



Alsons Consolidated Resources, Inc.

(Listed in the Philippine Stock Exchange Trading Symbol "ACR")

2nd Floor, Alsons Building
2286 Chino Roces Ext., (formerly P. Tamo Ext.,) Makati City
1231 Metro Manila Philippines
Tel. Nos.: (632) 982-3000 Fax Nos.: (632) 982-3077
Website: www.acr.com.ph

May 30, 2019

Securities & Exchange Commission

Attn.: Director Rachel Esther J. Gumtang-Remalante
Officer-In-Charge
Corporate Governance and Finance Department
Secretariat Bldg., PICC Complex, Roxas Blvd., Pasay City

via PSE EDGE

Philippine Stock Exchange, Inc.

Attn.: Ms. Janet A. Encarnacion
Head – Disclosure Department
Listings and Disclosure Group
9th Floor, PSE Tower, BGC, Taguig City

via electronic mail

Philippine Dealing & Exchange Corp.

Attn.: Atty. Joseph B. Evangelista
Head-Issuer Compliance and Disclosures Dept.
Market Regulatory Services Group
37/F, Tower 1, The Enterprise Center
6766 Ayala Avenue cor Paseo de Roxas, Makati City

Re : **ACR Integrated Annual Corporate Governance Report 2018**

Gentlemen:

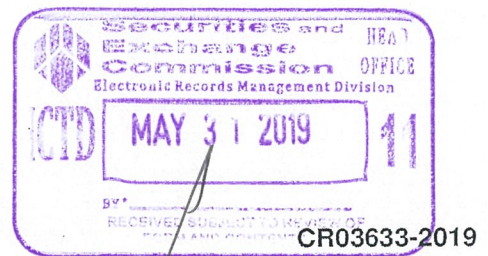
In compliance with the SEC Memorandum Circular No. 15, Series of 2017, we are submitting the Integrated Annual Corporate Governance Report (SEC Form I-ACGR) of Alsons Consolidated Resources, Inc. (ACR) for the year 2018.

Very truly yours,

ALSONS CONSOLIDATED RESOURCES, INC.

By:

ANGEL M. ESGUERRA, III
Assistant Corporate Secretary and
Corporate Compliance Officer

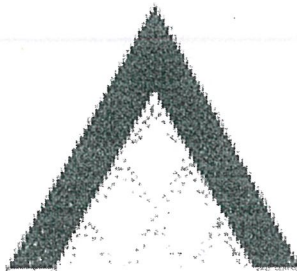


SECURITIES AND EXCHANGE COMMISSION
SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended
Dec 31, 2018
2. SEC Identification Number
59366
3. BIR Tax Identification Number
001-748-412
4. Exact name of issuer as specified in its charter
ALSONS CONSOLIDATED RESOURCES, INC.
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
ALSOND BLDG., 2286 CHINO ROCES AVENUE, MAKATI CITY, PHILIPPINES
Postal Code
1231
8. Issuer's telephone number, including area code
(632) 982-3000
9. Former name, former address, and former fiscal year, if changed since last report
-

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Alsons Consolidated Resources, Inc.

ACR

PSE Disclosure Form I-ACGR - Integrated Annual Corporate Governance Report
Reference: SEC Code of Corporate Governance for Publicly-Listed Companies, PSE
Corporate Governance Guidelines, and ASEAN Corporate Governance Scorecard

Description of the Disclosure

In compliance with the SEC Memorandum Circular No. 15, Series of 2017, we are submitting the Integrated Annual Corporate Governance Report (SEC Form I-ACGR) of Alsons Consolidated Resources, Inc. (ACR) for the year 2018. (AMENDED TO CORRECT THE '1. FOR THE FISCAL YEAR ENDED' TO DECEMBER 31, 2018)

Filed on behalf by:

Name	Jose Saldivar, Jr.
Designation	Finance Manager

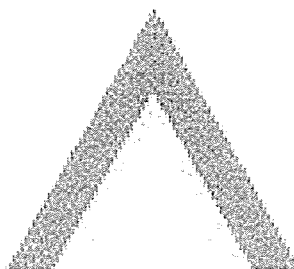
SECURITIES AND EXCHANGE COMMISSION

SEC FORM - I-ACGR

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Filed on behalf by:

Name

Jose Saldivar, Jr.

Designation

Finance Manager

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
The Board's Governance Responsibilities			
“Principle 1: The company should be headed by a competent, working board 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 long-term best interests of its shareholders and other stakeholders.”			
Recommendation 1.1			
“1. The Board is composed of directors with a collective working knowledge, experience or expertise that is relevant to the company's industry/sector.”	Compliant	As set forth in the Company's Information Statement pursuant to section 20 of the Securities Regulation Code (“20-IS”), filed with the Commission on 15 April 2019, and found in www.acr.com.ph/filings.php as “1. Definitive Information-Statement & Management Report”, pages 9 through 13, the Company's Directors have a collective working knowledge, experience or expertise that is relevant to the company's industry/sector, the Board has an appropriate mix of competence and expertise, and the Directors remain qualified for their positions individually and collectively, to enable them to fulfill its roles and responsibilities and respond to the needs of the organization	
“2. Board has an appropriate mix of competence and expertise”	Compliant		
“3. Directors remain qualified for their positions individually and collectively, to enable them to fulfill its roles and responsibilities and respond to the needs of the organization.”	Compliant		
Recommendation 1.2			
“1. Board is composed of a majority of non-executive directors.	Compliant	Of the Company's 11 Directors, only 3 are “executive directors”, i.e. (1) the Chairman & President, (2) the Treasurer, and (3) the Executive Vice President.	
Recommendation 1.3			
“1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.”	Compliant	In www.acr.com.ph/corp_governance.php , the Company's New Manual on Corporate Governance, 1.3, provides that “The Company shall train its Directors, and provide an orientation program for first-time Directors and relevant annual continuing training for all Directors.” The Company also ensures that all of its Directors attend an annual corporate governance seminar.	
“2. Company has an orientation program for first time directors.”	Compliant		
“3. Company has relevant annual continuing training for all directors.”	Compliant		
Recommendation 1.4			
“1. Board has a policy on board diversity.”	Compliant	The Company's Board approved its Board Diversity Policy on 24 April 2017 along with the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php .	
Optional Recommendation 1.4			
“1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.”	Compliant	The Company's Board Diversity Policy of 24 April 2017, attached to the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , shows the Company has a policy on, and discloses, measurable	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
objectives for implementing its board diversity, and reports on progress in achieving its objectives.			
Recommendation 1.5			
“1. Board is assisted by a Corporate Secretary.”	Compliant	As set forth in the Company’s articles and by-laws, as amended, and its GISs, all found at www.acr.com.ph , the Board always appoints a Corporate Secretary who assists the Board, but who is not the Compliance Officer, or a Director, and who attends the annual corporate governance seminars. The qualifications and duties of the Corporate Secretary are set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 1.5.	
“2. Corporate Secretary is a separate individual from the Compliance Officer.”	Compliant		
“3. Corporate Secretary is not a member of the Board of Directors.”	Compliant		
“4. Corporate Secretary attends training/s on corporate governance.”	Compliant		
Recommendation 1.6			
“1. Board is assisted by a Compliance Officer.”	Compliant	As set forth in the Company’s filings and disclosures, all found at www.acr.com.ph , the Board – since the requirement was imposed – always appoints a Compliance Officer who assists the Board, who has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the Company, who is not a Director, and who attends the annual corporate governance seminars. The qualifications and duties of the Compliance Officer are set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 1.6.	
“2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.”	Compliant		
“3. Compliance Officer is not a member of the board.”	Compliant		
“4. Compliance Officer attends training/s on corporate governance.”	Compliant		
“ Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.”			
Recommendation 2.1			
“1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.”	Compliant	As set forth in the Company’s filings and disclosures, all found at www.acr.com.ph , the Board acts on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company.	
Recommendation 2.2			
“1. Board oversees the development, review and approval of the company’s business objectives and strategy.”	Compliant	As set forth in the Company’s filings and disclosures, all found at www.acr.com.ph , the Board oversees and/or monitors the development, review, approval, and implementation of the Company’s business objectives and strategy.	
“2. Board oversees and monitors the implementation of the company’s business objectives and strategy.”			
Supplement to Recommendation 2.2			
“1. Board has a clearly defined and updated	Compliant	The Company’s vision, mission, and core values are all	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
vision, mission and core values.”		found at www.acr.com.ph/mission_vision.php .	
“2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company’s business environment, and culture.”	Compliant	The Board’s strategy execution process involves overseeing and/or monitoring the development, review, approval, and implementation of the Company’s business objectives and strategy, which process facilitates effective management performance, and is attuned to the Company’s business environment, and culture.	
Recommendation 2.3			
“1. Board is headed by a competent and qualified Chairperson.”	Compliant	As set forth in the 20-1S, and found in www.acr.com.ph/filings.php , the Board is headed by a competent and qualified Chairman, Mr. Tomas I. Alcantara.	
Recommendation 2.4			
“1. Board ensures and adopts an effective succession planning program for directors, key officers and management.”	Compliant	The Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 2.4, states: “Subject to the Company’s size, risk profile and complexity of operations, the Board may include in this program a retirement age for Directors and Officers as part of Management succession and to promote dynamism in the Company.”	
“2. Board adopts a policy on the retirement for directors and key officers.”			
Recommendation 2.5			
“1. Board aligns the remuneration of key officers and board members with long-term interests of the company.”	Compliant	The New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 2.5, states: “Subject to the Company’s size, risk profile and complexity of operations, the Board may align the remuneration of Officers with the Company’s long-term interests, and adopt a policy specifying the relationship between remuneration and performance. The By-Laws shall govern the remuneration of Directors.” Currently, the Company’s “key officers and board members” are NOT employees of the Company, and the remuneration of all Directors and some key officers consists solely of fixed per diem (Board Resolution No ACR 2012/III-03, ratified by the stockholders on 18 May 2012).	
“2. Board adopts a policy specifying the relationship between remuneration and performance.”			
“3. Directors do not participate in discussions or deliberations involving his/her own remuneration.”			
Optional: Recommendation 2.5			
“1. Board approves the remuneration of senior executives.”	Compliant	The Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 2.5, first sentence, states: “Subject to the Company’s size, risk profile and complexity of operations, the Board may	
“2. Company has measurable standards to align the performance-based			

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.”		align the remuneration of Officers with the Company’s long-term interests, and adopt a policy specifying the relationship between remuneration and performance.” Currently, the Company’s senior executives and executive Directors are NOT employees of the Company, and their remuneration from the Company, if any, consists solely of fixed <i>per diem</i> (Board Resolution No ACR 2012/III-03, ratified by the stockholders on 18 May 2012).	
Recommendation 2.6			
“1. Board has a formal and transparent board nomination and election policy.”			
“2. Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance.”			
“3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.”	Compliant	The Company’s Board approved its formal and transparent Nomination and Election Policy on 24 April 2017, along with the New Corporate Governance Manual. The said Policy is annexed to the same Manual found in www.acr.com.ph/corp_governance.php . The said Policy includes how the Company accepts nominations from minority shareholders, and how the Board shortlists candidates.	
“4. Board nomination and election policy includes how the board shortlists candidates.”			
“5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.”	Compliant	Similar to the Board’s strategy execution process, the Board continuously assesses the effectiveness of its formal and transparent Nomination and Election Policy adopted on 24 April 2017, along with the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php . The formal and transparent Nomination and Election Policy adopted on 24 April 2017, and attached to the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , is the process for identifying the quality of directors that is aligned with the strategic direction of the Company.	
“6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.”	Compliant		
Optional: Recommendation 2.6			
“1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.”	Compliant	In the same manner that the Group uses professional search firms when searching for candidates to senior officers of the Group, the Board - if necessary – is open to using professional search firms if searching for candidates to the board of directors.	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Recommendation 2.7			
“1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.”	Compliant	The Board has adopted a group-wide RPT policy, and it is set forth in www.acr.com.ph/company_policy.php , which policy guarantees fairness and transparency of the transactions.	
“2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.”	Compliant	The group-wide RPT policy, set forth in www.acr.com.ph/company_policy.php , encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations	
“3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.”	Compliant		
Supplement to Recommendation 2.7			
“1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.”	Compliant	Insofar as this supplement to Recommendation 2.7(1) provides for a minimum, the Company exceeds the same by considering all RPTs reportable and/or subject to disclosure.	
“2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders’ meetings.”	Compliant	The “voting system” for RPTs follows the Revised Corporation Code, sec. 32, in that RPTs are treated as contracts between entities with inter-locking directors.	
Recommendation 2.8			
“1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief	Compliant	The Board complies with the Revised Corporation Code, sec. 24, by electing, immediately after their own election, the President and Chief Executive Officer, the Executive Vice President, the Treasurer, the Chief Financial Officer, the Corporate Secretary, the Chief Audit Executive, and other officers of the Company.	

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Recommended CG Practice /Policy	Compliant/Non-Compliant	Additional Information	Explanation
Audit Executive)."			
"2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive)."	Compliant	The Board complies with the Revised Corporation Code, sec. 22, in that unless otherwise provided in the said Code, the Board: (1) exercises all corporate powers; (2) conducts all business; and (3) holds all property of the Company. Thus, the Board is ultimately responsible for assessing the performance of all Company officers.	
Recommendation 2.9			
"1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management."	Compliant	As set forth in the Company's New Corporate Governance Manual, 2.9, found in www.acr.com.ph/corp_governance.php , the Board ensures that the performance by Management, including the Chief Executive Officer and other personnel, is at par with the standards set by the Board.	
"2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management."	Compliant	Consistent with the Company's New Corporate Governance Manual, 2.9, found in www.acr.com.ph/corp_governance.php , the Board also ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	
Recommendation 2.10			
"1. Board oversees that an appropriate internal control system is in place."			
"2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders."	Compliant	Consistent with the Company's New Corporate Governance Manual, 2.10, found in www.acr.com.ph/corp_governance.php , the Board 'shall establish an appropriate Internal control system, set up a mechanism for monitoring and managing potential conflicts of interest of Management, Directors, and shareholders, and approve the internal audit charter."	
"3. Board approves the Internal Audit Charter."			
Recommendation 2.11			
"1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks."	Compliant	The Board has adopted an ERM framework as found in www.acr.com.ph/ent_risk_management.php , where it has identified some of the risks to which the Company and its subsidiaries are exposed, and the measures to manage each of such risks. This ERM framework effectively identifies, monitors, assesses and manages key business risks.	
"2. The risk management framework guides		The ERM framework found in	

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Recommended CG Practice /Policy	Compliant/Non-Compliant	Additional Information	Explanation
the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.”		www.acr.com.ph/ent_risk_management.php also guides the Board in identifying units/business lines and enterprise-level risk exposures, and assists the Board in assessing the effectiveness of its risk management strategies.	
Recommendation 2.12			
“1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.”	Compliant	The Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 2.12, states: “The Board shall formulate its charter that: (i) clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties; (ii) serves as a guide in the performance of the Board’s functions; (iii) is publicly available; and (iv) is posted on the Company’s website.”	
“2. Board Charter serves as a guide to the directors in the performance of their functions.”			
“3. Board Charter is publicly available and posted on the company’s website.”			
“Additional Recommendation to Principle 2”			
“1. Board has a clear insider trading policy.”	Compliant	The Board has adopted a clear policy on insider trading, as found in www.acr.com.ph/company_policy.php .	
“Optional: Principle 2”			
“1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm’s length basis and at market rates.”	Compliant	The Board has adopted a group-wide RPT policy, and it is set forth in www.acr.com.ph/company_policy.php , which policy covers “loans to directors”, if any, and which ensures that the transaction is conducted at arm’s length basis and at market rates, therefore guaranteeing fairness and transparency of the transactions.	
“2. Company discloses the types of decision requiring board of directors’ approval.”	Compliant	The Company complies with the requirements of the Securities Regulation Code and its implementing rules and regulations, found in www.sec.gov.ph/laws-rules-decisions-and-resolutions/legislation/ , on which Board decisions are subject to disclosure.	
“Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.”			
Recommendation 3.1			
“1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.”	Compliant	The Board has established various committees (Executive, Corporate Governance, Nomination, Election, Remuneration, Audit, Related Party Transaction, Risk Management, etc.) that focus on specific board functions to aid in the optimal performance of its roles and responsibilities. These	

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Recommended CG Practice /Policy	Compliant/ Non-Compliant	Additional Information	Explanation
Recommendation 3.2		committees are set forth in www.acr.com.ph .	
“1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.”	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Board has established its Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations	
“2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.”	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Audit Committee of five Directors is composed of three appropriately qualified Non-Executive Directors, and they constitute the majority of the Committee. The Chairman of the Audit Committee is an independent Director.	
“3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.”	Compliant	As set forth in the 20-1S, found in www.acr.com.ph/filings.php , all the members of the Audit Committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	
“4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.”	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Chairman of the Audit Committee is Mr. Jose Ben R. Laraya, who is not the Chairman of the Board, or of any other committee.	
Supplement to Recommendation 3.2			
“1. Audit Committee approves all non-audit services conducted by the external auditor.”	Compliant	As set forth in the Company’s New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php , 3.2.2, the Audit Committee “(e)valuates and determines the non-audit work, if any, of the external auditor, and periodically reviews the non-audit fees paid to the external auditor in relation to the total fees paid to him and to the Company’s overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with the external auditor’s duties as an external auditor or may pose a threat to his/her independence.”	
“2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.”	Non-compliant		Currently, a minority of the Audit Committee are members of management, which is not prohibited under Recommendation 3.2(2). Therefore, the overall Principle 3, and Recommendation 3.2(2) are still being achieved.
Optional Recommendation 3.2			

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Recommended CG Practice /Policy	Compliant/Non-Compliant	Additional Information	Explanation
“1. Audit Committee meet at least four times during the year.”	Compliant	In December of 2018, the Assistant Corporate Secretary delivered to each Director-member of the Audit Committee, and his or her assistant, the calendar of at least 6 meetings of the Audit Committee for 2019. As set forth in the Company’s New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php , 9.1, first sentence, the Audit Committee has “a robust process for approving and recommending the appointment, reappointment, removal, and the fees of the external auditor, subject to Board approval and shareholders’ ratification.”	
“2. Audit Committee approves the appointment and removal of the internal auditor.”	Compliant		
Recommendation 3.3			
“1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.”	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Board has established its Executive and Corporate Governance Committee to, among others, assist the Board in the performance of its corporate governance responsibilities.	
“2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.”	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Board’s Corporate Governance Committee has five members, and three of those are independent directors.	
“3. Chairman of the Corporate Governance Committee is an independent director.”	Non-compliant		Since the Corporate Governance Committee is also the Executive Committee, its head is the Chairman of the Board, and is not an Independent Director. Nonetheless, the overall Principle 3 and Recommendation 3.3 are still being achieved since the said Committee continues to assist the Board in performing its corporate governance responsibilities.
Optional Recommendation 3.3			
“1. Corporate Governance Committee meet at least twice during the year.”	Compliant	In December of 2018, the Assistant Corporate Secretary delivered to each Director-member of the Executive and Corporate Governance Committee, and his or her assistant, via email, the calendar of at least 5 meetings of the said Committee for 2019.	
Recommendation 3.4			
“1. Board establishes a separate Board Risk Oversight Committee (BROC) that	Compliant	The Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 3.4, in	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness."		part, states: "The Board, taking into consideration the Company's size, risk profile and complexity of operations, may establish a separate risk oversight committee that shall be responsible for the oversight of the Company's ERM system to ensure its functionality and effectiveness." Currently, the Board has established the Audit Committee as the Audit, Risk Management, and Related Party Transaction Committee, which is responsible for, among others, the oversight of a Company's ERM system.	
"2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman."	Compliant	The Chairman of the Audit, Risk Management, and Related Party Transaction Committee is an independent director.	
"3. The Chairman of the BROC is not the Chairman of the Board or of any other committee."	Compliant	As set forth in various disclosures and filings at www.acr.com.ph , the Chairman of the Audit, Risk Management, and Related Party Transaction Committee is Mr. Jose Ben R. Laraya, who is not the Chairman of the Board, or of any other committee.	
"4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management."	Compliant	As set forth in the 20-IS, and found in www.acr.com.ph/filings.php , all the members of the Audit, Risk Management, and Related Party Transaction Committee have relevant and thorough knowledge and experience on risk and risk management.	
Recommendation 3.5			
"1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company."	Compliant	The Board has established the Audit Committee as the Audit, Risk Management, and Related Party Transaction Committee, which is tasked with reviewing all RPTs of the Company.	
"2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman."	Compliant	As set forth in the disclosures and filings found in www.acr.com.ph/filings.php , three of the five members of the Audit, Risk Management, and Related Party Transaction Committee are non-executive Directors, and the Chairman of this Committee is an independent Director.	
Recommendation 3.6			
"1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process,	Compliant	All established committees have a respective Committee Charter set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and the disclosures and filings	

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resources and other relevant information.”		found in www.acr.com.ph/filings.php , and these state in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information	
“2. Committee Charters provide standards for evaluating the performance of the Committees.”	Compliant	All Committee Charters set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and the disclosures and filings found in www.acr.com.ph/filings.php provide standards for evaluating the performance of the respective Committees.	
“3. Committee Charters were fully disclosed on the company’s website.”	Compliant	All Committee Charters set forth in the articles of incorporation, as amended, the by-laws, as amended, the New Corporate Governance Manual, and other documents are found in www.acr.com.ph .	
“Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation’s business.”			
Recommendation 4.1			
“1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.”	Compliant	As set forth in www.acr.com.ph/disclosure.php , “Report on Attendance of Directors at 2018 Board of Directors Meetings” document, the Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through teleconferencing or videoconferencing conducted in accordance with the rules and regulations of the Commission	
“2. The directors review meeting materials for all Board and Committee meetings.”	Compliant	Management is required to provide members of the Board and Committee materials for their meeting on the Monday of the week preceding the meeting, to allow the Directors to review meeting materials for all Board and Committee meetings.	
“3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.”	Compliant	The Directors do ask the necessary questions, or seek clarifications and explanations, during the Board and Committee meetings.	
Recommendation 4.2			
“1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management’s proposals/views, and oversee the long-	Compliant	As set forth in the two documents labeled as “V. Certification of Independent Directors” and other documents in www.acr.com.ph , if non-executive Directors concurrently serve in publicly-listed companies, none of such companies exceed five in number.	

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term strategy of the company.” Recommendation 4.3			
“1. The directors notify the company’s board before accepting a directorship in another company.”	Compliant	As set forth in the Certifications of Independent Directors and other documents in www.acr.com.ph , the independent Directors have undertaken to notify the Company’s Board if there are any changes about to occur in their qualifications, including the acceptance of a directorship in another company.	
Optional Principal 4 “1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.”	Compliant	As set forth in the disclosures and filings found in www.acr.com.ph , the Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	
“2. Company schedules board of directors’ meetings before the start of the financial year.”	Compliant	Before the end of each calendar year, each Director receives a calendar of the succeeding year’s meetings of the Board and its committees. In December 2018, the Assistant Corporate Secretary delivered to each Director, and his or her assistant, the calendar of the meetings of the Board and its committees for the year 2019.	
“3. ”	Compliant	This “Optional: Principle 4, N° 3, was left blank in the SEC Form I-ACGR, page 19, to SEC Memorandum Circular N° 15, dated 15 December 2017, and therefore complied with.	
“4. Board of directors meet at least six times during the year.”	Compliant	As set forth in www.acr.com.ph/disclosure.php , “Report on Attendance of Directors at 2018 Board of Directors Meetings” document, the Directors held 8 meetings in 2018. In December of 2018, the Assistant Corporate Secretary delivered to each Director, and his or her assistant, the calendar of at least 6 meetings of the Board for 2019.	
“5. Company requires as minimum quorum of at least 2/3 for board decisions.”	Compliant	With the Revised Corporation Code taking effect, the Company will comply with the law’s requirement for the quorum for Board meetings, or the minimum vote required for Board decisions.	
“Principle 5: The Board should endeavor to exercise objective and independent judgment on all corporate affairs.”			
Recommendation 5.1			
“1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is	Compliant	As set forth in the documents in www.acr.com.ph , the Board of Directors has three Independent Directors.	

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Recommended CG Practice/Policy higher.”	Compliant/Non-Compliant	Additional Information	Explanation
Recommendation 5.2			
“1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.”	Compliant	As set forth in the documents in www.acr.com.ph , the three Independent Directors possess all the qualifications and none of the disqualifications to hold the positions.	
Supplement to Recommendation 5.2			
“1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.”	Compliant	There are no agreements or other arrangements that constrain the Directors’ ability to vote independently.	
Recommendation 5.3			
“1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).”	Compliant	Since the cumulative term of nine years from 2012 would end on 2021, and it is only 2019, then the current Independent Directors are still serving a cumulative term of nine years reckoned from 2012.	
“2. The company bars an independent director from serving in such capacity after the term limit of nine years.”	Compliant	This prohibition is in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php , 5.3, second sentence.	
“3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders’ approval during the annual shareholders’ meeting.”	Compliant	This requirement is in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php , 5.3, last sentence.	
Recommendation 5.4			
“1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.”	Non-compliant		As set forth in the New Corporate Governance Manual, found in www.acr.com.ph/corp_governance.php , 5.4, first sentence: “The Board, taking into consideration the Company’s size, risk profile and complexity of operations, may decide that separate individuals should hold the positions of Chairman and CEO, with each having clearly defined responsibilities.” The Board has not yet decided that separate individuals should hold the positions of Chairman and CEO. Nonetheless, this has not compromised the Board’s independence since the Chairman and CEO still has just one vote. Thus, Principle 5 is still being achieved.
“2. The Chairman of the Board and Chief	Compliant	The responsibilities of the President and Chief Executive	

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Executive Officer have clearly defined responsibilities.”		Officer are clearly defined in the Revised Corporation Code, the Company's articles, and by-laws, and the New Manual on Corporate Governance, and these are different from the responsibilities of the Chairman.	
Recommendation 5.5			
“1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.”	Compliant	The Chairman of the Audit, Risk Management, and Related Party Transaction Committee, an Independent Director, becomes the “lead” Independent Director by reason of his Chairmanship of the said Committee.	
Recommendation 5.6			
“1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.”	Compliant	The Company strictly complies with the Revised Corporation Code, sec. 32, which governs dealings by Directors, if any, with the Company.	
Recommendation 5.7			
“1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.”	Compliant	As set forth in the New Manual on Corporate Governance, found in www.act.com.ph , 5.7, “The Non-Executive Directors shall meet periodically with the external auditor and heads of the internal audit, compliance and risk functions without any Executive Directors present and an Independent Director shall chair these meetings.”	
“2. The meetings are chaired by the lead independent director.”			
Optional Principle 5			
“1. None of the directors is a former CEO of the company in the past 2 years.”	Compliant	As set forth in the filings and disclosures in www.act.com.ph , none of the Directors is a former Chief Executive Officer of the Company in the past 2 years.	
“Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.”			
Recommendation 6.1			
“1. Board conducts an annual self-assessment of its performance as a whole.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.act.com.ph/corp_governance.php , 6.1, first sentence, the “Board shall conduct an annual self-assessment of its performance....”	
“2. The Chairman conducts a self-assessment of his performance.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.act.com.ph/corp_governance.php , 6.1, first sentence, the Board shall conduct an annual assessment of the performance of the Chairman, which could include a self-assessment.	

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“3. The individual members conduct a self-assessment of their performance.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 6.1, first sentence, the “Board shall conduct an annual self-assessment of its performance”, which could include individual self-assessments.	
“4. Each committee conducts a self-assessment of its performance.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 6.1, first sentence, the “Board shall conduct an annual self-assessment of the ...committees”, which could include self-assessments by each Committee.	
“5. Every three years, the assessments are supported by an external facilitator.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 6.1, last sentence, “(e)very three years, the assessment should be supported by an independent third party.”	
Recommendation 6.2			
“1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.”	Compliant	As set forth in the Company’s New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 6.2, “The Board shall establish a system that provides criteria and processes to assess its performance and that of individual Directors and committees, and allows for a feedback mechanism from the shareholders.”	
“2. The system allows for a feedback mechanism from the shareholders.”			
Disclosure and Transparency			
“Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.”			
Recommendation 7.1			
“1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.”	Compliant	The Board has adopted a Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php , which Code provides standards for professional and ethical behavior. It also articulates acceptable and unacceptable conduct and practices in internal and external dealings of the Company.	
“2. The Code is properly disseminated to the Board, senior management and employees.”	Compliant	The Board properly disseminated the Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php , to the Board, senior management and employees.	
“3. The Code is disclosed and made	Compliant	The Code is disclosed and made available to the public	

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available to the public through the company website.” Supplement to Recommendation 7.1		through the Company website www.acr.com.ph/company_policy.php .	
“1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.” Recommendation 7.2	Compliant	The Board has adopted a Code of Business Conduct and Ethics, in www.acr.com.ph/company_policy.php , which has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	
“1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.”	Compliant	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics, found in www.acr.com.ph/company_policy.php , through the internal auditors.	
“2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.”	Compliant	The Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies through the internal auditors.	
“Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.” Recommendation 8.1			
“1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company’s financial condition, results and business operations.” Supplement to Recommendation 8.1	Compliant	The Company’s New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 8.1, states: “The Board shall establish corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other Stakeholders that gives a fair and complete picture of a Company’s financial condition and business operations.”	
“1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty- five (45) days from the end of the reporting period.”	Compliant	As set forth in www.acr.com.ph/filings.php and in www.acr.com.ph/disclosure.php , the Company does distribute or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions, and makes public: consolidated financial statements within ninety (90) days from the end of the fiscal year, and interim reports within forty- five (45) days from the end of the reporting period.	
“2. Company discloses in its annual report the principal risks associated with the	Compliant	As set forth in the annual reports in www.acr.com.ph , the Company discloses in its annual report: the principal risks	

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identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company."		associated with the identity of the Company's controlling shareholders; the degree of ownership concentration; cross-holdings among the Company's affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the Company.	
Recommendation 8.2			
"1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days."	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.2, states, "The Company shall require all Directors and officers to disclose/report to the Company any dealings in the Company's shares within three business days."	
"2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days."	Compliant		
Supplement to Recommendation 8.2			
"1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.2, states, "The Company shall require all Directors and officers to disclose/report to the Company any dealings in the Company's shares within three business days." This includes the disclosure of the Company's purchase of its shares from the market, such as a share buy-back program.	
Recommendation 8.3			
"1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."		As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.3, states, "The Board shall fully disclose all relevant and material information on individual Directors and Officers to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."	
"2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment."	Compliant		
Recommendation 8.4			
"1. Company provides a clear disclosure of	Compliant	As the New Manual on Corporate Governance, found in	

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its policies and procedure for setting Board remuneration, including the level and mix of the same.”		www.acr.com.ph/corp_governance.php , 8.4, first sentence, states, “The Company shall clearly disclose its policies and procedure for setting Board and executive remuneration, and the level and mix of the same...”	
“2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.”			
“3. Company discloses the remuneration on an individual basis, including termination.”	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.4, first sentence, states, “The Company shall clearly disclose its policies and procedure for setting Board and executive remuneration, and the level and mix of the same...” However, Directors are not employees who are subject to “termination”, and as the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 8.4, last sentence, states, “The Board shall balance the need to keep private sensitive information and the need to disclose the remuneration, termination, and/or retirement of individuals.”	
Recommendation 8.5			
“1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.”	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.5, first in part, states, “The Company shall disclose its policies on RPTs and other unusual or infrequently occurring transactions. The material or significant RPTs reviewed and approved during the year should be disclosed...”	
“2. Company discloses material or significant RPTs reviewed and approved during the year.”			
Supplement to Recommendation 8.5			
“1. Company requires directors to disclose their interests in transactions or any other conflict of interests.”	Compliant	The Company reminds its Directors of their duties and responsibilities, including those set forth in the Revised Corporation Code, sec. 33.	
Optional Recommendation 8.5			
“1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms’ length.”	Compliant	In the event of a Board decision authorizing an RPT, the Company discloses that the provisions of the same are fair, and at arms’ length.	
Recommendation 8.6			
“1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur,	Compliant	As the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 8.6, states, “The Company shall make a full, fair, accurate and timely	

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particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.”		disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets that could adversely affect the viability or the interest of its shareholders and other Stakeholders.”	
“2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.”	Compliant	The Company engages independent financial consultants to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	
Supplement to Recommendation 8.6			
“1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.”	Compliant	The Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the Company, if any such agreements were proposed.	
Recommendation 8.7			
“1. Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).”	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 8.7, states: “The Company’s Corporate Governance policies, programs and procedures, once finalized and approved by the Board, should be posted on the Company’s website.”	
“2. Company’s MCG is submitted to the SEC and PSE.”	Compliant	The Company submitted its New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , to the SEC and to the PSE on 14 September 2017.	
“3. Company’s MCG is posted on its company website.”	Compliant	The Company’s New Manual on Corporate Governance is found in www.acr.com.ph/corp_governance.php .	
Supplement to Recommendation 8.7			
“1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.”	Compliant	The Company submitted to the SEC and to the PSE its Manual on Corporate Governance, then its Revised Manual on Corporate Governance, then its New Manual on Corporate Governance, all found in www.acr.com.ph/corp_governance.php .	
Optional Principle 8			

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“1. Does the company’s Annual Report disclose the following information: (a) Corporate Objectives; (b) Financial performance indicators; (c) Non-financial performance indicators; (d) Dividend Policy; (e) Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors; (f) Attendance details of each director in all directors meetings held during the year; (g) Total remuneration of each member of the board of directors.”	Compliant	Yes, the Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, discloses the Company’s: (a) Corporate Objectives; (b) Financial performance indicators; (c) Non-financial performance indicators; (d) Dividend Policy; (e) Biographical details such as age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies of all Directors; (f) Attendance details of each director in all directors meetings held during the year; (g) Total remuneration of each member of the board of directors.	
“2. The Annual Report contains a statement confirming the company’s full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.”	Compliant	The Annual Report, Part III, found in www.acr.com.ph/filings.php, contains the Company’s compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	
“3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company’s material controls (including operational, financial and compliance controls) and risk management systems.”	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, discloses and demonstrates that the Board of Directors conducted a review of the Company’s material controls - including operational, financial and compliance controls- and risk management systems.	
“4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company’s internal controls/risk management systems.”	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, disclose and demonstrate that the Board of Directors found the Company’s internal controls/risk management systems adequate.	
“5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).”	Compliant	The Annual Report, SEC Form 17-A, found in three parts in www.acr.com.ph/filings.php, and other documents therein, disclose the key risks to which the Company is materially exposed.	
“Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor’s independence and enhance audit quality.”			
Recommendation 9.1			

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“1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.”	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 9.1, first sentence states: “The Audit Committee shall have a robust process for approving and recommending the appointment, reappointment, removal, and the fees of the external auditor, subject to Board approval and shareholders’ ratification.”	
“2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.”			
“3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.”	Compliant	As the New Manual on Corporate Governance, found in www.acr.com.ph/corp_governance.php , 9.1, second sentence states: “The reasons for removal or change of external auditor shall be disclosed to the regulators and the public through the Company website and required disclosures.”	
Supplement to Recommendation 9.1			
“1. Company has a policy of rotating the lead audit partner every five years.”	Compliant	The Company’s external auditor has a policy of rotating, and does rotate, the lead audit partner every five years.	
Recommendation 9.2			
“1. Audit Committee Charter includes the Audit Committee’s responsibility on (i) assessing the integrity and independence of external auditors; (ii) exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and (iii) exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 9.2 (a) through (c), “The Audit Committee charter shall include the Committee’s responsibility on: (a) assessing the integrity and independence of external auditors; (b) exercising effective oversight to review and monitor the external auditor’s independence and objectivity; (c) the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements; and (d) reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.”	
“2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 9.2 (d), “The Audit Committee charter shall include the Committee’s responsibility on: ... (d) reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.”	
Supplement to Recommendation 9.2			
“1. Audit Committee ensures that the external auditor is credible, competent	Compliant	Annually, the Audit Committee conducts meetings with the external auditor to ensure that the latter is credible,	

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and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.”		competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	
“2. Audit Committee ensures that the external auditor has adequate quality control procedures.”	Compliant	Annually, the Audit Committee conducts meetings with the external auditor during which the latter demonstrates to the Audit Committee that the external auditor has adequate quality control procedures.	
Recommendation 9.3			
“1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acl.com.ph/corp_governance.php , 9.3, first sentence, “The Company shall disclose the nature of non-audit services performed by its external auditor in the annual report to deal with the potential conflict of interest.”	
“2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acl.com.ph/corp_governance.php , 9.3, second sentence, “The Audit Committee shall be alert for any potential conflict of interest situations and follow guidelines or policies on non-audit services that could impair the external auditor’s objectivity.”	
Supplement to Recommendation 9.3			
“1. Fees paid for non-audit services do not outweigh the fees paid for audit services.”	Compliant	Fees paid by the Company to its external auditor for non-audit services, if any, do not outweigh the fees paid for audit services	
Additional Recommendation to Principle 9			
“1. Company’s external auditor is duly accredited by the SEC under Group A category.”	Compliant	As set forth in the SEC site www.sec.gov.ph , the Company’s external auditor is duly accredited by the SEC under Group A category.	
“2. Company’s external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC’s Office of the General Accountant (OGA).”	Compliant	Company’s external auditor has advised that they had agreed to be subjected to the SOAR Inspection Program conducted by the SEC’s OGA.	
“Principle 10: The company should ensure that material and reportable non-financial and sustainability issues are disclosed.”			
Recommendation 10.1			
“1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic,	Compliant	As set forth in the New Manual on Corporate Governance, in www.acl.com.ph/corp_governance.php , 10.1, “The Board shall formulate and implement a clear and focused policy on the disclosure of non-financial	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
environmental, social and governance (EESG) issues of its business, which underpin sustainability.”		information, with emphasis on the management of economic, environmental, social and governance issues of its business.”	
“2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.”	Compliant	Through its external auditor, and consultants, the Company adopted a globally recognized standard in reporting sustainability and non-financial issues	
“Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.”			
Recommendation 11.1			
“1. Company has media and analysts’ briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.”	Compliant	The Company holds media and analysts’ briefings, which could serve as channels of communication that ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	
Supplement to Principal 11			
Company has a website disclosing up-to-date information on the following: (a) Financial statements/reports (latest quarterly); (b) Materials provided in briefings to analysts and media; (c) Downloadable to analysts and media; (d) Notice of ASM and/or SSM; (e) Minutes of ASM and/or SSM; and (f) Company’s Articles of Incorporation and By-Laws	Compliant	As set forth in the Company’s website, www.acr.com.ph , the same discloses up-to-date information on the Company’s (a) Financial statements/reports (latest quarterly); (b) Materials provided in briefings to analysts and media; (c) Downloadable annual report; (d) Notice of ASM; (e) Minutes of ASM; (f) Articles of Incorporation and By-Laws.	
Additional Recommendation to Principle 11			
“1. Company complies with SEC-prescribed website template.”	Compliant	As demonstrated by the Company’s website, www.acr.com.ph , the Company complies with SEC-prescribed website template.	
Internal Control System and Risk Management Framework			
“Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.”			
Recommendation 12.1			
“1. Company has an adequate and effective internal control system in the conduct of its business.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 12.1, “The Board, taking into account the Company’s size, risk profile and complexity of operations, may establish an adequate and effective Internal control system and an ERM framework in the conduct of the	
“2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.”			

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Supplement to Recommendation 12.1		Company's business."	
"1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances."	Compliant	The Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations in the form of an internal audit, the activities for which is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	
Recommendation 12.2			
"1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board."	Compliant	The Company engages the IT specialists to perform oversight functions over the IT systems of the Company and its affiliates for any disruption, cyber security, and disaster recovery, and these specialists ensure that all key risks are identified, managed and reported to the Chairman of and for the Board.	
Recommendation 12.3			
"1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board."	Compliant	The Board annually appoints the qualified Mr. Esperidion D. Develos as its CAE.	
"2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 12.3, the CAE oversees and is responsible for the Company's internal audit activity, including – if any – that portion that is outsourced to a third party service provider."	
"3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 12.3, "In case of a fully outsourced internal audit activity, senior management personnel should be responsible for managing the said activity."	
Recommendation 12.4			
"1. Company has a separate risk management function to identify, assess and monitor key risk exposures."	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 12.4, "Subject to its size, risk profile and complexity of operations, the Board may establish a separate risk management function to identify, assess and monitor key	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Supplement to Recommendation 12.4		risk exposures”.	
“1. Company seeks external technical support in risk management when such competence is not available internally.”	Compliant	If, in the Board’s view, certain risks need to be evaluated and then managed by specialists, the Company will seek external technical support in risk identification and management when such competence is not available internally.	
Recommendation 12.5			
“1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 12.5, “Subject to its size, risk profile and complexity of operations, the Board, in managing the Company’s risks, may appoint a chief risk officer, who is the ultimate champion of ERM and has adequate authority, stature, resources and support to fulfill his/her responsibilities	
“2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.”			
Additional Recommendation to Principle 12			
“1. Company’s Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.”	Compliant	Subject to its size, risk profile and complexity of operations, the Company’s Chief Executive Officer and Chief Audit Executive could attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	
Cultivating a Synergic Relationship with Shareholders			
“Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.”			
Recommendation 13.1			
“1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , the Company discloses the rights of its shareholders.	
“2. Board ensures that basic shareholder rights are disclosed on the company’s website.”	Compliant	As set forth in the Company’s website, www.acr.com.ph , the Company discloses the rights of its shareholders.	
Supplement to Recommendation 13.1			
“1. Company’s common share has one vote for one share.”	Compliant		
“2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.”	Compliant	This is provided for by the Revised Corporation Code, and the Company’s articles of incorporation, as amended, found in www.acr.com.ph/ , and the Company complies with the law, and its own articles.	
“3. Board has an effective, secure, and	Compliant		

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
efficient voting system.”			
“4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.”	Compliant	The Board has an effective shareholder voting mechanisms by complying with the Revised Corporation Code, and other applicable laws in found in www.sec.gov.ph/laws-rules-and-regulations/legislation/ .	
“5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.”	Compliant	As set forth in the Revised Corporation Code, if ever duly and timely requested to do so, the Board would allow shareholders to call a special shareholders’ meeting and submit a proposal for consideration or an agenda item at the annual or special meeting.	
“6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , at the annual meeting of the shareholders, or in dialogues with the shareholders, the Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	
“7. Company has a transparent and specific dividend policy.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , the Company has a transparent and specific dividend policy, which it disclosed to the public via its website.	
Optional Recommendation 13.1			
“1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders’ Meeting.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , when necessary, the Company appoints an independent party to count and validate the votes at the Annual Shareholders’ Meeting.	
Recommendation 13.2			
“1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders’ Meeting with sufficient and relevant information at least 28 days before the meeting.”	Compliant	As set forth in www.acr.com.ph/disclosure.php , the Company disclosed the date of the annual shareholders’ meeting on May 24 th , and therefore notified the shareholders of such a meeting, as early as February 22 nd .	
Supplement to Recommendation 13.2			
“1. Company’s Notice of Annual Stockholders’ Meeting contains the following information: a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and	Compliant	As set forth in the documents found in www.acr.com.ph/disclosure.php , the Company’s Notice of the Annual Stockholders’ Meeting is contained in its SEC Form 20-IS, and is therefore accompanied by the following information: (a) the profiles of Directors; (b) the Auditors seeking re-appointment; and (c) the proxy	

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
directorships in other listed companies) b. Auditors seeking appointment/re-appointment c. Proxy documents.”		documents.	
Optional Recommendation 13.2			
“1. Company provides rationale for the agenda items for the annual stockholders meeting.”	Compliant	As set forth in the documents found in www.acr.com.ph/disclosure.php , the Company’s Notice of the Annual Stockholders’ Meeting provides rationale for the agenda items for the said meeting.	
Recommendation 13.3			
“1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders’ Meeting publicly available the next working day.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , the Company makes the result of the votes taken during the most recent Annual or Special Shareholders’ Meeting publicly available not later than the next working day.	
“2. Minutes of the Annual and Special Shareholders’ Meetings were available on the company website within five business days from the end of the meeting.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , the Company makes the approved minutes of the annual meeting available on the Company’s website within five business days from the end of the meeting.	
Supplement to Recommendation 13.3			
“1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.”	Compliant	As found in the disclosures and filings in www.acr.com.ph/ , the Board invites the Company’s external auditors to annual shareholders’ meeting, and they regularly attend.	
Recommendation 13.4			
“1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.”		As set forth in the New Manual on Corporate Governance, 13.3, “At the shareholder’s option, the shareholder may refer his/her dispute with the Company to arbitration in Makati City in accordance with the arbitration rules of the Philippine Dispute Resolution Center, Inc. (“PDRCI”) in force at the time such arbitration is commenced. The arbitral tribunal shall consist of three (3) arbitrators, with the shareholder nominating one (1) arbitrator and the Company nominating another arbitrator. The two (2) arbitrators so chosen shall nominate a third arbitrator who shall serve as the presiding arbitrator. If either side fails to appoint an arbitrator or the two arbitrators appointed by the	
“2. The alternative dispute mechanism is included in the company’s Manual on Corporate Governance.”	Compliant		

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Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
Recommendation 13.5		parties fail to agree on the choice of a presiding arbitrator, the chairman of the PDRCI shall make such appointments(s). The language of the arbitration proceedings shall be English. “	
“1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.”		As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 13.4, “Subject to the Company’s size, risk profile and complexity of operations, the Board may appoint an investor relations officer to constantly engage with its shareholders who should be present at every shareholders’ meeting.”	
“2. IRO is present at every shareholder’s meeting.”	Compliant		
Supplemental Recommendation to Principle 13			
“1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.”	Compliant	The Company has no anti-takeover measures or similar devices that entrench ineffective management, or the existing controlling shareholder group.	
“2. Company has at least thirty percent (30%) public float to increase liquidity in the market.”	Non-compliant		The Company observes the regulations imposing a minimum public float, which has not yet reached 30%. Nonetheless, the Company is committed to Principle 13, which is still being achieved even if the float is within the percentage of current regulations but below 30%.
Optional Principle 13			
“1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders’ Meeting.”	Compliant	The Company has policies and practices to encourage shareholders to engage with the Company beyond the Annual Stockholders’ Meeting as set forth in found in its Investors Relations Program in www.acr.com.ph/investors_rel_program.ph .	
Duties to Shareholders			
“Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders’ rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.”			
Recommendation 14.1			
“1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.”	Compliant	As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 14.1, “Subject to the Company’s size, risk profile and complexity of operations, the Board shall identify the Company’s various Stakeholders and cooperate with them to create wealth, growth and sustainability. “	
Recommendation 14.2			
“1. Board establishes clear policies and	Compliant	As set forth in the New Manual on Corporate	

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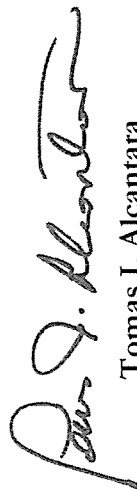
Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
programs to provide a mechanism on the fair treatment and protection of stakeholders.”		Governance, in www.acr.com.ph/corp_governance.php , 14.2, “Subject to the Company’s size, risk profile and complexity of operations, the Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of Stakeholders.”	
Recommendation 14.3		As set forth in the New Manual on Corporate Governance, in www.acr.com.ph/corp_governance.php , 14.3, “The Board hereby adopts a transparent framework and process to allow Stakeholders to communicate with the Company and to obtain redress for the violation of their rights.”	
Supplement to Recommendation 14.3		As set forth in the New Manual on Corporate Governance, 13.3, “At the shareholder’s option, the shareholder may refer his/her dispute with the Company to arbitration in Makati City in accordance with the arbitration rules of the Philippine Dispute Resolution Center, Inc. (“PDRCI”) in force at the time such arbitration is commenced. The arbitral tribunal shall consist of three (3) arbitrators, with the shareholder nominating one (1) arbitrator and the Company nominating another arbitrator. The two (2) arbitrators so chosen shall nominate a third arbitrator who shall serve as the presiding arbitrator. If either side fails to appoint an arbitrator or the two arbitrators appointed by the parties fail to agree on the choice of a presiding arbitrator, the chairman of the PDRCI shall make such appointments(s). The language of the arbitration proceedings shall be English.”	
“1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.”	Compliant		
Additional Recommendation to Principle 14			
“1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.”	Compliant	The Company does not seek any exemption from the application of a law, rule or regulation. If it does seek an exemption from corporate governance recommendation, the Company discloses the reason for such action, and presents – if applicable - the specific steps to finally comply with the corporate governance recommendation.	

Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
“2. Company respects intellectual property rights.”	Compliant	Since the laws protect intellectual property rights, the Company respects such intellectual property rights.	
“ Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company’s goals and participate in its corporate governance processes.”			
Recommendation 15.1			
“1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company’s goals and in its governance.”	Compliant	As set forth in the New Manual on Corporate Governance, 15.1, “Subject to the Company’s size, risk profile and complexity of operations, the Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company’s goals and in its governance.”	
Supplement to Recommendation 15.1			
“1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.”	Compliant	As set forth in the New Manual on Corporate Governance, 15.1, “Subject to the Company’s size, risk profile, and complexity of operations, the Board will formulate a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.”	
“2. Company has policies and practices on health, safety and welfare of its employees.”	Compliant	The Company’s policies and practices on health, safety and welfare of its employees, if any, are set forth in www.acr.com.ph/company_policy.php , in the Health, Safety and Welfare policy.	
“3. Company has policies and practices on training and development of its employees.”	Compliant	As set forth in the documents in forth in www.acr.com.ph , the Company has policies and practices on training and development of its employees, if any.	
Recommendation 15.2			
“1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.”	Compliant	The Board adopted an anti-corruption policy and program in its Code of Business Conduct and Ethics, thereby setting the tone and making a stand against corrupt practices.	
“2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company’s culture.”	Compliant	Through the Group’s Human Resources Department, the Board disseminates its Code of Business Conduct and Ethics, in www.acr.com.ph/code_business_conduct.php , to employees of the Group through training sessions to embed the same in the culture of the employees of the Group and, if any, of the Company.	
Supplement to Recommendation 15.2			
“1. Company has clear and stringent policies and procedures on curbing and	Compliant	The Company has clear and stringent policies and procedures, set forth in www.acr.com.ph/company	

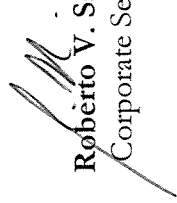
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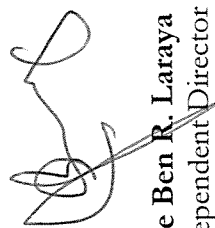
Recommended CG Practice/Policy	Compliant/Non-Compliant	Additional Information	Explanation
penalizing employee involvement in offering, paying and receiving bribes.” Recommendation 15.3		policy.php , on curbing and penalizing employee involved in offering, paying and receiving bribes.	
“1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.”	Compliant	As set forth in www.acr.com.ph/company_policy.php , Whistle Blowing policy, the Board established a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	
“2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.”	Compliant	As set forth in www.acr.com.ph/company_policy.php , Whistle Blowing policy, the Board established a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns, and supervises and ensures the enforcement of the whistleblowing framework.	
“3. Board supervises and ensures the enforcement of the whistleblowing framework.”	Compliant		
“Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.” Recommendation 16.1			
“1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.” Optional Principle 16	Compliant	As set forth in the New Manual on Corporate Governance, 16.1, “The Company recognizes the interdependence of business and society, and promotes a mutually beneficial relationship that allows the Company to grow its business while contributing to the advancement of society.”	
“1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development by requiring its operating subsidiaries to comply with all requirements imposed by the Department of Environment and Natural Resources, and/or Environment Impact permits.”	Compliant	The Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development by requiring its operating subsidiaries to comply with all requirements imposed by the Department of Environment and Natural Resources, and/or Environment Impact permits.	
“2. Company exerts effort to interact positively with the communities in which it operates.”	Compliant	The Company’s operating subsidiaries exert efforts to interact positively with the communities in which they operate by carrying out the Company’s Corporate Social Responsibility programs in such communities through the Alcantara Foundation, as found in www.acr.com.ph/investor_sub_b.php .	

Makati City, ___ May 2019.


Tomas I. Alcantara
 Chairman of the Board and President


Robert F. Yenke
 Compliance Officer & Chief Financial Officer


Roberto V. San Jose
 Corporate Secretary

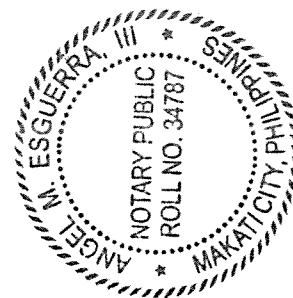

Jose Ben R. Laraya
 Independent Director

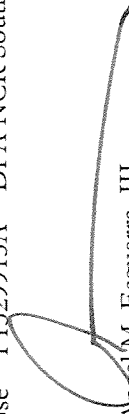

Jacinto C. Gavino, Jr.
 Independent Director


Thomas G. Aquino
 Independent Director

SUBSCRIBED AND SWORN to before me on this ___ day of May 2019 at Makati City, affiants having exhibited to me competent evidence of their respective identity consisting of the following, with their respective photograph and signature.

Name	ID Type &/or N°	Issuer	Name	Passport N°	Issued at/Date
Tomas I. Alcantara	UMID CRN 0111-0521374-6	SSS	Jose Ben R. Laraya	P3765185A	DFA NCR East/ 07-22-2017
Robert F. Yenke	UMID CRN 0111-5667602-8	SSS	Thomas G. Aquino	P3599859A	DFA Manila/ 07-06-2017
Jacinto C. Gavino, Jr.	TIN 123-104-984	BIR	Roberto V. San Jose	P1329913A	DFA NCR South/ 12-20-2016




 Angel M. Esguerra, III
 Notary Public for Makati City
 Commission N° M-184; Roll N° 34787; 06/01/87
 Until December 31, 2019
 IBP Lifetime N° 00259; 06/01/1995; Pasay
 PTR OR N° 7344120; 1/08/2019; Makati City
 Alsons Building, 2286 Chino Roces Avenue, Makati City

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