



**JG SUMMIT
HOLDINGS, INC.**

43rd FLOOR ROBINSONS EQUITABLE TOWER ADB AVE. COR. POVEDA RD. ORTIGAS CENTER, PASIG CITY
TEL. NO.: 633-7631 to 40, 240-8801 FAX NO.: 633-9207, 240-9106

April 14, 2010

PHILIPPINE STOCK EXCHANGE, INC.
Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City, Metro Manila

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

Gentlemen:

Please find attached a copy of the Corporate Governance Manual of JG Summit Holdings, Inc. which we have filed with the Securities and Exchange Commission in accordance with SEC Memorandum Circular No. 6 (Series of 2009).

Thank you.

Very truly yours,

ROSALINDA F. RIVERA
Corporate Secretary

COVER SHEET

						1	8	4	0	4	4
--	--	--	--	--	--	---	---	---	---	---	---

S.E.C. Registration Number

J	G		S	U	M	M	I	T		H	O	L	D	I	N	G	S	,	I	N	C	.				
---	---	--	---	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--	--	--

(Company's Full Name)

4	3	/	F		R	O	B	I	N	S	O	N	S	-	E	Q	U	I	T	A	B	L	E			
---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	--	--

T	O	W	E	R	,	A	D	B		A	V	E	.	C	O	R	.	P	O	V	E	D	A	S	T
---	---	---	---	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

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

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

DIOSDADO R. VALDEZ																								
Compliance Officer																								

Contact Person

633-7631 to 40																								
----------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Company Telephone Number

1	2
---	---

Month

Fiscal Year

3	1
---	---

Day

--	--	--	--	--

FORM TYPE

Second Thursday of June																								
-------------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Month Day

Annual Meeting

**JG SUMMIT HOLDINGS, INC.
CORPORATE GOVERNANCE MANUAL**

N/A																								
-----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Secondary License Type, If Applicable

--	--	--

Dept. Requiring this Doc.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Amended Articles Number/Section

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Total No. of Stockholders

Total Amount of Borrowings

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Domestic

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Foreign

To be accomplished by SEC Personnel concerned

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

File Number

LCU

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Document I.D.

Cashier

STAMPS																								
--------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Remarks: pls. use blank ink for scanning purposes



JG SUMMIT HOLDINGS, INC.

43rd FLOOR ROBINSONS EQUITABLE TOWER ADB AVE. COR. POVEDA RD. ORTIGAS CENTER, PASIG CITY
TEL. NO.: 633-7631, 637-1670, 240-8801 FAX NO.: 633-9387 OR 633-9207

April 7, 2010

Director Justina F. Callangan
Corporation Finance Department
Securities and Exchange Commission
SEC Building, EDSA, Greenhills
Mandaluyong City, Metro Manila



Dear Director Callangan,

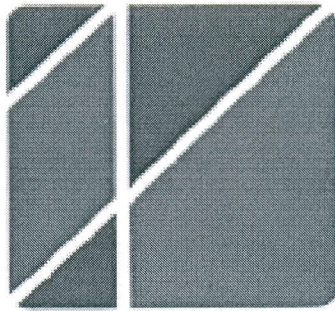
In accordance with SEC Memorandum Circular No. 6 (Series of 2009) dated June 22, 2009, JG Summit Holdings, Inc. is hereby submitting its Corporate Governance Manual.

Thank you.

Sincerely yours,

DIOSDADO R. VALDEZ
Compliance Officer

JG SUMMIT HOLDINGS, INC.



**CORPORATE GOVERNANCE
MANUAL**



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

CONTENTS

	Page
INTRODUCTION	1
GOVERNANCE	1
Composition of the Board of Directors	1
Board Meeting and Quorum Requirements	2
Duties and Functions of the Board	2
Specific Duties and Responsibilities of a Director	3
Qualifications of a Director	4
Permanent Disqualification of a Director	5
Temporary Disqualification of a Director	6
Internal Control Responsibilities of the Board	7
Adequate and Timely Information for the Board	8
Accountability and Audit	8
The Chairman of the Board and The Chief Executive Officer	9
Remuneration of Directors and Management Officers	10
Directorships and Officerships in Other Corporations	10
Training of New Directors and Senior Management Officers	10
Board Committees	11
AUDIT COMMITTEE	11
NOMINATION COMMITTEE	14
REMUNERATION AND COMPENSATION COMMITTEE	16
DISCLOSURE AND TRANSPARENCY	18
STOCKHOLDERS' RIGHTS AND PROTECTION OF MINORITY STOCKHOLDERS' INTEREST	18
Stockholders' Rights	19
Promotion of Shareholders' Rights	19
INTERNAL AUDIT	19
CORPORATE SECRETARY	22
COMPLIANCE OFFICER	23
EDUCATION AND TRAINING	23
PENALTIES FOR NON-COMPLIANCE	24
MONITORING AND ASSESSMENT	24
ADOPTION AND EFFECTIVITY	25



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL



ARTICLE I INTRODUCTION

The Board of Directors ("Board") of JG Summit Holdings, Inc. represents the shareholders' interests in its objective to continuously improve the value of the Corporation and to achieve a successful and long-term business. The Board believes that it has to be actively responsible to ensure that the Corporation is properly managed to attain this result. In addition to fulfilling its obligations for increased shareholder value, the Board has responsibility to other stakeholders as well – customers, employees, suppliers, business partners, and to the communities and environment it operates in, all of whom are important to a successful business.

The Board and Management of the Corporation commit themselves to the principles and best practices as contained in this Corporate Governance Manual. The Board and Management, employees, and shareholders believe that corporate governance is a necessary component of what constitutes sound business management and will therefore undertake every effort necessary to create and strengthen awareness within the organization.

ARTICLE II GOVERNANCE

The Board is primarily responsible for the governance of the Corporation.

The Board acts to foster the long-term success of the Corporation and to secure its sustained competitiveness and profitability in a manner consistent with its corporate objectives, which the Board exercises in the best interest of the Corporation, its shareholders, and other stakeholders.

The Board formulates the corporation's vision, mission, strategic objectives, policies, and procedures that shall guide its activities, including the means to effectively monitor Management's performance. Corollary to setting the policies for the accomplishment of the corporate objectives, the Board provides an independent check on Management.

1. Composition of the Board of Directors

The Board shall be composed of at least five (5), but not more than fifteen (15), members who are elected by the stockholders.

The Corporation shall have at least two (2) Independent Directors or such number of Independent Directors that constitutes twenty percent (20%) of the members of the Board, whichever is lesser, but in no case less than two (2).

The membership of the Board may be a combination of Executive and Non-Executive Directors (which include Independent Directors) in order that no Director or small group of Directors can dominate the decision-making process.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

The Non-Executive Directors of the Corporation should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

2. Board Meeting and Quorum Requirements

The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the Securities and Exchange Commission ("Commission").

Independent Directors should always attend board meetings. Unless otherwise provided in the By-Laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one (1) Independent Director in all its meetings.

To monitor the Directors' compliance with the attendance requirements, the Corporation shall submit to the Commission, on or before January 30 of the following year, a sworn certification of the Directors' record of attendance in board meetings. The certification may be submitted through SEC Form 17-C or in a separate filing.

3. Duties and Functions of the Board

To ensure a high standard of best practices for the Corporation and for its stockholders, the Board shall always conduct itself with utmost honesty and integrity in the performance of, among others, the following duties and functions:

- 3.1. Implement, with the assistance of the Nomination Committee, a selection process of competent Directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. Appoint competent, professional, honest, and highly-motivated Management Officers. Adopt an effective succession planning program for Management.
- 3.2. Provide sound strategic policies and guidelines to the Corporation on major capital expenditures. Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets, and Management's over-all performance.
- 3.3. Ensure the Corporation's faithful compliance with all applicable laws and regulations, and applicable best business practices.
- 3.4. Establish and maintain an Investor Relations Program that will keep the stockholders informed of important developments in the Corporation. The Corporation's Chief Executive Officer (CEO) shall exercise oversight responsibility over this program.
- 3.5. Identify the sectors in the community that are directly affected by the Corporation's operations, and formulate a clear policy of accurate, timely, and effective communication with them.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

- 3.6. Adopt a system of check and balance within the Board. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of the Corporation's internal control systems in order to maintain and ensure its adequacy and effectiveness.
- 3.7. Identify key risk areas and performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial viability.
- 3.8. Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children, and dependent siblings and parents, and of interlocking Director relationships by members of the Board.
- 3.9. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- 3.10. Establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities.
- 3.11. Meet at such times or frequency as may be needed. The minutes of such meetings should be duly recorded. Independent views during Board meetings should be encouraged and given due consideration.
- 3.12. Keep the activities and decisions of the Board within its authority under the Articles of Incorporation and By-Laws, and in accordance with existing laws, rules, and regulations.
- 3.13. Appoint a Compliance Officer who shall have the rank of at least Vice President.

4. Specific Duties and Responsibilities of a Director

A Director's Office is one of trust and confidence. A Director should act in the best interest of the Corporation in a manner characterized by transparency, accountability, and fairness. He should also exercise leadership, prudence, and integrity in directing the Corporation towards sustained progress.

A Director should observe the following norms of conduct:

- 4.1. Conduct fair business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation. The basic principle to be observed is that a Director should not use his position to profit or to gain some benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of a Director, he should fully and immediately disclose



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

it and should not participate in the decision-making process. A Director who has a continuing material conflict of interest should seriously consider resigning from his position. A conflict of interest shall be considered material if the Director's personal or business interest is antagonistic to that of the Corporation, or stands to acquire or to gain financial advantage at the expense of the Corporation.

- 4.2. Devote the time and attention necessary to properly and effectively perform his duties and responsibilities. A Director should devote sufficient time to familiarize himself with the Corporation's business. He should be constantly aware of and knowledgeable with the Corporation's operations to enable him to meaningfully contribute to the Board's work. He should attend and actively participate in Board and Committee meetings, review meeting materials and, if called for, ask questions or seek explanation.
- 4.3. Act judiciously. Before deciding on any matter brought before the Board, a Director should carefully evaluate the issues and, if necessary, make inquiries and request clarification.
- 4.4. Exercise independent judgment. A Director should view each problem or situation objectively. If a disagreement with other Directors arises, he should carefully evaluate and explain his position. He should not be afraid to take an unpopular position. Corollary, he should support plans and ideas that he thinks are beneficial to the Corporation.
- 4.5. Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-Laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies. A Director should keep abreast with industry developments and business trends in order to promote the Corporation's competitiveness.
- 4.6. Observe confidentiality. A Director should keep secure and confidential all non-public information he may acquire or learn by reason of his position as Director. He should not reveal confidential information to unauthorized persons without the authority of the Board.
- 4.7. Have a working knowledge of the corporation's control systems. A Director shall ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.

5. Qualifications of a Director

In addition to the pertinent provisions of the Articles of Incorporation and By-Laws of the Corporation, and qualifications for membership in the Board as provided for in the Corporation Code, Securities Regulation Code, and other relevant laws, the following general guidelines shall be observed in the initial evaluation of Director-nominees to the Board:



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

- 5.1. He should be a holder of at least one (1) share of stock of the Corporation;
- 5.2. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- 5.3. He shall be at least twenty one (21) years old;
- 5.4. He must have a practical understanding of the business of the Corporation;
- 5.5. He shall have been proven to possess integrity and probity;
- 5.6. He shall be diligent and assiduous in the performance of his functions; and
- 5.7. He must be a member in good standing in relevant industry, business or professional organizations.

6. Permanent Disqualification of a Director

Any of the following shall be a ground for the permanent disqualification of a Director:

- 6.1. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them.
- 6.2. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from (a) acting as underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as a director or officer of a bank, quasi-bank, trust company, investment house or as investment company; or (c) engaging in or continuing any conduct or practice in any of the capacities mentioned above or willfully violating the laws that govern securities and banking activities

The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

- 6.3. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;
- 6.4. Any person who has been adjudged by final judgment or order of the Commission, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any of its rule, regulation or order;
- 6.5. Any person earlier elected as Independent Director who becomes an officer, employee or consultant of the same corporation.
- 6.6. Any person judicially declared to be insolvent;
- 6.7. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and
- 6.8. Any person convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.

7. Temporary Disqualification of a Director

The Board may provide for the temporary disqualification of a Director for any of the following reasons:

- 7.1. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;
- 7.2. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family, or serious accident. This disqualification applies for purposes of the succeeding election;
- 7.3. Dismissal/termination for cause as Director of any corporation covered by this Code. This disqualification shall be in effect until he has cleared himself of any involvement in the cause that gave rise to his dismissal or termination.
- 7.4. If the beneficial equity ownership of an Independent Director in the corporation or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with.
- 7.5. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

A temporarily disqualified Director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.

8. Internal Control Responsibilities of the Board

The control environment of the Corporation consists of (a) the Board which ensures that the Corporation is properly and effectively managed and supervised; (b) Management that actively manages and operates the Corporation in a sound and prudent manner; (c) the organizational and procedural controls supported by effective management information and risk management reporting systems; and (d) an independent audit mechanism to monitor the adequacy and effectiveness of the Corporation's governance, operations, and information systems, including the reliability and integrity of financial and operational information, the safeguarding of assets, and compliance with laws, rules, regulations and contracts.

8.1. The minimum internal control mechanisms for the performance of the Board's oversight responsibility may include:

- ❑ Definition of the duties and responsibilities of the CEO;
- ❑ Selection of the person who possesses the ability, integrity and expertise essential for the position of CEO;
- ❑ Evaluation of proposed Senior Management appointments;
- ❑ Evaluation of appointments of Management Officers; and
- ❑ Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees and management succession plan.

8.2. The Corporation's systems of effective organizational and operational controls shall be continuously developed and updated based on, among others, the following factors: nature and complexity of the business and the business culture; volume, size and complexity of transactions; degree of risks involved; degree of centralization and delegation of authority; extent and effectiveness of information technology; and extent of regulatory compliance.

8.3. A Corporation shall establish an internal audit system that can reasonably assure the Board, Management and stockholders that its key organizational and operational controls are faithfully complied with. The Board shall appoint a Corporate Auditor to perform the internal audit function, and shall require him to report to a level in the organization that allows the internal audit activity to fulfill its mandate. The Corporate Auditor shall be guided by the International Standards on Professional Practice of Internal Auditing.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

9. Adequate and Timely Information for the Board

To enable the Directors to properly fulfill their duties and responsibilities, Management should provide the Directors with complete, adequate, and timely information about the matters to be taken in their meetings.

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

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

The Directors, either individually or as a Board, and in furtherance of their duties and responsibilities, should have access to independent professional advice at the corporation's expense.

10. Accountability and Audit

The Board is primarily accountable to the stockholders. The Board regularly provides its stockholders with a balanced and comprehensible assessment of the Corporation's performance, position and prospects through its website and its submissions and disclosures to the Commission and Exchange.

Thus, it is essential that Management provide the Board with accurate and timely information that would enable the Board to comply with its responsibilities to the stockholders.

Management shall formulate, with oversight of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:

- ❑ The extent of its responsibility in the preparation of the financial statements of the Corporation, with the corresponding delineation of the responsibilities that pertain to the External Auditor, should be clearly defined.
- ❑ An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the corporation should be maintained.
- ❑ On the basis of the approved Internal Audit Plan, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the Corporation's governance, operations and information systems, including the reliability and integrity of financial and operation information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules, and regulations.
- ❑ The Corporation should consistently comply with the financial reporting requirements of the Commission.



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

- The External Auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Corporation, should be changed with the same frequency. The Corporate Auditor should submit to the Audit Committee and Management an annual report on the internal audit department's activities, responsibilities, and performance relative to the Internal Audit Plan as approved by the Audit Committee. The annual report should include significant risk exposures, control issues, and such other matters as may be needed or requested by the Board and Management. The Corporate Auditor should certify that he conducts his activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If he does not, the Corporate Auditor shall disclose to the Board and Management the reasons why he has not fully complied with the said documents.

The Board, after consultations with the Audit Committee, shall recommend to the stockholders an External Auditor duly accredited by the Commission who shall undertake an independent audit of the Corporation, and shall provide an objective assurance on the matter by which the financial statements shall be prepared and presented to the stockholders. The External Auditor shall not, at the same time, provide internal audit services to the Corporation. Non-audit work may be given to the External Auditor, provided it does not conflict with his duties as an independent External Auditor, or does not pose a threat to his independence.

If the External Auditor resigns, is dismissed or ceases to perform his services, the reason/s for and the date of effectivity of such action shall be reported in the Corporation's annual and current reports. The report shall include a discussion of any disagreement between the External Auditor and the Corporation on accounting principles or practices, financial disclosures or audit procedures which the former External Auditor and the Corporation failed to resolve satisfactorily. A preliminary copy of said report shall be given by the Corporation to the External Auditor before its submission.

If the External Auditor believes that any statement made in the Annual Report, Information Statement or any report filed with the Commission or any regulatory body during the period of his engagement is incorrect or incomplete, he shall give his comments or views on the matters in the said reports.

11. The Chairman of the Board and The Chief Executive Officer (CEO)

If the need arises, the roles of Chairman and the CEO may be separated in order to foster an appropriate balance of power, increased accountability, and better capacity for independent decision-making by the Board. A clear delineation of functions should be made between the Chairman and CEO upon their election.

If the roles of Chairman and CEO are unified, the proper checks and balances shall be laid down to ensure that the Board gets the benefit of independent views and perspectives.

The duties and responsibilities of the Chairman in relation to the Board may include, among others, the following:



JG SUMMIT HOLDINGS, INC. CORPORATE GOVERNANCE MANUAL

- ❑ Ensure that the meetings of the Board are held in accordance with the By-Laws or as the Chairman may deem necessary.
- ❑ Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the Directors and Management; and
- ❑ Maintain qualitative and timely lines of communication and information between the Board and Management.

12. Remuneration of Directors and Management Officers

The levels of remuneration of the Corporation should be sufficient to be able to attract and retain the services of qualified and competent Directors and Officers. A portion of the remuneration of Executive Directors may be structured or be based on corporate and individual performance.

Formal and transparent procedures for the development of a policy on executive remuneration or determination of remuneration levels for individual Directors and Officers may be established for the Corporation depending on the particular needs of the Corporation. No Director should participate in deciding on his remuneration.

The Corporation's annual reports and information and proxy statements shall include a clear, concise and understandable disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its Directors and top four (4) Management Officers during the preceding fiscal year.

13. Directorships and Officerships in Other Corporations

A Director shall exercise due discretion in accepting and holding directorships or officerships in other corporations. A Director may hold any number of directorships or officerships outside of the Corporation provided that, in the Director's opinion, these other positions do not detract or compromise the Director's capacity to diligently perform his duties as a Director of the Corporation.

Any limitation in the number of directorships outside of the Company as may be adopted by Corporation shall not include directorships in the Corporation's subsidiaries, affiliates, parent company (if any), and affiliates and subsidiaries of such parent company.

14. Training of New Directors and Senior Management Officers

Every Director shall receive appropriate orientation when he is first appointed to the Board of Directors, in order to ensure that incoming Directors are familiar with the Corporation's business and governance processes.

Likewise, Management Officers shall receive appropriate orientation on his duties as a management executive and how to discharge these duties when he is first appointed to