

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

CONSOLIDATE CHANGES ON
ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

(A) Use of Form ACGR

This SEC Form shall be used to meet the requirements of the Revised Code of Corporate Governance.

(B) Preparation of Report

These general instructions are not to be filed with the report. The instructions to the various captions of the form shall not be omitted from the report as filed. The report shall contain the numbers and captions of all items. If any item is inapplicable or the answer thereto is in the *negative*, an appropriate statement to that effect shall be made. Provide an explanation on why the item does not apply to the company or on how the company's practice differs from the Code.

(C) Signature and Filing of the Report

- A. Three (3) complete sets of the report shall be filed with the Main Office of the Commission.
- B. At least one complete copy of the report filed with the Commission shall be **manually** signed.
- C. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.
- D. This report is required to be filed annually together with the company's annual report.

(D) Filing an Amendment

Any material change in the facts set forth in the report occurring within the year shall be reported through SEC Form 17-C. The cover page for the SEC Form 17-C shall indicate "Amendment to the ACGR".

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACRG

CONSOLIDATED CHANGES ON ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year: **2015**
2. SEC Identification Number **A200008385** 3. BIR Tax Identification No. **206-816-824**
4. **SUPERCITY REALTY DEVELOPMENT CORPORATION**
Exact name of issuer as specified in its charter
5. **METRO MANILA, PHILIPPINES**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **41st FLOOR JOY NOSTALG CENTER, NO. 17 ADB AVENUE
ORTIGAS CENTER, PASIG CITY**
Address of principal office
1605
Postal Code
8. **(632)6387779**
Issuer's telephone number, including area code
9. **UNIT 1223 CITY & LAND MEGA PLAZA, ADB AVE.
CORNER GARNET ROAD, ORTIGAS CENTER, PASIG CITY**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding	
COMMON SHARES – P 1 par value	No. of Shares	Amount
Authorized	155,000,000	155,000,000.00
Issued	110,000,000	110,000,000.00
Subscribed	110,000,000	110,000,000.00

TABLE OF CONTENTS

A. BOARD MATTERS.....	5
1) BOARD OF DIRECTORS	
(a) Composition of the Board.....	5
(b) Corporate Governance Policy/ies.....	5
(c) Review and Approval of Vision and Vision.....	5
(d) Directorship in Other Companies.....	5-6
(e) Shareholding in the Company	7
2) CHAIRMAN AND CEO.....	7-8
3) PLAN FOR SUCCESSION OF CEO/MANAGING DIRECTOR/PRESIDENT AND TOP KEY POSITIONS.....	8
4) OTHER EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS.....	8-10
5) CHANGES IN THE BOARD OF DIRECTORS.....	10-15
6) ORIENTATION AND EDUCATION PROGRAM.....	15-16
B. CODE OF BUSINESS CONDUCT & ETHICS.....	16
1) POLICIES.....	16-20
2) DISSEMINATION OF CODE.....	20
3) COMPLIANCE WITH CODE.....	20
4) RELATED PARTY TRANSACTIONS.....	20
(a) Policies and Procedures.....	20
(b) Conflict of Interest.....	20-21
5) FAMILY, COMMERCIAL AND CONTRACTUAL RELATIONS.....	21
6) ALTERNATIVE DISPUTE RESOLUTION.....	21-22
C. BOARD MEETINGS & ATTENDANCE.....	22
1) SCHEDULE OF MEETINGS.....	22
2) DETAILS OF ATTENDANCE OF DIRECTORS.....	22
3) SEPARATE MEETING OF NON-EXECUTIVE DIRECTORS.....	22
4) QUORUM REQUIREMENT	22
5) ACCESS TO INFORMATION.....	22-23
6) EXTERNAL ADVICE.....	23-24
7) CHANGES IN EXISTING POLICIES.....	24
D. REMUNERATION MATTERS.....	24
1) REMUNERATION PROCESS.....	24
2) REMUNERATION POLICY AND STRUCTURE FOR DIRECTORS.....	24-25
3) AGGREGATE REMUNERATION	25-26
4) STOCK RIGHTS, OPTIONS AND WARRANTS.....	26
5) REMUNERATION OF MANAGEMENT.....	26
E. BOARD COMMITTEES.....	27
1) NUMBER OF MEMBERS, FUNCTIONS AND RESPONSIBILITIES.....	27-28
2) COMMITTEE MEMBERS.....	28-30
3) CHANGES IN COMMITTEE MEMBERS.....	31
4) WORK DONE AND ISSUES ADDRESSED.....	31
5) COMMITTEE PROGRAM.....	31-32

F. RISK MANAGEMENT SYSTEM.....	32
1) STATEMENT ON EFFECTIVENESS OF RISK MANAGEMENT SYSTEM.....	32-33
2) RISK POLICY.....	33-35
3) CONTROL SYSTEM.....	36-38
G. INTERNAL AUDIT AND CONTROL.....	38
1) STATEMENT ON EFFECTIVENESS OF INTERNAL CONTROL SYSTEM.....	38
2) INTERNAL AUDIT	
(a) Role, Scope and Internal Audit Function.....	38-39
(b) Appointment/Removal of Internal Auditor.....	39
(c) Reporting Relationship with the Audit Committee.....	39
(d) Resignation, Re-assignment and Reasons.....	39
(e) Progress against Plans, Issues, Findings and Examination Trends.....	39-40
(f) Audit Control Policies and Procedures.....	40
(g) Mechanisms and Safeguards.....	40-41
H. ROLE OF STAKEHOLDERS.....	41-42
I. DISCLOSURE AND TRANSPARENCY.....	43-44
J. RIGHTS OF STOCKHOLDERS.....	45
1) RIGHT TO PARTICIPATE EFFECTIVELY IN STOCKHOLDERS' MEETINGS.....	45-48
2) TREATMENT OF MINORITY STOCKHOLDERS.....	48-49
K. INVESTORS RELATIONS PROGRAM.....	49-50
L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.....	50
M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL.....	50
N. INTERNAL BREACHES AND SANCTIONS.....	50

A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Seven (7)
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Actual number of Directors for the year	Seven (7)
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(a) Composition of the Board

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
Ferdinand Z. Soliman	ED	n/a	Nomination committee	June 2004	6/24/2015	Annual Meeting	12 yrs.
Mylene T. Lim	ED	n/a	Nomination committee	June 2004	6/24/2015	Annual Meeting	12 yrs.
Emelita M. Mangosing	ED	n/a	Nomination committee	June 2010	6/24/2015	Annual Meeting	5 yrs.
Noric Terence T. Ng	NED	n/a	Nomination committee	June 2004	6/24/2015	Annual Meeting	12 yrs.
Fernando Mamuyac	NED	n/a	Nomination committee	June 2008	6/24/2015	Annual Meeting	7 yrs.
Liza S. Niedo	ID	n/a	Ferdinand Soliman/ No relations	June 2012	6/24/2015	Annual Meeting	3 yrs.
Roseller C. Anacito	ID	n/a	Emelita Mangosing/ No relations	June 2014	6/24/2015	Annual Meeting	1 yr.

- (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 Revised Manual on Corporate Governance of the Company is adopted by the board of directors to constitute a sound strategic business management. It is the Board's responsibility to foster the long-term success of the Company and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and best interests of its stockholders. The Company has only one class of share, with one-share-one-vote policy. The minority stockholders have the right to propose the holding of meetings and the items for discussion that relate directly to the Company's business operation. The Company is committed to full disclosure of any material information dealings for the interest of the stakeholders.

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

The Board reviews the Company's vision and mission statements on a yearly basis or as often as deemed necessary to affirm that these are still consistent and relevant for the current challenges and environment.

- (d) Directorship in Other Companies

¹ Reckoned from the election immediately following January 2, 2012.

(i) Directorship in the Company's Group²

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.
Ferdinand Z. Soliman	Villageworks Land Mngt. Inc.	Executive
Mylene T. Lim	First Advance Devt. Corp.	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.
N/A	N/A	N/A

(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
N/A		

(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:

The Company may consider the adoption of guidelines on the number of directorships that its members can hold in other companies. The optimum number should take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities.

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

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

(e) Shareholding in the Company

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

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Ferdinand Z. Soliman	12,150,000	5,000,000 (Misael Soliman)	15.59%
Mylene T. Lim	10,850,000	7,150,000 (Arthur Lim)	16.36%
Emelita M. Mangosing	10,000	None	.0091%
Noric Terence T. Ng	3,000,000	None	2.73%
Fernando Mamuyac	10,000	None	.0091%
Liza S. Niedo	10,000	None	.0091%
Roseller C. Anacito	10,000	None	.0091%
TOTAL	38,210,000		34.7364%

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	Ferdinand Z. Soliman
CEO/President	Ferdinand Z. Soliman

Presently, the Company has only few business transactions that can be handled by the Chairman himself. Moreover, the Board acts as one body in case when there are issues to be resolved. Moving forward when the Company expands into real estate activities, a separate person shall be appointed as CEO of the Company.

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer
Role	<p>Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;</p> <p>Supervise the preparation of the agenda of the meeting in coordination of the Corporate Secretary, taking into consideration the suggestions of the CEO, Management and the directors; and</p>	<p>Develop strategy proposals for recommendation to the Board and ensure that agreed strategies are reflected in the business;</p> <p>Develop annual plans, consistent with agreed strategies, for presentation to the Board for support.</p>

	Maintain qualitative and timely lines of communication and information between the Board and Management.	
Accountabilities	Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance; Ensure effective communication with shareholders, host governments and other relevant constituencies and that the views of these groups are understood by the Board	Be responsible to the Board for the performance of the business consistent with agreed plans, strategies and policies; Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources.
Deliverables	Organizes and follow all rules and regulations imposed by state law and corporation's by-laws and other agreements in order to ensure the effectiveness in all meetings Comply with principles of good governance	Achieve revenue growth and increase the company's market share

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

If any of the offices becomes vacant for whatever cause, the Board of Directors, by majority vote may elect a successor who shall hold office for the unexpired term. Elected officers are normally sourced from an headhunter who is given the minimum qualification requirement suitable for the vacated position. Likewise, endorsement or referral from the members of the Board are welcomed.

- 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. Members of the Board are chosen based on their individual expertise and the criteria for hiring always consider that a candidate's expertise should be related to the Company's overall business thrust.

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

Yes, since the parameters/qualifications in determining who should be appointed as members of the Board requires that the candidate is engaged in the same or related industry that the Company belongs to.

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

	Executive	Non-Executive	Independent Director
Role	<p>To design, develop and implement strategic plans for the company in a cost-effective and time-efficient manner</p> <p>Responsible for the day-to-day operation of the company, including managing committees and staff and implementing business plans approved by the Board of the Company</p>	<p>Provides overall direction for the Company's business thrust and objectives</p> <p>Approves the Annual Business Plan monitors budget achievement regularly based on quarterly financial reports submitted</p>	<p>Improves corporate credibility and governance standards</p> <p>Plays vital role in risk management and active role in various committees (e.g. audit committee) to ensure good governance</p>
Accountabilities	<p>Accountable to the Chairman of the Board and reports to the board and stockholders on a regular basis (quarterly, semi-annually or annually) about the results of operation and financial condition of the company</p> <p>Manage day-to-day activities of the Company and provide overall direction to the staff with ends goal of meeting business objectives.</p>	<p>Ensure that the Company's approved policies are compliant with the regulatory regulations and acceptable practices and the same are strictly implement</p>	<p>To acquire proper understanding of the business of the company</p> <p>Have duty to act in good faith and in the interest of the company</p> <p>Constructively challenge and independently contribute to the work of the board</p>
Deliverables	<p>Prepare business plans and strategies for approval of the Board that will achieve the Company's goals and business targets</p> <p>Implement the approved business plans and ensure that goals and objectives are achieved</p> <p>Responsible for achieving the Budget targets approved by the Board</p>	<p>Ensure that the Company is equipped with the necessary tools and has sound financial conditions to achieve its business objectives.</p>	<p>Provides credible financial conditions and result of operations reports as being part of committee conducting review of financial statements and material matters</p>

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

Independence - a person who, apart from his fees and shareholdings, is not engaged in a conflicting business interest which could reasonably be perceived to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

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

The Company's existing Independent Directors have served as such for less than five years. The Company will comply with the term limit set by the SEC in its Memo Circular No. 9 Series of 2011.

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	It shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications set in the Manual of Corporate Governance of the Company	Any stockholder who is a holder of at least one (1) common share of stock standing in his name in the books of the Corporation, may be elected Director. The Board may provide additional qualifications of a director such as, but not limited to the following:
(ii) Non-Executive Directors		
(iii) Independent Directors	Nominated & Pre-screened by Nomination Committee	i. College education or equivalent academic degree; ii. Prefer to have knowledge and expertise in the same or related business field of the Company; and iii. Membership in good standing in relevant industry, business or professional organizations

b. Re-appointment		
(i) Executive Directors	Election at Annual Stockholders' Meeting	One vote for one share (criteria same with Selection/Appointment)
(ii) Non-Executive Directors		
(iii) Independent Directors		
c. Permanent Disqualification		
(i) Executive Directors	Provisions set in the Company's Manual on Corporate Governance and By-laws	The following shall be grounds for the permanent disqualification of a director: a) Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (1) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (2) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (3) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them; b) Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in subparagraphs (a) and (b) above, or willfully violating
(ii) Non-Executive Directors		
(iii) Independent Directors		

		<p>the laws govern securities and banking activities.</p> <p>The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;</p> <p>c) Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;</p> <p>d) Any person who has been adjudged by final judgment or order of the Commission, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law administered by the Commission or BSP, or</p>
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		<p>any of its rule, regulation or order;</p> <p>e) Any person earlier elected as independent director who becomes an officer, employee or consultant of the Corporation;</p> <p>f) Any person judicially declared as insolvent;</p> <p>g) Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of facts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs (I) to (v) above;</p> <p>h) Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.</p> <p>i) Any person who engages in a related business as that of the Company which has not been disclosed to the Management, the effect of which is to create a conflict of interest; hence, preventing the person to act in the full interest of the Company.</p>
d. Temporary Disqualification		
(i) Executive Directors	Provisions set in the Company's Manual on Corporate Governance and By-laws	<p>Any of the following shall be a ground for the temporary disqualification of a director:</p> <ul style="list-style-type: none"> • Refusal to fully disclose the extent of his business interest as required under the Code and its implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; • Absence or nonparticipation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular
(ii) Non-Executive Directors		
(iii) Independent Directors		

		<p>and special, of the Board during his incumbency or any twelve-(12) month period during said incumbency. This disqualification applies for purposes of the succeeding election</p> <ul style="list-style-type: none">• Dismissal/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;• Being under preventive suspension by the Corporation;• If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director;• If the beneficial equity ownership in the Corporation or its subsidiaries and affiliates exceeds two (2) percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.• Conviction that has not yet become final referred to in the grounds for the disqualification of directors.
e. Removal		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-laws	Same criteria with the permanent disqualification of ED, NED, and ID
(ii) Non-Executive Directors		
(iii) Independent Directors		
f. Re-instatement		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-laws	A director (executive, non-executive, independent) may be re-instated as a member of the Board of Directors if and when: <ul style="list-style-type: none">• He had taken appropriate action to remedy or correct his suspension or disqualification and has cleared himself of any involvement in the alleged irregularity.• He still possesses the qualifications of a director set forth in the Company
(ii) Non-Executive Directors		
(iii) Independent Directors		

		By-laws, Revised Manual of Corporate Governance and other existing laws, rules and regulations. • He agreed to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations.
g. Suspension		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-laws	Same criteria with the permanent disqualification of ED, NED, and ID
(ii) Non-Executive Directors		
(iii) Independent Directors		

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Ferdinand Z. Soliman	69,149,999 or 63%
Mylene T. Lim	69,149,999 or 63%
Emelita M. Mangosing	69,149,999 or 63%
Noric Terence T. Ng	69,149,999 or 63%
Fernando Mamuyac	69,149,999 or 63%
Liza S. Niedo	69,149,999 or 63%
Roseller C. Anacito	69,149,999 or 63%

6) Orientation and Education Program

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

New directors are oriented of the Company's background, corporate goals, organizational structure and business operations through the following:

1. Orientation and induction meeting by the Board of Directors as soon as the new director is elected; and
2. Briefing and presentation of written materials about the Company and Corporate Governance Manual, Company's approved Business Plans for the current year, most recent strategic and operating plan, and financial reports.

For the year 2014, Engr. Roseller C. Anacito was voted as one of the independent directors of the Company and underwent the above-mentioned orientation.

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

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

Date	Seminars Attended
10/15/2015	2015 SEC-PSE Corporate Governance Forum
11/23/2014	Corporate Governance Forum Sponsored by Makati Business Club
05/14 – 15/12	Accreditation Project Orientation & Training Workshop
10/23/2012	P & A CEO Business Forum
11/27/2012	Quality Control for Small and Medium-Sized Practices
12/21/2011	Risk Based Audit
10/03/2011	IFRIC 15-What is its Impact and How Can Real Estate Companies Prepare For

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

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Ferdinand Z. Soliman			
Emelita M. Mangosing		THE SEC-PSE	
Fernando Mamuyac	10/15/2015	CORPORATE	SEC-PSE
Liza S. Nieto		GOVERNANCE FORUM	
Roseller C. Anacito			

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	<p>Revised Manual on Corporate Governance: Article 3.G, Specific Duties and Responsibilities of a Director</p> <p>Conduct fair business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation.</p> <p>The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process.</p> <p>A director who has a continuing material conflict of interest should seriously consider resigning from his position.</p> <p>A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the Corporation, or stands to acquire or gain financial advantage at the expense of the Corporation.</p>	<p><i>Company Code of Conduct</i></p> <p>An employee, as a condition of employment, accepts the responsibility of conducting himself at all times with complete honesty and in a manner which will not be in conflict with the best interests of the Company.</p> <p>The Company's Code of Conduct Manual enumerated the non-exclusive examples or conditions which are conflicts of interest. It will be the responsibility of the employee to:</p> <ol style="list-style-type: none"> 1. Not participate in conflicts of interest. 2. Make full disclosure to the Company Management if such conflicts do exist. 3. Review with his supervisor activities which could result in conflicts, and before participating in any such activities, obtain written approval of the President which will be based upon a report made to him by the supervisor of the employee. 4. Correct any existing conflicts within a period of time prescribed by Management. It will be the responsibility of the Company's Management to review any possible conflict of interest, to make decision which will protect the interests of the Company, and in so far as compatible with the Company's interests, to be fair and just to the employee. <p>There shall be strict compliance to the provisions of these guidelines by all employees. Any violation of the provisions will render such an employee subject to discharge.</p>	

(b) Conduct of Business and Fair Dealings	<p><i>Revised Manual on Corporate Governance: Article 3.G, Specific Duties and Responsibilities of a Director</i></p> <ul style="list-style-type: none"> • Conduct fair business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation. The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position. A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the Corporation, or stands to acquire or gain financial advantage at the expense of the Corporation. • Devote the time and attention necessary to properly and effectively perform his duties and responsibilities. A director should devote sufficient time to familiarize himself with the Corporation's business. He should be constantly aware of and knowledgeable with the Corporation's operations to enable him to meaningfully contribute to the Board's work. He should attend and actively participate in Board and committee meetings, review meeting materials and, if called for, ask questions or seek explanation. • Act judiciously. Before deciding on any matter brought before the Board, a director should carefully evaluate the issues and, if necessary, make inquiries and request clarification. • Exercise independent judgment. A director should view each problem or situation objectively. If a disagreement with other directors arises, he should carefully evaluate and explain his position. He should not be afraid to take an unpopular position. Corollarily, he should support plans and ideas that he thinks are beneficial to the Corporation. 	<p><i>Company Code of Conduct</i></p> <p>An employee, as a condition of employment, accepts the responsibility of conducting himself at all times with complete honesty and in a manner which will not be in conflict with the best interests of the Company. The Company's Code of Conduct Manual enumerates the non-exclusive examples or conditions which are conflicts of interest prohibited by the Company in the proper performance and conduct of business and fair dealings of the senior management and all employees.</p>
(c) Receipt of gifts from third parties	<p>Revised Manual on Corporate Governance: Article 3.G, Specific Duties and Responsibilities of a Director</p> <p>Conduct fair business</p>	<p>Company's Code of Conduct Manual</p> <p>Accepting money or substantial gifts or favors from an outside person, firm, agency or organization which has dealings or seeks to have dealings with the Company is prohibited.</p>

	<p>transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation.</p> <p>The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality.</p> <p>If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position.</p>	<p>All Company officers and employees are prohibited from accepting gifts, fees, and commissions from clients in the course of duty unless cleared with the President or the Board if involving the President.</p>
(d) Compliance with Laws & Regulations	<p>Revised Manual on Corporate Governance: Article 3.G, Specific Duties and Responsibilities of a Director</p> <p>Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its articles of incorporation and by-laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies.</p> <p>A director should keep abreast with industry developments and business trends in order to promote the corporation's competitiveness</p>	<p><i>Company Code of Conduct Manual</i></p> <p>The rules and regulations of the Company are incorporated in the provisions of the Personnel Manual as well as in such memoranda or circulars that may be issued by the Management or the Board of Directors from time to time.</p> <p>The executive officers, department heads and all employees have thoroughly familiarized themselves with the provisions of the Company's rules and regulations. Each employee has to be well informed of the contents of memoranda, circulars and other orders of the Company, especially those pertaining to his own department. The department head is given the responsibility to keep his subordinates well-acquainted with and compliant to the Company rules and regulations and any changes thereof.</p>
(e) Respect for Trade Secrets/Use of Non-public Information	<p>Article 3.G, Specific Duties and Responsibilities of a Director</p> <p>Observe confidentiality.</p> <p>A director should keep secure and confidential all non-public information he may acquire or learn by reason of his position as director. He should not reveal confidential information to unauthorized persons without the authority of the Board.</p>	<p><i>Company Code of Conduct Manual</i></p> <p><i>Divulging information about the Company, its plans or forecasts which is not public and before such information is released to the public.</i></p> <p>No officer or employee is authorized to issue press release without prior written approval of the Management</p>
(f) Use of Company Funds, Assets and	<p>Article 3.G, Specific Duties and Responsibilities of a Director</p>	<p>Company Code of Conduct Manual</p>

Information	<p>Observe confidentiality.</p> <p>A director should keep secure and confidential all non-public information he may acquire or learn by reason of his position as director. He should not reveal confidential information to unauthorized persons without the authority of the Board</p>	<p>Official business matters and affairs should be kept in strict confidence and should not be divulged much less discussed with outsiders. Inquiries or requests for information should be referred to the Department Head for reply.</p>
(g) Employment & Labor Laws & Policies	Revised Manual on Corporate Governance:	Policies are in accordance with the Philippine Labor Code
(h) Disciplinary action	<p>Members of the Board should act in the best interest of the Corporation in a manner characterized by transparency, accountability and fairness. He should also exercise leadership, prudence and integrity in directing the Corporation towards sustained progress.</p> <p>A director should follow the norms of conduct as enumerated in the Revised Manual of Corporate Governance.</p>	<p>The Management may suspend, remove or dismiss any Officer or employee for a just cause as provided for in this Manual or when authorized by existing laws upon proper application for clearance with the Department of Labor and Employment.</p> <p>Causes or offenses enumerated in the Company Personnel Manual will merit termination of the services of the employee found guilty besides the imposition of other penalties as may be determined by the Management.</p>
(i) Whistle Blower	<p>The Board of Directors shall ensure the protection of any reporting member of the board, officer or employee of any violations of any company rules and regulation and governmental laws. This is done through implementation of whistle blower policies wherein members of the Board, officer or employee are encouraged to voice out any problems within the Company without fear of retaliation</p>	No formal company policy
(j) Conflict Resolution	<p>If an actual or potential conflict of interest may arise on the part of a director, he should fully and immediately disclose it and should not participate in the decision-making process.</p> <p>A director who has a continuing material conflict of interest should seriously consider resigning from his position.</p> <p>A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that</p>	No formal company policy

	of the Corporation, or stands to acquire or gain financial advantage at the expense of the Corporation.	
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- 2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

Yes, it has been disseminated to all directors, senior management and employees of the company. New officers and employees are required to read and sign to signify their conformity.

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

The Company has strictly monitored compliance with the Code of Ethics such that none of the Directors have been sanctioned for violation of the Manual

- 4) Related Party Transactions

- (a) Policies and Procedures

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

Related Party Transactions	Policies and Procedures
(1) Parent Company	None
(2) Joint Ventures	None
(3) Subsidiaries	None
(4) Entities Under Common Control	Transactions entered into by the Group with related parties are at arm's length and have terms similar to the transactions entered into with third parties. The related party transactions are conducted under the normal course of business. The related receivables and payables are unsecured and interest free and are due within one year.
(5) Substantial Stockholders	None
(6) Officers including spouse/children/siblings/parents	Disclosure on beneficial ownership transactions. Other transactions at arm's length dealings
(7) Directors including spouse/children/siblings/parents	
(8) Interlocking director relationship of Board of Directors	

- (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	N/A
Name of Officer/s	
Name of Significant Shareholders	

(ii) Mechanism

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

	Directors/Officers/Significant Shareholders
Company	Policies requiring disclosures on direct and indirect beneficial ownership in accordance with the SEC and PSE rules.
Group	

5) Family, Commercial and Contractual Relations

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
Mylene Lim and Arthur Lim	Family related	Married Couple
Ferdinand Soliman and Misael Soliman	Family related	Married Couple

- (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:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
N/A	N/A	N/A

6) Alternative Dispute Resolution

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

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

	Alternative Dispute Resolution System
Corporation & Stockholders	No conflict or differences occurred for the last three(3) years.
Corporation & Third Parties	
Corporation & Regulatory Authorities	

C. BOARD MEETINGS & ATTENDANCE

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

Regular quarterly board meetings are scheduled after the end of each quarter, while special board meetings are scheduled in between regular meetings as the need arises.

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Ferdinand Z. Soliman	June 24, 2015	6	6	100
Member	Mylene T. Lim	June 24, 2015	6	6	100
Member	Emelita M. Mangosing	June 24, 2015	6	6	100
Member	Noric Terence T. Ng	June 24, 2015	6	6	100
Member	Fernando Mamuyac	June 24, 2015	6	6	100
Independent	Liza S. Nieto	June 24, 2015	6	4	67
Independent	Roseller Anacito	June 24, 2015	6	4	100

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

None. There are no separate meeting held during the year without the present of any executive.

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

In accordance with the Corporation Code, the quorum requirement for board meetings is a majority of the board members.

- 5) Access to Information

- (a) How many days in advance are board papers⁵ for board of directors meetings provided to the board?
The board materials for discussion are distributed at least three days before the scheduled board meeting.

The Board papers for discussion are distributed at least three working days before the scheduled board meeting

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

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

Yes, all board members have independent access to Management and the Corporate Secretary.

- (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?

As stipulated in the amended By-Laws, the Corporate Secretary shall perform the following duties:

- i. to keep full minutes of all meetings of the Board of Directors and of the stockholders;
- ii. to keep the stock and transfer book and corporate seal, which he shall stamp on all documents requiring such seal of the Corporation;
- iii. to fill and countersign all the certificates of stock issued, making corresponding annotations on the margin or stub of such certificates upon issuance;
- iv. to give, or cause to be given, all notices required by law or by the By-Laws of the Corporation, as well as notices of all meetings of the Board of Directors and of the stockholders; and
- v. to perform such other duties as may be prescribed by the Board of Directors or the President.

Revised Manual of Corporate Governance: Article 3.L, The Corporate Secretary, who should be a Filipino citizen and a resident of the Philippines, is an officer of the Corporation. He/she should –

- i. Be responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the Corporation; such responsibility may be delegated to the legal department of the Corporation.
- ii. Be loyal to the mission, vision and objectives of the Corporation;
- iii. Work fairly and objectively with the Board, Management and stockholders;
- iv. Have appropriate administrative and interpersonal skills;
- v. If he is not at the same time the Corporation's legal counsel, be aware of the laws, rules and regulations necessary in the performance of his duties and responsibilities;
- vi. Have a working knowledge of the operations of the Corporation;
- vii. Inform the members of the Board, in accordance with the by-laws of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- viii. Attend all Board meetings, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent him from doing so;
- ix. Ensure that all Board procedures, rules and regulations are strictly followed by the members; and
- x. If he is also the Compliance Officer, perform all the duties and responsibilities of the said officer as provided for in this Code.

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

Yes, the Corporate Secretary is trained in legal and secretarial practices having been an Administrative Head for several years in a construction company.

- (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	Notice, agenda and financial reports are given at least three working days before the meeting; the directors may ask for additional information and said information are provided for prior to the Board meeting.
Audit	
Nomination	
Remuneration	
Others (specify)	

6) External Advice

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

Procedures	Details
The Directors have full access to Company's external counsel and external auditors for advice or for clarification of issues affecting the Company's performance.	

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
No changes in existing policies		

D. REMUNERATION MATTERS

1) Remuneration Process

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

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Compensation is benchmarked using compensation levels of comparative businesses with adjustments made depending on the extent of expertise of the officer that may be beneficial to the Company. The compensation comprised of fixed remuneration and bonuses provided for under the law.	
(2) Variable remuneration		
(3) Per diem allowance		
(4) Bonus		
(5) Stock Options and other financial instruments	The Group does not have any arrangements for stock warrants or options offered to its employees.	
(6) Others (specify)	None	None

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	Salary structure as approved by the management	Basic monthly pay plus other benefits mandated by law	Compensation package as approved by management and accepted by the employee
Non-Executive Directors	There is no compensation given by the Company. The per diem allowance of P2,000 is given on a per meeting attended		

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.

None.

Remuneration Scheme	Date of Stockholders' Approval
N/A	N/A

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	P 0.00	0	0
(b) Variable Remuneration	0	0	0
(c) Per diem Allowance	36,000	24,000	16,000
(d) Bonuses	0	0	0
(e) Stock Options and/or other financial instruments	0	0	0
(f) Others (Specify)	0	0	0
Total	36,000	24,000	16,000

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	0	0	0

(f) Hospitalization Plan	0	0	0
(g) Car Plan	0	0	0
(h) Others (Specify)	0	0	0
Total	0	0	0

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
None	none	none	none	none

(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
None	none	None

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
Ferdinand Z. Soliman/President	P 759,951
Mylene T. Lim/Managing Director	
Emelita M. Mangosing/Corporate Secretary	

Fernando Mamuyac/ADGM-Operations
Enrique C. Cunanan/ADGM-Finance and Admin.

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	None						
Audit	2	0	1	Ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting	Reviews the external auditor's audit plan; increases the credibility and objectivity of the Company's financial reports and public disclosure	Review and discuss with management and the external auditor the annual audited financial statements, Including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management	Oversee the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external auditor summaries and recommendations for improvement of such internal controls and processes
Nomination	2	0	1	Responsible for the review and screening of candidates for directorship	Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors	Review and consider the guidelines on determining the number of directorship	Review the roles and duties of the CEO by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate

							governance at all times.
Remunerati on	2	0	1	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors	Designate amount of remuneration in a sufficient level to attract and retain directors and officers	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers	Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
Others (specify)	None						

2) Committee Members

(a) Executive Committee

The company has no existing Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	N/A					
Member (ED)						
Member (NED)						
Member (ID)						
Member						

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Liza S. Niedo	June 24, 2015	1	1	100	1 yr.
Member (ED)	Mylene T. Lim Emelita M. Mangosing	June 24, 2015	1	1	100	1 yr.
Member (NED)	None	-	-	-	-	
Member (ID)		-	-	-	-	
Member		-	-	-	-	

Disclose the profile or qualifications of the Audit Committee members.

In the Company's Manual on Corporate Governance, the audit committee shall be composed of at least three (3) Members of the Board, at least one (1) of whom must be independent and shall be the head or chairman. Each member shall have adequate understanding at least or competence at most of the company's financial management systems and environment.

The following are the detailed profile of the Audit Committee Members:

Ms. Liza S. Niedo, Head of the Audit Committee and an Independent Director. Ms. Niedo is a Filipino citizen. She graduated from Polytechnic University of the Philippines in April 1990 with a Degree of Bachelor in Accountancy. She took up post graduate studies and completed her Masters in Business Administration at Jose Rizal University in April 2010. She gained her 20 years of experience in the accounting profession through her work in various companies such as Prosperity Builders Resources Inc. as Finance Head, First Advance Development Corporation as IT-Consultant, and Extraordinary Development Corporation. She currently works as Treasury Head in Extraordinary Development Corporation, a real estate company.

Emelita M. Mangosing, Member of the Audit Committee, is a Filipino citizen, and is a member of the board since 2011 and became Corporate Secretary in June 2011. She graduated in 1985 from Central Polytechnic College presently known as Nueva Ecija University of Science and Technology with a Bachelor of Science degree in Civil Engineering. She is a licensed Civil Engineer with solid years of experience in construction industry. She served the Company for several years as Project Manager bringing with her more than 20 years of experience in construction and real estate project management. She is affiliated with Extraordinary Development Corporation as Head of the Procurement Management Unit. Moreover, she gained years of experience in construction with Golden Bay Realty Development Corporation as Head of the Quality Control Department and at Supreme Housing Builders as Project Manager.

Mylene T. Lim, Member of the Audit Committee, is a Filipino citizen, and is a member of the board since the Company's incorporation and became Managing Director in January 2002 and Assistant Corporate Secretary during the June 30, 2004 Organizational Meeting of the Board of Directors. She graduated from the University of Mindanao in 1985 with a Bachelor of Science degree in Architecture. She completed her Masters in Business Administration at the Ateneo Graduate School in 2001. She was formerly affiliated with Extraordinary Development Corporation as Section Head – Purchasing Dept. (1987 to 1990), Department Head – Purchasing Dept. (1990 to 1998), Administrative and R&D Head – Construction Group (1998 to 2000), and AVP – Central Purchasing (2000 to 2001). She is in charge of the Finance and Administration group of the Company

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

Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.

Review the annual internal audit plan to ensure its conformity with the objectives of the corporation. The plan shall include the audit scope, resources and budget necessary to implement it.

Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Mylene T. Lim	June 24, 2015	1	1	100	2 yr.
Member (ED)	Ferdinand Z. Soliman	June 24, 2015	1	1	100	2 yr.
Member (NED)	None					
Member (ID)	Engr. Roseller C. Anacito	June 24, 2015	1	1	100	1 yr.
Member						

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Liza S. Niedo	June 24, 2015	1	1	100	2 yrs.
Member (ED)	Mylene T. Lim Emelita M. Mangosing	June 24, 2015	1	1	100	2 yrs.
Member (NED)	None					
Member (ID)						
Member						

(e) Others (Specify)

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

No other Committees formed.

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	N/A					
Member (ED)						
Member (NED)						
Member (ID)						
Member						

3) Changes in Committee Members

None

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

Name of Committee	Name	Reason
Executive	None	
Audit		
Nomination		
Remuneration		
Others (specify)		

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	N/A	
Audit	Report on and recommend to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public	Review and approve the audited financial statements
Nomination	Identify and recommend candidates for election or appointment as directors and independent directors	Assess whether candidates have the qualities expected of all directors, including integrity, sound judgment, business acumen, and the time, ability, and commitment to make a constructive and meaningful contribution to the Board
Remuneration	For the year 2014, the compensation and Remuneration Committee have reviewed the remuneration policy of the Company and after due evaluation affirmed and confirmed that the existing policy on remuneration of directors and officers of the Company is consistent with its policy, culture, strategy and the business environment in which it operates.	There are no major issues addressed
Others (specify)	None	None

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	N/A	
Audit	Timely submission of reportorial requirements	To comply with the governing bodies for the timely submission of

		reports
Nomination	Evaluate and review the nomination process in the election of the board of directors to further improve the related nomination and election program and policies	To ensure that qualified members of the board are elected to govern the corporation
Remuneration	Committee for the improvement of the remuneration and compensation policy of its directors, officers and employees will further affirm and review if the existing rules and policies are consistent with the policy, culture and business environment the Company operates.	This continuous review of remuneration and compensation policy will address any possible deviation or violation from any existing laws and regulations.
Others (specify)		

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company;

The Company and the Board believe that Risk Management is a fundamental part of the company's strategic and effective corporate governance. It adopts a risk philosophy aimed to maximizing business opportunities and minimizing adverse outcomes, thereby it helps in enhancing shareholders value by balancing the risk and reward.

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

The Company has policies on financial risks as stated in its Annual Report (SEC Form 17-A), which are as follows:

One of the risks that the Company is faced with is the competition within the industry. The Company would bank on its strengths over its competitors, particularly on the use of modern technology, its large pool of accredited subcontractors and its good working relationship with its clients to at least keep its stance in the industry.

Another risk is the Company's lean manpower organization. With this, it is inevitable that the Company relies on few key personnel. To counter this risk, the Company conducts training to its personnel and encourages the transfer of technology within the organization. Moreover, with the plan to re-focus its business, the Company must acquire new employees and at the same time had to retrench redundant employees.

The Company's reliance on its few existing clients poses another risk since the loss of any of these clients could have a material adverse impact on the Company. In 2007, the Company has added two (1) new client.

Another risk that the Company is exposed to is its contractual arrangements with independent subcontractors. Any event that will adversely affect the ability of the subcontractors to meet the Company's performance standards could also affect the Company's operations. To counter this, the Company maintains and adheres to an accreditation process for its subcontractors to minimize the risk of the latter's inability to meet quality and cost standards of the Company. Also included in the accreditation process is the requirement for the subcontractor to post a bond. This would reduce the risk of the subcontractor not to finish a project and would lessen the financial impact on the Company should the subcontractor fail to finish the project. Moreover, there is the risk that the subcontractor can become a competitor. To avoid this, the contracts between the Company and the subcontractors included a provision which states that while the subcontractors have existing contracts with the Company, they cannot engage their services directly with the developers. Should they do so, even after the contracts between the Company and the subcontractors have been served, the subcontractor will be taken out of the list of accredited subcontractors.

The price volatility of construction materials and natural calamities are risks inherent in the construction business. At present, the Company enters into relatively short-term construction contracts (about 3 – 6 months only) and practices hedging techniques to lock in prices when the prices are low. Also, since the contracts are short-term, the risk of loss that natural calamities may bring about is lessened. For service companies like the Company, the longer the contract, the higher the chances of loss since a long-term contract would be subject to more uncontrollable events which could continue to incur costs for the same contract revenue. With short-term contracts, there is early realization of revenue

(c) Period covered by the review;

The period covered by the review is for the year 2014

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

The risk management system of the Company is being reviewed annually, and as the need arises through the Audit Committee.

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

N/A

2) Risk Policy

(a) Company

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

Risk Exposure	Risk Management Policy	Objective
Competition	One of the risks that the Company is faced with is the competition within the industry. The Company would bank on its strengths over its competitors, particularly on the use of modern technology, its large pool of accredited subcontractors and its good working relationship with its clients to at least keep its stance in the industry.	To ensure enough contracts to be awarded to the Company and its business continuity
Credit Risk	Credit risk is the risk that a counter party may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers and other counter parties and by placing deposits. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this	To maintain good credit rating and be able to collect receivables as they fall due

	information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. In addition, advance payments representing portion of the total contract price are received from customers to mitigate credit risk.	
Liquidity Risk	<p>The Company manages its liquidity needs by carefully monitoring scheduled payments for its financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection.</p> <p>The Company maintains cash that is good for up to a 60-day period to meet its liquidity requirements.</p>	To maintain good credit rating and meet its financial obligations as they fall due
Operational Risk	<p>Another risk is the Company's lean manpower organization. With this, it is inevitable that the Company relies on few key personnel. To counter this risk, the Company conducts training to its personnel and encourages the transfer of technology within the organization. Moreover, with the plan to re-focus its business, the Company must acquire new employees and at the same time had to retrench redundant employees. Another operational risk that the Company is exposed to is its contractual arrangements with independent subcontractors. Any event that will adversely affect the ability of the subcontractors to meet the Company's performance standards could also affect the Company's operations. To counter this, the Company maintains and adheres to an accreditation process for its subcontractors to minimize the risk of the latter's inability to meet quality and cost standards of the Company. Also included in the accreditation process is the requirement for the subcontractor to post a bond. This would reduce the risk of the subcontractor not to finish a project and would lessen the financial impact on the Company</p>	To ensure continuity of business operation and be able to finish project contracts on time

	should the subcontractor fail to finish the project. Moreover, there is the risk that the subcontractor can become a competitor. To avoid this, the contracts between the Company and the subcontractors included a provision which states that while the subcontractors have existing contracts with the Company, they cannot engage their services directly with the developers. Should they do so, even after the contracts between the Company and the subcontractors have been served, the subcontractor will be taken out of the list of accredited subcontractors.	

(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:

The Companies within the Group operates in the same industry: the real estate construction. The risk management system as well as the risk management policies and objectives are the same as the ones enumerated and discussed above

Risk Exposure	Risk Management Policy	Objective
Same as Item 2) Risk Policy, a. Company above since the companies within the Group operate within the same industry.		

(c) Minority Shareholders

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

Risk to Minority Shareholders
Lack of Voting Power: All shareholders have one vote per share. Minority shareholders may lack control over corporate decisions decided for the Company. They are, however, protected over any corporate decisions to be decided for the Company through the independent directors which are generally elected to the Board for the interests of all stockholders particularly the minority. This risk is also managed by ensuring that minority shareholders are given adequate and timely information on all matters of the business of the corporation.

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)
Competition	Company is faced with is the competition within the industry as new players in the construction industry are coming.	The Company would bank on its strengths over its competitors, particularly on the use of modern technology, its large pool of accredited subcontractors and its good working relationship with its clients to at least keep its stance in the industry.
Operational Risk	<p>With the Company's lean manpower organization, it is inevitable that the Company relies on few key personnel. Another operational risk that the Company is exposed to is its contractual arrangements with independent subcontractors. Any event that will adversely affect the ability of the subcontractors to meet the Company's performance standards could also affect the Company's operations</p>	<p>To counter the risk on lean manpower, the Company conducts training to its personnel and encourages the transfer of technology within the organization. Moreover, with the plan to re-focus its business, the Company must acquire new employees and at the same time had to retrench redundant employees.</p> <p>To counter on subcontractors, the Company maintains and adheres to an accreditation process for its subcontractors to minimize the risk of the latter's inability to meet quality and cost standards of the Company. Also included in the accreditation process is the requirement for the subcontractor to post a bond. This would reduce the risk of the subcontractor not to finish a project and would lessen the financial impact on the Company should the subcontractor fail to finish the project. Moreover, there is the risk that the subcontractor can become a competitor. To avoid this, the contracts between the Company and the subcontractors included a provision which states that while the subcontractors have existing contracts with the Company, they cannot engage their services directly with the developers. Should they do so, even after the contracts between the Company and the subcontractors have been served, the subcontractor will be taken out of the list of accredited subcontractors.</p>
Credit Risk	The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to its customers and other counterparties and by placing deposits.	The Company continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Company's policy is to deal only with

		creditworthy counterparties. In addition, advance payments representing portion of the total contract price are received from customers to mitigate credit risk.
Liquidity Risk	The Company may fail to settle its obligation as they become due.	The Company manages its liquidity needs by carefully monitoring scheduled payments for its financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection.

(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)
Same as Item 3. a. Company above since the companies within the Group operate within the same industry.		

(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
Audit Committee	Oversight of the risk management and internal control system	<p>The Audit Committee will continually perform the following to assist in internal control and risk management:</p> <ul style="list-style-type: none"> • Review of internal auditor's evaluation of internal controls • Evaluation of internal control issues raised by external auditors • Assess the control environment including IT systems and function. • Evaluation of sufficiency and effectiveness of risk management processes and policies With thorough understanding and assessment of the company's activities, the

		Audit Committee shall assess the identified risks and deliberate on the findings of weaknesses in the control and reporting process.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

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

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

Internal control system – the framework under which internal controls are developed and implemented (alone or in concert with other policies or procedures) to manage and control a particular risk or business activity, or combination of risks or business activities, to which the Company is exposed.

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

The internal audit annually submits a report to the Audit Committee attesting that the internal audit, control and compliance system of the Company is evaluated to be sound, in place and working effectively. The Audit Committee, in turn, reviews this internal audit evaluation and reports the same to the Board of Directors.

(c) Period covered by the review;

The period covered by the review was for the year 2015

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

Internal control system is being reviewed yearly and from time to time as the need arises.

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

N/A.

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
The role of the internal audit is to provide an independent and	The scope of work of internal audit involves the internal control, operational and financial activities of the	Outsource	Edison Astillero Jr.	Audit Committee and President

objective assurance designed to add value to and improve the corporation's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes.	Company.			

- (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. The Audit Committee is tasked to organize an internal audit, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;

- (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?

Under the supervision of the Audit Committee, the Internal Auditor should formulate the rules and procedures on financial reporting and internal control. Yes, the internal auditor has direct and unfettered access to the board of directors and the audit committee.

- (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.

There has been no changes on the internal audit for the year 2015.

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	There has been no deviation from the plans, significant issues and findings as of the moment
Issues⁶	
Findings⁷	

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

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

Examination Trends	
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[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
Ascertain that cash in banks reconciled with books, that debit/ credit memos were properly verified and taken up by books if necessary	Implemented
All collections are deposited on time and supported with Official Receipts and validated deposit slip	Implemented
Timely preparation of contracts	Implemented
Procedures in safeguarding 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
Appointment and re-appointment of external auditors is approved during the annual stockholders' meeting. The external auditor shall not be at the same time engage in internal audit. The Company ensure that other non-audit work shall not be in conflict with the audit function.	None	None	None

(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.

As attested herewith by the Chairman and the President, the Company continues to comply with the SEC Code of Corporate Governance and that all directors, officers and employees of the Company have been given proper instructions on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure its compliance.

H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare	A policy on the proper conduct towards clients and customers is embodied in the Company's Personnel Manual which was duly disseminated to the company personnel through memoranda, circulars and other orders of the Company.	Quality control is done during the actual construction stage. Likewise, before a project turn-over to the client a final inspection is taken to ensure its compliance to construction standards.
Supplier/sub-contractor selection practice	An accreditation process is established and undertaken for every supplier/subcontractor who wishes to participate in the bidding of the Company's on-going project works to ensure that the subcontractor's practices and works passes the standards of the Company.	Accreditation process is performed before accepting any offers from subcontractors with regards to the construction of its projects. This to ensure that the suppliers/subcontractors will conform to the company's rules and standards.
Environmentally friendly value-chain	Environmental friendly procedures are valued by the Company by ensuring that the company's projects/ developments passed the environment compliance procedures of any governing bodies.	Secure necessary permits and clearances before starting any projects. Allowing regulatory bodies to do audit and correct any findings.
Community interaction	The Company maintains and promotes good interaction among the communities engaged with	Meet with the representatives of each community and discuss issues.
Anti-corruption programs and procedures?	The Company conducts business in accordance with the law, the charter of the Company, and a high standard of commercial morality.	
Safeguarding creditors' rights	Liquidity of the Company is ensured so that liability to creditors is being settled as become due.	

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

The Annual report generally states its corporate responsibility or sustainability. It does not have a separate report on this item.

3) Performance-enhancing mechanisms for employee participation.

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

The company recognizes the role of its employees in the good performance and success of the business of the Company. In return, the Group values the health, safety and welfare of its employees. Benefits include

medical assistance benefit, annual physical check-up, accident insurance, semi-annual socials, loans and donations as needed, in addition to the work leaves and bonuses. Moreover, the Company provides retirement benefit based on PAS 19.

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

The company values its employees through provision of benefits which include retirement benefit, medical assistance benefit, annual physical check-ups, accident insurance, work leaves and bonuses. The data can be found in the Company's financial statements.

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

Training and development programmes are also given to the company employees for their continuing professional development and to improve their productivity. Following are the trainings attended:

Date	Seminars Attended
10/15/2015	THE 2015 SEC-PSE Corporate Governance
10/21/2014	Corporate Governance
9/23/2013	SEC Updates
11/27/2012	Quality Control for Small and Medium-Sized Practices
12/21/2011	Risk Based Audit
10/03/2011	IFRIC 15-What is its Impact and How Can Real Estate Companies Prepare For
11/17-19/2010	BIR Tax Seminars

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

The Company's reward/compensation policy is based on its profitability and liquidity results.

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

The Company protects its employees as embodied in the Company Personnel Manual.

The Management upholds the "No Discrimination" policy towards its employees. All employees are given due respect regardless of race, creed, sex and socio-economic status.

It is also the Board of Directors policy to ensure the protection of any reporting member of the board, officer or employee of any violations of any company rules and regulation and governmental laws. This is done through implementation of whistle blower policies wherein members of the Board, officer or employee are encouraged to speak up any problems within the Company without fear of retaliation.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
Wilfredo Uy	18,000,000	16.36%	N/A
Mylene Lim	10,850,000	9.86%	N/A
Nimfa Leonco	10,850,000	9.86%	N/A
Arthur Lim	7,150,000	6.50%	N/A
Ferdinand Soliman	7,150,000	6.50%	N/A

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Ferdinand Z. Soliman	7,150,000	5,000,000 (Misael Soliman)	15.59%
Mylene T. Lim	10,850,000	7,150,000 (Arthur Lim)	16.36%
Emelita M. Mangosing	20,000	10,000 (Orlando Mangosing)	0.02%
Fernando Mamuyac	10,000		0.0091
Enrique C. Cunanan	10,000		0.0091
TOTAL			31.98%

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	No formal policy yet
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	No, but disclose in Certificate of Attendance
Number of board of directors/commissioners meetings held during the year	
Attendance details of each director/commissioner in respect of meetings held	
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

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

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
Punongbayan & Araullo	P 360,000	none

4) Medium of Communication

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

- a. Print – Annual Reports, disclosures, information statements
- b. Digital – website

5) Date of release of audited financial report:

April 10, 2015.

6) Company Website

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

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	N/A
Shareholding structure	For updating
Group corporate structure	N/A
Downloadable annual report	Yes
Notice of AGM and/or EGM	For updating
Company's constitution (company's by-laws, memorandum and articles of association)	For updating

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

The Company's website is currently undergoing maintenance and improvement to include more information and updates including the above requirements. The Management assures that the required disclosures will put in place in due time.

7) Disclosure of RPT

RPT	Relationship	Nature	Value
Construction services	Common ownership or control	Transactions entered into the normal course of business	P 14,622,067
Advances to/from RP	Common ownership or control	The Company grants and obtains unsecured non-interest bearing cash advances	P 5,939
Key Management Personnel	Management personnel	Transactions entered into the normal course of business	P 790,725

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?

Transactions entered into by the Company with related parties are disclosed to shareholders in the Company's annual report and annual audited financial statements. The disclosure includes the nature and extent of transactions with the affiliated and related parties. For the past five years up to present, there has been no complaint, dispute or problem on related party transactions.

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	At least a majority of the outstanding capital stock, except in cases where a higher quorum requirement is required by the Corporation Code, in which case, two-thirds (2/3) of the outstanding shares shall be required.
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Voting system (voting is usually done by the show of hands, and if required, through secret ballot).
Description	As provided in the Voting Procedures indicated in the Definitive Information Statement, the following are voting matters and procedures : a. Summary of Matters to be presented to Stockholders - b. Voting Procedures (Approval/ratification of the minutes of the annual stockholders' meeting; Ratification of the acts of the Board of Directors and Officers; Appointment of Independent External Auditors; Election of Directors)

(c) Stockholders' Rights

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

Stockholders' Rights under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
There are no differences.	

Dividends

Declaration Date	Record Date	Payment Date
The Company has not declared and paid dividends for the last 5 years due to losses suffered		

(d) Stockholders' Participation

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

Measures Adopted	Communication Procedure
A Question & Answer session is being entertained after the Management Report is presented during the Annual Meeting	Part of the agenda during the meeting

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

All of the above are subject to stockholders approval.

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?

In accordance with the SRC Rules, at least fifteen (15) business days the information statements should be distributed to the stockholders. Last year, the Company sent before the Annual Meeting the Notice of Meeting and Information Statements eighteen (16) business days before the stockholders' meeting date of June 2 2015.

- a. Date of sending out notices: [June 2, 2015](#)
- b. Date of the Annual/Special Stockholders' Meeting: [June 24, 2015](#)

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

In the last ASM, the Chairman of the Board opened the floor for any questions that the stockholders wished to discuss. Thereafter, there being no other questions from the floor, upon motion made and duly seconded, the report was approved by the majority of the outstanding capital stock.

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

Resolution	Approving	Dissenting	Abstaining
Approval of the Minutes of Previous Meeting of Stockholders	62%	0	0
Approval of 2014 Operations and Results	62%	0	0
Ratification of all Acts of the Board of Directors and Officers	62%	0	0
Election of Directors	62%	0	0
Appointment of External Auditor	62%	0	0

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
[June 24, 2015](#)

(e) Modifications

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

Modifications	Reason for Modification
None	N/A

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	Ferdinand Soliman Emelita Mangosing Liza Niedo Roseller Anacito Fernando Mamuyac Enrique Cunanan	June 24, 2015	As provided in the Voting Procedures indicated in the Definitive Information using Proxy Forms	13%	50%	63%
Special	No special meeting was held.					

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

Yes, the Board of Directors appointed our Transfer Agent to be the Committee of Inspectors to validate votes during the Annual Stockholders' Meeting.

(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.

Yes, a one-share one-vote policy is in effect for company's common shares. Presently, there is only one class of share issued by the company.

(g) Proxy Voting Policies

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

	Company's Policies
Execution and acceptance of proxies	In accordance with the Definitive Information Statement which deadlines are provided
Notary	Not required
Submission of Proxy	In accordance with the Definitive Information Statement which deadlines are provided
Several Proxies	N/A
Validity of Proxy	Valid only for the Stockholders' meeting for which it was intended
Proxies executed abroad	Same requirements with locally executed
Invalidated Proxy	Not counted but copies are kept
Validation of Proxy	In accordance with the Definitive Information Statement which deadlines are provided
Violation of Proxy	To be dealt in accordance with the Corporation Code

(h) Sending of Notices

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

Policies	Procedure
In accordance with the SRC Rule 20	

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	The total number of stockholders as of Record Date who are entitled to notice of and vote for the ASM
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	June 2, 2015
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	June 2, 2015
State whether CD format or hard copies were distributed	Hard copies were distributed
If yes, indicate whether requesting stockholders were provided hard copies	Stockholders were provided hard copies and downloadable file available in the Company's website

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

Each resolution to be taken up deals with only one item.	yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	No dividends declared
The amount payable for final dividends.	N/A
Documents required for proxy vote.	Yes

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

2) Treatment of Minority Stockholders

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

Policies	Implementation
Right to vote on all matters that require their consent or approval	One-share, one-vote is implemented
Pre-emptive right to all stock issuances of the corporation	Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.

Right to inspect corporate books and records	In accordance with the Manual of Corporate Governance and By-Laws
Right to information	All material information, i.e., anything that could potentially affect share price, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, Board changes, related party transactions, shareholdings of directors and changes to ownership.
Right to dividends	All stockholders are entitled to receive dividends
Appraisal right	Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. Although all stockholders should be treated equally or without discrimination, minority stockholders may request in writing the holding of meetings and the items for discussion in the agenda that relate directly to a legitimate purpose and the business of the Corporation, subject to the requirement under the By-laws that such requesting stockholder is the holder of record of not less than one-fourth of the outstanding voting capital stock of the Corporation

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

Yes. All stockholders including the minority or non-controlling stockholders are entitled to nominate and vote for 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.

External and internal policies are all in accordance with the Company's By-Laws, Manual on Corporate Governance and Code of Business Conduct and Ethics. The Compliance Officer is responsible for reviewing company disclosures, get approval from the President or Chairman for release of such disclosure to the public as the need arises.

- 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	<ol style="list-style-type: none"> 1. Communicate to the key stakeholders the Company's performance for the year and its significant undertakings. 2. Communicate the Company's financial strategy and broader strategic direction. 3. Increase investors' interest to the Company and create a positive market response
(2) Principles	<p>The Company's principles for its Investor Relations Program are as follows:</p> <ul style="list-style-type: none"> • Transparency • Materiality of disclosures • Accurate and timely information

(3) Modes of Communications	<ul style="list-style-type: none"> • Company Website- up to date uploading of business information: financial and non-financial • PSE and SEC disclosures • Press releases in newspapers
(4) Investors Relations Officer	None at the moment

- 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?

The Company follows legal and regulatory requirements

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

Engagement of financial advisor as deemed necessary

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

Initiative	Beneficiary
When the Company's financial condition becomes stable and profitable, it wishes to help communities again by providing financial support or free construction services to the chosen beneficiaries	

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	The Company is in the process of developing the Key Result Area (KRA) matrix to determine annual performances	
Board Committees		
Individual Directors		
CEO/President		


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
In case of first violation	Reprimand
In case of second violation.	Suspension
For third violation	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 PASIG CITY 14 APR 2016, 2016.

SIGNATURES


FERDINAND Z. SOLIMAN
Chairman of the Board/CEO


EMELITA M. MANGOSING
Corporate Secretary

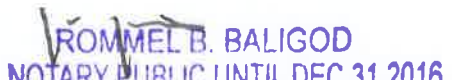

ROSELLER C. ANACITO
Independent Director


ENRIQUE C. CUNANAN
Compliance Officer

SUBSCRIBED AND SWORN to before me this day of 14 APR 2016
affiant(s) exhibiting to me his/their Residence Certificates/TIN, as follows:

NAMES	TIN
Ferdinand Soliman	106-835-141
Roseller Anacito	157-467-745
Emelita Mangosing	106-962-707
Enrique Cunanan	116-426-195

Doc No. 199
Page No. 211
Book No. VI
Series of ML


ROMMEL B. BALIGOD
NOTARY PUBLIC UNTIL DEC. 31, 2016
41 ST. FLR. JOY NOSTALG CENTER
NO. 17 ADB AVE. ORTIGAS PASIG CITY
PTR# 7186667 / 01/05/16 / O.C
IBP NO. LRN-07038 / 06-21-07 / RIZAL
ROLL NO. 51224
MCLE NO. 111-0021622-3-08-12