.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?
 - a. Date of sending out notices: July 01, 2014
 - b. Date of the Annual/Special Stockholders' Meeting: July 23, 2014
4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.
5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Approval of Management report for 2013	8,225,848,623 shares or 84.80% of the shares from outstanding capital stock	none	none
Approval of minutes of meeting for Special	8,170,063,623 shares or 84.22%	none	55,785,000 shares

stockholders June 2013			
Confirmation of all acts of the board	8,225,848,623 shares or 84.80%	none	none
Election of Directors	8,225,848,623 shares or 84.80%	none	none
Appointment of external auditors	8,225,848,623 shares or 84.80%	none	none
Amendment of Articles of Incorporation by way of stock dividends	8,170,063,623 shares or 84.22%	none	55,785,000 shares
Approval of proposed stock dividends	8,170,063,623 shares or 84.22%	none	55,785,000 shares
Approval of revised employee stock grant	8,170,063,623 shares or 84.22%	none	55,785,000 shares

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions: votes not published. Will correct and start publishing

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

Modifications	Reason for Modification
NA	NA

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	Jose Antonio; Marco Antonio; Carlo Antonio; Monico Jacob; Jose Roberto R. Antonio; Ricardo Cuerva; Rafael G. Yaptinchay; Carlos Benedict K. Rivilla; Irene O. David	July 23, 2014	Motion and seconding; solicitation of objections	1..80	83.00	84.80

(ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SsMs? Yes

Should there be a voting by ballot, the external auditors, who are expected to attend shall be authorized to count the votes. Yes

- (iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares.

One vote carries one share

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	Conform with by laws
Notary	Proxies not required
Submission of Proxy	Should be to the corporate secretary before the meeting
Several Proxies	NA
Validity of Proxy	Na
Proxies executed abroad	NA
Invalidated Proxy	NA
Validation of Proxy	NA
Violation of Proxy	NA

(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
Send notices two weeks prior to meeting	Notices are sent by post to the last know postal address

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	All shareholders entitled to receive notices
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	At least 2 weeks prior to AGM
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	At least two weeks prior to AGM
State whether CD format or hard copies were distributed	Hard copies
If yes, indicate whether requesting stockholders were provided hard copies	NA

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	Yes
Documents required for proxy vote.	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

Policies	Implementation
Recognizes rights of the minority to influence Board composition by cumulative voting	Notice of meeting/Information Statement expressly states set of procedures for cumulative voting
Equal treatment of shareholders holding same class of shares	One share one vote

(b) Do minority stockholders have a right to nominate candidates for board of directors?
yes

K. INVESTORS RELATIONS PROGRAM

1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee.

No formal policies yet

2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	Timely disclosure of materials
(2) Principles	Enable investors to make appropriate investment decisions

(3) Modes of Communications	Disclose info to PSE and SEC, upload to website
(4) Investors Relations Officer	Kristina Garcia

- 3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

All these major decisions have to be approved by the board of directors and stockholders if necessary

Name of the independent party the board of directors of the company appointed to evaluate the fairness of the transaction price. NA

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the company.

Initiative	Beneficiary
Adopt a community or charity association	Operation Smile organization

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

	Process	Criteria
Board of Directors	Periodic self appraisal	Board discussion and participation
Board Committees	Periodic self-appraisal	Meeting targets set by the committee
Individual Directors	Periodic self appraisal	Board discussions and participation
CEO/President	Periodic review of management and the CEO/President	Attainment of corporate objectives

N. INTERNAL BREACHES AND SANCTIONS

Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

Violations	Sanctions
First Violation	Verbal reprimand / Memo
Second violation	Suspension
Third reprimand	Council for employee actions; removal from office

