

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)

ATTY. ISABELITA CHING-SALES

Contact Person

(632) 7938905

Company Telephone

Number

**SEC FORM – ACGR-1
Consolidated Report for 2017**

1	2
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Month

Day

Fiscal Year

3	1
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Day

FORM TYPE

07

22

Month

Annual Meeting

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Secondary License Type, If Applicable

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Dept. Requiring Number/Section

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Amended Articles

Total Amount of Borrowings

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To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

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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): 2017
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

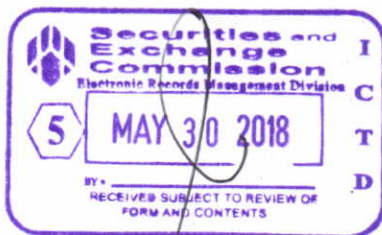


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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Ten (10)
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Actual number of Directors for the year	Ten (10)
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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)	Elected when (Annual /Special Meeting)	No. of years served as director
Jose E.B. Antonio	ED	CPI	Karl Cabili –None	07/11/2011	06/29/2017	Annual	7
Jose L. Cuisia, Jr.	ID	CPI	Karl Cabili – None	06/22/2015	06/29/2017, 3yrs	Annual	3
Stephen T. CuUnjieng	ID	CPI	Karl Cabili – None	06/22/2015	06/29/2017, 3yrs	Annual	3
Carlos C. Ejercito	ID	CPI	Karl Cabili – None	06/22/2015	06/29/2017, 3yrs	Annual	3
John Victor R. Antonio	ED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7
Jose Marco R. Antonio	ED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7
Jose Roberto R. Antonio	ED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7
Jose Carlo R. Antonio	ED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7
Rafael G. Yaptinchay	ED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7
Ricardo P. Cuerva	NED	CPI	Karl Cabili – None	07/11/2011	06/29/2017	Annual	7

(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's Articles of Incorporation and By-laws, including its amendments, constitute the basic structures of governance, primary duties of the Board of Directors and Officers while the Manual of Corporate Governance supplements these Articles of Incorporation and By-laws in setting forth the principles of good and transparent governance. The company has only one class of shares and each share carries one vote.

The Board of Directors and the Officers ensures 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 and adheres to the following policies under the revised Amended Corporate Governance Manual as submitted to the Honorable Commission on May 31 2017 in compliance with SEC Memorandum Circular No. 9 Series 2014 and SEC Memorandum Circular No. 19 Series of 2016.

It is the primary duty of the Board of Directors to promote shareholders' rights. The Management on the other hand is responsible for guiding the Company towards its goals. The Chief Compliance Officer oversees the Corporate Compliance Program, functioning as an independent and objective body that reviews and evaluates compliance issues and concerns within the Company. The Compliance Officer ensures that relevant and accurate information are timely disclosed to the stockholders, the investing public and regulatory agencies, and ensures that the Board of Directors, management and employees are in compliance with the rules and regulations of regulatory agencies, that company policies and procedures are being followed, and that behavior in the organization meets the company's Standards of Conduct.

The Company respects all rights of shareholders, especially the minority shareholders which are provided in its Articles of Incorporation, as follows:

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

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 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.

The Company likewise has adopted a Governance Self-rating form and important regulations on Corporate Governance Policies, as follows:

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 of Directors gives the essential chart of the vision and mission of the company in line with the corporate objectives of Management. The Board of Directors endeavor to review the Company's vision and mission, corporate governance practices on an annual basis and provide for necessary revisions and improvements, as maybe needed.

(d) Directorship in Other Companies

(i) Directorship in the Company's Group¹

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)	Executive, Chairman
	Century City Development Corporation (CCDC)	Executive, Chairman
	Century City Corporation (CCC)	Executive, Chairman
	Century Limitless Corporation (CLC)	Executive, Chairman
	Century Properties Management Inc. (CPMI)	Executive, Chairman

¹ The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

John Victor R. Antonio	CPI CCDC CCC CLC CPMI	Executive Executive Executive Executive Executive
Jose Marco R. Antonio	CPI CCDC CCC CLC CPMI	Executive Executive Executive Executive Executive
Jose Roberto R. Antonio	CPI CCC CLC	Executive Executive Executive
Jose Carlo R. Antonio	CPI CLC CPMI	Executive Executive Executive
Rafael G. Yaptinchay	CPI	Executive
Ricardo P. Cuerva	CPI	Executive

(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
Jose L. Cuisia, Jr	Phinma Corporation SM Prime Holdings Inc. Manila Water Company, Inc.	Independent Independent Independent
Stephen T. CuUnjieng	Aboitiz Equity Ventures, Inc.	Independent
Carlos C. Ejercito	Aboitiz Power Corporation Bloomerry Resorts Corporation	Independent 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.

The Chief Executive Officer and other executive directors of the Company shall submit themselves to a low indicative limit on membership in other corporate boards, within the limit as may be allowed by the Securities Regulations Code and relevant rules on Corporate Governance. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. An exception to this rule may be applied to memberships in the corporate boards of subsidiaries or affiliates of the Company. In any case, the capacity of directors to serve the Company with diligence shall not be compromised

(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:

As of December 31, 2017

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	2,644,950,398/CPI	22.80
Jose Victor R. Antonio	1 nominal	661,236,394/CPI	5.70
Jose Marco R. Antonio	1 nominal	661,236,394/CPI	5.70
Jose Roberto R. Antonio	1 nominal	661,236,394/CPI	5.70
Jose Carlo R. Antonio	1 nominal	661,236,394/CPI	5.70
Rafael G. Yaptinchay	1 nominal	964/CPI	0.00
Ricardo P. Cuerva	214,995,168 + 1 nominal share	964/CPI	1.85
TOTAL	214,995,175	5,289,897,902	47.45

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.

The qualifications of directors shall be in accordance with the qualifications for membership provided for in the Corporation Code, Securities Regulation Code and other relevant laws which include among others, the following:

- (1) The candidate shall be a holder of at least one (1) share of stock of the Company;

- (2) The candidate shall at least be a college graduate or shall have sufficient experience in managing the business of the Company to substitute and compensate for such formal education;
- (3) The candidate shall be at least twenty-one (21) years of age;
- (4) The candidate shall possess proven integrity and probity;

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. They have the adequate understanding of the real estate industry and competence in managing relevant industry and professional organizations. 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. The Company's Independent Directors have confirmed to the Corporate Secretary that they do not hold any interests affiliated with the Company, or any of the controlling shareholders at the time of their appointment and election.

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, the Company's 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
n/a	n/a	n/a	n/a

(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 Stockholders Meeting	One vote for one share
(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

The qualifications of directors shall be in accordance with the qualifications for membership which include among others, the following:

- (1) The candidate shall be a holder of at least one (1) share of stock of the Company;
- (2) The candidate shall at least be a college graduate or shall have sufficient experience in managing the business of the Company to substitute and compensate for such formal education;
- (3) The candidate shall be at least twenty-one (21) years of age;
- (4) The candidate shall possess proven integrity and probity;

Disqualification of Directors

I. Permanent Disqualification

The following shall be grounds for the permanent disqualification of a director:

- a. Any person finally convicted judicially of any offense involving moral turpitude or fraudulent acts or transgressions;
- b. Any person finally found by the Commission or court of law or administrative body to have wilfully violated, or wilfully aided, abetted, counselled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or the Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or the Bangko Sentral ng Pilipinas;
- c. Any person judicially declared to be insolvent;
- d. Any person finally found guilty by a foreign court or tribunal or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in the foregoing paragraphs a, b, and c;
- e. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Securities Regulation Code or the Corporation Code committed within five (5) years prior to the date of the director's nomination, election or appointment; and
- f. If the independent director becomes an officer or employee of the Company, such independent director shall be automatically disqualified from being an independent director.

II. Temporary Disqualification

Any of the following shall be a ground for the temporary disqualification of a director:

- a. Refusal to fully disclose the extent of his business interests as required by the Securities Regulation Code and its implementing Rules and Regulations. This disqualification shall be in effect as long as the director's refusal persists;
- b. Absence or non-participation for whatever reason for more than fifty percent (50%) of all Board meetings, both regular or special, of a member of the Board of Directors during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification applies for purposes of the succeeding election;
- c. Dismissal or termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- d. Being under preventive suspension by the Company, if and executive director;
- e. Conviction of any of the grounds for the disqualification of directors that has not yet become final; and
- f. Beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates of more than two percent (2%) of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.

A temporarily disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. Failure to do so for unjustified reasons shall disqualify the director permanently.

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Jose E.B. Antonio	8,702,555,395 shares or 74.38%
Jose L. Cuisia, Jr	9,343,129,362 shares or 79.86%
Stephen T. CuUnjieng	9,343,129,362 shares or 79.86%
Carlos C. Ejercito	9,343,129,362 shares or 79.86%
John Victor R. Antonio	8,629,210,112 shares or 73.76%
Jose Marco R. Antonio	8,701,604,415 shares or 74.37%
Jose Roberto R. Antonio	8,629,210,112 shares or 73.76%
Jose Carlo R. Antonio	8,701,604,415 shares or 74.37%
Rafael G. Yaptinchay	9,343,129,362 shares or 79.86%
Ricardo P. Cuerva	9,343,129,362 shares or 79.86%

6) Orientation and Education Program

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

Under the Company’s 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, save for the three new Independent Directors, are more than 5 years 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 Management² 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
6. Annual Corporate Governance Training Program – November 2015, Institute of Corporate Directors
7. SEC Corporate Governance Forum – August 2016, SEC
8. Annual Corporate Governance Training Program – September 2017, Institute of Corporate Directors

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

The executive directors as well as the Senior Officers of the Company attended the Annual Corporate Governance Training Program last September 11, 2017 conducted by the Institute of Corporate Directors. The training program shall continue and will be conducted annually.

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	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties

² Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

(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
(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) Conflict Resolution	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties	Based on The Code of Conduct & Discipline, and Offenses & Corresponding Penalties

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

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

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

The Company is committed to provide an encouraging work environment to its employees, and be an engaging business partner to its clients and service providers. It is the policy of CPGI to promote discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, CPGI's properties and interests. These rules were prepared to ensure fair and consistent treatment and constructive actions of any employee who has made a mistake.

The responsibility of ensuring that discipline exists in CPGI is jointly vested upon HRD, Department Heads and Supervisors. All supervisors and Department Heads should encourage the development of an environment where positive discipline comes naturally.

Policy measures will be promulgated as the need arises to supplement, implement and amend any of the provisions contained herein.

3.) 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 Ricardo P Cuerva	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 CPI. 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.

The control environment of the Company consists of (a) the Board which ensures that the Company is properly and effectively managed and supervised; (b) a Management that actively manages and operates the Company in a sound and prudent manner; (c) the organizational and procedural controls supported by effective management information and risk management reporting systems; and (d) an independent audit mechanism to monitor the adequacy and effectiveness of the corporation's governance, operations, and information systems, including the reliability and integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets, and compliance with laws, rules, regulations and contracts.

The minimum internal control mechanisms for the performance of the Board's and Management's oversight responsibility include review of conflict of interest situations.

The personal interest of directors, key officers and employees should never prevail over the interest of the Company. If an actual or potential conflict of interest should arise on the part of directors, it should be fully disclosed and the concerned director should not participate in the decision-making. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of conflict of interest.

4.) Family, Commercial and Contractual Relations

- (a) Indicate, if applicable, any relation of a family,³ 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 direct beneficial owner of shares of CPGI. Business partner of the subsidiaries for construction under Century Properties Management and Construction Corporation	Mr. Cuerva is one of the business partners of the CPGI subsidiaries for construction under Century Properties Management and Construction Corporation

- (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
n/a	n/a	n/a

- (c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

There are 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

³ Family relationship up to the fourth civil degree either by consanguinity or affinity.

5.) 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.

It is the Board's responsibility to foster the long-term success of the Company and secure its sustained competitiveness in a manner consistent with the Board's fiduciary responsibility, including the means to effectively Management's performance, which the Board shall exercise in the best interest of the Company, its shareholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.

To ensure a high standard of best practice for the Company, its **shareholders and stakeholders**, the Board shall: (as amended on July 31, 2014)

- a. Install, through the Nomination and Remuneration Committee, a process of selection that will ensure a mix of competent directors and officers;
- b. Determine the Company's purpose, its mission and vision, and strategies to carry out the Company's objectives;
- c. Ensure that the Company complies with all relevant laws, rules and regulations, and codes of best business practices;
- d. Appoint a Compliance Officer who shall have the rank of at least vice president, In the absence of such appointment, the Corporate Secretary and/or the Assistant Corporate Secretary shall act as Compliance Officer.
- e. Identify the Company's **major and other stakeholders**, and formulate a clear policy on communicating or relating with them through an effective investor relations program; (as amended on July 31, 2014)
- f. Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the corporation. If feasible, the corporation's CEO or Chief Financial Officer shall exercise oversight responsibility over this program
- g. Adopt a system of internal checks and balances;
- h. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint venture, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
- i. Identify key risk areas and key performance indicators, and monitor these factors with due diligence;
- j. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- k. Proper discharge Board functions by meeting regularly. Independent views during the Board meetings shall be given due consideration and all such meetings shall be duly minuted; and

- l. Keep Board authority within its powers, as prescribed in the Articles of Incorporation and By-Laws of the Company and in relevant laws, rules and regulations.
- m. Establish and maintain an alternative dispute resolution system in the Company that can amicably settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including the regulatory authorities.

The company has not had disputes in the last 3 years with the stockholders, regulatory authorities and third parties.

B.) BOARD MEETINGS & ATTENDANCE

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

Regular Board meetings are held once in every quarter. The meetings are scheduled before the beginning of the year. For this year, the Regular Board Meetings are scheduled as follows:

First Quarter – March 23

Second Quarter – May 8

Third Quarter – August 8

Fourth Quarter – November 8

There are also special board meetings that are held from time to time, as the need to discuss important business matters and updates from the Company arise. These special meetings are scheduled a week ahead of the scheduled dates.

2) Attendance of Directors – All directors were re-elected and elected, respectively in June 2017.

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Jose Eduardo B. Antonio	June 2017	6	6	100%
Member	John Victor R. Antonio	June 2017	6	3	50%
Member	Jose Marco R. Antonio	June 2017	6	6	100%
Member	Jose Carlo R. Antonio	June 2017	6	6	100%
Member	Jose Roberto R. Antonio	June 2017	6	4	70%
Member	Ricardo P. Cuerva	June 2017	6	6	100%
Member	Rafael G. Yaptinchay	June 2017	6	6	100%
Independent	Jose L. Cuisia, Jr	June 2017	6	6	100%
Independent	Stephen T. CuUnjieng	June 2017	6	6	100%

Independent	Carlos C. Ejercito	June 2017	6	6	100%
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3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?

Yes, the Non-executive directors endeavor to have separate meeting, without the presence of any executive, at least once during the year.

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

Under the Corporation's By-laws, 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 papers for board of directors meetings provided to the board?

Generally, all board papers are sent at least three (3) days 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 company's 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 Company's By-laws, 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 a 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

Committee	Details of the procedures
Executive Audit	Copies of presentations and matters in the Agenda are provided by Management and distributed to the Board at least three (3) days before prior to the scheduled Committee Meeting These presentations or materials consist of complete and adequate information about the matters to be taken in the meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.
Nomination, Remuneration and Compensation	
Risk Management Committee	
Related Party Transactions Committee	

6) External Advice

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

Procedures	Details
The Company's External Counsel, Atty. Nilo S. Divina is requested to attend all regular and special board meetings. The Corporate Secretary is likewise a licensed attorney. As the need arises, directors reserve the right to avail of external advise.	During some meetings, directors get the opinion of the external counsel on some legal matters.

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.

B.) 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, as determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	Based on industry standards, as determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee
(2) Variable remuneration	As determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	As determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Executive Committee and the Nomination and Compensation Committee
(3) Per diem allowance	Not provided	Per diem allowance is given to Management officers who are on official business for the reasonable travel expenses.
(4) Bonus	Based on operational targets, as determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	Based on operational targets, as determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee
(5) Stock Options and other financial instruments	As determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee	As determined by the Board of Directors (without the the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee
(6) Others (specify)	-	-

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, as determined by the Board of Directors (without the presence of the concerned Officer/Executive Director) and recommended by the Nomination and Compensation Committee
Non-Executive Directors	Per diem for Independent Directors	Per diem of Php100,000.00 for Independent Directors for each board and committee meeting	Based on Industry standard, as determined by the Executive Directors and recommended by the Nomination and Compensation Committee

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
<p>Executive Directors are given their regular compensation and benefits similar to the compensation structure of other Officers of the Company.</p> <p>Non-Executive Directors and Independent Directors do not have regular compensation or benefits. They are only given per diem based on their attendance per meeting.</p>	<p>Stockholder's approval for remuneration of Executive Directors is not required. Per Company's Manual on Corporate Governance, the Company shall establish a formal and transparent procedure for the development of a policy on executive remuneration or determination of remuneration levels for individual directors or officers depending on the particular needs of the Company. No director should participate in deciding on his remuneration.</p> <p>The current per diem rate was approved by the Board of Directors last June 22, 2015.</p>

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	68.40M	0	0

(b) Variable Remuneration	0	0	0
(c) Per diem Allowance	0	0	1.8M
(d) Bonuses	5.25M	0	0
(e) Stock Options and/or other financial instruments	0	0	0
(f) Others (Specify)	0	0	0
Total	70.65M	0	1.8M

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	0	0	0
2) Credit granted	0	0	0
3) Pension Plan/s Contributions	0	0	0
(d) Pension Plans, Obligations incurred	0	0	0
(e) Life Insurance Premium	1.5M		
(f) Hospitalization Plan	Maxicare Coverage	0	0
(g) Car Plan	0	0	0
(h) Others (Specify)	0	0	0
Total	1.5M		

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
Ricky M. Celis	Salary – Php 42,973,393.76 Bonus - Php 2,108,635.11
Ricardo C. Cuerva	
Domie S. Eduvane	
Gerry Joseph L. Ilagan	
Gerardo A. Morales	

B. 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	6	0	0	Develop a transparent business and organizational management system	Oversees the implementation of policies and corporate matters	Perform oversight management functions and decisions for board	Management of overall system of operation for CPGI and subsidiaries
Audit	2	0	2	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 Remuneration and Compensation	2	1	2	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

				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
Risk Management	3	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
Related Party Transactions Committee	2	0	2	Ensure that every Related Party Transaction is conducted in a manner that will protect the Company and its stakeholders from conflict of interest which may arise between the Company and its Related Parties;	Ensure that every Related Party Transaction is at arms's length, the terms are fair, and they will inure to the best interest of the Company, its stakeholders, subsidiaries and affiliates	Proper review, evaluation, approval, ratification, disclosure and implementation of transactions between the Company and any of its Related Party/ies as required in compliance with legal and regulatory requirements	Review, evaluate and approve Related Party Transaction pursuant to the Policies and in compliance with legal and regulatory requirements

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	June 29, 2017	4	4	100	1 yr
Member (ED)	John Victor R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Roberto R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Carlo R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Rafael G. Yaptinchay	June 29, 2017	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 (ID)	Stephen CuUnjieng	June 29, 2017	4	4	100	1 yr
Member (ID)	Carlos C. Ejercito	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Carlo R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Marco R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ED)	Rafael G. Yaptinchay	June 29, 2017	4	4	100	1 yr

Disclose the profile or qualifications of the Audit Committee members.

Mr. Stephen T. CuUnjieng, 58 years old, Filipino citizen, is a prominent investment banker, and currently serves as an Independent Director, Aboitiz Equity Ventures, Inc. He has a long and extensive experience in investment banking with several major financial institutions including HFS Capital LLC and Evercore Partners, Inc. is the Chairman of Evercore Asia Limited. He is an advisor to a number of Asia's most prominent companies like San Miguel Corporation, Samsung Electronics, Tiger Airways, among others. He finished his undergraduate and law degree from Ateneo De Manila University and later on, earned his MBA degree from the Wharton School of Business at the University of Pennsylvania.

Mr. Carlos C. Ejercito, 71 years old, Filipino, is the former Chairman of the United Coconut Planters Bank and currently the Chairman and CEO of Northern Access Mining, Inc, Forum Cebu Coal Corporation and Kaipara Mining and Development Corporation. He graduated Cum Laude from the University of the East where he finished his Bachelor's Degree in Business Administration. He became a Certified Public Accountant in 1966. He received his Master's Degree in Business Administration at the Ateneo Graduate School of Business in 1976 and graduated from his Management Development Program in 1983 at the Harvard Business School. As of date, he serves as an Independent Director at Aboitiz Power Corporation, Bloomberry Resorts Corporation and Monte Oro resources and Energy Corporation

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

The Audit Committee shall have the following functions:

- (a) Check all financial reports against its compliance with both the internal financial management handbook and pertinent accounting standards, including regulatory requirements;
- (b) Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Company, and crisis management;
- (c) Pre-approve all audit plans, scope and frequency one (1) month before the conduct of external audit;
- (d) Perform direct interface functions with internal and external auditors;
- (e) Elevate to prevalent international standard the accounting and auditing processes, practices and methodologies of the Company, and develop the following in relation to this duty:
- (f) A definitive timetable within which the accounting system of the Company will be one hundred percent (100%) compliant with the International Accounting Standards (IAS); and

- (g) An accountability statement that will specifically identify officers and personnel directly responsible for the accomplishment of such task;
- (h) Regularly review and improve, if necessary, the Company's Controller's Policies and Procedures Manual, in order to provide for a transparent financial management system that will ensure the integrity of internal control activities throughout the Company and the entire organization; and
- (i) Recommend to the stockholders the external auditor of the Company.

(c) Nomination, Compensation and 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	June 29, 2017	4	4	100	1 yr
Member (ED)	John Victor R. Antonio	June 29, 2017	4	2	50	1 yr
Member (ID)	Jose L. Cuisia, Jr.	June 29, 2017	4	4	100	1 yr
Member (ED)	Jose Roberto R. Antonio	June 29, 2017	4	4	100	1 yr
Member (ID)	Carlos C. Ejercito	June 29, 2017	4	4	100	1 yr

(d) 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	June 29, 2017	4	4	100	100
Member (ED)	Jose Carlo R. Antonio	June 29, 2017	4	4	100	100
Member (ID)	Jose L. Cuisia, Jr.	June 29, 2017	4	4	100	100
Member (ID)	Stephen T. CuUnjieng	June 29, 2017	4	4	100	100
Member (ED)	Jose Marco R. Antonio	June 29, 2017	4	4	100	100
Member (ED)	Rafael G. Yaptinchay	June 29, 2017	4	4	100	100

(e) Related Party Transactions 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 (ID)	Carlos C. Ejercito	Nov. 8, 2017	1	1	100	100
Member (ID)	Jose L. Cuisia, Jr.	Nov. 8, 2017	1	1	100	100
Member (ED)	Rafael G. Yaptinchay	Nov. 8, 2017	1	1	100	100
Member (ED)	Jose Marco R. Antonio	Nov. 8, 2017	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
n/a	n/a	n/a

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, acquisition of land, availment of loans and real estate mortgage/s, approval of several project lunches and endorsement to the board of placement and subscription transactions	
Audit	Assisted the Board in its oversight functions specifically relating to the financial reports, statements and soundness of the Company and compliance with legal and regulatory requirements.	Reviewed and approved the 2017 Audited Financial Statements of the Company as prepared by the external auditors Sycip, Gorres, Velayo & Co. (SGV), as well as the quarterly unaudited financial statements. The Committee gave its recommendation on the reappointment of SGV as the Company's external auditors for 2017 and the corresponding audit fee structure. The Committee likewise reviewed and/or approved specific matters presented by the Internal Audit Division and SGV.
Nomination, Compensation and Remuneration	The Committee pre-screened and shortlisted all candidates nominated to become a member of the Board of Directors, in accordance with the minimum qualifications and disqualifications set forth in the Company's Regulations.	The Nomination and Remuneration Committee considered the following in the determination of the number of directorships in other corporations for the members of the Board:

		<p>(a) The nature of the business of the corporation in which the director is also a member of the board;</p> <p>(b) The age of the director;</p> <p>(c) The number of directorships or active memberships and officerships in other corporations or organizations; and</p> <p>(d) Possible conflict of interest.</p> <p>Nominate competent members only</p>
Risk Management	It reviewed departmental policies, as well as the adequacy and effectiveness of the Company's enterprise risk management process.	The Risk Management Committee provided 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.
Related Party Transactions Committee	It will ensure that every Related Party Transaction is conducted in a manner that will protect the Company and its stakeholders from conflict of interest which may arise between the Company and its Related Parties.	

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	The Board has created an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in its Corporate Governance Manual.	
Audit		
Nomination		
Remuneration		
	The Board of Directors and its Senior Management has established and	

<p>Risk Management</p> <p>Related Party Transactions Committee</p>	<p>implemented this Manual on Corporate Governance in accordance with the SEC Revised Code of Corporate Governance. The rules embodied in this manual has been used as reference by the members of the Board and Management.</p> <p>The following are the guidelines for the effective implementation of this Manual:</p> <p>A. COMMUNICATION PROCESS</p> <p>(1) The Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.</p> <p>(2) All directors, executives, and division and department heads of the Company are tasked to ensure the thorough dissemination and communication of the Manual to all employees and related parties and to enjoin compliance in the process.</p> <p>(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.</p> <p>B. TRAINING PROCESS</p> <p>(1) If necessary, funds shall be allocated for the purposes of conducting an orientation program or workshop to operationalize this Manual</p> <p>(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.</p> <p>C. MONITORING AND ASSESSMENT</p> <p>(1) Each Committee shall report regularly to the Board of Directors.</p> <p>(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 the Manual.</p> <p>(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.</p> <p>(4) This Manual shall be subject to annual review, unless the same frequency is amended by the Board.</p> <p>(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.</p>
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C. 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 2017. The Committee has conducted review of internal processes, procedures and policies for the year 2017 and the different departments of the Company are in the process of amending and formulating policies on a per department basis, which will be submitted to the Risk Management Committee and to be reviewed by the Audit Committee before presentation to the Board.

(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.

The Committee shall endeavor to conduct review of internal processes quarterly for the ensuing year.

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

NOT APPLICABLE. The Committee has conducted review of internal processes, procedures and policies for the year 2016 and the different departments of the Company are in the process of amending and formulating policies on a per department basis, which will be submitted to the Risk Management Committee and to be reviewed by the Audit Committee before presentation to the Board.

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:

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.

The Risk Management Committee assists the Board of Directors 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.

Risk Exposure	Risk Management Policy	Objective
<p>Business Development:</p> <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. 	<p>Site Acquisition</p>
<p>Project and Product Development/Design: Actual over budget</p> <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. 	<p>Timely and Quality Project Delivery</p>
<p>Pre-Sales Management:</p> <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. 	<p>Generate/Produce Sales</p>
<p>Documents and Collections:</p> <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 Collections systems processes and procedures. 	<p>Complete documents</p> <p>Timely collection of 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
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<p>Business Development:</p> <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. 	<p>Site Acquisition</p>
<p>Project and Product Development/Design: Actual over budget</p> <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. 	<p>Timely and Quality Project Delivery</p>
<p>Pre-Sales Management:</p> <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. 	<p>Generate/Produce Sales</p>
<p>Documents and Collections:</p> <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. 	<p>Complete documents</p> <p>Timely collection of 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>

(c) Minority Shareholders

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

Risk to Minority Shareholders

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:

- (d) 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;
- (e) 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
- (f) 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.

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 (Structures, Procedures, Actions Taken)
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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)
Audit Committee	Financial Oversight Control by assisting the Board of Directors	Perform oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Company, and crisis management

D. 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 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”

The Board is primarily accountable to the stockholders. It should provide them with a balanced and comprehensible assessment of the corporation’s performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.

Thus, it is essential that Management provide all members of the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.

Management shall formulate, under the supervision of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:

- (1) The extent of its responsibility in the preparation of the financial statements of the corporation, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
- (2) An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Company for the benefit of **all stockholders and other stakeholders** shall be maintained;
- (3) On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the corporation’s governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and regulations;
- (4) The Company shall consistently comply with the financial requirements of the Commission;
- (5) The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Company, should be changed with the same frequency.

(c) Period covered by the review:

CY 2017. The Committee endeavors to conduct quarterly review for the ensuing year.

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

At least annually, the 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.

The Committee endeavors to conduct quarterly review for the ensuing year.

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

NOT APPLICABLE. The Committee has conducted reviews for the year 2017

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	Edwin A. Aquino	<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?

Yes. 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?

The Board Audit Committee Charter provides:

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	<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	<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

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 Chairman and Compliance Officer of the Company shall attest to the Company's compliance with the SEC Code of Corporate Governance.

The Board of Directors, Management, Officers and employees of commit themselves to the principles and best practices of governance contained in our Manual of Corporate Governance as a guide in the attainment of its corporate goals. The Corporation shall make a continuing effort to create awareness of good corporate governance within the organization.

The Board of Directors is the supreme authority in matters of governance and managing the regular and ordinary business of the Corporation. Within their chartered authority, the directors acting as a board have the fullest powers to regulate the concerns of the Corporation according to their best judgment.

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	Adhere to best practices, timely and high quality product services	CSR and sales activities
Community interaction	Involve local stakeholders where possible	CSR activities
Anti-corruption programmes and procedures	The company as a rule does not indulge in corrupt practices	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 Company's 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 and other incentives.

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

On top of the benefits provided for under government policies, the Company provides the following benefits to all its employees:

Benefits	Executive Directors	Management	Professionals (Rank & File) Employees
HMO (under Maxicare)	Up to Php500,000 per sickness per year	Up to Php300,000 per sickness per year	Up to Php120,000 per sickness per year
Life Insurance (under Sun Life Insurance)	Php1,500,000.00 per officer	Php 750,000.00 per officer	Php 150,000.00 per officer

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

Training Program	Department In Charge for Training	Attendees
Job Orientation and On-boarding Seminar	Human Resources	All newly-hired employees
Code of Conduct and Ethics and updates	Human Resources / Legal	All Employees
Project Awareness Seminar	Human Resources	All sales and documentations employees
Sales Documentation	Legal	All sales and documentations employees
Titling Process Seminar	Title Management Group	All sales and documentations employees
Data Privacy Laws	Compliance	All Employees
Corporate Governance Training	Service Providers - Annually	All Directors and Senior Officers

(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.

Our Company requires that we comfort ourselves in accordance with a high standard corporate conduct appropriate to our Company's standing in the corporate community.

It is the policy of the Company to promote discipline in the organization by taking corrective action as may be needed for the protection of all employees and clients, Company's properties and interests.

These rules were prepared to ensure fair and consistent treatment and constructive actions any employee who has made a mistake.

OBJECTIVES

1. To instill awareness on proper behavior, attitude, and conduct as employees of Century Properties Group, Inc.
2. To serve as guidelines in handling disciplinary cases to ensure fair, consistent, and uniform imposition of disciplinary actions.

GENERAL POLICIES AND PROCEDURES

1. Procedures

- 1.1 The Manager is responsible for reporting to HRD any offenses committed by th employee. No employee shall be excused from appropriate actions or penalties contained herein, on the reason of ignorance of the rules and regulations stated in this Code, as well as any revisions in the future.
- 1.2 Upon receipt of the report, HRD shall issue a memorandum indicating the nature of the charge to the employee concerned. The employee shall explain his side or defend himself in writing within 72 hours. Failure or refusal of the employee to comply within 72 hours shall be deemed as a waiver of his right to present evidence on his behalf. The company may then proceed to take on appropriate action/s without such employee's evidence.
- 1.3 Upon receipt of the employee's explanation, the HR Administrative & Discipline Committee shall conduct an impartial and thorough investigation. The HR Administrative & Discipline Committee shall be composed of representatives from HRD, Audit, Legal, Department Head/Manager, the employee's immediate superior. The HRD Head or his designate shall act as Chairperson of the Committee. For cases involving property and security, there shall be additional members representing Finance and Security.
- 1.4 A hearing of the case shall be scheduled within reasonable time from issuance of the memorandum.
- 1.5 During the hearing, the erring employee shall be given ample opportunity to answer the allegations against him, to confront any or all the witness, and to present evidence that may strengthen his explanations. The employee may avail of the assistance of any representative of his choice to defend him, if he so desires.
- 1.6 The HR Administrative & Discipline Committee shall document the proceedings and the document shall form part of the record case. After having ascertained all relevant facts of the case and evaluated the evidences presented, the Committee will submit its report to Management within 7 working days after conclusion of the investigation for final resolution.
- 1.7 All cases involving pilferage of Company property or gross dishonesty or misuse of office/position or other criminal offenses shall be under the jurisdiction of the HR Head or his designate in close coordination with Security and the erring employee's Head. The employee concerned shall be placed under preventive suspension immediately if warranted by the circumstances and if his continuous presence poses a serious and imminent threat to the life or property of the company or his co-employees.
 - 1.7.1 Preventive suspension shall be for 30-day but not more than 120 working days depending on the gravity of the offense.
 - 1.7.2 Upon service of the preventive suspension or suspension notices, the employee shall turn-over all tools and equipment to his immediate superior. The employee shall prepare himself an inventory of items turned over and duly confirmed by his immediate superior and the HR Head or his designate.
- 1.8 Suspended employees shall be prohibited from entering the Company premises during the period of suspension. In case of important/emergency matters which the employee has to attend to inside the

Company premises, a prior clearance must be secured from the HR Head or his designate concerned. Management reserves its rights to provide a Security escort, if necessary.

1.10 All documents/records pertaining to the case shall be included in the 201 file of the employee.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

	Number of Shares	Percent	Beneficial Owner
Century Properties Inc	6,819,745,151	58.79%	CPI

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

3) External Auditor's fee

B.

Name of auditor	Audit Fee	Non-audit Fee
SGV and Co.	Php 3,600,000.00 inclusive of VAT	N.A.

1) Medium of Communication

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

The investing public can reach us through our Investor Relations department for information and assistance.

- Annual Briefings and One-on-one Meetings, as needed
- Property Tours and Site Visits

- Roadshows and Conferences
- Media Briefings

The Board commits 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.

2) Date of release of audited financial report:

Audited Financial Statement – April 16, 2018

3) 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

4) Disclosure of RPT

The Company in their regular conduct of business has entered into transactions with related parties principally consisting of advances and reimbursement of expenses, development, management, marketing, leasing and administrative service agreement.

Due from Related Parties

	2017	2016	Terms	Conditions
Ultimate Parent	₱235,324,180	₱279,405,429	Noninterest bearing, due and demandable	Unsecured, no impairment
Stockholders	153,076,337	153,706,725	Noninterest bearing, due and demandable	Unsecured, no impairment
Other affiliates	102,845,431	99,966,166	Noninterest bearing, due and demandable	Unsecured, no impairment
	₱491,245,948	₱533,078,320		

Due to Related Parties

	2017	2016	Terms	Conditions
Ultimate Parent	₱-	₱142,089,838	Noninterest bearing, due and demandable	Unsecured
Stockholders	19,175,305	165,615,680	Noninterest bearing, due and demandable	Unsecured
Other affiliates	28,995,726	18,299,970	Noninterest bearing, due and demandable	Unsecured
	₱48,171,031	₱326,005,488		

The effects of the related party transactions are shown under the following accounts in the consolidated financial statements:

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	By Poll. Notice is given to all stockholders; Presentation of corporate acts; Discussion through question and answer.
Description	Stockholders shall vote by ballot and each stockholder is entitled to cast votes in accordance with the number of shares he owns. One share is equivalent to one vote. 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.

(a) Stockholders' Rights

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

All Stockholders' Rights are consistent with what is indicated 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
June 15, 2015 cash dividends	July 3, 2015	July 16, 2015
June 22, 2016 REGULAR & SPECIAL cash dividends	July 8, 2016	July 22, 2016
May 22, 2017 REGULAR & SPECIAL Cash Dividends	June 2, 2017	June 19, 2017

(b) 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
Open Forum	Via Question and Answer
Motion to second	Stockholders are given the right to move the motion and a corresponding second of the motion

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:

- a. Amendments to the company's constitution

The stockholders, by the affirmative vote of a majority of the stocks issued, outstanding and entitled to vote, may make, alter or amend these By-Laws at any regular meeting or any special meeting called for that purpose as well as the majority of the members of the Board also in a meeting duly called for that purpose.

- b. Authorization of additional shares

The stockholders, by the affirmative vote of a majority of the stocks issued, outstanding and entitled to vote, may authorize additional shares at a regular or special meeting called for that purpose as well as the majority of the members of the Board also in a meeting duly called for that purpose.

- c. Transfer of all or substantially all assets, which in effect results in the sale of the company

The stockholders, by the affirmative vote of a majority of the stocks issued, outstanding and entitled to vote, may authorize the transfer of all or substantially all assets of the Company at a regular or special meeting called for that purpose as well as the majority of the members of the Board also in a meeting duly called for that purpose.

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?

The Company sends out notices to the AGM at least 21 business days prior to the scheduled meeting.

- a. Date of sending out notices: June 1, 2017
- b. Date of the Annual/Special Stockholders' Meeting: June 29, 2017

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

There was no material question in relation to the Meeting Agenda that was noted during the last Annual Stockholder's Meeting.

5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Approval of Management report for 2016	9,344,080,300 shares or 79.87% of the shares from outstanding capital stock	None	239,250 or 0.00% of the shares from outstanding capital stock
Approval of minutes of meeting for Annual stockholders June 22, 2016	9,344,080,300 shares or 79.87% of the shares from outstanding capital stock	None	239,250 or 0.00% of the shares from outstanding capital stock
Confirmation of all acts of the board	9,344,080,300 shares or 79.87% of the shares from outstanding capital stock	None	239,250 or 0.00% of the shares from outstanding capital stock
Election of Directors	9,008,078,225.70 shares or 76.99% of the shares from outstanding capital stock	797,575 or .01% of the shares from outstanding capital stock	714,311,883 or 6.11% of the shares from outstanding capital stock
Appointment of external auditors	9,344,338,508 shares or 79.86% of the shares from outstanding capital stock	951,000 or .01% of the shares from outstanding capital stock	30,042 or 0.00% of the shares from outstanding capital stock
Amendment of Articles of Incorporation	8,630,161,070 shares or 73.76% of the shares from outstanding capital stock	714,158,438 or 6.10% of the shares from outstanding capital stock	42 or 0.00% of the shares from outstanding capital stock

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:

The results of voting during the most recent AGM were disclosed in the Minutes which have been disclosed before the PSE last June 29, 2017

(c) 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
None	NA

(d) 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 EB Antonio; Jose Marco R. Antonio; Jose Carlo R. Antonio; ; Jose Roberto R. Antonio; Ricardo Cuerva; Rafael G. Yaptinchay; Carlos Benedict K. Rivilla; Atty. Mary Jude Cantorias, Stephen T. CuUnjieng, Carlos C. Ejercito	June 29, 2017	Motion and seconding; solicitation of objections	.29%	79.57%	79.87%

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

Yes. For the recent ASM, we have appointed BDO Securities to tabulate and validate the votes.

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 Common Share is equivalent to One Vote.

(e) 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 on or before the deadline set, as disclosed in the Notice
Several Proxies	Allowed upon confirmation by the Corporate Secretary
Validity of Proxy	Validated by the Corporate Secretary
Proxies executed abroad	Must be consularized in the place where executed
Invalidated Proxy	Vote/s not considered
Validation of Proxy	Conducted by the Corporate Secretary
Violation of Proxy	Vote/s not considered

(f) Sending of Notices

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

Policies	Procedure
Send notices at least 21 days prior to meeting	Notices are sent by post to the last known postal address, Notice is also disclosed before the PSE

(g) 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 15 days prior to AGM
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	At least 15 days prior to AGM
State whether CD format or hard copies were distributed	CD Format are sent by post and Hard copies are made available during the meeting itself, and sent to requesting shareholders
If yes, indicate whether requesting stockholders were provided hard copies	Yes.

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

Each resolution to be taken up deals with only one item.	Yes
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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

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. Under the Company's Articles of Incorporation, the minority stockholders have the right to nominate candidates for the board of directors.

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.

The company uses email as the primary medium for all internal communication. Emails are directed only to the concerned and specific recipients, no dissemination to external addresses. All corporate records, customer data, personnel resources and legal and business records and documents are considered as classified information which the employees are prohibited from disseminating, unless in the ordinary course of the company's business or where approval from Department Heads are secured.

All press releases, official media statements and public disclosures are approved and authorized by the Executive Committee. The Company's internal and external communication processes and policies are reviewed by the Human Resources Department, IT Department and Risk Management.

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	The Company implements an Investor Relations Program that reaches out to all shareholders and fully discloses all corporate material acts and activities. The IR Officers is committed to

	effectively, accurate and timely communicate to the investing public relevant corporate information with the objective of assisting investors in making appropriate investment decisions.
(2) Principles	The Company upholds transparency and is committed to the highest standards of disclosure. The information disseminated to the investing public are accurate and timely. All corporate acts material and may have an impact on the company's financial and stock price valuation are properly disclosed and supported by proper reports.
(3) Modes of Communications	<ul style="list-style-type: none"> • Annual Briefings and One-on-one Meetings, as needed • Property Tours and Site Visits • Roadshows and Conferences • Media Briefings <p><u>The Board</u></p>
(4) Investors Relations Officer	Kristina Lowell Garcia Investor Relations Head Direct Line: (632) 7938928 Mobile: +63920-9145510 Email: kristina.garcia@century-properties.com

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?

Under the Company's By-laws, the Board of Directors may:

- a. Purchase, receive, take or otherwise acquire, in any lawful manner, for and in the name of the corporation, any and all properties, rights, privileges, including securities and bonds of other Corporations, as the transaction or business of the Company may reasonably or necessarily require for such consideration and upon such terms as the Board may deem proper or convenient.
- b. Invest funds of the Corporation in another corporation or business or any other purpose other those for which the corporation was organized, whenever upon the judgement of the Board, the interest of the Corporation would thereby be promoted, subject to stockholders' approval as may be required by law.

Pursuant to the Corporation Code, shareholders may exercise appraisal rights in case of sale, lease, exchange, transfer, mortgage, pledge or other dispositions of all or substantially all of the corporate property and assets.

In case of mergers and acquisitions, the board appoints independent party/ies, as may be approved by the stockholders, to evaluate the fairness of transaction price, as maybe necessary.

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

The Company has not entered into any mergers or acquisition of assets in the past 3 years.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

Initiative	Beneficiary
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For 2017, the Company continued providing shelters for the underprivileged by building the GK-Century Properties Village, a resettlement community located in Barangka, Madaluyong City	Gawad Kalinga Community Development Foundation, Inc.
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

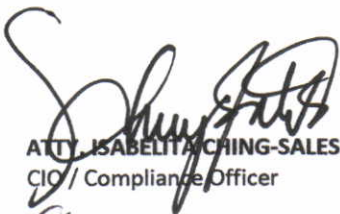
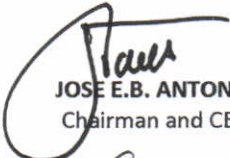

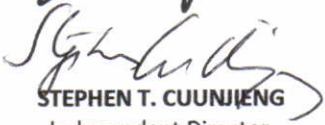
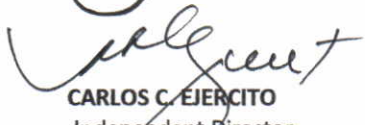
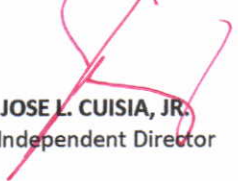
N. INTERNAL BREACHES AND SANCTIONS

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

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of CITY OF PASAY on MAY 30 2018, 2018.

SIGNATURES


 ATTY. ISABELITA CHING-SALES CIO / Compliance Officer	 JOSE E.B. ANTONIO Chairman and CEO	 CARLOS BENEDICT K. RIVILLA, IV Assistant Corporate Secretary
 STEPHEN T. CUUNJIENG Independent Director	 CARLOS C. EJERCITO Independent Director	 JOSE L. CUISIA, JR. Independent Director

SUBSCRIBED AND SWORN to before me this MAY 30 2018 day of CITY OF PASAY 2018, affiant(s) exhibiting to me their _____, as follows:

NAME/NO.	DATE OF ISSUE	PLACE OF ISSUE
Atty. Isabelita C. Sales / PP No. P3679111A	13 July 2017	DFA Manila
Jose E.B. Antonio / PP No. EC1534055	04 July 2014	DFA Manila
Carlos Benedict K. Rivilla, IV / PP No. EB8478393	25 June 2013	DFA Manila
Stephen T. Cuunjieng / PP No. EC3404952	07 Feb. 2015	DFA Manila
Carlos C. Ejercito / PP No. EC3444962	12 Feb. 2015	DFA NCR South
Jose L. Cuisia Jr. / Senior Citizen ID 27579	09 Dec. 2008	

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 Book No. 08
 Series of 2018


ATTY. VICTOR C. ESTRADA
 Notary Public for and in the City of Pasay
 Commission No. 17-39
 Until December 31, 2018
 Roll of Attorneys No. 27218
 PTR No. 5826094 01/03/18 Pasay City
 IBP 000331 01/03/18 Q.C.
 MCLE No. V - 0012163 04/15/16 until 04/14/19