

The External Auditors conduct its audit in accordance with its Code of Ethics. Trading of Company's share is currently suspended.

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

The Compliance Officer attests to the Company's compliance with the SEC Code of Corporate Governance.

#### H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare		
Supplier/contractor selection practice		
Environmentally friendly value-chain	<b>Not applicable because there is</b>	<b>no commercial operation.</b>
Community interaction		
Anti-corruption programmes and procedures?		
Safeguarding creditors' rights		

- 2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?  
**NONE**

- 3) Performance-enhancing mechanisms for employee participation.  
**NONE, the Company is not in commercial operation.**

(a) What are 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

- 4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behaviour? Explain how employees are protected from retaliation.  
**Not applicable, there is no commercial operation.**

#### I. DISCLOSURE AND TRANSPARENCY

- 1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
	<b>Please see attached</b>	<b>Annex "C"</b>	

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
	<b>-- Not applicable --</b>		
<b>TOTAL</b>			

2) Does the Annual Report disclose the following:

Key risks	<b>Not Applicable</b>
Corporate objectives	<b>Not Applicable</b>
Financial performance indicators	<b>Not Applicable</b>
Non-financial performance indicators	<b>Not Applicable</b>
Dividend policy	<b>Not Applicable</b>
Details of whistle-blowing policy	<b>Not Applicable</b>
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	<b>Yes</b>
Training and/or continuing education programme attended by each director/commissioner	<b>Not Applicable</b>
Number of board of directors/commissioners meetings held during the year	<b>Yes</b>
Attendance details of each director/commissioner in respect of meetings held	<b>Yes</b>
Details of remuneration of the CEO and each member of the board of directors/commissioners	<b>Yes</b>

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.  
**Because the Company has no commercial operation.**

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
<b>Sycip, Gorres, Velayo &amp; Co.</b>	<b>₱ 950,000.00</b>	<b>-</b>

4) Medium of Communication **Through internet and mail.**

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

5) Date of release of audited financial report: **April 8, 2016**

6) Company Website

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

Business operations	<b>Yes</b>
Financial statements/reports (current and prior years)	<b>Yes</b>
Materials provided in briefings to analysts and media	<b>Not Applicable</b>

Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	Yes

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

**Because the Company has no commercial operation.**

**7) Disclosure of RPT**

RPT	Relationship	Nature	Value
	<b>Not Applicable ,</b>	<b>No Commercial Operation</b>	

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?

**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.

<b>Quorum Required</b>	<b>Simple majority</b>
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**(b) System Used to Approve Corporate Acts**

Explain the system used to approve corporate acts.

**At the Annual Stockholders' meeting, the Chairman will announce, the next order of business is the "Ratification and Confirmation of Corporate Acts". One stockholder will state: Mr. Chairman, I move that all the Acts of Management from, "stating the period covered", be ratified, confirmed and approved. Another stockholder will say "I second the motion." Chairman : "Is there any objection to the motion?" After waiting for a while and no reaction from the other stockholders, Chairman will say "There being no objection, the motion is carried."**

<b>System Used</b>	
<b>Description</b>	

**(c) Stockholders' Rights**

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

Stockholders' Rights under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
-- Not applicable --	

Dividends

Declaration Date	Record Date	Payment Date
	-- Not applicable --	

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings. **NOTE: The stockholders present are given the opportunity to raise questions on the Management Report and other matters relating to the operation of the Company.**

2. Measures Adopted	3. Communication Procedure
4.	5.
6.	7.

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
  - c. Transfer of all or substantially all assets, which in effect results in the sale of the company  
**The Chairman states to the Stockholders a corporate decision for their approval. A stockholder moves for the approval. The Chairman then asks if there is any objection to the motion to approve. If none, the Chairman will state that the motion to approve the decision is carried.**
9. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?
  - a. Date of sending out notices:  
**20 calendar days prior to the meeting**
  - b. Date of the Annual/Special Stockholders' Meeting:  
**As per by-laws the date of Annual Stockholders' meeting shall be within 4 months after the end of the fiscal year .**
10. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.
11. Result of Annual/Special Stockholders' Meeting's Resolutions

**The following were unanimously approved:**

1. Minutes of the previous meeting held on September 17, 2015
2. Management Report for the year 2015
3. Annual Report and Audited Financial Statements for the year 2015
4. Ratification and Confirmation of Corporate Acts from September 17, 2015 to September 22, 2016.
5. Election of Directors for 2016 to 2017
6. Appointment of Sycip, Gorres, Velayo & Company as External Auditors
7. Approval of the amendment of Article Fourth of the Articles of Incorporation of the Corporation to extend its corporate term of existence for another 50 years from July 22, 2018 or up to July 22, 2068.