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## SECURITIES AND EXCHANGE COMMISSION

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**SECURITIES AND EXCHANGE COMMISSION**  
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**ANNUAL CORPORATE GOVERNANCE REPORT**

1. Report is Filed as of December 31, 2015
2. ZEUS HOLDINGS, INC.  
Exact Name of Registrant as Specified in its Charter
3. 20/F LKG Tower, 6801 Ayala Avenue, Makati City 1226  
Address of Principal Office Postal Code
4. 0102415  
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## A. BOARD MATTERS

1) 

Number of Directors Per Articles of Incorporation	Nine (9)
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Actual Number of Directors for the Year	Nine (9)
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### (a) Composition of the Board

Director's Name	Type [Executive (ED), Non- Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (If ID, state the relationship with the nominator.)	Date first elected	Date last elected (If ID, state the number of years served as ID)	Elected when (Annual/ Special Meeting)	No. of Years served as director
Felipe U. Yap	NED	N/A	ZHI Holdings, Inc. (ZHIHI)	4-Nov-1998	17-Nov- 2015	Annual Meeting	17 years
Yuen Po Seng	ED	N/A	ZHIHI	4-Nov-1998	-do-	- do -	17 years
Jose G. Cervantes	NED	N/A	ZHIHI	28-Nov-2007	-do-	- do -	8 years
Artemio F. Disini	ED	N/A	ZHIHI	14-Nov-2014	-do-	- do -	1 year
Ronald P. Sugapong	ED	N/A	ZHIHI	14-Mar-2001	-do-	- do -	14 years
Stephen Y. Yap	NED	N/A	ZHIHI	28-Nov-2007	-do-	- do -	8 years
Daisy L. Parker	ED	N/A	ZHIHI	14-Mar-2001	-do-	- do -	14 years
Jesus Clint O. Aranas	ID	N/A	OE Holdings, Inc. (OEHI) (no relation)	12-Dec-2002	-do- (13 yrs.)	- do -	13 years
Manuel Jeffrey N. David	ID	N/A	OEHI (no relation)	17-Nov-2015	n/a	- do -	n/a

(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.

Section 1 of the Company's Revised Manual on Corporate Governance (the "Manual") provides:

*"The Board of Directors and Management, employees and shareholders, believe that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness within the organization as soon as possible.*

*All doubts or questions that may arise in the interpretation or application of this Manual shall be resolved in favor of promoting transparency, accountability and fairness to the stockholders and investors of the Corporation."*

Pursuant to the foregoing, Section 2.2.1.7 of the Manual mandates the Board of Directors to, among others "formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation, subsidiaries, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships by members of the Board" and "establish and maintain an investor relations program that will keep the stockholders informed of important developments in the Corporation."

In line with the policy on transparency, Section 5.2 of the Manual states:

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

*All material information, i.e., anything that could potentially adversely affect the viability of the Corporation or interests of the stockholders and other stakeholders shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, off balance sheet transactions, board changes, related party transactions, shareholdings of directors and changes to ownership, and direct and indirect remuneration of members of the Board and Management.*

*The Board shall therefore commit at all times to full disclosure of material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders.”*

Further, Section 2.2.1.8 of the Manual mandates directors to immediately disclose an actual or potential conflict of interest and to refrain from participating in the decision-making process.

The Manual likewise reflects the Corporation’s policy of recognizing and respecting the rights of its minority shareholders, as it provides for cumulative voting, power of inspection of corporate books and records, the right to periodic reports, dividends, and the right of appraisal. In addition, Section 6.1.8 of the Manual states:

*“Although all stockholders should be treated equally or without discrimination, the Board should, as far as practicable, give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the Corporation. The Board shall determine which matters are proper for inclusion in the agenda for stockholders’ meetings.”*

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

Due to minimal operations, there is no perceived need at this time for the Company to have a clearly defined vision, mission and core values.

(d) *Directorships in Other Companies*

(i) *Directorship in the Company’s Group*

*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.*

The Company is not a member of any corporate group.

(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 (ED), Non-Executive (NED), Independent (ID)). Indicate if director is also Chairman
1. Felipe U. Yap	a. Lepanto Consolidated Mining Company	ED - Chairman
	b. Manila Mining Corporation	ED - Chairman
	c. Prime Orion Philippines, Inc.	NED - Chairman
2. Yuen Po Seng	a. Prime Orion Philippines, Inc.	ED
	b. Cyber Bay Corporation	NED
3. Jose G. Cervantes	Lepanto Consolidated Mining Company	NED
4. Ronald P. Sugapong	Prime Orion Philippines, Inc.	ED
5. Daisy L. Parker	Prime Orion Philippines, Inc.	ED

(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
Felipe U. Yap	None	N/A
Yuen Po Seng	None	N/A
Jose G. Cervantes	None	N/A
Artemio F. Disini	None	N/A
Stephen Y. Yap	None	N/A
Ronald P. Sugapong	None	N/A
Daisy L. Parker	None	N/A
Jesus Clint O. Aranas	None	N/A
Manuel Jeffrey N. David	None	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.*

Section 2.2.1.3 of the Manual provides:

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

However, due to minimal operations, the Company has yet to issue guidelines on limitations on the number of board seats in other companies that its directors may hold simultaneously.

(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
Felipe U. Yap	1	0	0%
Yuen Po Seng	1	0	0%
Jose G. Cervantes	1	0	0%
Artemio F. Disini	1	0	0%
Stephen Y. Yap	1	0	0%
Ronald P. Sugapong	1	0	0%
Daisy L. Parker	1	0	0%
Jesus Clint O. Aranas	1	0	0%
Manuel Jeffrey N. David	1	0	0%

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 the CEO:*

<b>Chairman of the Board</b>	Felipe U. Yap
<b>CEO/President</b>	Yuen Po Seng

(b) *Roles, Accountabilities and Deliverables*

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

	Chairman	Chief Executive Officer
<b>Role</b>	<p>1) Presides at all meetings of the stockholders and directors and exercise such other powers and perform such other duties as the Board of Directors may from time to time fix or delegate.</p> <p>2) Submits an annual report of the operation of the Corporation to the</p>	<p>1) In the absence of the Chairman, presides at all meetings of the stockholders and the Board of Directors;</p> <p>2) Exercises, subject to the control of the Board of Directors, general supervision and direction of the business affairs of the Corporation, and sees to it that the resolutions</p>



	stockholders at the annual meeting, and to the Board of Directors, such statements, reports, memorandum and accounts as the latter may request from time to time, unless the President delivers such annual report himself.	and instructions of the Board of Directors are properly executed and carried out;  3) In lieu of the Chairman, submits an annual report of the operation of the Corporation to the stockholders at the annual meeting, and to the Board of Directors, such statements, reports, memorandum and accounts as the latter may request from time to time; and  4) Signs stock certificates.
<b>Accountabilities</b>	1) Meetings of the Stockholders and Board of Directors.  2) Dissemination of material information to the Stockholders and the Board of Directors	1) Meetings of the Stockholders and Board of Directors  2) Dissemination to the Stockholders and the Board of Directors of information on the status of the affairs/operations of the Company.
<b>Deliverables</b>	Proper conduct of meetings of the Stockholders and Board of Directors.	1) Proper conduct of meetings of the Stockholders and Board of Directors.  2) Profitable business operations in accordance with policies laid down by the Board of Directors.

3) *Explain how the Board of Directors plans for the succession of CEO/Managing Director/President and the top key management positions.*

Due to minimal operations, the Board of Directors has yet to come up with a plan for succession of management positions.

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.*

Due to minimal operations, the Company does not at this time have a policy to ensure diversity of experience and background of directors.

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

Section 2.2.1.5 of the Manual requires the Company's directors to have a practical understanding of the Corporation or relevant business experience. In addition, Section

2.2.1.8 of the Manual requires directors to be aware and knowledgeable of the Company's operations to be able to meaningfully contribute to the work of the Board.

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

	<b>Executive</b>	<b>Non-Executive</b>	<b>Independent Director</b>
<b>Role</b>	Manage the operations of the Company in accordance with policies and principles laid down by the Board and Ensure that the Board lays down policies and makes business decisions that are sound, sustainable, and compliant with the principles of good corporate governance and applicable laws.	Ensure that the Board lays down policies and makes business decisions that are sound, sustainable, and compliant with the principles of good corporate governance and applicable laws and regulations.	Provide an independent and objective voice in the deliberations of the Board, guided by principles of good corporate governance and applicable laws and regulations.
<b>Accountabilities</b>	Compliance with principles of good governance and formulation of sound business strategies and policies. Wise and profitable use of Company resources, bearing in mind the interests of the Company's stockholders.	Compliance with principles of good governance and formulation of sound business strategies and policies.	Compliance with principles of good governance and formulation of sound business strategies and policies.
<b>Deliverables</b>	Religious attendance in Board meetings and effective participation therein leading to sound, responsive and appropriate business strategies and policies. Profitable operations, and sustained competitiveness.	Religious attendance in Board meetings and effective participation in the deliberations therein, leading to sound, responsive and appropriate business strategies and policies.	Religious attendance in Board meetings and effective, objective, and independent participation in the deliberations therein, leading to sound, responsive and appropriate business strategies and policies.

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

Under Article IV, Section 4 of the Corporation's By-laws:

"An independent director shall hold no interests or relationships with the Corporation that may hinder his independence from the Corporation or Management which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director."

The current independent directors of the Corporation have no interests or relationships with the Corporation which may hinder their independence or interfere with their exercise of independent judgment. The different views and opinions expressed by the directors during the meetings are considered.

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

The Company follows the Securities and Exchange Commission Memorandum Circular No. 9, Series of 2011 (which took effect on 2 January 2012) which set a term limit for independent directors – five years starting 2 January 2012, two years 'cooling off' period and re-election for another five years.

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:*

On 30 April 2014, Atty. Lynneth T. Lundang resigned as Independent Director. In her place, on the same date, the Board of Directors elected Atty. Tomas Carmelo T. Araneta as Independent Director. Thereafter, at the Annual Stockholders' Meeting held on 14 November 2014, Mr. Artemio F. Disini was elected as director in lieu of Mr. Augusto C. Villaluna.

*(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.*

During the nomination process, the candidates for directorships are pre-screened by the Nomination Committee. The directors are elected during the Annual Stockholders Meeting, and appointed to their executive positions during the Organizational Meeting that immediately follows. The qualifications and disqualifications of directors are listed in the Manual.

However, apart from this, due to minimal operations, the Company has yet to establish procedures for the disqualification, removal, reinstatement and suspension specific to an executive, non-executive or independent director.

*Voting Result of the last Annual Stockholders' Meeting (ASM)*

<b>Name of Director</b>	<b>Votes Received</b>
Felipe U. Yap	1,978,257,237
Yuen Po Seng	1,978,257,237
Jose G. Cervantes	1,978,257,237
Artemio F. Disini	1,978,257,237
Stephen Y. Yap	1,978,257,237
Ronald P. Sugapong	1,978,257,237
Daisy L. Parker	1,978,257,237
Jesus Clint O. Aranas	1,978,257,237
Manuel Jeffrey N. David	1,978,257,237

6) *Orientation and Education Program*

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

Due to minimal operations, there is no perceived need at this time for an orientation program for new directors. However, as provided in Section 4.2 of the Manual, a director shall, before assuming such position, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.

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

<b>Director</b>	<b>Date</b>	<b>Forum/Seminar/Course</b>
Yuen Po Seng	26 Sept. 2013	Customer Experience Management (Breakthrough Coaching & Consulting, Inc.)
	9 May 2013	Unleash the Highest Potential of Your Work (Unleash International)
	21-22 July 2011	Board of Directors' Guide for Audit Committees (Center for Global Best Practices)
Daisy L. Parker	26 Sept. 2013	Customer Experience Management (Breakthrough Coaching & Consulting, Inc.)
	9 May 2013	Unleash the Highest Potential of Your Work (Unleash International)
	9, 16, 23 and 29 Nov. 2012	Mandatory Continuing Legal Education (IBP Makati)
	27 Nov. 2012	Annual Listing and Disclosure Rules Seminar (PSE)
	21-22 July 2011	Board of Directors' Guide for Audit Committees (Center for Global Best Practices)
Ronald P. Sugapong	26 Sept. 2013	Customer Experience Management (Breakthrough Coaching & Consulting, Inc.)
	9 May 2013	Unleash the Highest Potential of Your Work (Unleash International)
	21-22 July 2011	Board of Directors' Guide for Audit Committees (Center for Global Best Practices)

(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
Felipe U. Yap	29 April 2014	Corporate Governance	Institute of Corporate Directors (ICD)
Yuen Po Seng	29 April 2014	Corporate Governance	ICD
Daisy L. Parker	21 October 2014	SEC-PSE Corporate Governance Forum for Publicly-Listed Companies	SEC, Corporate Governance & Finance Department
	17-18 and 24-25 July 2014	Mandatory Continuing Legal Education	Asian Center for Legal Excellence, Inc.
	30 June 2014	Seminar on Corporate Governance for Publicly-Listed Companies	SEC Corporate Finance and Corporate Governance Dept.
	29 April 2014	Corporate Governance	ICD
	1 April 2014	Annual Corporate Governance Report Seminar	ICD
Ronald P. Sugapong	29 April 2014	Corporate Governance	ICD
Stephen Y. Yap	29 April 2014	Corporate Governance	ICD
Jose G. Cervantes	29 April 2014	Corporate Governance	ICD
Jesus Clint O. Aranas	18-20 Jul. 2012	Skills Building Seminar Workshop for Court of Tax Appeals Mediator	Supreme Court of the Philippines

## 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	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 consider resigning	Due to minimal operations, and considering that members of Senior Management are all directors, there is no perceived need at this time for a policy relating to conflict of interest on the part of Senior Management.	Due to minimal operations, the Company has no employees at this time. Hence, there is no perceived need for any policy on conflict of interest involving employees.

	<p>from his position. A conflict of interest is considered material if the director's personal or business interest is antagonistic to that of the Company, or stands to acquire or gain financial advantage at the expense of the Company. (Sec. 2.2.1.8 of the Manual)</p>		
<p>(b) Conduct of Business and Fair Dealings</p>	<p>A director should not use his position to profit or gain some benefit or advantage for himself or his related interests. He should avoid situations that may compromise his impartiality. (Sec. 2.2.1.8 of the Manual)</p>	<p>Due to minimal operations, and considering that members of Senior Management are all directors, there is no perceived need at this time for a policy relating to the conduct of fair business dealings on the part of Senior Management.</p>	<p>In the absence of employees, there is no perceived need at this time for any policy on employees' conduct of fair business dealings.</p>
<p>(c) Receipt of gifts from third parties</p>	<p>Due to minimal operations, there is no perceived need at this time for any specific policy on gifts to directors from third parties.</p>	<p>Due to minimal operations, there is no perceived need at this time for any specific policy on gifts to senior management from third parties.</p>	<p>In the absence of employees, there is no perceived need at this time for any policy on gifts to employees.</p>
<p>(d) Compliance with Laws and Regulations</p>	<p>The Board shall ensure that the Company complies with all relevant laws, regulations and codes of business practices. (Sec. 2.2.1.7 of the Manual)</p>	<p>Due to minimal operations, and considering that members of Senior Management are all directors, there is no perceived need at this time for any specific policy on compliance with laws and regulations on the part of senior management.</p>	<p>In the absence of employees, there is no perceived need at this time for any policy on employees' compliance with laws and regulations.</p>
<p>(e) Respect for Trade Secrets/Use of Non-Public Information</p>	<p>A director should keep secure and confidential all non-public information he may acquire or learn by reason of his</p>	<p>Due to minimal operations, and considering that members of Senior Management are all directors, there is no</p>	<p>In the absence of employees, there is no perceived need at this time for any policy on respect for trade secrets/use of</p>

	position. He should not reveal confidential information to unauthorized persons without the authority of the Board. (Sec. 2.2.1.8 (6) of the Manual)	perceived need at this time for any specific policy on respect for trade secrets/use of non-public information on the part of senior management.	non-public information on the part of the employees.
(f) Use of Company Funds, Assets, and Information	Due to minimal operations, there is no perceived need at this time for any specific policy for directors on the use of Company funds, assets and information.	The Management is tasked to formulate, under the supervision of the Audit Committee, a system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Company. However, due to minimal operations, there is no perceived need at this time for any specific policy for senior management on the use of Company funds, assets and information.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for employees on the use of Company funds, assets and information.
(g) Employment & Labor Laws & Policies	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for directors on labor and employment.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for senior management on labor and employment.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for employees on labor and employment.
(h) Disciplinary Action	Section 2.2.1.6(2) of the Manual provides for grounds for temporary disqualification of directors. Apart from this, due to minimal operations, there is no perceived need at this time for any specific policy for directors on disciplinary action.	Due to minimal operations, there is no perceived need at this time for any specific policy for senior management on disciplinary action.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for employees on disciplinary action.

(i) Whistle Blower	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any whistle-blower policy for directors.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific whistle-blower policy for senior management.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific whistle-blower policy for employees.
(j) Conflict Resolution	Due to minimal operations, there is no perceived need at this time for any specific policy for directors on conflict resolution.	Due to minimal operations, there is no perceived need at this time for any specific policy for senior management on conflict resolution.	Due to minimal operations, and in the absence of employees, there is no perceived need at this time for any specific policy for employees on conflict resolution.

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

Due to minimal operations, there is no perceived need at this time for the Company to formally adopt a code of ethics. Such matters are covered at this time by the Manual.

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

Due to minimal operations, there is no perceived need at this time for the Company to formally adopt a code of ethics. Such matters are covered at this time by 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.*

Section 2.2.1.7 of the Manual mandates the Board of Directors to formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation, subsidiaries, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships by members of the Board. In addition, Section 5.2 of the Manual mandates the public disclosure of all material information, including related party transactions. However, apart from this policy, due to minimal operations, the Company has yet to issue more specific/detailed policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions.

*(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.*

There is no known actual or probable conflict of interest in which directors/officers/5% or more shareholders may be involved.

*(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.*

Due to minimal operations, the Company has yet to establish a mechanism to detect and resolve possible conflicts of interest.

5) *Family, Commercial and Contractual Relations*

*(a) Indicate, if applicable, any relation of a family, 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.*

There is no known relation of a family, commercial or business nature that exists between the holders of significant equity.

*(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.*

There is no known relation of a family, commercial or business nature that exists between the holders of significant equity and the Company.

*(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the Company.*

There is no shareholder agreement at this time involving the Company's shares of stock.

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.*

In the last three years, the Company has not had the opportunity to implement an alternative dispute resolution system. Due in large part to minimal operations, no conflicts or differences have occurred between the Company and its stockholders/third parties during that time.

**C. BOARD MEETINGS AND ATTENDANCE**

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

The Board of Directors' meetings are scheduled at the beginning of the year. Upon verification of the availability of the directors, the Corporate Secretary issues a memorandum to all directors indicating the dates of the Board meetings and Annual Stockholders' Meeting scheduled for the year and the agenda for each meeting.

2) *Attendance of Directors*

Board	Name	Date of Election	No. of Meetings Held During the Year 2015	No. of Meetings Attended	%
Chairman	Felipe U. Yap	17-Nov-2015	6	6	100
Member	Yuen Po Seng	17-Nov-2015	6	6	100
Member	Jose G. Cervantes	17-Nov-2015	6	6	100
Member	Artemio F. Disini	17-Nov-2015	6	6	100
Member	Stephen Y. Yap	17-Nov-2015	6	6	100
Member	Ronald P. Sugapong	17-Nov-2015	6	6	100
Member	Daisy L. Parker	17-Nov-2015	6	6	100
Independent	Jesus Clint O. Aranas	17-Nov-2015	6	6	100
Independent	Manuel Jeffrey N. David	17-Nov-2015	1	1	100

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

Due to minimal operations, the non-executive directors do not hold a separate meeting at this time.

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

The Company follows Section 25 of the Corporation Code, which sets the minimum quorum requirement at majority of the Board of Directors. The same requirement is provided in the Company's By-Laws.

5) *Access to Information*

- (a) *How many days in advance are board papers for Board of Directors meetings provided to the Board?*

As much as practicable, documents and resources needed for Board meetings are given to the directors at least seven (7) days from date of the meeting.

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

Yes. Section 2.2.6 of the Manual states in part:

*"To enable the members of the Board to properly fulfill their duties and responsibilities, management should provide them with complete, adequate and timely information about the matters to be taken in their meetings.*

*Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a member of the Board to enable him to properly perform his duties and responsibilities. Hence, the members of the Board shall be given independent access to Management and the Corporate Secretary."*  
*(Emphasis supplied)*

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

Under Section 2.2.3.4 of the Company's Manual, the Company Secretary has the following duties and responsibilities:

- 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 official records of the Corporation;
- Be loyal to the mission, vision, and objectives of the Corporation;
- Work fairly and objectively with the Board, Management and stockholders;
- Have a working knowledge of the operations of the Corporation;
- As to agenda, get a complete schedule thereof at least for the current year and put the Board on notice before every meeting. Inform the members of the Board, in accordance with the by-laws, of the agenda of their meetings and ensure that members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- Attend all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him from doing so, and maintain records of the meetings;
- Ensure that all Board procedures, rules and regulations are strictly followed by the members;
- If he is also the Compliance Officer, perform all the duties and responsibilities of the said officer as provided for in the Code; and
- Issue and submit to the Commission, every January 30 of the year, an annual certification as to the attendance of the directors during Board meetings, countersigned by the Chairman of the Board.

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

Section 2.2.3.3 of the Manual requires the Company Secretary to possess administrative and interpersonal skills, some legal skills (if not the general counsel), and some financial and accounting skills. The Company Secretary, Atty. Daisy L. Parker, is a lawyer by profession and has extensive administrative and legal experience, having been a corporate lawyer for more than twenty years.

(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.*

The Company follows the policy on Directors' access to information found in Section 2.2.6 of the Manual, which states:

*“To enable the members of the Board to properly fulfill their duties and responsibilities, management should provide them with complete, adequate and timely information about the matters to be taken in their meetings.*

*Reliance on information volunteered by Management would not be sufficient in all circumstances and further inquiries may have to be made by a member of the Board to enable him to properly perform his duties and responsibilities. Hence, the members of the Board shall be given independent access to Management and the Corporate Secretary.*

*The information may include the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.*

*The members, either individually or as a Board, and in furtherance of their duties and responsibilities, shall have access to independent professional advice at the Corporation’s expense.”*

The Corporate Secretary attends meetings of the Board Committees and likewise provides the members thereof with all information and resources needed in preparation for the meetings.

6) *External Advice*

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

Section 2.2.6 of the Manual allows its directors, either individually or as a Board, to have access to independent professional advice at the Corporation’s expense. The provision states:

*“The members, either individually or as a Board, and in furtherance of their duties and responsibilities, shall have access to independent professional advice at the Corporation’s expense.”*

However, due to minimal operations, the Company has yet to come up with a specific procedure for the implementation of the foregoing provision.

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.*

Due to minimal operations, the Board of Directors has not recently introduced any policy change.

**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.*

Due to minimal operations, the Company’s directors and officers have not received compensation of whatever nature in the last several years. Hence, the Company perceives

no need at this time to come up with a process for determining the remuneration of its officers.

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.*

Due to minimal operations, the Company's directors and officers have not received compensation of whatever nature in the last several years. Hence, there is no perceived need at this time for a policy on remuneration and structure for compensation package.

*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.*

Due to minimal operations, the Company's directors and officers have not received compensation of whatever nature in the last several years.

3) *Aggregate Remuneration*

*Complete the table on the aggregate remuneration accrued during the most recent year.*

Due to minimal operations, the Company's directors and officers have not received compensation of whatever nature in the last several years.

4) *Stock Rights, Options and Warrants*

(a) *Board of Directors*

*Complete the 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.*

No director at this time owns stock rights, options or warrants over the Company's shares.

(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.*

Due to minimal operations, the Company's directors and officers have not received compensation of whatever nature in the last several years. It likewise has no employee. Hence, there is no need at this time for any incentive program.

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.*

Due to minimal operations, the Company does not at this time have a member of management who is not an executive director.

## 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			Charter	Functions	Key Responsibilities	Power
	Exec. Dir.	Non-Exec. Dir.	Indep. Dir.				
Audit	1	1	1	Y	Please see below	Please see below	Please see below
Nomination	1	1	1	N	Please see below	Please see below	Please see below
Remuneration	1	1	1	N	Please see below	Please see below	Please see below

### AUDIT COMMITTEE

#### Functions:

Assist the Board of Directors in fulfilling its oversight responsibility relating to (i) the integrity of the Company's financial statements and financial reporting process and the Company's systems of internal accounting and financial controls; (ii) the performance of the internal auditors; (iii) the annual independent audit of the Company's financial statements, the engagement of the independent auditors and the evaluation of the independent auditors' qualifications, independence and performance; (iv) the compliance by the Company with legal and regulatory requirements, including the Company's disclosure controls and procedures; (v) the evaluation of management's process to assess and manage the Company's enterprise risk issues; and (vi) the fulfillment of the other responsibilities set out herein.

#### Key Responsibilities/Power:

##### On External Audit

1. Be directly responsible for the appointment, compensation, retention, termination and oversight of the work of the Company's external auditors (including resolution of disagreements between management and the external auditors regarding financial reporting).
2. Approve in advance all auditing and non-audit services performed by the external auditors. The Committee may delegate to one or more members the authority to grant pre-approvals required by this section, in which case the decision of such member or members shall be presented to the Committee at the next scheduled meeting of the Committee.
3. Annually review and discuss with the external auditors all relationships that the external auditors have with the Company in order to evaluate their continued independence. In this regard, the Committee shall (i) discuss with the independent auditors any disclosed

\* As found in the Company's Revised Manual on Corporate Governance.

- relationships or services that may impact their objectivity and independence; and (ii) satisfy itself as to the independence of the external auditors.
4. Confirm compliance by the external auditors with laws and regulations relating to audit partner rotation.
  5. Discuss with Management and the external auditors any accounting adjustments that were noted or proposed by the external auditors but not adopted or reflected.
  6. Regularly review with the external auditors any audit problems or difficulties encountered in the course of the audit work, including any restrictions on the scope of the independent auditors' activities or access to requested information and any significant disagreements with management and management's response thereto.
  7. Annually review the qualifications, performance and independence of the external auditors and the senior members of the external auditors' audit engagement team.

#### **On Financial Statements**

8. Review and discuss with Management and the external auditors the Company's annual audited financial statements and the Company's quarterly financial statements (including disclosures made in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" portion thereof) prior to issuance or filing.
9. Review and discuss with Management and the external auditors (a) analyses prepared by management and/or the external auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, and (b) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles.
10. Review and discuss with the external auditors:
  - (a) Changes in critical accounting policies and practices to be used;
  - (b) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors; and
  - (c) Difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, any significant disagreements with Management, and communications between the audit team and the audit firm's office with respect to difficult auditing or accounting issues presented by the engagement.

#### **On Internal Audit**

11. Review with the Chief Financial Officer and/or such others as the Committee deems appropriate, the Company's internal system of audit and financial controls, the results of internal audits and the procedures for maintaining the adequacy and effectiveness of internal controls.
12. Review and discuss any significant internal audit findings that have been reported to Management, Management's responses, and the progress of the related corrective action plans.
13. Review and evaluate the adequacy of the work performed by the internal auditor and internal audit, and ensure that internal audit is independent and has adequate resources and access to relevant Company records and properties, and personnel to fulfill its duties, including implementation of the annual audit plan.

14. Discuss with the external auditor and Management the internal auditor's responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

#### **On Internal Controls**

15. Review the adequacy of the Company's internal controls and the procedures designed to ensure compliance with applicable laws and regulations.
16. Discuss with the independent auditor and management the internal control responsibilities, budget and staffing, and any recommended changes in the planned scope of the internal controls review, analysis, and improvement plan.
17. Review with the external auditor, Management, and the internal controls employee(s) the coordination of audit efforts to assure completeness of coverage (including any difficulties encountered in the course of the audits, such as restrictions on the scope of work or access to required information), reduction of redundant efforts, and the effective use of audit resources, including the internal audit department budget and staffing.
18. Review litigation issues and any other risks or exposures as deemed appropriate by the Committee.
19. Periodically review the Company's enterprise risk management framework, including the Company's enterprise risk management processes.

#### **On Compliance with Legal and Regulatory Requirements**

20. Monitor the Company's compliance with and adherence to all applicable laws and regulations;
21. Review reports from the Company's Corporate Secretary and other Management members on:
  - (a) Legal or compliance matters that may have a material impact on the Company;
  - (b) The effectiveness of the Company's compliance policies; and
  - (c) Any material communications received from regulators.
22. Review Management's evaluation of and representations relating to compliance with specific applicable law and guidance, and Management's plans to remedy any deficiencies identified.

### **NOMINATION COMMITTEE**

#### **Functions/Key Responsibilities/Power:**

1. Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications for Directors.
2. Pre-screen and shortlist all nominees to positions requiring appointment by the Board. Pursuant thereto, the Nomination Committee may consult with the Head of the Human Resources Department (HRD) of the Corporation to determine the qualifications of the nominees.



## COMPENSATION AND REMUNERATION COMMITTEE

### Functions/Key Responsibilities/Power:

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, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.
2. Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the company successfully.
3. Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which includes, among others, a declaration under the penalty of perjury of all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
4. Disallow any director to decide his or her own remuneration.
5. Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year.
6. Review existing Human Resources Development or Personnel Handbook/Manual, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

\* Due to minimal operations, the Company does not have an Executive Committee at this time.

### 2) Committee Members

#### (a) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jesus Clint O. Aranas	30-Oct-2015	1	1	100	10 years
Member	Stephen Y. Yap	30-Oct-2015	1	1	100	7 years
Member	Ronald P. Sugapong	30-Oct-2015	1	1	100	7 years

*Disclose the profile or qualifications of the Audit Committee members.*

**Jesus Clint O. Aranas** is 47 years old and has been an independent director of the Company since 12 December 2002. He is currently the Managing Partner of Aranas Law Offices. Positions in other companies that he currently holds are as follows:

- o Director/President of Liyam Property, Inc. and Rural Bank of Magallon
- o Director/Corporate Secretary of Philippines Epsom Property Holdings, Inc., GEI Investment Philippines, Inc., iCube, Inc., World FC MNL, Inc. Fujifilm Philippines, Inc., Fujifilm Optics Philippines, Inc., and Firstscene Philippines, Inc.,
- o Director of Aeon Credit Technology Systems (Philippines), Inc., Treasure-House Holdings Corporation, Genez Investments Corporation, and Nissin Real Estate, Inc.

- o Corporate Secretary of Epson Precision (Philippines), Inc., Philippines Epson Optical, Inc., and iMarketing Japan, Inc.

**Stephen Y. Yap** is 46 years old and has been a director of the Company since 28 November 2007. He is the President of Starman Sales, Inc. and Vice-President for Group Property Investments of Prime Orion Philippines, Inc.

**Ronald P. Sugapong** is 47 years old and has been Director and Treasurer of the Company since 14 March 2001. Positions in other companies that he currently holds are as follows:

- o Senior Vice-President for Finance/Chief Finance Officer of Prime Orion Philippines, Inc.;
- o Director/Treasurer of Orion Land Inc., Tutuban Properties, Inc., Orion Property Development, Inc., Orion I Holdings Philippines, Inc., TPI Holdings Corporation, ZHI Holdings, Inc., Orion Beverage, Inc., Orion Maxis Inc., Orion Solutions, Inc., 22Ban Marketing, Inc., OE Holdings, Inc., Guoco Assets (Philippines), Inc., and Hong Way Holdings, Inc.
- o Treasurer of FLT Prime Insurance Corporation

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

Under Section 2.2.2.3.2 of the Manual, the Audit Committee is tasked to perform oversight functions over the Company's external auditor.

*(b) Nomination Committee*

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jesus Clint O. Aranas	20-Aug-2015	1	1	100	11 years
Member	Felipe U. Yap	20-Aug-2015	1	1	100	11 years
Member	Yuen Po Seng	20-Aug-2015	1	1	100	11 years

*(c) Compensation and Remuneration Committee*

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jesus Clint O. Aranas	14-Nov-2014	0	0	-	9 years
Member	Felipe U. Yap	14-Nov-2014	0	0	-	9 years
Member	Yuen Po Seng	14-Nov-2014	0	0	-	9 years

3) *Indicate any changes in committee membership that occurred during the year and the reason for the changes.*

There was no change in the membership of the Committees of the Company during the year.

4) *Work Done and Issues Addressed*

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

- a) Audit Committee – Prepared and/or presented to the Board of Directors for approval the Audited Financial Statements for the year 2013 and the quarterly reports for 2014.
- b) Nomination Committee – Evaluated and endorsed to the Board of Directors the nominees for directors for the calendar year 2015.
- c) Compensation and Remuneration Committee – Due to minimal operations, the Company has not been giving compensation to its directors and officers. Hence, for the year 2014, there was no need for the Compensation and Remuneration Committee to convene.

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.*

Due to minimal operations, the Committees do not at this time perceive any urgent need to come up with programs for improvement or enforcement of effective governance.

**F. RISK MANAGEMENT SYSTEM**

1) *Disclose the following:*

(a) *Overall risk management philosophy of the Company.*

Due to minimal operations, there is no perceived need at this time for a risk management policy.

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

Due to minimal operations, there is no perceived need at this time for a review by the directors of the effectiveness and adequacy of the Company's risk management system.

(c) *Period covered by the review.*

Due to minimal operations, there is no perceived need at this time for a review by the directors of the effectiveness and adequacy of the Company's risk management system.

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

Due to minimal operations, there is no perceived need at this time for a review by the directors of the effectiveness and adequacy of the Company's risk management system.

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

Due to minimal operations, there is no perceived need at this time for a review by the directors of the effectiveness and adequacy of the Company's risk management system.

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.*

Due to minimal operations, there is no perceived need at this time for a risk management policy.

(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 Company does not belong to any corporate group.

(c) *Minority Shareholders*

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

The Company implements cumulative voting of directors, prohibits the removal of a director if it would deny the minority shareholders representation in the Board (Section 6.1.2 of the Manual), and recognizes the appraisal right of shareholders (Section 6.1.7 of the Manual).

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.*

Due to minimal operations, there is no need at this time to fully set up a control system for assessment, management and control of issues faced by the Company.

(b) *Group*

*Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the Company.*

The Company does no belong to any corporate group.

(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.*

Due to minimal operations, there is no need at this time to fully set up a control system for assessment, management and control of issues.

## **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.*

Due to minimal operations, the Company has yet to define its internal control system. However, the Manual provides that there should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness. The Manual likewise provides for the Board of Directors and the Audit Committee's internal control responsibilities.

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

Section 2.2.1.7 of the Manual provides that the Board should conduct a continuing review of the Company's internal control system in order to maintain its adequacy and effectiveness. However, due to minimal operations, the Board perceives no need at this time to perform such review.

*(c) Period covered by the review.*

NA

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

NA

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

Due to minimal operations, the Board perceives no need at this time to perform such review.

### *2) Internal Audit*

*(a) Role, Scope and Internal Audit Function*

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

The Internal Audit Function sees to it that the Company's key organizational and procedural controls are effective, appropriate, observed, and in accordance with the International Standards on Professional Practice of Internal Auditing (Section 2.2.5.1 of the Manual). However, due to minimal operations, there is no perceived need at this time for an internal audit function.

*(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. Section 2.2.2.3.2 of the Manual tasks the Audit Committee to organize an internal audit department, and consider the appointment of an independent internal auditor and 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?*

Sections 2.2.5.2 and 2.2.2.3.2 of the Manual provide that the internal auditor shall functionally report directly to the Audit Committee. In addition, Section 2.2.5.1 of the Manual provides that the Internal Auditor shall submit to the Audit Committee and Management an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee. At this time, however, due to minimal operations, there is no perceived need for an internal audit function.

- (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.*

Due to minimal operations, there is no perceived need at this time for an internal audit function.

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

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

Due to minimal operations, there is no perceived need at this time for an internal audit function.

- (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."*

Due to minimal operations, there is no perceived need at this time for an internal audit function.

- (g) *Mechanism 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:**

- (i) The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Corporation, should be changed with the same frequency. (Section 2.2.7 (A) (v) of the Manual)
- (ii) The external auditor shall not, at the same time, provide internal audit services to the Corporation. Non-audit work may be given to the external auditor, provided it does not conflict with his duties as an independent auditor, or does not pose a threat to his independence. (Section 2.2.7 (B) of the Manual)

- (iii) If the external auditor believes that any statement made in an annual report, information statement or any report filed with the Commission or any regulatory body during the period of his engagement is incorrect or incomplete, he shall give his comments or views on the matter in the said reports. (Section 2.2.7 (B) of the Manual)

**Financial Analysts, Investment Banks, Rating Agencies:**

Due to minimal operations, the Company does not perceive any need at this time to establish a mechanism to safeguard the independence of these entities.

- (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.*

Section 5.1 of the Manual provides that the reports or disclosures required therein shall be prepared and submitted to the Commission by the responsible committee or officer through the Corporation's Compliance Officer. Hence, the Certification of the Company's compliance with the Manual is signed by the Corporate Secretary in her capacity as Compliance Officer, and by the President. However, as provided in Securities and Exchange Commission Memorandum Circular No. 5 Series of 2013, the Company discontinued the submission of the Certification starting in 2014. In its place, the Company submitted its ACGR in June 2013 and will continue to submit changes or updates thereto from the second to fourth years, and a fully accomplished ACGR every five years.

**H. ROLE OF STAKEHOLDERS**

- 1) *Disclose the Company's policy and activities relative to (a) customers' welfare, (b) supplier/contractor selection practice, (c) environmentally friendly value chain, (d) community interaction, (e) anti-corruption programs and procedures, and (f) safeguarding of creditors' rights.*

Due to minimal operations, the Company has no perceived need at this time for any policy and has no activity at this time regarding or relating to customers, selection of suppliers/contractors, the environment, interaction with the community, anti-corruption programs and procedures, and creditors' rights. The Company currently has no customer, supplier/contractor or creditor.

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

Due to minimal operations, the Company has yet to establish its corporate social responsibility or sustainability program.

- 3) *Performance-enhancing mechanisms for employee participation.*

- (a) *What is the Company's policy for its employees' safety, health, and welfare?*  
(b) *Show data relating to health, safety and welfare of its employees.*  
(c) *State the Company's training and development programmes for its employees. Show the data.*  
(d) *State the Company's reward/compensation policy that accounts for the performance of the Company beyond short-term financial measures.*

Due to minimal operations, the Company currently does not have any employee. Hence, there is no perceived need at this time for a policy on employee safety, health and welfare, reward/compensation and training and development programs.

- 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.*

Due to minimal operations, the Company currently does not have any employees at this time. Hence, there is no perceived need for a policy or procedure on handling employee complaints of any kind.

## I. DISCLOSURE AND TRANSPARENCY

- 1) *Ownership Structure (as of 31 December 2015)*

Shareholder	No. of Shares	Percent	Beneficial Owner
PCD Nominee Corporation (Filipino)	1,208,518,030	44.15	PCD Participants (Brokers) / Various Individuals and Corporations / Clients
Zamcore Realty and Development Corporation	599,377,728	21.90	Zamcore Realty and Development Corporation
F. Yap Securities, Inc.	410,019,586	14.98	Horizon Resources Corporation / Client
F. Yap Securities, Inc.	410,019,586	14.98	Lindsay Resources Corporation / Client

Name of Senior Management	No. of Direct Shares	No. of Indirect Shares	% of Capital Stock
Yuen Po Seng (President)	1	0	0
Ronald P. Sugapong (Treasurer)	1	0	0
Daisy L. Parker (Corporate Secretary)	1	0	0

- 2) *Does the Annual Report disclose the following:*

Key Risks	No. Due to minimal operations, the Annual Report states that the business risks facing the Company at present are minimal
Corporate objectives	Yes. The Annual Report mentions that the Company intends to venture into the mining industry but that the Mineral Production Sharing Agreement has yet to be issued.
Financial performance indicators	Yes.
Non-financial performance indicators	NA. Due to minimal operations, there is no perceived need at this time for non-financial performance indicators.
Dividend policy	Yes.



Details of whistle-blowing policy	NA. Due to minimal operations, there is no perceived need at this time for a whistle-blowing policy.
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors	Yes.
Training and/or continuing education program attended by each director	No. The attendance of the directors in corporate governance seminars used to be indicated in Part IV of the Annual Report (on Corporate Governance). However, in compliance with SEC Memorandum Circular No. 5, Series of 2013, the Corporate Governance section was deleted in the 2012 and 2013 Annual Report.
Number of Board of Directors meetings held during the year	No. The number of Board meetings held in a year and the attendance details of the directors in such meetings are disclosed in the Certification of Attendance of Directors filed on or before 30 January of every year.
Attendance details of each director in respect of meetings held	No. See above.
Details of remuneration of the CEO and each member of the Board of Directors	NA. There are no contracts or arrangements for the Company to pay any of its directors any form of compensation, and the Company's directors have not received compensation of whatever nature in the last several years.

3) *External Auditor's Fee*

<b>Name of Auditor</b>	<b>Audit Fee</b>	<b>Non-Audit Fee</b>
Punongbayan & Arullo	145,600 (inclusive of VAT)	0

4) *Medium of Communication*

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

- a) Disclosures to the SEC and PSE
- b) Company Website
- c) E-mail
- d) Registered mail
- e) Publication in newspapers of general circulation

5) *Date of release of audited financial report: 3 April 2014*

6) *Company Website*

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

Business operations	No. The Company has minimal business operations at this time.
Financial statements/reports (current and prior years)	Yes.
Materials provided in briefings to analysts and media	NA. Due to minimal operations, the Company has not given any briefings to analysts and media.
Shareholding structure	Yes.
Group corporate structure	NA. The Company does not belong to any corporate group.
Downloadable annual report	Yes.
Notice of AGM and/or EGM	Yes.
Company's constitution (By-laws and Articles of Incorporation)	Yes.

7) *Disclosure of Related Party Transactions (RPT)*

During the year 2014, the Company did not enter into any RPT.

*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?*

Section 5.2 of the Manual states:

*“All material information, i.e., anything that could potentially adversely affect the viability of the Corporation or interests of the stockholders and other stakeholders shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, off balance sheet transactions, Board changes, **related party transactions**, shareholdings of directors and changes to ownership, and direct and indirect remuneration of members of the Board and Management.*

*The Board shall therefore commit at all times to full disclosure of material information dealings. It shall cause the filing of all required information through the appropriate Exchange mechanisms for listed companies and submissions to the Commission for the interest of its stockholders and other stakeholders.” (Emphasis supplied)*

In addition, Section 2.2.1.7 of the Manual states:

*“To ensure a high standard of best practice for the Corporation, its stockholders, and other stakeholders, the Board shall conduct itself with honesty and integrity in the performance of, among others, the following duties and functions:*

- h) Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation, subsidiaries, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships by members of the Board;*

x x x”

However, due to minimal operations, the Board has yet to formulate at this time specific policies and procedures ensuring the integrity and transparency of 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: Majority of the issued and outstanding stock of the Corporation having voting powers. (Art. III, Sec. 5 of the Company's By-Laws)

(b) *System used to approve corporate acts*

*Explain the system used to approve corporate acts.*

<b>System Used</b>	Board and/or Stockholders' approval passed during a regular or special Board and/or Stockholders' Meeting, by voting. The vote required depends on the corporate acts to be passed and generally follows the requirements of the Corporation Code.
<b>Description</b>	All corporate acts needing approval are included in the agenda, and taken up during the Board and/or Stockholders' meeting.

(c) *Stockholders' Rights*

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

<b>Stockholders' Rights under the Corporation Code</b>	<b>Stockholders' Rights <u>not</u> in the Corporation Code</b>
Notice period of 2 weeks for regular stockholders' meetings and 1 week for special stockholders' meetings. (Section 50)	Notice period of 10 days in case of regular stockholders' meeting and 5 days in case of special stockholders' meeting. In practice, the Company provides its stockholders with the notice and agenda of the Annual Stockholders' Meeting at least 15 business days from the date thereof.
No provision on the right of minority stockholders to propose holding of stockholders' meetings.	Minority stockholders have the right to propose the holding of stockholders' meetings and the items for discussion in the agenda that relate directly to the business of the Corporation.

*Dividends*

Due to minimal operations, the Company has no income and therefore unable to declare dividends at this time.

(d) *Stockholders' Participation*

1-7. *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.*

During Annual Stockholders' Meetings, after the Chairman has completed his report, stockholders are encouraged to ask questions and to give comments on any matter involving the Company. The Company ensures the attendance of the external auditors and relevant personnel during such meetings so that any and all answers that may be asked by stockholders may be given the appropriate response.

8. *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; and*
- (c) Transfer of all or substantially all assets, which in effect results in the sale of the Company*

Due to minimal operations, the Company does not at this time have any established policy on soliciting the shareholders' participation on the above-mentioned matters.

9. *Does the Company observe a minimum of 21 business days for giving out of notices to the Annual Stockholders' Meeting where items to be resolved by shareholders are taken up?*

- (a) Date of sending out notices: 22 October 2014*
- (b) Date of the Annual Stockholders' Meeting: 14 November 2014*

10. *State, if any, questions and answers during the Annual Stockholders' Meeting (held on 14 November 2014).*

Question 1: How will the Company address its deficit position?

Answer 1 (by the Chairman):

To address the deficit, the Company intends to enhance its asset – the mining claims in Surigao del Sur – with the use of capital infusions of current shareholders or with the participation of foreign partners. Once the Mineral Production Sharing Agreement (“MPSA”) is issued by the Mines and Geosciences Bureau, the Company would be able to explore and develop the mining claims. The inclusion of Mr. Artemio F. Disini in the Board, with his extensive experience and expertise in the industry, would help the Company develop and enhance such mining claims.

Question 2: The Company could get delisted or suspended by the PSE if the deficit increases. What else can the Company do to improve its financial statements by next year?

Answer 2 (by the Corporate Secretary):

In the long term, the direction is to secure the necessary permits and agreements so that the Company can make use of its assets. In the short term, the Company's major shareholders are infusing cash in order to meet the operating requirements of the Company. The Company has been properly disclosing these plans to the SEC and PSE in compliance with existing rules and regulations on disclosure.

(by the Chairman):

The inability to obtain mining licenses/permits/agreements is being experienced by all mining companies, as the Philippine Government has not been acting on mining applications in the last few years. Once the MPSA is issued, the Company will take the necessary steps to explore, develop and enhance the mining claims through investments of current shareholders or outside partners who may be local or foreign.

11-23.Result of Annual Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
<p><b>“RESOLVED</b>, that considering that the copies of the minutes of the previous stockholders’ meeting has been earlier distributed to the stockholders, let the reading of the minutes of the previous stockholders’ meeting held on 7 November 2013 be dispensed with and that the same be approved without reading.”</p>	100% of capital stock present	0	0
<p><b>“WHEREAS</b>, Securities and Exchange Commission Memorandum No. 6, Series of 2014 mandates all corporations whose articles of incorporation indicate only a general address as their office address to file an amended articles of incorporation in order to indicate their complete address, including the name of the building, name and number of the street, and the name of the city or municipality;</p> <p><b>WHEREAS</b>, on 14 November 2014, the Board of Directors of Zeus Holdings, Inc. resolved to amend the Third Article of Zeus Holdings, Inc.’s Articles of Incorporation in order to indicate the address of the Corporation’s office from the current “Metropolitan Manila area” to “20<sup>th</sup> Floor, LKG Tower, 6801 Ayala Avenue, Makati City”;</p> <p><b>NOW, THEREFORE, RESOLVED</b> that ZEUS HOLDINGS, INC. (the “Corporation”) amend the Third Article of its Articles of Incorporation such that the Third Article, as herein amended, shall henceforth read as follows:</p> <p>THIRD: That the place where</p>	100% of capital stock present	0	0

<p>the principal office of the corporation is to be located is at <u>20<sup>th</sup> Floor, LKG Tower, 6801 Ayala Avenue, Makati City</u>, and branch offices as may be established elsewhere in the Philippines or abroad as the needs of the corporation may demand.</p> <p><b>RESOLVED, FURTHER</b>, that the Corporation authorize its Corporate Secretary, <i>Atty. Daisy L. Parker</i>, to sign, execute and deliver any and all such instruments and papers as may be necessary to secure the approvals of the appropriate government agencies and other entities and for the full implementation of the foregoing resolution.”</p>			
<p>“<b>RESOLVED</b>, that the Management Report, including the 2013 Audited Financial Statements be approved.”</p>	100% of capital stock present	0	0
<p>“<b>RESOLVED</b>, that the stockholders of <b>ZEUS HOLDINGS, INC.</b> (the “Corporation”) ratify, as they hereby ratify, all acts of management and the Board of Directors of the Corporation as disclosed in the corporate records from 7 November 2013 to 14 November 2014.”</p>	100% of capital stock present	0	0
<p>Election of Directors</p>	100% of capital stock present	0	0
<p>“<b>RESOLVED</b>, that ZEUS HOLDINGS, INC. appoint Punongbayan &amp; Araullo as its external auditors for the calendar year 2015.”</p>	100% of capital stock present	0	0

24. *Date of publishing of the result of the votes taken during the most recent Annual Stockholders’ Meeting for all resolutions:* Due to minimal operations, the Company did not perceive any need to publish the results of the votes taken during the Annual Stockholders’ Meeting held on 17 November 2015.

(e) *Modifications*

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

No modifications were made in the regulations of the Annual Stockholders' Meeting in the year 2014.

(f) *Stockholders' Attendance*

(i) *Details of Attendance in the Annual Stockholders' Meeting held on 17 November 2015:*

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	Please see attached "Annex A"	April 27, 2015	Voting is by poll.	0.0000000 004%	71.41%	71.41%
Special	n.a					

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

Yes. The Company's external auditor, Punongbayan & Araullo, and stock transfer agent, Banco De Oro Unibank, Inc., conduct the validation of votes.

(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.*

The Company only has one class of shares -- common -- which carry one vote for one share.

(g) *Proxy Voting Policies*

State the policies followed by the Company regarding proxy voting in the Annual Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	The Company has a prescribed proxy form but does not strictly enforce it as long as the proxy submitted is in writing, signed by the stockholder and timely submitted.
Notary	There is no need for the proxy to be notarized.
Submission of proxy	The proxy has to be submitted at the office of the Company, prior to the date of the validation of proxies indicated in the Notice/Agenda
Several proxies	Several proxies are acceptable, but only one can vote on behalf of the principal during the meeting.
Validity of proxy	A proxy is valid only for the meeting for which it was intended, unless otherwise stated therein. However, as provided in the Corporation Code, no proxy can be valid for a period longer than 5

	years.
Proxies executed abroad	Proxies executed abroad are acceptable subject to the Company's validation process.
Invalidated proxy	The Company does not have any established policy on invalidated proxies, except that such proxies would not be recognized or entitled to vote.
Validation of proxy	Proxies are validated on the date, time, and at the place indicated in the Notice/Agenda by representatives of the Company's stock transfer agent and external auditor.
Violation of proxy	The Company does not have any established policy at this time concerning violation of proxy. However, in such case, the Company would take it on a case-to-case basis in determining whether to count the votes of the proxy.

(h) *Sending of Notices*

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

<b>Policies</b>	<b>Procedure</b>
The Company's By-Laws provide that Notices shall be sent by personal delivery, mail, telegraph, cable, or electronically to stockholders of record at his last known address at least 10 days prior to the date of meeting, if annual meeting, or at least 5 days prior to date of meeting, if special meeting.	The Company transmits Notices to brokers in Pasig and Makati by hand or by fax. It transmits Notices to stockholders in Metro Manila by hand or by registered mail. It engages the services of a messengerial firm to transmit Notices to stockholders living outside of Metro Manila.

(i) *Definitive Information Statement and Management Report*

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and other Materials	822
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials Held by Market Participants/Certain Beneficial Owners	22 October 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and other Materials held by Stockholders	22 October 2014
State whether CD format or hard copies were distributed	CD format copies were distributed.
If yes, indicate whether requesting stockholders were provided hard copies	Yes.

(j) *Does the Notice of Annual 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,	No. This information is already indicated in the Definitive Information



experience, and directorships in other listed companies) nominated for election/ re-election.	Statement which is likewise transmitted to the stockholders of record.
The auditors to be appointed or re-appointed.	No. This information is already indicated in the Definitive Information Statement which is likewise transmitted to the stockholders of record.
An explanation of the dividend policy, if any dividend is to be declared.	No. This information is already indicated in the Management Report which is likewise transmitted to the stockholders of record. However, the Company has not declared any dividend in the last several years owing to minimal operations.
The amount payable for final dividends.	NA.
Documents required for proxy vote.	Yes.

2) *Treatment of Minority Stockholders*

(a) *State the Company's policies with respect to the treatment of minority stockholders*

<b>Policies</b>	<b>Implementation</b>
A director shall not be removed without cause if it will deny minority shareholders representation in the Board. (Sec. 6.1.2.3 of the Manual)	The Company commits to observe this policy.
Although all stockholders should be treated equally or without discrimination, the Board should, as far as practicable, give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the Corporation. The Board shall determine which matters are proper for inclusion in the agenda for stockholders' meetings. (Sec. 6.1.8 of the Manual)	During the year, no minority shareholder has proposed the holding of a meeting or the inclusion of any item for discussion in the agenda.

(b) *Do minority stockholders have a right to nominate candidates for Board of Directors?*

Yes. Any stockholder of record as of the date of nomination may nominate candidates for the Board of Directors. (Sec. 3, By-Laws)

**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.*

Due to minimal operations, there is no perceived need at this time for an external or internal communications policy.

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.*

Due to minimal operations, there is no perceived need at this time for an investor relations program.

- 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? Name of the independent party the Board of Directors of the Company appointed to evaluate the fairness of the transaction price.*

Due to minimal operations, the Company does not at this time have established rules and procedures governing these matters.

#### **L. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

*Discuss any initiative undertaken or proposed to be undertaken by the Company.*

Due to minimal operations, the Company has not undertaken or proposed any CSR initiative to date.

#### **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.*

Due to minimal operations, the Company has yet to establish a process and criteria for assessing the annual performance of the Board, committees, directors, and 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.*

Section 8.1 of the Manual imposes the following penalties, after notice and hearing, on the Company's directors, officers, and staff in case of violation of any of the provision of this Manual:

- First Violation - Violator shall be subject to written reprimand.
- Second Violation - Suspension from office shall be imposed on such person violating the Manual. The duration of the suspension shall depend on the gravity of the violation.
- Third Violation - The maximum penalty of removal from office shall be imposed.

**ZEUS HOLDINGS, INC.**

21/F Lepanto Building, 8747 Paseo de Roxas, Makati City  
Tel No. 815-9447 / Fax No. 810-5583

**SECRETARY's CERTIFICATE**

I, ODETTE A. JAVIER, of legal age, Filipino, with office address at the 21<sup>st</sup> Floor, Lepanto Building, 8747 Paseo de Roxas, Makati City, being the duly elected and qualified Corporate Secretary of Zeus Holdings, Inc. ("Corporation"), a corporation duly organized and existing under Philippine laws, with office address at the 20<sup>th</sup> Floor, Lepanto Building, 8747 Paseo de Roxas, Makati City, hereby certify that the company made changes in the 2015 Corporate Governance Report as follows:

1. Item A (1)(a) concerning the date of last election of the members of the Board, which will be reflected in the minutes of the annual stockholders meeting on November 17, 2015 and had been duly disclosed by way of a Form 17-C report; and the number of years served by each as director;
2. Item C (2) on the attendance by each Director of the Board meetings, as reflected in the minutes of the three Board meetings held in 2015;
3. Item E (2)(a) date of Audit and Nomination Committee meetings and number of meetings for the year 2015;
4. Item I (1) Ownership Structure as of December 31, 2015; and
5. Item J (f) Stockholders' Attendance held on November 17, 2015.

Makati City, 8 January 2016.

*Odette A. Javier*  
ODETTE A. JAVIER  
Corporate Secretary

**MAKATI CITY**

SUBSCRIBED AND SWORN to before me this JAN 11 2016 day of January 2016 at Makati City, affiant exhibiting her SSS ID (no. 03-7641344-4).

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Series of 2016

~~ATTY. GERVACIO M. URTIZ JR.~~  
~~NOTARY PUBLIC FOR MAKATI CITY~~  
~~UNTIL DECEMBER 31, 2015~~  
~~PTR NO. 4743512 / 31-05-2015/MAKATI~~  
~~IBP NO. 556155 LIFETIME MEMBER~~  
~~APPT. NO. M-195/2015/ROLL NO. 40091~~  
~~MCLE COMPLIANCE NO. V-0006934~~  
~~UNIT 102 PENINSULA COURT BLDG.~~  
~~6735 MAKATI AVE., MAKATI CITY~~