CONCRETE AGGREGATES CORPORATION

12 January 2015

THE PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

In compliance with the Disclosure Rules of the Philippine Stock Exchange, we submit herewith the Secretary's Certificate with excerpts of Board Resolutions of meetings regarding the updates and changes in the ACGR for the year 2014, which we also submitted to the Securities and Exchange Commission.

The consolidated ACGR for 2014 along with the Secretary's Certificate will likewise be posted in the Company website pursuant to the said Circulars.

Thank you and best regards.

Very truly yours,

MICHAEL DAVID I. ABUNDO III
Corporate Information Officer

COVER SHEET

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S.E.C. Registration Number

C O N C R E T E A G G R E G A T E S

C O R P .

(Company's Full Name)

9 T H F L O O R O R T I G A S B U I L D I N G

O R T I G A S A V E N U E , P A S I G C I T Y

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

MICHAEL DAVID I. ABUNDO III

Contact Person

6311231

Company Telephone Number

1	2

Month

3	1

Day

Fiscal Year

Month

Day

Annual Meeting

L E T T E R

FORM TYPE

P E R M I T T O O F F E R S E C U R I T I E S

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

641

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

CONCRETE AGGREGATES CORPORATION

12 January 2015

THE SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA Greenhills
Mandaluyong City

Attention: **Director Justina F. Callangan**
Corporation Finance Department

Gentlemen:

In compliance with SEC Memorandum Circular Nos. 1 and 12, Series of 2014, we submit herewith the Secretary's Certificate with excerpts of Board Resolutions of meetings regarding the updates and changes in the ACGR for the year 2014.

The consolidated ACGR for 2014 along with the Secretary's Certificate will likewise be posted in the Company website pursuant to the said Circulars.

Thank you and best regards.

Very truly yours,

MICHAEL DAVID I. ABUNDO III
Compliance Officer

REPUBLIC OF THE PHILIPPINES)
PASIG CITY) S.S.

SECRETARY'S CERTIFICATE

I, **Michael David I. Abundo III**, of legal age, Filipino, and with office address at the 9th Floor, Ortigas Building, Ortigas Avenue, Pasig City, after being duly sworn in accordance with law, depose and state that:

1. I am the duly elected Corporate Secretary of Concrete Aggregates Corporation (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Philippines, with principal place of business at the 9th Floor, Ortigas Building, Ortigas Avenue, Pasig City.

2. At the regular meeting of the Board of Directors of the Corporation held on 20 March 2014, at which a quorum was present, the Board of Directors approved the following resolutions:

a. Appointment of Officers

"Upon motion duly made and seconded, the Board elected Mr. Jose C. Rodriguez IV as Acting Chairman and Acting President, Atty. Michael David I. Abundo III as Acting General Manager, and Mr. Ceasar D. Buenaventura as Acting Treasurer of the Corporation to fill in the vacant positions resulting from the resignations of Mr. J. Rowell L. Recinto and Mr. Emmanuel A. Rapadas, and to serve as such for the remainder of the current term."

b. Approval of the Audited Financial Statements

"RESOLVED, that the Company approve the Audited Financial Statements for the year 2013 as audited by the firm of Isla Lipana & Co."

c. Designation of Authorized Signatories for the 2013 Audited Financial Statements

"RESOLVED, that Mr. Jose C. Rodriguez IV, Atty. Michael David I. Abundo III, and Ms. Janeth B. De Los Reyes, be designated as authorized signatories with respect to the signing and execution of the annual report and the audited financial statements of the Corporation."

d. Approval of the Declaration of Cash Dividend

"RESOLVED, that a cash dividend of ₱0.90 per share of the Corporation's Class "A" and "B" shares be, as it is hereby declared, to all stockholders of record as of 3 April 2014."

"RESOLVED, FINALLY, that the payment date for the cash dividend be, as it is hereby set, on 11 April 2014."

3. At the regular meeting of the Board of Directors of the Corporation held on 10 December 2014, at which a quorum was present, the Board of Directors approved the amendment of the revised manual on Corporate Governance, as presented.

4. This Certification is issued in compliance with SEC Memorandum Circular No. 12, Series of 2014.

IN WITNESS WHEREOF, I have hereunto set my hand this JAN 12 2015 day of January, 2015 at Pasig City.

MICHAEL DAVID T. ABUNDO III
Corporate Secretary

SUBSCRIBED and SWORN to before me this JAN 12 2015 day of January, 2015 at Pasig City, affiant exhibiting to me his passport no. EB8168183 issued on 22 May 2013 at Manila.

ALLAN NARCISO P. MACASAET
Notary Public for the Cities of Pasig, Taguig, San Juan and Municipality of Pateros, Metro Manila
December 31, 2014
Appointment No. 75 (2014-2015)
Unit 1602 The Centerpoint Bldg.,
Julia Vargas Ave., Ortigas Center, Pasig City
IBP No. 948309/01-02-14/RSM
PTR No. 9443813/01-03-14/Pasig City
Roll No. 42176

Doc. No. 140;
Page No. 30;
Book No. XXVII;
Series of 2015.

COVER SHEET

3 6 1 4 0

S.E.C. Registration Number

C O N C R E T E A G G R E G A T E S

C O R P .

(Company's Full Name)

9 T H F L R . O R T I G A S B L D G . O R T I G A S

A V E . , P A S I G C I T Y

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

MICHAEL DAVID I. ABUNDO III

Contact Person

6311231

Company Telephone Number

1 2 | 3 1

Month Day

Fiscal Year

Month Day

Annual Meeting

S E C F O R M - A C G R 2 0 1 4 C O N S O

FORM TYPE

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Total Amount of Borrowings

641

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year 2014

2. Exact Name of Registrant as Specified in its Charter CONCRETE AGGREGATES CORP.

3. 9TH FLOOR, ORTIGAS BUILDING, ORTIGAS AVENUE, PASIG CITY 1600
   Address of Principal Office Postal Code

4. SEC Identification Number 36140 5. (SEC Use Only)
   Industry Classification Code

6. BIR Tax Identification Number 000-201-881

7. (02) 631-1231 Fax number: (02) 631-6517
   Issuer's Telephone number, including area code

8. N/A
   Former name or former address, if changed from the last report

TABLE OF CONTENTS

A. BOARD MATTERS.....**5**

1) BOARD OF DIRECTORS
   (a) Composition of the Board.....5
   (b) Corporate Governance Policy/ies.....5
   (c) Review and Approval of Vision and Vision.....5
   (d) Directorship in Other Companies.....5
   (e) Shareholding in the Company.....6
2) CHAIRMAN AND CEO.....6
3) PLAN FOR SUCCESSION OF CEO/MANAGING DIRECTOR/PRESIDENT AND TOP KEY POSITIONS...7
4) OTHER EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS.....7
5) CHANGES IN THE BOARD OF DIRECTORS.....7
6) ORIENTATION AND EDUCATION PROGRAM.....8

B. CODE OF BUSINESS CONDUCT & ETHICS.....**9**

1) POLICIES.....9
2) DISSEMINATION OF CODE.....9
3) COMPLIANCE WITH CODE.....9
4) RELATED PARTY TRANSACTIONS.....9
   (a) Policies and Procedures.....9
   (b) Conflict of Interest.....10
5) FAMILY, COMMERCIAL AND CONTRACTUAL RELATIONS.....10
6) ALTERNATIVE DISPUTE RESOLUTION.....11

C. BOARD MEETINGS & ATTENDANCE.....**11**

1) SCHEDULE OF MEETINGS.....11
2) DETAILS OF ATTENDANCE OF DIRECTORS.....11
3) SEPARATE MEETING OF NON-EXECUTIVE DIRECTORS.....11
4) QUORUM REQUIREMENT 11
5) ACCESS TO INFORMATION.....11
6) EXTERNAL ADVICE.....12
7) CHANGES IN EXISTING POLICIES.....12

D. REMUNERATION MATTERS.....**12**

1) REMUNERATION PROCESS.....12
2) REMUNERATION POLICY AND STRUCTURE FOR DIRECTORS.....13
3) AGGREGATE REMUNERATION 13
4) STOCK RIGHTS, OPTIONS AND WARRANTS.....14
5) REMUNERATION OF MANAGEMENT.....15

E. BOARD COMMITTEES.....**15**

1) NUMBER OF MEMBERS, FUNCTIONS AND RESPONSIBILITIES.....15
2) COMMITTEE MEMBERS.....15
3) CHANGES IN COMMITTEE MEMBERS.....17
4) WORK DONE AND ISSUES ADDRESSED.....17
5) COMMITTEE PROGRAM.....17

F. RISK MANAGEMENT SYSTEM.....**17**

1) STATEMENT ON EFFECTIVENESS OF RISK MANAGEMENT SYSTEM.....17
2) RISK POLICY.....17
3) CONTROL SYSTEM.....18

G. INTERNAL AUDIT AND CONTROL.....19
1) STATEMENT ON EFFECTIVENESS OF INTERNAL CONTROL SYSTEM.....19
2) INTERNAL AUDIT
(a) Role, Scope and Internal Audit Function.....19
(b) Appointment/Removal of Internal Auditor.....19
(c) Reporting Relationship with the Audit Committee.....19
(d) Resignation, Re-assignment and Reasons.....19
(e) Progress against Plans, Issues, Findings and Examination Trends.....20
(f) Audit Control Policies and Procedures.....20
(g) Mechanisms and Safeguards.....20

H. ROLE OF STAKEHOLDERS.....21
I. DISCLOSURE AND TRANSPARENCY.....21
J. RIGHTS OF STOCKHOLDERS.....23
1) RIGHT TO PARTICIPATE EFFECTIVELY IN STOCKHOLDERS' MEETINGS.....23
2) TREATMENT OF MINORITY STOCKHOLDERS.....26
K. INVESTORS RELATIONS PROGRAM.....26
L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.....27
M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL.....27
N. INTERNAL BREACHES AND SANCTIONS.....27

A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	11

Actual number of Directors for the year	9

(a) Composition of the Board[2]

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)[1]	Elected when (Annual /Special Meeting)	No. of years served as director
Francisco M. Ortigas III	NED	Ortigas and Company, Limited Partnership	Ana G. Maramot (unrelated to the Independent Directors)	1978	27 June 2013	Annual Meeting	36
Alberto M. Montilla	NED	Ortigas and Company, Limited Partnership		28 April 1998	27 June 2013	Annual Meeting	16
Jaime M. Ortigas	NED	Francisco Ortigas Securities, Inc.		16 April 1992	27 June 2013	Annual Meeting	22
Jose C. Rodriguez IV	NED	Ramon E. Rodriguez		16 April 1991	27 June 2013	Annual Meeting	23
Jose Luis O. Montilla	NED	Ortigas and Company, Limited Partnership		28 June 2012	27 June 2013	Annual Meeting	2
Fernando M. Ortigas	NED	Ortigas and Company, Limited Partnership		28 April 1998	27 June 2013	Annual Meeting	8
Ignacio Rafael M. Ortigas	NED	Ortigas and Company, Limited Partnership		27 June 2013	27 June 2013	Annual Meeting	1
Roberto M. Paterno	ID	Ortigas and Company, Limited Partnership		31 March 2005	27 June 2013	Annual Meeting	1
Samson C. Lazo	ID	Ortigas and Company, Limited Partnership		29 June 2006	27 June 2013	Annual Meeting	1

(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.

CAC has adopted a corporate governance policy with the objective of institutionalizing the principles of good corporate governance in the entire organization. The Board of Directors and Management, employees and stockholders, believe that corporate governance is a necessary component of what constitutes sound strategic

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

[2] Amended based on SEC Form 17-C on the Highlights of the Annual Stockholders' Meeting and Organizational Meeting of the Board filed on 28 June 2013 and SEC Forms 17-C on the Resignations of Mr. Recinto dated 7 August 2013 and Mr. Rapadas dated 13 August 2013.

business management and will therefore undertake every effort necessary to create awareness within the organization.

The Board of Directors (The "Board") is primarily responsible for the governance of the corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide an independent check on Management. It is the Board's responsibility to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders. (Revised Manual on Corporate Governance)

It is the duty of the Board to promote the rights of the stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights. The Board also provides the 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. (Revised Manual on Corporate Governance)

Finally, all material information about the corporation which could adversely affect its viability or the interests of the stockholders are publicly and timely disclosed. All disclosed information will be released via the approved stock exchange mechanisms and submissions to the Commission (Revised Manual on Corporate Governance)

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

The vision and mission of the Company, including the Manual on Corporate Governance, are reviewed by the Board periodically at such times as may be determined by the Board. (Revised Manual on Corporate Governance)

(d) Directorship in Other Companies

(i) Directorship in the Company's Group[2]

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

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Fernando M. Ortigas	OCLP Holdings, Inc. (which is the sole general partner of Ortigas & Company, Limited Partnership [OCLP])	Non-Executive

(ii) Directorship in Other Listed Companies

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

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Alberto M. Montilla	ISM Communications Corp.	Non-Executive

(iii) Relationship within the Company and its Group

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

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
Francisco M. Ortigas III	Ortigas and Company, Limited Partnership	Ortigas and Company, Limited Partnership is majority-owned by OCLP Holdings, Inc. and Francisco M. Ortigas III indirectly owns shares in OCLP Holdings, Inc.
Jaime M. Ortigas	Ortigas and Company, Limited Partnership	Ortigas and Company, Limited Partnership is majority-owned by OCLP Holdings, Inc., and Jaime M. Ortigas is a stockholder of OCLP Holdings, Inc.
Jose Luis O. Montilla	Ortigas and Company, Limited Partnership	Ortigas and Company, Limited Partnership is majority-owned by OCLP Holdings, Inc., and Jose Luis O. Montilla is a stockholder of OCLP Holdings, Inc.
Fernando M. Ortigas	Ortigas and Company, Limited Partnership	Ortigas and Company, Limited Partnership is majority-owned by OCLP Holdings, Inc., and Fernando M. Ortigas is a director and stockholder of OCLP Holdings, Inc.

(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:

YES (Sec. 2.2.2.1.3. of the Revised Manual on Corporate Governance)

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	The executive directors shall submit themselves to a low indicative limit on membership in other corporate boards.	Not specified
Non-Executive Director	The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations	Not specified
CEO	The Chief Executive Officer shall submit himself to a low indicative limit on membership in other corporate boards.	Not specified

(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
Francisco M. Ortigas III	1	314/Francisco Ortigas Securities, Inc.	negligible
Alberto M. Montilla	126		negligible
Jaime M. Ortigas	100		negligible
Jose C. Rodriguez IV	600,319		2.19
Jose Luis O. Montilla	1		negligible
Fernando M. Ortigas	1,000	525,290/Francisco Ortigas Securities, Inc.	1.92
Ignacio Rafael M. Ortigas	1	19,000/Papa Securities Corporation	0.07
Roberto M. Paterno	1		negligible
Samson C. Lazo	1		negligible
TOTAL	**601,550**	**544,604**	**4.17**

* Updated as of 31 December 2013

2) Chairman and CEO

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

Yes ☐ No ☑

Identify the Chair and CEO: Jose C. Rodriguez IV

Chairman of the Board	Jose C. Rodriguez IV (Acting)
CEO/President	Jose C. Rodriguez IV (Acting)

* Elected during the 20 March 2014 meeting of the Board of Directors of CAC

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer/President
Role	Preside at all meetings of stockholders and of the directors. (Amended By-laws)	Exercise general supervision over all the other officers of the corporation. (Amended By-laws)
Accountabilities	Submit matters of policy for the consideration of the Board.	Execute in behalf of the corporation contracts and agreements, which the said corporation may enter into. Sign, endorse, and deliver alone or in conjunction with other officials,

		all checks, drafts, bills of exchange and promissory notes on behalf of the corporation.
Deliverables	Take the initiative in establishing new business connections for the corporation and of studying the possibilities of new fields of investment.	Submit an annual report of the operations of the corporation to the Board and at such other time as the latter may request, and an annual report thereof to the stockholders at the annual meeting.

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

Ans: The Board of Directors makes sure that in the selection of the Company's key personnel, only those who have the potential to be future leaders of the Company are selected. Also, the key personnel are encouraged to take professional training courses in preparation to take senior management positions in the Company.

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.

Ans: No, the Company does not have any formal policy of ensuring diversity of experience and background of directors. However, there is a conscious effort to engage those whose experience and background contributes to the success of the organization.

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

Ans: Yes, Mr. Samson C. Lazo, an independent director, is a recognized expert in the industry.

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

	Executive	**Non-Executive**	**Independent Director**
Role	The Board of Directors is primarily responsible for the governance of the corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide independent check on Management. *(Revised Manual on Corporate Governance)*	The Board of Directors is primarily responsible for the governance of the corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide independent check on Management. *(Revised Manual on Corporate Governance)*	The Board of Directors is primarily responsible for the governance of the corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it shall provide independent check on Management. *(Revised Manual on Corporate Governance)*
Accountabilities	It is the Board's responsibility to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner	It is the Board's responsibility to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner	It is the Board's responsibility to foster the long-term success of the corporation, and to sustain its competitiveness and profitability in a manner

	consistent with its corporate objectives and the best interests of its stockholders. *(Revised Manual on Corporate Governance)*	consistent with its corporate objectives and the best interests of its stockholders. *(Revised Manual on Corporate Governance)*	consistent with its corporate objectives and the best interests of its stockholders. *(Revised Manual on Corporate Governance)*
Deliverables	Provide sound strategic policies and guidelines to the corporation on major capital expenditures and establish programs that can sustain its long-term viability and strength. *(Revised Manual on Corporate Governance)*	Provide sound strategic policies and guidelines to the corporation on major capital expenditures and establish programs that can sustain its long-term viability and strength. *(Revised Manual on Corporate Governance)*	Provide sound strategic policies and guidelines to the corporation on major capital expenditures and establish programs that can sustain its long-term viability and strength. *(Revised Manual on Corporate Governance)*

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

Ans: "Independence," as it relates to an independent director, is defined as a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any corporation that meets the requirements of the Securities Regulation Code. (Nomination Committee Charter).

The Company's independent directors are "independent" as the term is defined in the Nomination Committee Charter.

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

Ans: The Company does not have its own term limit policy with respect to its independent directors. However, SEC Memorandum Circular No. 9, series of 2011, which is effective as of 2 January 2012 and which the Company intends to comply with, sets a term limit of 5 years for the first term, a cooling off period of 2 years, and a 5-year second/last term limit.

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

(a) Resignation/Death/Removal

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

Name	Position	Date of Cessation	Reason
J. Rowell L. Recinto	ED	7 August 2013	Recent corporate changes within OCLP Holdings, Inc., the sole general partner of the Corporation's parent company, Ortigas and Company, Limited Partnership
Emmanuel A. Rapadas	ED	15 August 2013	Recent corporate changes within OCLP

			Holdings, Inc., the sole general partner of the Corporation's parent company, Ortigas and Company, Limited Partnership

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

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

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors (ii) Non-Executive Directors	The Committee shall convene to screen and evaluate the list of candidates submitted to it to fill up eleven (11) seats of the Board (inclusive of two independent directors) prior to the date of election conducted by the corporation's stockholders during the annual stockholders' meeting normally held in June of each year. The screening, short listing and nomination of duly qualified candidates shall be completed not later than thirty (30) business days prior to the date of the actual meeting of the stockholders which shall be determined by the Board in its regular meetings. *(Nomination Committee Charter)*	The criteria for the selection/appointment of the Executive and Non-Executive Directors are as follows: a. He shall be a holder of at least one (1) share of stock of the Corporation; b. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education; c. He shall be at least twenty one (21) years old; d. He shall have proven to possess integrity and probity; and e. He shall be assiduous. (*Nomination Committee Charter)*

(iii) Independent Directors	The following is the process for the selection/appointment of Independent Directors: a. The Nomination of Independent Directors shall be conducted by the Nomination Committee prior to stockholders' meeting, and all recommendations shall be signed by the nominating stockholders. b. The Committee shall pre-screen the qualifications and prepare a Final List of Candidates which shall contain all the information about all the nominees for Independent Directors as required, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement. *c.* Only nominees whose names appear in the Final List of Candidates shall be eligible for election as Independent Directors. *(Nomination Committee Charter)*	In addition to the criteria for the selection/appointment of Executive and Non-Executive Directors, the criteria for the selection/appointment of an Independent Director are as follows: a. Not a director or officer or substantial stockholder of the corporation or its related companies. b. Not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. c. Not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its shareholders. d. Not employed in any executive capacity by the company, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or through his firm. e. Not engaged in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders. *(Nomination Committee Charter)*
b. Re-appointment		
(i) Executive Directors (ii) Non-Executive Directors	The Committee shall convene to screen and evaluate the list of candidates submitted to it to fill up eleven (11) seats of the Board (inclusive of two independent directors) prior to the date of election conducted by the corporation's stockholders during the annual stockholders' meeting normally held in June of each year. The screening, short listing and nomination of duly qualified candidates shall be completed not later than thirty (30) business days prior to the	The criteria for the selection/appointment of the Executive and Non-Executive Directors are as follows: a. He shall be a holder of at least one (1) share of stock of the Corporation; b. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;

	date of the actual meeting of the stockholders which shall be determined by the Board in its regular meetings. *(Nomination Committee Charter)*	c. He shall be at least twenty one (21) years old; d. He shall have proven to possess integrity and probity; and e. He shall be assiduous. (*Nomination Committee Charter)*
(iii) Independent Directors	The following is the process for the selection/appointment of Independent Directors: a. The Nomination of Independent Directors shall be conducted by the Nomination Committee prior to stockholders' meeting, and all recommendations shall be signed by the nominating stockholders. b. The Committee shall pre-screen the qualifications and prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors as required, which list shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement. *c.* Only nominees whose names appear in the Final List of Candidates shall be eligible for election as Independent Directors. *(Nomination Committee Charter)*	In addition to the criteria for the selection/appointment of Executive and Non-Executive Directors, the criteria for the selection/appointment of an Independent Director are as follows: a. Not a director or officer or substantial stockholder of the corporation or its related companies. b. Not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. c. Not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its shareholders. d. Not employed in any executive capacity by that public company, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or though his firm. e. Not engaged in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders. *(Nomination Committee Charter)*
c. Permanent Disqualification		
(i) Executive Directors	In case of resignation, disqualification or cessation of executive directorship and only after notice has been made with	The following are the criteria for the permanent disqualification of Executive Directors:

	the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office. *(Nomination Committee Charter).*	a. Any person convicted by final judgment or order of any competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them; b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in (a), (b) and (c) above, or willfully violating the laws that govern securities and banking activities. The disqualification shall also apply if such person is currently the subject of an order of the Commission or

		any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization; c. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts; d. Any person who has been adjudged by final judgment or order of the Commission, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law administered by the Commission or BSP, or any of its rules, regulations or orders;

		e. Any person earlier elected as independent director who becomes an officer, employee or consultant of the corporation; f. Any person judicially declared as insolvent; g. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in the above sub-paragraphs (a) to (d) above; and h. Any person convicted by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment *(Manual on Corporate Governance).*
(ii) Non-Executive Directors	In case of resignation, disqualification or cessation of non-executive directorship and only after notice has been made with the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office. *(Nomination Committee Charter).*	The following are the criteria for the permanent disqualification of Non-Executive Directors: a. Any person convicted by final judgment or order of any competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company,

		investment house or as an affiliated person of any of them; b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in (a), (b) and (c) above, or willfully violating the laws that govern securities and banking activities. The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him

		from membership, participation or association with a member or participant of the organization; c. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts; d. Any person who has been adjudged by final judgment or order of the Commission, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law administered by the Commission or BSP, or any of its rules, regulations or orders; e. Any person earlier elected as independent director who becomes an officer, employee or consultant of the corporation; f. Any person judicially declared as insolvent; g. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in the above sub-paragraphs (a) to (d) above; and

		h. Any person convicted by final judgment of an offense punishable by imprisonment for more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment *(Manual on Corporate Governance).*
(iii) Independent Directors	In case of resignation, disqualification or cessation of independent directorship and only after notice has been made with the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office *(Nomination Committee Charter).*	The following are the criteria for permanent disqualification of an Independent Director: 1. The disqualifications of a regular director as expressly stipulated in the Corporation's Manual of Corporate Governance shall apply to Independent Directors; 2. In addition, the Independent Director shall likewise be disqualified during his tenure under the following instances or causes: a. He becomes an officer or employee of the corporation; b. His beneficial security ownership exceeds 10% of the outstanding capital stock of the company where he is such director; c. Fails, without any justifiable cause, to attend at least 50% of the total number of Board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family *(Nomination Committee Charter).*
d. Temporary Disqualification		
(i) Executive Directors	In case of resignation, disqualification or cessation of executive directorship and only after notice has been made with	Any of the following shall be a ground for the temporary disqualification of a director:

	the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office. *(Nomination Committee Charter).*	a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the board of directors during said incumbency. This disqualification applies for purposes of the succeeding election; c. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity; d. Being under preventive suspension by the Corporation; e. Conviction that has not yet become final referred to in the grounds for the disqualification of directors *(Nominations Committee Charter).* f. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists. g. Dismissal or termination for cause as director of any corporation covered by the Revised Code of Corporate Governance promulgated by

		the Commission. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination. h. If any of the judgments or order cited in the grounds for permanent disqualification has not yet become final *(Manual on Corporate Governance).*
(ii) Non-Executive Directors	In case of resignation, disqualification or cessation of non-executive directorship and only after notice has been made with the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office. *(Nomination Committee Charter).*	Any of the following shall be a ground for the temporary disqualification of a director: a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the board of directors during said incumbency. This disqualification applies for purposes of the succeeding election; c. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity; d. Being under preventive suspension by the Corporation; e. Conviction that has not yet become final referred to in the grounds for the

		disqualification of directors. *(Nomination Committee Charter)* f. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists. g. Dismissal or termination for cause as director of any corporation covered by the Revised Code of Corporate Governance promulgated by the Commission. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination. h. If any of the judgments or order cited in the grounds for permanent disqualification has not yet become final *(Manual on Corporate Governance).*
(iii) Independent Directors	In case of resignation, disqualification or cessation of independent directorship and only after notice has been made with the Securities and Exchange Commission within five (5) days from such resignation, disqualification or cessation, the vacancy shall be filled by the vote of at least a majority of the remaining directors if still constituting a quorum, upon the nomination of the Nomination Committee, otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office.	Any of the following shall be a ground for the temporary disqualification of a director: a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the board of directors during said incumbency. This disqualification applies for

	(Nomination Committee Charter).	purposes of the succeeding election; c. Dismissal/termination from directorship in another listed corporation for a cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity; d. Being under preventive suspension by the Corporation; e. Conviction that has not yet become final referred to in the grounds for the disqualification of directors. *(Nomination Committee Charter).* f. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists. g. Dismissal or termination for cause as director of any corporation covered by the Revised Code of Corporate Governance promulgated by the Commission. The disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination. h. If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds two percent of the subscribed capital stock. The disqualification shall be lifted if the limit is later complied with *(Manual on Corporate Governance).*

e. Removal		
(i) Executive Directors	There is no defined process for removal of directors. However, under the Corporation Code, a director may be removed by a vote of the stockholders representing at least 2/3 of the outstanding capital stocks in a meeting called for the purpose *(Corporation Code of the Philippines).*	Under the law, any director or trustee of a corporation may be removed from office by a vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock, or if the corporation be a non-stock corporation, by a vote of at least two-thirds (2/3) of the members entitled to vote: Provided, That such removal shall take place either at a regular meeting of the corporation or at a special meeting called for the purpose, and in either case, after previous notice to stockholders or members of the corporation of the intention to propose such removal at the meeting. A special meeting of the stockholders or members of a corporation for the purpose of removal of directors or trustees, or any of them, must be called by the secretary on order of the president or on the written demand of the stockholders representing or holding at least a majority of the outstanding capital stock, or, if it be a non-stock corporation, on the written demand of a majority of the members entitled to vote. Should the secretary fail or refuse to call the special meeting upon such demand or fail or refuse to give the notice, or if there is no secretary, the call for the meeting may be addressed directly to the stockholders or members by any stockholder or member of the corporation signing the demand. Notice of the time and place of such meeting, as well as of the intention to propose such removal, must

		be given by publication or by written notice prescribed in this Code. Removal may be with or without cause: Provided, That removal without cause may not be used to deprive minority stockholders or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code *(Corporation Code of the Philippines).*
(ii) Non-Executive Directors	There is no defined process for removal of directors. However, under the Corporation Code, a director may be removed by a vote of the stockholders representing at least 2/3 of the outstanding capital stocks in a meeting called for the purpose *(Corporation Code of the Philippines).*	Under the law, any director or trustee of a corporation may be removed from office by a vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock, or if the corporation be a non-stock corporation, by a vote of at least two-thirds (2/3) of the members entitled to vote: Provided, That such removal shall take place either at a regular meeting of the corporation or at a special meeting called for the purpose, and in either case, after previous notice to stockholders or members of the corporation of the intention to propose such removal at the meeting. A special meeting of the stockholders or members of a corporation for the purpose of removal of directors or trustees, or any of them, must be called by the secretary on order of the president or on the written demand of the stockholders representing or holding at least a majority of the outstanding capital stock, or, if it be a non-stock corporation, on the written demand of a majority of the members entitled to vote. Should the secretary fail or refuse to call the special

		meeting upon such demand or fail or refuse to give the notice, or if there is no secretary, the call for the meeting may be addressed directly to the stockholders or members by any stockholder or member of the corporation signing the demand. Notice of the time and place of such meeting, as well as of the intention to propose such removal, must be given by publication or by written notice prescribed in this Code. Removal may be with or without cause: Provided, That removal without cause may not be used to deprive minority stockholders or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code *(Corporation Code of the Philippines).*
(iii) Independent Directors	There is no defined process for removal of directors. However, under the Corporation Code, a director may be removed by a vote of the stockholders representing at least 2/3 of the outstanding capital stocks in a meeting called for the purpose *(Corporation Code of the Philippines).*	Under the law, any director or trustee of a corporation may be removed from office by a vote of the stockholders holding or representing at least two-thirds (2/3) of the outstanding capital stock, or if the corporation be a non-stock corporation, by a vote of at least two-thirds (2/3) of the members entitled to vote: Provided, That such removal shall take place either at a regular meeting of the corporation or at a special meeting called for the purpose, and in either case, after previous notice to stockholders or members of the corporation of the intention to propose such removal at the meeting. A special meeting of the stockholders or members of a corporation for the purpose of removal of directors or trustees, or any of them,

		must be called by the secretary on order of the president or on the written demand of the stockholders representing or holding at least a majority of the outstanding capital stock, or, if it be a non-stock corporation, on the written demand of a majority of the members entitled to vote. Should the secretary fail or refuse to call the special meeting upon such demand or fail or refuse to give the notice, or if there is no secretary, the call for the meeting may be addressed directly to the stockholders or members by any stockholder or member of the corporation signing the demand. Notice of the time and place of such meeting, as well as of the intention to propose such removal, must be given by publication or by written notice prescribed in this Code. Removal may be with or without cause: Provided, That removal without cause may not be used to deprive minority stockholders or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code *(Corporation Code of the Philippines).*
f. Re-instatement		

(i) Executive Directors (ii) Non-Executive Directors	There is no formal process for re-instatement. However, the process for election may be followed for this purpose. The Committee shall convene to screen and evaluate the list of candidates submitted to it to fill up eleven (11) seats of the Board (inclusive of two independent directors) as required by the law) prior to the date of election conducted by the corporation's stockholders during the annual stockholders' meeting normally held in June of each year. The screening, short listing and nomination of duly qualified candidates shall be completed not later than thirty (30) business days prior to the date of the actual meeting of the stockholders which shall be determined by the Board in its regular meetings. *(Nomination Committee Charter)*	The Criteria for selection/appointment of the Executive and Non-Executive Directors are as follows: a. He shall be a holder of at least one (1) share of stock of the Corporation; b. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education; c. He shall be at least twenty one (21) years old; d. He shall have proven to possess integrity and probity; and e. He shall be assiduous. (*Nomination Committee Charter)*
(iii) Independent Directors	There is no formal process for re-instatement. However, the process for election may be followed for this purpose. The following is the process for the selection/appointment of Independent Directors: a. Nomination of Independent Directors shall be conducted by the Nomination Committee prior to stockholders' meeting, and all recommendations shall be signed by the nominating stockholders. b. The Committee shall pre-screen the qualifications and prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors	In addition to the criteria for the selection/appointment of Executive and Non-Executive Directors, the criteria for the selection/appointment of an Independent Director are as follows: a. Not a director or officer or substantial stockholder of the corporation or its related companies. b. Not a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. c. Not acting as a nominee or representative of a substantial shareholder of the corporation, any of its related

	as required, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement or Proxy Statement. Only nominees whose names appear in the Final List of Candidates shall be eligible for election as Independent Directors. *(Nomination Committee Charter)*	companies or any of its shareholders. d. Not employed in any executive capacity by that public company, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or though his firm. e. Not engaged in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders. Independent Directors should likewise possess the minimum qualifications of a regular director mentioned above. *(Nomination Committee Charter)*
g. Suspension		
(i) Executive Directors	None	None
(ii) Non-Executive Directors	None	None
(iii) Independent Directors	None	None

Voting Result of the last Annual General Meeting*

Name of Director	Votes Received
J. Rowell L. Recinto	21,018,974
Emmanuel A. Rapadas	21,018,974
Francisco M. Ortigas III	21,018,974
Alberto M. Montilla	21,018,974
Jaime M. Ortigas	21,018,974
Jose C. Rodriguez IV	21,018,974
Jose Luis O. Montilla	21,018,974
Fernando M. Ortigas	21,018,974
Ignacio Rafael M. Ortigas	21,018,974
Roberto M. Paterno	21,018,974
Samson C. Lazo	21,018,974

**The 2014 Annual Stockholders' Meeting was initially scheduled on 26 June 2014 but was rescheduled to 28 August 2014. On 28 August 2014, the Annual Stockholders' Meeting was not held due to the absence of a quorum*.

6) Orientation and Education Program

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

Ans: Although there is no formal process, the Company encourages its new directors to enroll in Corporate Governance orientation and training programs such as those conducted by the Institute of Corporate Directors.

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

Ans: Directors and Senior Management attend regular external courses/training[4]. Some of the trainings attended are the following:

1. *Professional Directors Program, Institute of Corporate Directors*
2. *Job of the Chief Executive, Singapore Institute of Management*
3. *MAP Executive Academy Forum on "Sustainability Reporting of Petron: Most Integrated CSR for 2012, Management Association of the Philippines*
4. *Strategic Business Economics Program, University of Asia & the Pacific*
5. *Corporate Governance Orientation Program, Institute of Corporate Directors*
6. *Annual Listing and Disclosure Rules Seminar, Philippine Stock Exchange*
7. *Leading Bold SAP Change, Cornerstone*
8. *Management by Mission, University of Asia & the Pacific*
9. *The First 180 Days of the President-Elect, University of Asia & the Pacific*
10. *Media Training, Green Bulb Public Relations, Inc*

(c) Continuing education programs for senior management/officers: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Francisco M. Ortigas III/Director	11/28/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Fernando M. Ortigas/Director	5/19/2014	Corporate Governance Seminar	Philippine Securities Consultancy Corporation
Jose C. Rodriguez IV/Director, Acting Chairman of the Board and President	2/5/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	3/6/2014	Corporate Governance Orientation Program	Institute of Corporate Directors, Inc.
	5/19/2014	Corporate Governance Seminar	Philippine Securities Consultancy Corporation
	4/29/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Jaime M. Ortigas/Director	11/28/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Alberto M. Montilla/Director	4/29/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.

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

[4] CAC's Individual Development Plan for Senior Management.

	9/12/2014	Families' Guide To Estate and Tax Planning	Center for Global Best Practices
Jose Luis O. Montilla/Director			
Ignacio Rafael M. Ortigas/Director	4/29/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	9/12/2014	Families' Guide To Estate and Tax Planning	Center for Global Best Practices
Roberto M. Paterno/Independent Director	4/29/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Samson C. Lazo/Independent Director	4/29/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Michael David I. Abundo III/VP, Acting General Manager, Corporate Secretary and Compliance Officer	8/19/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	11/24/2014	2014 Annual Listings & Disclosure Rules Seminar	Philippine Stock Exchange, Inc.
Ceasar D. Buenaventura/Acting Treasurer and Head of Finance	11/20/14	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
Ronilo B. Quiat/Special Projects Head	6/17/2014 – 6/20/2014	CommunicAsia 2014	Terrapin
	8/26/2014	Corporate Governance Seminar	Philippine Securities Consultancy Corporation
Jose Antonio V. Evangelista III/Asst. Corporate Secretary	8/19/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	11/24/2014	2014 Annual Listings & Disclosure Rules Seminar	Philippine Stock Exchange, Inc.
Mario S. Evangelista/Internal Audit Head	4/30/2014	Project Risk Management	Forbes College, Inc.
	8/11/2014	Information Technology (IT) Audit Training	Brilliant Outsourcing Enterprise Solutions
	8/19/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	10/15/2014 – 10/17/2014	Institute of Annual Auditors – Phils. Annual	IIA – Philippines
	11/16/2014 – 11/18/2014	2014 ACFE Asia Pacific Fraud Conference	ACFE
Isagani Elias A. Elacio/Legal Manager and Investor Relations Officer	8/19/2014	Distinguished Corporate Governance Speaker Series	Institute of Corporate Directors, Inc.
	11/24/2014	2014 Annual Listings & Disclosure Rules Seminar	Philippine Stock Exchange, Inc.

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:

Ans: The Company does not have a formal policy on business conduct or ethics and believes it is not advisable to develop and implement such a program at this time, taking into account the current scope of its operations and manpower complement.

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	None	None	None
(b) Conduct of Business and Fair Dealings	None	None	None
(c) Receipt of gifts from third parties	None	None	None
(d) Compliance with Laws & Regulations	None	None	None
(e) Respect for Trade Secrets/Use of Non-public Information	None	None	None
(f) Use of Company Funds, Assets and Information	None	None	None
(g) Employment & Labor Laws & Policies	None	None	None
(h) Disciplinary action	None	None	None
(i) Whistle Blower	None	None	None
(j) Conflict Resolution	None	None	None

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

Ans: Not applicable.

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

While the Company does not have a formal code of ethics or conduct, in case there is any matter relating to misconduct or unethical behavior, the Audit Committee has the power to conduct or authorize investigations and is empowered to retain independent counsel, accountants, or others to assist it in the conduct of any investigation, and perform the following specific functions:

a. Review and assess the Company's processes for administering a code of ethical conduct.
b. Review with the Internal Audit Head and the External Auditor the results of their review of the Company's monitoring of compliance with the Company's code of conduct.
c. Review policies and procedures with respect to officers' expense accounts and privileges, including their use of corporate assets, and consider the results of any review of these areas by the Internal Auditor or the External Auditor. (Audit Committee Charter)

4) Related Party Transactions

(a) Policies and Procedures

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

Related Party Transactions	Policies and Procedures
(1) Parent Company	*While the Company does not have a formal policy on related party transactions, Board committees are created to study and review any proposed transactions with the parent company – OCLP – and the proper approval procedures are followed, including the submission of any such transactions for stockholders' approval in accordance with the Corporation Code.*
(2) Joint Ventures	Not applicable
(3) Subsidiaries	Not applicable
(4) Entities Under Common Control	Not applicable
(5) Substantial Stockholders	Not applicable
(6) Officers including spouse/children/siblings/parents	Not applicable
(7) Directors including spouse/children/siblings/parents	Not applicable
(8) Interlocking director relationship of Board of Directors	Not applicable

(b) Conflict of Interest

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

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

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	None
Name of Officer/s	None
Name of Significant Shareholders	None

(ii) Mechanism

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

	Directors/Officers/Significant Shareholders
Company	The Company's directors are required to execute and file Business Interest Disclosure Forms on an annual basis. The forms are filed with and maintained by the Company's human resources department. In addition, the Company has a Conflict of Interest Policy in place which provides as follows: *(a)* No employee shall engage or continue to be engaged in business with a competitor, customer or supplier of the Company or any of its subsidiaries or affiliates or, persons doing business with or for the Company without the prior written approval of the President. (*Conflict of Interest Policy)* *(b)* All employees engaged in any non-CAC/Company business shall fully disclose the relevant facts including the names of their business partners or associates. (*Conflict of Interest Policy)*

5) Family, Commercial and Contractual Relations

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Ortigas & Company, Limited Partnership (OCLP)	Contractual	Management Agreement dated 28 October 2010 between OCLP and the Company, whereby OCLP provides general management services to the Company

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

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

6) Alternative Dispute Resolution

[5] Family relationship up to the fourth civil degree either by consanguinity or affinity.

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.

	Alternative Dispute Resolution System
Corporation & Stockholders	There is no formal alternative dispute resolution system in place.
Corporation & Third Parties	There is no formal alternative dispute resolution system in place.
Corporation & Regulatory Authorities	There is no formal alternative dispute resolution system in place.

C. BOARD MEETINGS & ATTENDANCE

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

Ans: Board of Directors' meetings are held quarterly, and the dates thereof are pre-determined at the beginning of the year.

2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Amb. Francisco M. Ortigas III	27 June 2013	3	3/3	100%
Member	Mr. Alberto M. Montilla	27 June 2013	3	3/3	100%
Member	Mr. Jaime M. Ortigas	27 June 2013	3	3/3	100%
Member	Atty. Ma. Victoria B. Ortigas-Borromeo*	27 June 2013	3	0/1	0%
Member	Mr. Jose Luis O. Montilla	27 June 2013	3	3/3	100%
Member	Mr. Fernando M. Ortigas**	27 June 2013	3	2/2	100%
Member	Mr. Ignacio Rafael M. Ortigas**	27 June 2013	3	2/2	100%
Member	Mr. Jose C. Rodriguez IV	27 June 2013	3	2/3	66%
Independent	Mr. Roberto M. Paterno	27 June 2013	3	2/2	100%
Independent	Mr. Samson C. Lazo	27 June 2013	3	3/3	100%

*Was not a nominee for Director at the Annual Stockholders' Meeting held on 27 June 2013 (0/3 meetings attended in 2012)

**Elected as Director at the Annual Stockholders' Meeting held on 27 June 2013 and attended both the first and second Board meetings held since elected.

***Resigned effective 7 August 2013.

****Resigned effective 15 August 2013.

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

Ans: None.

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

Ans: A majority of the directors shall be necessary at all meetings to constitute a quorum for the transaction of any business and every decision of a majority of the quorum duly assembled as a board shall be valid as a corporate act. (Art III, Sec.2, By-Laws)

5) Access to Information

(a) How many days in advance are board papers[6] for board of directors meetings provided to the board?

Ans: By Company practice, board papers are sent to the directors along with the Notice of the meeting at least seven (7) days before the date of the meeting. Furthermore, materials for board presentations are also distributed to the directors at the start of the meetings.

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

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

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

Ans: The Company/Corporate Secretary has the following role/responsibilities under the Company's By-laws:

1. *Keep minutes of all meetings of the Board of Directors and of the Stockholders;*
2. *Keep the stock and transfer book and the corporate seal, which he shall stamp on all documents requiring such seal of the corporation;*
3. *Fill and countersign all the certificates of the stock issued, making corresponding annotations on the margin or stub of such certificate upon issuance;*
4. *Give, or cause to be given, all notices required by law or by-laws of the corporation as well as notices of all meetings of the Board of Directors and Stockholders; and*
5. *Perform such other duties as may be prescribed by the Board of Directors or the President.*

Under the Revised Manual on Corporate Governance, the Company Secretary has the following additional duties:

1. *Responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the corporation;*
2. *Work fairly and objectively with the Board, Management and stockholders;*
3. *Have a working knowledge of the operations of the corporation;*
4. *Inform the members of the Board, in accordance with the by-laws, of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;*
5. *Attend all Board meetings; and*
6. *Ensure that all Board procedures, rules and regulations are strictly followed by the members. (Revised Manual on Corporate Governance)*

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

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

Ans: Yes, the Corporate Secretary is a lawyer and has undergone adequate training to serve as such.

(e) Committee Procedures

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

Yes ☐ No ☐

Committee	Details of the procedures
Executive	The Company has no formal policy for this, but the Company ensures that directors have access to any information necessary for any committee meeting.
Audit	Yes, its charter provides that the Audit Committee shall have unrestricted access to all information relevant to its responsibilities, and may ask members of management to provide pertinent information as necessary. *(Audit Committee Charter)*
Nomination	The Company has no formal policy for this, but the Company ensures that directors have access to any information necessary for any committee meeting.
Remuneration	The Company has no formal policy for this, but the Company ensures that directors have access to any information necessary for any committee meeting.
Others (specify)	N/A

6) External Advice

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

Procedures	Details
Engagement of independent counsel, accountants, or other external consultants as necessary through coordination with management.	Under the Audit Committee Charter, the committees may engage independent counsel, accountants, or others to assist it in the conduct of any investigation *(Audit Committee Charter)*

7) Change/s in existing policies

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

Existing Policies	Changes	Reason
	There were no changes in existing policies introduced by the Board during its most recent term.	

D. REMUNERATION MATTERS

1) Remuneration Process

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

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Not applicable	The Compliance and Asset Manager, who is a regular employee of the Company, is the only managerial employee who has received compensation from the Company for the last three years. For the executive officers of the Company, such as the President and General Manager, Head of Finance and Corporate Secretary, there is no compensation given by the Company for their services, as they are performing these services not as regular employees of the Company but pursuant to the Management Agreement between the Company and OCLP.
(2) Variable remuneration	Not applicable	Not applicable
(3) Per diem allowance	Not applicable	Not applicable
(4) Bonus	Not applicable	The Board of Directors may, on a case-to-case basis, grant such other bonuses to its management officer(s) based on performance and on the performance of the Company.
(5) Stock Options and other financial instruments	Not applicable	Not applicable
(6) Others (specify)	Not applicable	Not applicable

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

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

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	None. The Executive Directors are seconded by virtue of the Management Agreement between	None	None

	the Company and OCLP and they do not receive any additional compensation for such services.		
Non-Executive Directors	The Company's Compensation Policy states: The compensation programs of the Corporation are intended to ensure that highly qualified Directors, Officers and Key Managers are attracted, motivated and retained for the Corporation's continued success and market leadership. In order to attain this objective, the Corporation believes that its compensation programs (a) should establish and maintain salary levels competitive with relevant industries and markets and at all times take into consideration internal equity; (b) should include reward systems tied to meeting annual and long-term Corporation financial and performance goals; and (c) should be such that actual compensation differentiates better performers from others. The amount of the bonus granted to Directors may not exceed 10% of the Corporation's operating income for the past year. Should the Corporation realize any extraordinary or non-recurring income, a separate bonus may be granted, the amount of which may not exceed 10% of the extraordinary income realized. However, the total bonus to be granted may not exceed 10% of the Corporation's total net income before income taxes for the year, and the multiplier percentage applied to extraordinary income shall not be greater than the multiplier percentage applied to operating income. The distribution of the bonus may be based on actual attendance at Board meetings and Board Committee meetings.	Please see Compensation policy	Please see Compensation policy

	The grant of bonuses to Directors should be approved by the Remuneration Committee, the Board of Directors, and the stockholders. The total compensation of Directors (including per diems, bonuses, etc.) may not exceed 10% of the Corporation's net income before income taxes during the preceding year. The Directors, as such, shall receive such other compensation for their services as may be from time to time approved by the stockholders. (Compensation for Directors and Officers Policy)		

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

Remuneration Scheme	Date of Stockholders' Approval
The Remuneration Committee periodically evaluates and, if the Committee deems appropriate, recommend to the Board adjustments in the amount of per diems taking into consideration that the total compensation of Directors (including per diems, bonuses, etc.) do not exceed 10% of the Corporation's net income before income taxes during the preceding year. The Committee may also recommend to and review with the Board any proposal to grant bonuses or other forms of remuneration to Directors, provided that any such proposal shall be subject to stockholders' approval as required by law and that the amount of the bonus granted to Directors does not exceed 10% of the Corporation's operating income for the past year. The Directors, therefore, shall not decide on their own compensation.	The grant of a Special Bonus to Non-Executive Directors was approved by the stockholders during the 15 February 2013 Special Stockholders' Meeting.

3) Aggregate Remuneration

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

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors

(a) Fixed Remuneration	N/A (Note: Services of Executive Directors are rendered by virtue of the Management Agreement between OCLP and CAC).	N/A	N/A
(b) Variable Remuneration	N/A	N/A	N/A
(c) Per diem Allowance	N/A	P7,500.00 each director per board meeting and P5,000.00 per diem allowance for each committee meeting attended.	P7,500.00 each director per board meeting and P5,000.00 per diem allowance for each committee meeting attended.
(d) Bonuses	N/A	A special bonus for the year 2012 amounting to P500,000.00 was divided equally by the Non-Executive Directors and approved by the stockholders during a meeting last 15 February 2013.	A special bonus for the year 2012 amounting to P500,000.00 was divided equally by the Non-Executive Directors and approved by the stockholders during a meeting last 15 February 2013.
(e) Stock Options and/or other financial instruments	N/A	N/A	N/A
(f) Others (Specify)	N/A	N/A	N/A
Total		P0.14 million for all non-executive directors. (Annual Report SEC 17-A for 2013)	

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

Total			

4) Stock Rights, Options and Warrants

(a) Board of Directors

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

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

(b) Amendments of Incentive Programs

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

Incentive Program	Amendments	Date of Stockholders' Approval
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

5) Remuneration of Management

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

Name of Officer/Position	Total Remuneration
Desiderio Fuerte, Jr./Planning & Engineering Manager*	Salary & Per Diems (Aggregate Amount) for 2012 P943,740.00 Bonus (Aggregate Amount) for 2012 P157,290.00 Other Annual Compensation for 2012 P102,000.00
N/A	
N/A	
N/A	
N/A	

*****_resigned as of August of 2014_.

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive		3		None	Perform functions specifically delegated to it by the Board of Directors.		Power to act on all such matters within the competence of the Board of Directors as may be specifically delegated to it by the Board of Directors.
Audit		3	2	Yes	Assist the Board in fulfilling its oversight responsibilities by reviewing the financial information, the systems of internal controls, and the audit process *(Audit Committee Charter).*	Provide an open avenue of communication between the Board, Management, the Internal Auditors, and the External Auditor.	To authorize investigations into any matters within the Committee's scope of responsibilities, review internal controls and assess significant risks, review financial reporting, recommend the external auditor, and supervise the Company's internal auditor.
Nomination		3	1	Yes	* Promulgate guidelines or criteria to govern the conduct of the nomination of directors. * Pre-screen the qualifications and prepare a final list of all candidates for directors. * Put in place screening policies and	The Committee shall convene to screen and evaluate the list of candidates submitted to it to fill up the eleven (11) seats of the Board (inclusive of two independent directors as required by law) prior to the date of election conducted by the corporation's	The power to review and evaluate the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring Board appointment.

					parameters to enable it to effectively review the qualifications of the nominees. *Prepare a final list of candidates which shall contain all information about the nominees. *Prepare a final list of candidates which shall contain all information about the nominees. (*Nomination Committee Charter)*	stockholders during the annual stockholders' meeting normally held in June of each year.	
Remuneration		5	2	No	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 the business environment in which it operates.	* Designate the amount of remuneration, which shall be in a sufficient level to attract and retain the services of qualified and competent directors and officers * Establish a formal and transparent procedure for developing a policy on executive remuneration or determination of remuneration levels of individual directors, if any, and officers, depending on the particular needs of the corporation * Develop a form on Full Business Interest Disclosure as part of the pre-employment requirement for all incoming officers, which among others compel all	

						officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired * Disallow any director to decide his or her own remuneration * Provide in the corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of all compensation paid to its directors and top four (4) management officers during the previous fiscal year * Review (if any) of the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirement that must be periodically met in their respective posts *Or in the absence of such Personnel Handbook, cause the development of such, covering the same parameters of	

						governance stated above *(Manual on Corporate Governance).*	
Others (specify)							

2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ED)			0	N.A.	N.A.	
Member (ED)			0	N.A.	N.A.	
Member (NED)	Francisco M. Ortigas III	27 June 2013	0	N.A.	N.A.	2
Member (NED)	Jose C. Rodriguez IV	27 June 2013	0	N.A.	N.A.	2
Member(NED)	Jose Luis O. Montilla	27 June 2013	0	N.A.	N.A.	2

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Samson C. Lazo	27 June 2013	3	3	100%	7
Member (NED)	Francisco M. Ortigas III	27 June 2013	3	2	50%	8*
Member (ID)	Roberto M. Paterno	27 June 2013	3	3	75%	8
Member (NED)	Jose C. Rodriguez IV	27 June 2013	3	3	75%	8*

Member (NED)	Jaime M. Ortigas	27 June 2013	3	3	100%	8

* Based on available records

Disclose the profile or qualifications of the Audit Committee members.

Ans: Samson C. Lazo
69 years old, Filipino, Independent Director, CAC (current term of office: June 2013 to present)
President and Chief Operating Officer, Private Infra Development Corporation (until June 2012)

Francisco M. Ortigas III
68 years old, Filipino, Director, CAC (current term of office: June 2013 to present)
Director, OCLP Holdings, Inc. (until 31 May 2012)
Trustee, Ortigas Foundation, Inc.

Roberto M. Paterno
77 years old, Filipino, Independent Director, CAC (current term of office: June 2013 to present)
Chairman of the Board of Trustees, Philippine Cancer Society
Consultant, Manila Electric Company

Jose C. Rodriguez IV
45 years old, Filipino, Acting Chairman/President, CAC (current term of office: June 2013 to present)
Vice President, Infonet Computers Inc.

Jaime M. Ortigas
69 years old, Filipino, Director, CAC (current term of office: June 2013 to present)
Trustee, Ortigas Foundation, Inc.
Managing Director, Xaviera Holdings, Inc.

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

Ans: The Audit Committee's responsibilities relative to the external auditor are as follows:

a. *Recommend to the board of directors the External Auditor to be nominated, approve the compensation of the External Auditor, and review and disapprove the discharge of the External Auditor;*
b. *Review the scope and approach of the annual audit with the External Auditor before the audit commences and ensure coordination where more than one audit firm is involved;*
c. *Assess the External Auditor's process for identifying and responding to key audit and internal control risks.*
d. *Review the External Auditor's identification of issues and business and financial risks and exposures.*
e. *Confirm and assure the independence of the External Auditor;*
f. *Evaluate and determine the non-audit work by the External Auditor and keep under review the non-audit fees paid to the External Auditor and in relation to the Company's total expenditure on consultancy.*
g. *Instruct the External Auditor to communicate to report directly to the audit committee any serious difficulties or disputes with management.*
(Audit Committee Charter)

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Roberto M. Paterno	27 June 2013	2	2	100%	8
Member	Alberto M. Montilla	27 June	2	2	100%	2

(NED)		2013				
Member (NED)	Fernando M. Ortigas	27 June 2013	2	2	100%	1
Member (NED)	Ignacio Rafael M. Ortigas	27 June 2013	2	2	100%	1
Non-voting Member	Michael David I. Abundo III	27 June 2013	2	2	100%	3

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Roberto M. Paterno	27 June 2013	0	N.A	N.A	8
Member (NED)	Jose C. Rodriguez IV	27 June 2013	0	N.A	N.A	8*
Member (ID)	Samson C. Lazo	27 June 2013	0	N.A	N.A	7
Member (NED)	Jaime M. Ortigas	27 June 2013	0	N.A	N.A	8*
Member (NED)	Alberto M. Montilla	27 June 2013	0	N.A	N.A	8*
Member (NED)	Fernando M. Ortigas	27 June 2013	0	N.A	N.A	1
Member (NED)	Jose Luis O. Montilla	27 June 2013	0	N.A	N.A	1

* Based on available records

(e) Others (Specify)

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

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

2) Changes in Committee Members

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

Name of Committee	Name	Reason
Audit	N/A	N/A
Others (specify)	N/A	N/A

3) Work Done and Issues Addressed

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

Name of Committee	Work Done	Issues Addressed
Executive	N/A	N/A
Audit	Implemented an action plan to address the gaps between the Audit Committee Charter and the Guidelines contained in SEC Memo Circular No. 4	The possible gap between the Audit Committee Charter and the Guidelines.
Nomination	Evaluated nominees for Director for the 2014 Annual Stockholders' Meeting and issued a final list of nominees.	The qualifications of the nominees for the 2014 Annual Stockholders' Meeting.
Remuneration	N/A	N/A
Others (specify)	N/A	N/A

4) Committee Program

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

Name of Committee	Planned Programs	Issues to be Addressed
Executive	N/A	N/A
Audit	The possible amendment of the Audit Committee Charter, considering the Guidelines set forth in SEC Memo Circular No. 4.	The gap between CAC's Audit Committee Charter and the Guidelines.
Nomination	Evaluation of nominees for Director for the next Annual Stockholders' Meeting.	Nominees for Directors of the Company.
Remuneration	N/A	N/A
Others (specify)	N/A	N/A

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company;

Ans: The Company does not have a formal risk management policy. The risk management function is currently handled by Management in the course of ordinary operations with oversight by the Board of Directors.

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

Ans: The Board as a whole reviews and ensures that a sound internal audit, control and compliance system is in place taking into consideration the scope of operations of the Company. However, this is not attested to in writing.

(c) Period covered by the review;

Ans: The review of the risks faced by the Company is conducted every quarter.

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

Ans: In the course of reviewing the risks faced by the Company every quarter, the Board indirectly reviews the risk management system currently in place.

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

2) Risk Policy

(a) Company

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

Ans: The Company does not have a formal risk management policy. The risk management function is currently handled by Management in the course of ordinary operations with oversight by the Board of Directors.

Risk Exposure	Risk Management Policy	Objective
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

(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:

Ans: The Group does not have a formal risk management policy. The risk management function for the Group is currently handled by the Company's Management in the course of ordinary operations with oversight by the Company's Board of Directors.

Risk Exposure	Risk Management Policy	Objective
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

(c) Minority Shareholders

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

Risk to Minority Shareholders
None

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:

Ans: The Board as a whole reviews and ensures that a sound internal audit, control and compliance system is in place, taking into consideration the scope of operations of CAC. The Company has a Manual on Corporate Governance, which contains policies, rules and regulations for compliance with the requirements of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). The Company likewise has a Board-approved Internal Approving Procedure that sets forth the requirements for the approval of certain corporate actions. However, the Company does not have a formal risk management and control system or a monitoring and

measurement process.

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

(b) Group

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

Ans: The Group does not have a formal risk management and control system or a monitoring and measurement process.

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

(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:

Ans: The Board as a whole reviews and ensures that a sound internal audit, control and compliance system is in place, taking into consideration the scope of operations of the Company.

Committee/Unit	Control Mechanism	Details of its Functions
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

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;

Ans: The Company's Internal Auditor assesses the risk exposure of auditable units/process in the organization and develops the annual internal audit plan based on the results of said risk assessment.

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

Ans: The Board as a whole reviews and ensures that a sound internal audit, control and compliance system is in place taking into consideration the scope of operations of the Company. However, this is not attested to in writing.

(c) Period covered by the review;

Ans: The most recent review conducted by the Internal Auditor of the Company's Internal Control System covered the year 2014.

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

Ans: The Company's Internal Auditor reports semi-annually to the Audit Committee the result of audit undertakings and the status of audit recommendations and/or management action plans in mitigating the reported risks.

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

Ans: A review was conducted for the year 2014.

2) Internal Audit

(a) Role, Scope and Internal Audit Function

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

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
Assesses the effectiveness of, and adherence to, internal controls, compliance and risk management policies, procedures and practices prescribed by the organization. It assists the Audit Committee, the Board of Directors and senior management in fulfilling their responsibilities with respect to the adequacy and effectiveness of the internal control environment.	It has the authority to audit and investigate any activity, or the individual responsible for such activity. It has unrestricted access to records, information, personnel and physical properties throughout the organization relevant to the performance of the audit function.	In-house	Mario S. Evangelista	Internal Audit is under the overall direction of the Internal Audit Manager who reports administratively to the President. The Internal Audit Manager reports on a functional basis to the Chairperson of the Audit Committee. The Internal Audit Manager reports at least semi-annually to the Audit Committee.

(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?

Ans: Yes. The Audit Committee reviews and concurs in the appointment, replacement, reassignment, or dismissal of the Internal Audit Head. (Audit Committee Charter)

(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?

Ans: The Audit Committee establishes and identifies the reporting line of the Internal Audit Head so that the reporting level allows the Internal Audit activity to fulfill its responsibilities. The Internal Audit Head reports directly to the Audit Committee functionally. The Audit Committee ensures that the internal auditors shall have free and full access to the Company's records, properties and personnel relevant to the internal audit activity and that the internal audit activity should be free from interference in determining the scope of internal audit examinations, performing work, and communicating results. (Audit Committee Charter)

(d) Resignation, Re-assignment and Reasons

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

Name of Audit Staff	Reason
Crystal Andrea S. Cheng	Job Opportunity

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

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

Progress Against Plans	**On track**
Issues[7]	**On track**
Findings[8]	**On track**
Examination Trends	**On track**

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

a. Preparation of an audit plan inclusive of a timeline and milestones;
b. Conduct of examination based on the plan;
c. Evaluation of the progress in the implementation of the plan;
d. Documentation of issues and findings as a result of the examination;
e. Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
f. Conduct of the foregoing procedures on a regular basis.

(f) Audit Control Policies and Procedures

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

Policies & Procedures	Implementation
The Audit Committee, with the assistance of the Internal Auditor, considers and reviews with Management, the significant findings during the	Gaps were identified and the action plan is being implemented in accordance with the Company's policies and procedures.

[7] "Issues" are compliance matters that arise from adopting different interpretations.
[8] "Findings" are those with concrete basis under the company's policies and rules.

year and Management's responses thereto, including the timetable for implementation of the recommendations to correct weaknesses in internal control.	

(g) Mechanisms and Safeguards

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

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
The Audit Committee Charter provides that the Audit Committee shall ensure that the internal audit activity should be free from interference in determining the scope of internal and audit examinations, performing work, and communicating results.	None	None	None

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

Ans: The Chairman of the Board and President, Mr. Jose C. Rodriguez IV, and the Vice President/Acting General Manager/Corporate Secretary/Compliance Officer, Atty. Michael David I. Abundo III, can attest to the Company's full compliance with the SEC Code of Corporate Governance.

H. ROLE OF STAKEHOLDERS

a. Disclose the company's policy and activities relative to the following:

In general, the Company understands and responds to community concerns and it works under the following principles: (1) place a broad interpretation on the environment and the community; (2) listens to community concerns; and (3) acknowledges the various needs of special interest groups. However, the Company does not have specific policies regarding the items listed below.

Nevertheless, the Company and the community in which it operates implemented various development programs hand-in-hand and in accordance with the agreed schedule and manner of implementation indicated in the Company's approved Social Development and Management Program, which was approved on December 15, 2004 by the Mines and Geosciences Bureau (MGB). The Company believes that community development programs produce continual and collective benefits for the company, the community and the environment.

	Policy	Activities
Customer's welfare	**N/A**	**N/A**
Supplier/contractor selection practice	**N/A**	**N/A**
Environmentally friendly value chain	**N/A**	**N/A**
Community interaction	**N/A**	**N/A**
Anti corruption programmes and procedures	**N/A**	**N/A**
Safeguarding creditors' rights	**N/A**	**N/A**

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

Ans: No, the Company does not have a separate CR or sustainability report.

c. Performance-enhancing mechanisms for employee participation.

i. What are the company's policies for its employees' safety, health, and welfare?

Ans: The Company does not have a formal policy on employees' safety, health and welfare and believes it is not advisable to develop and implement such a policy at this time, taking into account the current scope of its operations and manpower complement.

ii. Show data relating to health, safety and welfare of its employees.

Ans: Not applicable

iii. State the company's training and development programs for its employees. Show the data.

Ans: The Company does not have formal training and development programs for its employees and believes it is not advisable to develop and implement such programs at this time, taking into account the current scope of its operations and manpower complement.

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

Ans: The Compensation programs of the Company are intended to ensure that highly qualified Directors, Officers and Key Managers are attracted, motivated and retained for the Corporation's continued success and market leadership.

In order to attain this objective, the Corporation believes that its compensation programs (a) should establish and maintain salary levels competitive with relevant industries and markets and at all times take into consideration internal equity; (b) should include rewards system tied to meeting annual and long-term Corporation financial and performance goals; and (c) should be such that actual compensation differentiates better performers from others.

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

The Company does not have formal procedures for handling complaints by employees concerning illegal and unethical behavior and believes it is not advisable to develop and implement such procedures at this time, taking

into account the current scope of its operations and manpower complement.

I. DISCLOSURE AND TRANSPARENCY

a. Ownership Structure

i. Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
Ortigas & Company, Limited Partnership	**21,007,588**	**76.48%**	**Ortigas & Company, Limited Partnership (Same Entity)**

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Michael David I. Abundo III	0	0	N/A
Ceasar D. Buenaventura	0	0	N/A
Jose Antonio V. Evangelista III	1	0	Negligible
Ronilo B. Quiat	0	0	N/A
TOTAL	1	0	Negligible

b. Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	N/A
Details of whistle-blowing policy	No
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes, except that the Date of first appointment is not stated
Training and/or continuing education programme attended by each director/commissioner	No. Such information is not required to be included in the Annual Report.
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes, as applicable.

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

c. External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
Isla Lipana & Co.	**P220,000.00**	**P25,300.00 out-of-pocket expenses**

d. Medium of Communication

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

1. Verbal Communication (i.e. phone calls)
2. Written Correspondence (i.e. personally delivered letters, registered mail, e-mail)
3. The Company's website
4. Reports and disclosures to the SEC and PSE.

e. Date of release of audited financial report: *15 April 2014*

f. Company Website

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

Business operations	**Yes**
Financial statements/reports (current and prior years)	**Yes**
Materials provided in briefings to analysts and media	**N/A**
Shareholding structure	**Yes**
Group corporate structure	**Yes**
Downloadable annual report	**Yes**
Notice of AGM and/or EGM	**Yes (as an attachment to the Definitive Information Statement)**
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.

The Company did not have any analysts or media briefings in 2014.

g. Disclosure of RPT

RPT	Relationship	Nature	Value
OCLP and CAC	CAC is a subsidiary of OCLP	In November 2007, OCLP purchased the Company's 12 hectares of land located in Longos, Bagumbayan, Quezon City.	Php1.13 billion, with a Php260 million down payment and the remaining balance payable in forty equal quarterly payments starting April 2009 at interest of 6% per annum on the principal
OCLP and CAC	CAC is a subsidiary of OCLP	In July 2010, OCLP purchased the Company's property	Php30.9 million with a Php3.09 million down payment and the

		located in Tatala, Binangonan, Rizal.	remaining balance payable in three equal annual payments starting July 2011 at 6% interest per annum on the principal
OCLP and CAC	CAC is a subsidiary of OCLP	The Company renewed the Management Agreement with OCLP commencing on 1 November 2010.	In 2014, the monthly management fee paid by the Company to OCLP amounted to Php139,497.57 inclusive of Value-added Tax (VAT)
OCLP and CAC	CAC is a subsidiary of OCLP	The Company receives non-interest bearing, unsecured advances from OCLP.	Around Php0.20 million

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?

Ans: The Company has not defined a specific process for RPT's. However, the Company complies with all applicable laws and regulations, including the Corporation Code of the Philippines and the PSE Disclosure Rules, in relation to the disclosure and approval of related party transactions. In particular, the necessary stockholders' approvals are obtained when required by law.

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 outstanding capital stock

(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

Ans: At every meeting of stockholders of the corporation, every stockholder entitled to vote shall be entitled to one vote for each share of stock registered in his name in the books of the corporation. Every stockholder may so vote by proxy, provided the proxy shall be appointed in writing by the stockholder himself or by his duly authorized representative. (CAC's By-Laws).

System Used	Voting
Description	The system used to approve corporate acts is done through voting, either by a show of hands, by viva voce, or through ballots.

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meetings that differ from those laid down in

the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights not in The Corporation Code
Regular and Special Meetings of Stockholders or Members. — Regular meetings of stockholders or members shall be held annually on a date fixed in the by-laws, or if not so fixed, on any date in April of every year as determined by the board of directors or trustees: Provided, That written notice of regular meetings shall be sent to all stockholders or members of record at least two (2) weeks prior to the meeting, unless a different period is required by the by-laws. Special meetings of stockholders or members shall be held at any time deemed necessary or as provided in the by-laws: Provided, however, That at least one (1) week written notice shall be sent to all stockholders or members, unless otherwise provided in the by-laws. Notice of any meeting may be waived, expressly or impliedly, by any stockholder or member. Whenever, for any cause, there is no person authorized to call a meeting, the Securities and Exchange Commission, upon petition of a stockholder or member, and on the showing of good cause therefor, may issue an order to the petitioning stockholder or member directing him to call a meeting of the corporation by giving proper notice required by this Code or by the by-laws. The petitioning stockholder or member shall preside thereat until at least a majority of the stockholders or members present have chosen one of their number as presiding officer. (Section 50, Corporation Code)	Special meetings of stockholders may be called by the President or by the Board of Directors whenever he or they may deem it necessary and it shall be the duty of the President to call such special meeting whenever the stockholders on record of not less than one-fourth of the outstanding capital stock with voting privilege shall so request in writing. *(CAC's Amended By-Laws)*

Dividends

Ans: The Company declared dividends out of the unrestricted retained earnings of 2013, as follows:

Declaration Date	Record Date	Payment Date
20 March 2014	3 April 2014	11 April 2014

(d) Stockholders' Participation

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

Measures Adopted	Communication Procedure
The stockholders present during the meeting are encouraged to ask questions to ensure that the right information is properly communicated to them.	As each agenda item is discussed during the meeting, and after all agenda items for the meeting have been discussed, the Chairman opens the floor for questions from the stockholders present.

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

a. Amendments to the company's constitution

Ans: The Company has no formal policy on this, but adheres to the requirements of the Corporation Code and the Securities Regulation Code, including the notice and voting requirements for this corporate action.

b. Authorization of additional shares

Ans: The Company has no formal policy on this, but adheres to the requirements of the Corporation Code and the Securities Regulation Code, including the notice and voting requirements for this corporate action.

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

Ans: The Company has no formal policy on this, but adheres to the requirements of the Corporation Code and the Securities Regulation Code, including the notice and voting requirements for this corporate action.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?

Ans: The Company complies with the requirements of the Securities Regulation Code for the sending of the Notices of the Annual Stockholders' Meetings. For the 2014 Annual Stockholders' Meeting, the Notices were sent out 15 business days before the meeting and was initially scheduled on 26 June 2014 but was rescheduled to 28 August 2014. On 28 August 2014, the Annual Stockholders' Meeting did not push through due to the absence of a quorum.

a. Date of sending out notices:

Ans: 5 August 2014

b. Date of the Annual/Special Stockholders' Meeting:

c. *Ans: 28 August 2014*

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

Ans: None

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

6. Resolution	7. Approving	8. Dissenting	9. Abstaining

* The 28 August 2014 Annual Stockholders' Meeting of CAC did not push through due to lack of quorum.

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

Ans: The Annual Stockholders' Meeting of CAC did not push through as the quorum required under Section 52 of the Corporation Code for the holding of the meeting was not obtained. (as disclosed through SEC Form 17-C dated 28 August 2014)

(e) Modifications

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

Modifications	Reason for Modification
N/A	N/A
N/A	N/A
N/A	N/A

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual						

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

Ans: No, the office of the Corporate Secretary handles the counting and 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.

Ans: Yes, each share is entitled to 1 vote.

(g) Proxy Voting Policies

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

	Company's Policies
Execution and acceptance of proxies	At every meeting of stockholders of the corporation, every stockholder entitled to vote shall be entitled to one vote for each share of stock registered in his name in the books of the corporation. Every stockholder may so vote by proxy, provided the proxy shall be appointed in writing by the stockholder himself or by his duly authorized representative. In addition, CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Notary	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Submission of Proxy	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Several Proxies	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Validity of Proxy	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Proxies executed abroad	CAC follows the SEC Rules and Regulations in accordance with the Corporation Code and the SRC.
Invalidated Proxy	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Validation of Proxy	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.
Violation of Proxy	CAC implements the SEC Rules and Regulations on proxies, as well as the pertinent provisions of the Corporation Code and the Securities Regulation Code.

(h) Sending of Notices

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

Policies	Procedure
Notices of the time and place of holding the annual meeting or any special meeting of the stockholders, shall be given either by posting the same enclosed in a postage prepared envelope addressed to each stockholder of record entitled to vote at the address left by the stockholders with the Secretary of the corporation, or his last known address, or by delivering the same to him in person, at least three (3) days before the date set for such meeting. The notice of every special meeting shall state briefly the objects of the meeting and no other business shall be transacted at such meeting except by the consent of all stockholders of the corporation entitled to vote.	Together with copies of the Definitive Information Statement, notices of the time and place of holding the annual meeting or any special meeting of the stockholders are sent by hand or by registered mail to each stockholder of record at least fifteen (15) days before the date set for such meeting. The notice of every special meeting shall state briefly the objects of the meeting and no other business shall be transacted at such meeting except by the consent of all stockholders of the corporation entitled to vote.

(Amended By-Laws)	

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	640 stockholders as of record date for the 2014 ASM.
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	5 June 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	5 June 2014
State whether CD format or hard copies were distributed	Hard copies only
If yes, indicate whether requesting stockholders were provided hard copies	

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

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes, except that the Date of first appointment is not stated, as it is not required.
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	N/A
The amount payable for final dividends.	N/A
Documents required for proxy vote.	N/A

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

2) Treatment of Minority Stockholders

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

Policies	Implementation
The Board shall be committed to respect the following rights of the minority stockholders as provided in the Corporation Code, namely:	It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights.

The right to vote on all matters that require their consent or approval;	Minority stockholders are reminded of, and allowed to exercise, their right to vote at all stockholders' meetings. The Board is transparent and fair in the conduct of the annual and special stockholders' meetings of the corporation. The stockholders are encouraged to personally attend such meetings. If they cannot attend, they are apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy is resolved in the stockholder's favor. The Board promotes the rights of the stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights. The Board takes the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy. Accurate and timely information is made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval. Although all stockholders should be treated equally or without discrimination, the Board gives 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.
Pre-emptive rights to all stock issuances of the corporation (unless denied in the articles of incorporation);	The Company has no specific policy on pre-emptive rights, but complies with the requirements on shareholders' rights contained in the Corporation Code.
Right to information;	The reports or disclosures required under the Company's Manual of Corporate Governance are prepared and submitted to the Commission by the responsible Committee or officer through the corporation's Compliance Officer. All material information about the corporation which could adversely affect its viability or the interests of the stockholders are publicly and timely disclosed. Such information include earnings results, acquisition or disposal of assets, off balance sheet transactions, related party transactions and direct and indirect remuneration of members of the Board and Management.

	All disclosed information are released via the approved stock exchange mechanisms and submissions to the Commission. The Board commits at all times to fully disclose material information dealings. It causes the filing of all required information for the interest of the stakeholders.
Right to Dividends; and	Minority stockholders receive dividends in accordance with the declaration of such by the Board of Directors.
Appraisal Right.	The shareholders may exercise their appraisal rights, under any of the following circumstances: • In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; • In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and • In case of merger or consolidation.

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

Ans: Yes. The minority stockholders of CAC have the right to nominate candidates for the board of directors through the Nomination Committee.

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.

Ans: The Company currently has no formal policy on external and internal communications.

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.

Ans: The Company currently has no formal investor relations program.

	Details
(1) Objectives	N/A
(2) Principles	N/A
(3) Modes of Communications	Through written notifications, letters, emails, publications and the Company website.
(4) Investors Relations Officer	The Company's investor relations are handled by the Corporate Information Officer and the Legal Department.

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?

Ans: The Company has no specific rules and procedures in this regard.

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

Ans: N/A

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

The Company and the community in which it operated implemented various development programs hand-in-hand and in accordance with the agreed schedule and manner of implementation indicated in the Company's approved Social Development and Management Program (SMDP), which was approved on 15 December 2004 by the Mines and Geosciences Bureau (MGB).

In 2008, CAC turned over the funds intended for the implementation of its SDMP for the community and the environment to the operator of its quarry, Batong Angono Aggregates Corporation.

Initiative	Beneficiary
Implementation of a Social Development Program including a continuing Information, Education and Communication (IEC) Program to explain to all stakeholders the mitigative measures embodied in its Environment Impact Statement, as well as the ECC conditions among the local residents and community assistance program for livelihood and skills training among affected families.	Residents and inhabitants of the mining/quarrying site.
Helping develop the host and neighboring communities of the Contract Area, local geo-science and mining technology, and mitigating environment effects of Quarry Operations.	Residents and inhabitants of the mining/quarrying site, including the neighboring communities.
Help create self-sustaining income-generating activities, such as but not limited to reforestation and production of goods and services needed by the mine.	Residents and inhabitants of the mining/quarrying site, including the neighboring communities

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

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

	Process	Criteria
Board of Directors		
Board Committees	The Board reviews the performance of Board Committees, including the policies implemented and the contributions made during the year.	The Board reviews the annual performance of the Committees in general terms.
Individual Directors	The Board reviews the performance of each individual director, including the contributions made during the year.	The Board reviews the annual performance of the individual directors in general terms.
CEO/President	The Board reviews the performance of the CEO/President, including the policies implemented and the contributions made during the year.	The Board reviews the CEO/President's annual performance in general terms.

N. INTERNAL BREACHES AND SANCTIONS

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

Violations	Sanctions
First violation	The subject person shall be reprimanded *(Revised Manual on Corporate Governance)*
Second Violation	Suspension from office shall be imposed. The duration of the suspension shall depend on the gravity of the violation. *(Revised Manual on Corporate Governance)*
Third violation	The maximum penalty of removal from office shall be imposed. *(Revised Manual on Corporate Governance)*

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Pasig on 27 June 2013.

SIGNATURES

J. Rowell L. Recinto	Emmanuel A. Rapadas
Chairman of the Board	**President**
Roberto M. Paterno	Samson C. Lazo
Independent Director	**Independent Director**
Michael David I. Abundo III	
Compliance Officer	

SUBSCRIBED AND SWORN to before me this _____ day of _____20__ , affiant(s) exhibiting to me their passport or driver's license as follows:

NAME/NO.	DATE OF ISSUE	PLACE OF ISSUE
J. Rowell L. Recinto/XX4012723	23 June 2009	San Francisco, USA
Emmanuel A. Rapadas/EB2154430	28 March 2011	Manila
Michael David I. Abundo III/EB8168183	22 May 2013	Manila
Roberto M. Paterno/XX2652991	5 December 2008	Manila
Samson C. Lazo/N17-64-005880	27 July 2009	Quezon City

NOTARY PUBLIC

Doc No._____
Page No._____
Book No._____
Series of _____