





## JG SUMMIT HOLDINGS, INC.

43<sup>rd</sup> 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

**May 29, 2018**

### **SECURITIES AND EXCHANGE COMMISSION**

G/F Secretariat Building  
PICC Complex, Roxas Boulevard, Pasay City

Attention: **Atty. Rachel Esther J. Gumtang-Remalante**  
**OIC, Corporate Governance and Finance Department**

### **THE PHILIPPINE STOCK EXCHANGE, INC.**

6/F PSE Tower  
5<sup>th</sup> Avenue corner 28<sup>th</sup> Street  
Bonifacio Global City, Taguig City

Attention: **Mr. Jose Valeriano B. Zuño III**  
**OIC-Head, Disclosure Department**

**Re: Submission of the 2017 Integrated Annual Corporate Governance Report (I-ACGR)**

Gentlemen:

In compliance with the SEC Memorandum Circular No. 15, Series of 2017 on the submission of the Integrated Annual Corporate Governance Report (I-ACGR), we submit to the Commission the fully accomplished I-ACGR of JG Summit Holdings, Inc. (JGSHI) covering the year 2017.

Thank you.

Respectfully yours,

  
**ARLENE S. DENZON**  
**Compliance Officer**

**Cc:**

**Philippine Dealing & Exchange Corp.**  
37/F, Tower 1, The Enterprise Center  
6766 Ayala Avenue corner Paseo de Roxas  
1226 Makati City, Philippines

Attention: **Ms. Erika Grace C. Alulod**  
**Head-Issuer Compliance and Disclosure Department**



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

- |    |  |   |
|----|--|---|
| 1. | For the calendar year ended  | 2017  |
| 2. | SEC Identification Number SEC Registration No.   | 184044  |
| 3. | BIR Tax Identification No. TIN No.   | 000-775-860-000   |
| 4. | Exact name of issuer as specified in its charter   | JG SUMMIT HOLDINGS, INC.  |
| 5. | Metro Manila, Philippines<br>Province, Country or other jurisdiction of incorporation or organization  | 6. <span style="background-color: #cccccc; padding: 0 20px;"> </span> (SEC Use Only)<br>Industry Classification Code: |
| 7. | 43 <sup>RD</sup> Floor, Robinsons Equitable Tower, ADB Ave.,<br>Corner Poveda Road St. Ortigas Center, Pasig City<br>Address of principal office | 1605<br>Postal Code   |
| 8. | (632) 633-7631 to 40<br>Issuer's telephone number, including area code   |   |
| 9. | None<br>Former name, former address, and former fiscal year, if changed since last report.   |   |



JG SUMMIT  
HOLDINGS, INC.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT  
AS OF DECEMBER 31, 2017**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> 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.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors of the Directors are disclosed in the following:  <b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 100-104 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
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 their roles and responsibilities and respond to the needs of the organization.	Compliant	Annual Report SEC Form 17A Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 72-76 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>  2. Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance are provided in the Company's Revised Corporate Governance Manual.  <b>Revised Corporate Governance Manual</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Article III Governance Structure 2. Qualifications for or Disqualification from Directorship; page 14 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	

**Recommendation 1.2**

1. Board is composed of a majority of nonexecutive directors.	Compliant	The directors and the type of their directorships are disclosed in the following:  <b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 100-104 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf</a>	
---	-----------	--	--

Name of Director	ED	NED	ID
John L. Gokongwei, Jr.	✓		
James L. Go	✓		
Lance Y. Gokongwei	✓		
Lily Ngo-Chua		✓	
Patrick Henry C. Go		✓	
Robina Y. Gokongwei-Pe		✓	
Johnson Robert G. Go, Jr.		✓	
Ricardo J.Romulo		✓	
Cornelio T. Peralta			✓
Jose T. Pardo			✓
Renato De Guzman			✓
<b>Total</b>	<b>3</b>	<b>5</b>	<b>3</b>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><b>Company Website</b> Board of Directors <a href="http://www.jgsummit.com.ph/board-of-directors">http://www.jgsummit.com.ph/board-of-directors</a></p> <p><b>Annual Report SEC Form 17A;</b> pages 72-76 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<b>Recommendation 1.3</b>			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>The company’s Board Charter and Manual on Corporate Governance relating to its policy on training of director are found in:</p> <p><b>Revised Corporate Governance Manual</b> Article IX Communication, Education and Training; pages 44-45 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
2. Company has an orientation program for first time directors.	Compliant	<p>The orientation program of directors is found in:</p> <p><b>Revised Corporate Governance Manual</b> Article IX Communication, Education and Training; pages 44-45 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>Article IX Communication, Education and Training; pages 44-45 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p>The Company initiated and organized “Strategies for Self-Disruption and Strategic Thinking” on December 12, 2017 as Trainings for its directors, executives and officers. This is an 8 hour training applied to SEC as Corporate Governance training program for the Company. The</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Commission approved and granted the said request on November 28, 2017.	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	<p>Information on the company’s board diversity policy is disclosed in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure; A.1. Composition of the Board of Directors; page 13                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.4; page 17  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Board Diversity Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Board_Diversity_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Board_Diversity_Policy.pdf</a></p> <p>The Board is consists of 9 Male and 2 Female members.</p>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		<p>Provide information on or link/reference to a document containing the company’s policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	Information on the Corporate Secretary, including his/her name, qualifications, duties and functions, directorships are disclosed in the following:	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	Revised Corporate Governance Manual E. The Corporate Secretary; page 30 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Definitive Information Statement Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Corporate Secretary; page 106 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>  <b>Company Website</b> <a href="http://www.jgsummit.com.ph/executive-officers">http://www.jgsummit.com.ph/executive-officers</a>  Annual Report SEC Form 17A, Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Corporate Secretary; pages 72, 78 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
4. Corporate Secretary attends training/s on corporate governance.	Compliant	The Corporate Secretary attended:  The Company initiated and organized “Strategies for Self-Disruption and Strategic Thinking” on Dec. 12, 2017 as Trainings for its directors, executives and officers. This is an 8 hour training applied to SEC as Corporate Governance training program for the Company. The Commission approved and granted the said request on November 28, 2017.	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		The Corporate Secretary distributed the board meeting materials at least five business days before scheduled meeting:	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	Information on the Company’s Compliance Officer, including his/her name, position, qualifications, duties and functions are disclosed in the following:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure G. Compliance Officer; pages 36-37 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
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		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p align="center">Compliant</p>	<p>The Compliance Officer attended the following corporate governance trainings/seminars:</p> <p>SEC Corporate Governance and Green Finance Conference, Feb. 6, 2017, 4 hours</p> <p>6<sup>th</sup> Annual GGAPP Forum on Good Governance, Ethics and Compliance, May 24, 2017, 4 hours</p> <p>4<sup>th</sup> SEC-PSE Corporate Governance Forum, Nov. 22, 2017, 4 hours</p> <p>The Company initiated and organized “Strategies for Self-Disruption and Strategic Thinking” on Dec. 12, 2017 as Trainings for its directors, executives and officers. This is an 8 hour training applied to SEC as Corporate Governance training program for the Company. The Commission approved and granted the said request on November 28, 2017.</p>	
<p><b>Principle 2:</b> 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.</p>			
<p><b>Recommendation 2.1</b></p>			
<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p align="center">Compliant</p>	<p>The following contains the information on how the directors performed their duties:</p> <p><b>Revised Corporate Governance Manual</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>Article III Governance Structure A.4. Specific Duties and Responsibilities of a Director; page 18 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Definitive Information Statement</b> <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf</a></p> <p><b>Minutes of Annual Stockholders' Meeting</b> <a href="http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf">http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf</a></p>	
<b>Recommendation 2.2</b>			
<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	Compliant	<p>The following contains the information on how the directors performed this function:</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure A.3. 3. Responsibilities, Duties and Functions of the Board, 3.2.2.; page 17 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	Compliant	<p>Business objectives and strategy are reviewed and approved annually.</p> <p><b>Minutes of Annual Stockholders' Meeting</b> <a href="http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf">http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Supplement to Recommendation 2.2</b>			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p align="center">Compliant</p>	<p>The company’s vision, mission and core values can be found in:</p> <p><b>Company Website</b>  <a href="http://www.jgsummit.com.ph/mission-vision-and-values">http://www.jgsummit.com.ph/mission-vision-and-values</a></p> <p><b>Annual Report (Colored)</b>  <a href="http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf">http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf</a></p> <p>The Company’s vision, mission and core values are reviewed annually.</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.8; page 17  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company’s business environment, and culture.</p>	<p align="center">Compliant</p>	<p>The following contains information on the strategy execution process:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.8; page 17  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Annual Report SEC 17A</b>                      Part I – Business and General Information; page 5-39  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>The following contains the information on the Chairperson, including his/her name and qualifications:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      C. Chairman; page 28  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Definitive Information Statement</b>                      Part III– Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; page 102  <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>The company’s succession planning policies and programs and its implementation are disclosed in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.3; page 17                      5.Internal Control Responsibilities of the Board, 5.1.5; page 19                      3. Corporate Governance Committee, 3.3. Functions, 3.3.4; page 25  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<b>Company Website</b> <b>Succession Planning and Remuneration Policy</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf</a>	
<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	The following contains information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.  <b>Revised Corporate Governance Manual</b> Article III Governance Structure B.3. Corporation Governance Committee; page 24 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<b>Company Website</b> <b>Succession Planning and Remuneration Policy</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf</a>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.		Provide proof of board approval	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.		Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.	
<b>Recommendation 2.6</b>			
1. Board has a formal and transparent board nomination and election policy.	Compliant	The following contains information on the company’s nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders; proof that minority shareholders have a right to nominate candidates to the board; information that there was an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.  <b>Revised Corporate Governance Manual</b> Article III Governance Structure 3.2. Duties and Functions of the Board, 3.2.4; page 17 B.3. Corporate Governance Committee, 3.3.5; page 25 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>  <b>Notice of Annual Stockholders’ Meeting</b> <a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf</a>	
2. Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s	Compliant		



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
processes in the nomination, election or replacement of a director.		<b>Board Nomination and Election Policy</b> <b>Company Website</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Board_Nomination_and_Election_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Board_Nomination_and_Election_Policy.pdf</a>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		
<b>Optional: Recommendation to 2.6</b>			
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.		Identify the professional search firm used or other external sources of candidates	
<b>Recommendation 2.7</b>			
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 following contains the company's policy on related party transaction, including policy on review and approval of significant RPTs:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure A.3. Responsibilities, Duties and Functions of the Board 3.2. Duties and Functions of the Board, 3.2.5; page 17 2.3. Functions of the Audit Committee, 2.3.8; page 23	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
and transparency of the transactions.		<a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p><b>Annual Report SEC Form 17A</b>                      Related Party Transactions; pages 18, 33, 82, 256  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p> <p><b>Company Website</b>  <b>Related Party Transaction Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf</a></p> <p><b>Identify transactions that were approved pursuant to the policy.</b>                      All related party transactions for the financial year are related to the regular business operations consummated on an armslength basis.</p>	
<b>Supplement to Recommendations 2.7</b>			
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	Compliant	<p>Provide information on a materiality threshold for RPT disclosure and approval, if any.</p> <p>Provide information on RPT categories</p> <p><b>Company Website</b>  <b>Related Party Transaction Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>			
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p align="center">Compliant</p>	<p>Provide information on voting system, if any.</p> <p><b>Definitive Information Statement</b>  <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p> <p><b>Amended By-Laws</b>                      Article II Meetings of Stockholders Meeting, Section 2; page 4                      Article III Board of Directors, Section 1.b; page 9  <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf</a></p> <p><b>There are no transactions during the financial year that would require the approval of the majority of non-related party shareholders.</b></p>	
<p><b>Recommendation 2.8</b></p>			
<p>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</p>	<p align="center">Compliant</p>	<p>The following contains the Board's policy and responsibility for approving the selection of management:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.6; page 17</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>Compliance Officer and Chief Audit Executive).</p>		<p><a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Succession Planning and Remuneration Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf</a></p> <p><b>In accordance with its By-Laws, Company formed an Executive Committee that acts based on the majority vote of its members on the normal business decision requirements of the Company.</b></p>	
<p>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).</p>	<p align="center">Compliant</p>	<p>The following contains the Board’s policy and responsibility for assessing the performance of management:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.6; page 17                      Article VII Corporate Governance Monitoring And Self-Assessment, pages 42-43  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Provide information on the assessment process and indicate frequency of assessment of performance.</b></p> <p>Monthly Performance Review is performed and Management’s performance is assessed annually after the end of the Financial Year.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 2.9</b>			
<p>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.</p>	Compliant	<p>The following contains the Board’s performance management framework for management and personnel:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      A.3. Responsibilities, Duties and Functions of the Board, 3.2.6 to 3.2.7;                      page 17</p>	
<p>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.</p>	Compliant	<p>Article VII Corporate Governance Monitoring And Self—Assessment, pages 42-43  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a></p> <p>Monthly Performance Review is performed and Management’s performance is assessed annually after the end of the Financial Year.</p> <p><b>In accordance with its By-Laws, Company formed an Executive Committee that acts based on the majority vote of its members on the normal business decision requirements of the Company.</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The following provide information on the Board’s responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system:	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      3. Responsibilities of the Board, 3.2.7; page 17                      5. Internal Control Responsibilities of the Board; page 19                      B. Board Committees 2. Audit Committee; page 21                      F. Internal Audit, 4. Responsibilities of Internal Audit; page 31  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>The following are the links to the company’s Internal Audit Charter:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      B. Board Committees 2. Audit Committee; page 21                      F. Internal Audit, 4. Responsibilities of Internal Audit, 4.1; page 33  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Audit Committee Charter</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf</a></p>	
<b>Recommendation 2.11</b>			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
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 following shows the Board’s oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.  <b>Revised Corporate Governance Manual</b> Article III Governance Structure 3. Responsibilities of the Board, 3.2.7; page 17	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	4. Board Risk Oversight Committee, Role of the BROCC, 4.1; page 26 G. Enterprise Risk Management; pages 34-36 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>  <b>Definitive Information Statement</b> 4. Financial Risk Management Objectives and Policies Enterprise Risk Management Group (ERMG) Framework; page 179 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	Provide link to the company’s website where the Board Charter is disclosed.  <b>Revised Corporate Governance Manual</b> Article III Governance Structure B. Board Committees; pages 21-28	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
3. Board Charter is publicly available and posted on the company's website.	Compliant	<b>Company Website</b> <b>Board Committees' Charter</b> <a href="http://www.jgsummit.com.ph/corporate-governance#board-committees">http://www.jgsummit.com.ph/corporate-governance#board-committees</a>	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	Information on or link/reference to a document showing company's insider trading policy is found in:  <b>Company Website</b> <b>Insider Trading Policy</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Policy_on_Insider_Trading.pdf">http://www.jgsummit.com.ph/docs/2018/06/Policy_on_Insider_Trading.pdf</a>	
<b>Optional: Principle 2</b>			
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.		<b>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</b>	
2. Company discloses the types of decision requiring board of directors' approval.		<b>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</b>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p><b>Principle 3:</b> 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.</p>			
<p><b>Recommendation 3.1</b></p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p align="center">Compliant</p>	<p>Information on all the board committees established by the company are disclosed in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      B. Board Committees; pages 21-28  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p><b>Recommendation 3.2</b></p>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Information regarding the Company’s Audit Committee, including its functions are disclosed in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      B.1. Audit Committee; pages 21-24  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Board Committees’ Charter</b>  <a href="http://www.jgsummit.com.ph/corporate-governance#board-committees">http://www.jgsummit.com.ph/corporate-governance#board-committees</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>The Audit Committee’s responsibility to recommend the appointment and removal of the company’s external auditor is documented and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      B.1. Audit Committee, 2.3. Functions of the Audit Committee, 2.3.11; page 23                      Article V Accountability And Audit, B; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Governance Structure, Board Committees</b>  <a href="http://www.jgsummit.com.ph/corporate-governance#governance-structure">http://www.jgsummit.com.ph/corporate-governance#governance-structure</a></p>	
<p>2. Audit Committee is composed of at least three appropriately qualified nonexecutive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>	<p>Information on the members of the Audit Committee, including their qualifications and type of directorship are disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      B.1. Audit Committee                      2.2. Organization of the Audit Committee, 2.2.2; page 21  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>The members of the Audit Committee of the Corporation are the following:</p> <ol style="list-style-type: none"> <li>1) John L. Gokongwei, Jr.</li> <li>2) James L. Go</li> <li>3) Lance Y. Gokongwei</li> <li>4) Johnson Robert G. Go, Jr.</li> <li>5) <b>Cornelio T. Peralta (Independent Director) - Chairman</b></li> <li>6) Jose T. Pardo (Independent Director)</li> </ol> <p><b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; Page 25 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p>Information on the background, knowledge, skills, and/or experience of the members of the Audit Committee are disclosed and can be found in:</p> <p>The members of the Audit Committee of the Corporation are the following:</p> <ol style="list-style-type: none"> <li>1) John L. Gokongwei, Jr.</li> <li>2) James L. Go</li> <li>3) Lance Y. Gokongwei</li> <li>4) Johnson Robert G. Go, Jr.</li> <li>5) <b>Cornelio T. Peralta (Independent Director) - Chairman</b></li> <li>6) Jose T. Pardo (Independent Director)</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<b>Definitive Information Statement</b> PART III – Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; Pages 101-103 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	<b>Compliant</b>	Information on the Chairman of the Audit Committee is disclosed in and can be found in:  <b>Definitive Information Statement</b> PART III – Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; Page 101 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Proof that the Audit Committee approved all non-audit services conducted by the external auditor is disclosed and can be found in:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure B.2. Audit Committee, Functions of the Audit Committee, 2.3.7; page 22 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without	Non-Compliant	<b>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</b>	Executive Directors are members of the Audit Committee.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
anyone from management present.			
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.		The Audit Committee had ___ meetings during the year as documented in:	
2. Audit Committee approves the appointment and removal of the internal auditor.		Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.	
<b>Recommendation 3.3</b>			
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	<p>Information on the Corporate Governance Committee, including its functions is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure, B. Board Committees; page 21                      3. Corporate Governance Committee; page 24  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Governance Structure, Board Committees</b>  <a href="http://www.jgsummit.com.ph/corporate-governance#governance-structure">http://www.jgsummit.com.ph/corporate-governance#governance-structure</a></p> <p>The Committee’s process of identifying the quality of directors aligned with the company’s strategic direction is disclosed and can be found in:</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure,                      Duties and Responsibilities of the Board, 3.2.4; page 17                      3. Corporate Governance Committee, Organization, 3.2.2; page 24  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Board Nomination and Election Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Board_Nomination_and_Election_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Board_Nomination_and_Election_Policy.pdf</a></p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>Non-Compliant</p>	<p>Information on the members of the Corporate Governance Committee, including their qualifications and type of directorship are disclosed and can be found in:</p>	<p>Based on the Company's Revised Corporate Governance Manual, the Corporate Governance Committee shall be composed of at least three (3) Directors, one (1) of whom shall be an Independent Director. The Board may consider Independent Directors to comprise the membership of the Corporate Governance Committee, including the Chairman. The Board assessed that the Committee is able to carry out its functions with the current membership.</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<p><b>Revised Corporate Governance Manual</b> Article III Governance Structure, 3. Corporate Governance Committee, Organization, 3.2.2; page 24 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>Non-Compliant</p>	<p>Information on the Chairman of the Corporate Governance Committee is disclosed and can be found in:</p>	<p>The Company is compliant with the SEC Memorandum Circular No. 6 Series of 2004 requiring only the Audit Committee Chairman to be an Independent Director.</p>
<p><b>Optional: Recommendation 3.3.</b></p>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>		<p>The Corporate Governance Committee had ___ meetings during the year as documented in:</p>	
<p><b>Recommendation 3.4</b></p>			
<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p>Non-Compliant</p>	<p>Information on the Board Risk Oversight Committee (BROC), including its functions is disclosed and can be found in:</p>	<p>The Company's BROC shall be established in 2018. For the financial year 2017, the functions of the BROC were performed by the Audit and Risk Management Committee.</p> <p><b>Company Website</b></p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<p><b>Board Risk Oversight Committee</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Board_Risk_Oversight_Committee_Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Board_Risk_Oversight_Committee_Charter.pdf</a></p>
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>Non-Compliant</p>	<p>Information on the members of the BROC, including their qualifications and type of directorship are disclosed and found in:</p>	<p>Based on the Company’s Revised Corporate Governance Manual, the Board Risk Oversight Committee shall be composed of at least three (3) Directors, one (1) of whom shall be an Independent Director. The Board may consider Independent Directors to comprise the membership of the Corporate Governance Committee, including the Chairman. The Board assessed that the Committee is able to carry out its functions with the current membership.</p> <p>Revised Corporate Governance Manual                      Article III Governance Structure                      B.4. Board Risk Oversight Committee, Organization of the BROC, 4.2.1; page 26  <a href="http://www.jgsummit.com.ph/docs/">http://www.jgsummit.com.ph/docs/</a></p>



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<a href="#">2017/07/10/Revised Corporate Governance Manual JGSHI.pdf</a>
3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.	Non-Compliant	Information on the Chairman of the BROCC is disclosed and can be found in:	<p>The Company's BROCC shall be established in 2018. For the financial year 2017, the functions of the BROCC were performed by the Audit and Risk Management Committee.</p> <p><b>Company Website Board Risk Oversight Committee</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI Board Risk Oversight Committee Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI Board Risk Oversight Committee Charter.pdf</a></p>
4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	Non-Compliant	Information on the background, skills, and/or experience of the members of the BROCC.	<p>The Company's BROCC shall be established in 2018. For the financial year 2017, the functions of the BROCC were performed by the Audit and Risk Management Committee.</p> <p><b>Definitive Information Statement</b> PART III – Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; Page 101</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2018_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2018_DEFINITIVE_2017.pdf</a>  <b>Company Website</b> <b>Board Risk Oversight Committee</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Board_Risk_Oversight_Committee_Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Board_Risk_Oversight_Committee_Charter.pdf</a>
<b>Recommendation 3.5</b>			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	Non-Compliant	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	<p>The roles and responsibilities of the Company's Audit Committee included the review of RPTs.</p> <p>Revised Corporate Governance Manual                      Article III Governance Structure, Audit Committee; page 21  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	Non-Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	Information on the members of the Audit Committee, including their qualifications and type of directorship are disclosed and can be found in:

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<p><b>Revised Corporate Governance Manual</b> Article III Governance Structure Audit Committee; page 21 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Definitive Information Statement</b> <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p>
<b>Recommendation 3.6</b>			
<p>1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.</p>	Compliant	<p>The company’s committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes, are disclosed and can be found in:</p> <p><b>Company Website</b> <b>Board Committee’s Charters</b></p>	
<p>2. Committee Charters provide standards for evaluating the performance of the Committees.</p>	Compliant	<p><a href="http://www.jgsummit.com.ph/corporate-governance#board-committees">http://www.jgsummit.com.ph/corporate-governance#board-committees</a></p>	
<p>3. Committee Charters were fully disclosed on the company’s website.</p>	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p><b>Principle 4:</b> 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.</p>			
<p><b>Recommendation 4.1</b></p>			
<p>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.</p>	<p>Compliant</p>	<p>Actual Meetings are conducted instead of tele/ videoconferencing.</p> <p>As a policy, members of the Board shall attend regular and special meetings in person or through video/teleconferencing conducted in accordance with the rules and regulations of the SEC except for justifiable reasons that prevent them from doing so.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure A.6. Board Meetings and Quorum Requirement; page 20 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p>Information on the attendance and participation of directors to Board, Committee and shareholders’ meetings are disclosed and found in:</p> <p><b>Minutes of Annual Stockholders’ Meeting</b> <a href="http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf">http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf</a></p>	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>	<p><b>Revised Corporate Governance Manual</b> Article III Governance Structure A.6. Board Meetings and Quorum Requirement; page 20 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>						
<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p align="center">Compliant</p>	<p>Information on any questions raised or clarification/explanation sought by the directors are disclosed and can be found in:</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf">http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf</a></p>							
<p><b>Recommendation 4.2</b></p>									
<p>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-term strategy of the company.</p>	<p align="center">Compliant</p>	<p>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies</p> <p><b>Definitive Information Statement Profiles of the Nominees For Election To The Board of Directors For The Year 2017; pages 9-12</b>  <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf</a></p> <p><a href="#">Summary of NEDs (including the IDs) and Directorships in PLCs</a></p> <table border="1" data-bbox="840 1153 1653 1353"> <thead> <tr> <th data-bbox="840 1153 1088 1193"><b>Name of Director</b></th> <th data-bbox="1088 1153 1653 1193"><b>PLCs with Directorship / Designation</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="840 1193 1088 1273">Lily Ngo-Chua</td> <td data-bbox="1088 1193 1653 1273">1. JG Summit Holdings, Inc. – Non-Executive Director</td> </tr> <tr> <td data-bbox="840 1273 1088 1353">Patrick Henry C. Go</td> <td data-bbox="1088 1273 1653 1353">1. JG Summit Holdings, Inc. – Non-Executive Director</td> </tr> </tbody> </table>	<b>Name of Director</b>	<b>PLCs with Directorship / Designation</b>	Lily Ngo-Chua	1. JG Summit Holdings, Inc. – Non-Executive Director	Patrick Henry C. Go	1. JG Summit Holdings, Inc. – Non-Executive Director	
<b>Name of Director</b>	<b>PLCs with Directorship / Designation</b>								
Lily Ngo-Chua	1. JG Summit Holdings, Inc. – Non-Executive Director								
Patrick Henry C. Go	1. JG Summit Holdings, Inc. – Non-Executive Director								

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>		<b>EXPLANATION</b>
			<ol style="list-style-type: none"> <li>2. Universal Robina Corporation- Non-Executive Director</li> <li>3. Robinsons Land Corporation - Non-Executive Director</li> </ol>	
		Robina Y. Gokongwei-Pe	<ol style="list-style-type: none"> <li>1. JG Summit Holdings, Inc. - Non-Executive Director</li> <li>2. Robinsons Land Corporation - Non-Executive Director</li> <li>3. Cebu Air, Inc. - Non-Executive Director</li> <li>4. Robinsons Retail Holdings, Inc. – President and COO / Executive Director</li> </ol>	
		Johnson Robert G. Go, Jr.	<ol style="list-style-type: none"> <li>1. JG Summit Holdings, Inc. – Non-Executive Director</li> <li>2. Universal Robina Corporation– Non-Executive Director</li> <li>3. Robinsons Land Corporation – Non-Executive Director</li> </ol>	
		Ricardo J.Romulo	<ol style="list-style-type: none"> <li>1. JG Summit Holdings, Inc. - Non-Executive Director</li> <li>2. Cebu Air, Inc. – Chairman / Executive Director</li> </ol>	
		Cornelio T. Peralta	<ol style="list-style-type: none"> <li>1. JG Summit Holdings, Inc. - Independent Director</li> </ol>	
		Jose T. Pardo	<ol style="list-style-type: none"> <li>1. JG Summit Holdings, Inc. - Independent Director</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>		<b>EXPLANATION</b>
			2. Philippine Stock Exchange - Chairman / Independent Director 3. Philippine Savings Bank - Chairman / Independent Director 4. Philippine Seven Corporation - Chairman / Independent Director	
		Renato De Guzman	1. JG Summit Holdings, Inc. - Independent Director	
<b>Recommendation 4.3</b>				
1. The directors notify the company's board before accepting a directorship in another company.	Non-Compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.		As a policy, a Director shall notify the Board before accepting Directorship in any company.  <b>Definitive Information Statement 2016</b> Certification of Independent Director; page 22 <a href="http://www.jgsummit.com.ph/docs/20160524/JGS_Definitive_Information_Statement_2016.pdf">http://www.jgsummit.com.ph/docs/20160524/JGS_Definitive_Information_Statement_2016.pdf</a>  <b>Definitive Information Statement, 2017</b> Certification of Independent Director; page 30 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_201S_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_201S_DEFINITIVE_2017.pdf</a>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Optional: Principle 4</b>			
1. 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.			
3. Board of directors meet at least six times during the year.	Compliant	The Company had 9 board meetings during the year. <b>Annex 1-Advisement Letter</b>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions	
<b>Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs</b>			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Non-Compliant	Information on the number of independent directors in the board is disclosed and can be found in:	The Company has 3 Independent Directors.  The Company is compliant with the Securities Regulation Code 38.7.1 requiring a minimum of 2



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			Independent Directors in the Board of Publicly Listed Companies
<b>Recommendation 5.2</b>			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	Compliant	<p>Information on the qualifications of the independent directors is disclosed and can be found:</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure, 2. Qualifications for or Disqualifications from Directorship; page 14 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Definitive Information Statement</b> Profiles of the Nominees For Election To The Board of Directors For The Year 2017, Pages 11-12 Part III Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; page 100 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2015_DEFINITIVE_2017.pdf</a></p>	
<b>Supplement to Recommendation 5.2</b>			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	Compliant	<p>Information that directors are not constrained to vote independently is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure A.4. Specific Duties and Responsibilities of a Director; page 18 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>														
<b>Recommendation 5.3</b>																	
<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	Compliant	<p>Information on the years IDs have served as such is disclosed and can be found in:</p> <p><b>Definitive Information Statement</b> ANNEX A-Certification of Independent Director; pages 28-32 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p> <table border="1" data-bbox="842 676 1653 916"> <thead> <tr> <th rowspan="2">Director's Name</th> <th colspan="2">No. Of Years served as Director</th> </tr> <tr> <th>From first election</th> <th>Reckoning from 2012</th> </tr> </thead> <tbody> <tr> <td>Cornelio T. Peralta</td> <td align="center">17</td> <td align="center">5</td> </tr> <tr> <td>Jose T. Pardo</td> <td align="center">14</td> <td align="center">5</td> </tr> <tr> <td>Renato De Guzman</td> <td align="center">3</td> <td align="center">3</td> </tr> </tbody> </table>	Director's Name	No. Of Years served as Director		From first election	Reckoning from 2012	Cornelio T. Peralta	17	5	Jose T. Pardo	14	5	Renato De Guzman	3	3	
Director's Name	No. Of Years served as Director																
	From first election	Reckoning from 2012															
Cornelio T. Peralta	17	5															
Jose T. Pardo	14	5															
Renato De Guzman	3	3															
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	Compliant	<p>Information on the company's policy on term limits for its independent director is disclosed and can be found in:</p> <p>Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.</p>															
<p>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.</p>	Compliant	<p><b>Revised Corporate Governance Manual</b> Article I Introduction and Definition of Terms 9. Independent Director, 9.12; page 11 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>															

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 5.4</b>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Non-Compliant</p>	<p>Following are company's Chairman of the Board and Chief Executive Officer (CEO):</p>	<p>Chairman: James L. Go Chief Executive Officer: James L. Go</p> <p><b>Definitive Information Statement</b> Part III Control and Compensation, Item 9. Directors and Executive Officers of the Registrant Item 9. Directors And Executive Officers Of The Registrant; page 100 <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_2018_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_2018_DEFINITIVE_2017.pdf</a></p> <p>If the roles of the Chairman and CEO are unified, the Company shall lay down proper checks and balances to ensure that the Board get the benefit of independent views and perspectives.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure C. Chairman; page 28 D. The CEO; page 29 <a href="http://www.jgsummit.com.ph/docs/">http://www.jgsummit.com.ph/docs/</a></p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<a href="#">2017/07/10/Revised Corporate Governance Manual JGSHI.pdf</a>
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p align="center">Compliant</p>	<p>Information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      C. Chairman; page 28                      D. The CEO; page 29  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised Corporate Governance Manual JGSHI.pdf</a></p> <p>Identify the relationship of Chairman and CEO</p> <p>The Chairman is one and the same person. 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.</p>	
<p><b>Recommendation 5.5</b></p>			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	<p align="center">Non-Compliant</p>	<p>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</p>	<p>Chairman is an Executive Director</p> <p>The Revised Corporate Governance Manual states that, "The Board <u>may</u> consider designating a Lead Director among the Independent Directors if the Chairman of the Board is not an Independent Director and if the position of the Chairman of the</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<p>Board and CEO are held by one person. For the past financial year, there was no need for this designation.</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      C. Chairman; page 28                      D. The CEO; page 29  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>
<b>Recommendation 5.6</b>			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	<p align="center">Compliant</p>	<p>Provide proof of abstention, if this was the case.</p> <p>No Director had a material interest in any transaction executed by the Company during the financial year.</p>	
<b>Recommendation 5.7</b>			
<p>1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk</p>	<p align="center">Non-Compliant</p>	<p>Provide proof and details of said meeting, if any.</p> <p>Provide information on the frequency and attendees of meetings.</p>	<p>The Revised Corporate Governance Manual states that, "The Audit Committee <u>may</u> opt to meet without the presence of the CEO or other</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
functions, without any executive present.			management team members, and periodically meet with the Internal Audit Head. For the past financial year, the Committee has not seen the need for this separate meeting.
2. The meetings are chaired by the lead independent director.	Non-Compliant		Revised Corporate Governance Manual Article III Governance Structure B. Board Committees 2. Audit Committee; page 21 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.		Provide name/s of company CEO for the past 2 years (varies per Company).	
<b>Principle 6:</b> 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.			
<b>Recommendation 6.1</b>			
1. Board conducts an annual self-assessment of its performance as a whole.	Non-Compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Company is conducting an informal assessment process. A formal self-assessment process

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. The Chairman conducts a self-assessment of his performance.	Non-Compliant		including its documentation is being established.
3. The individual members conduct a self-assessment of their performance.	Non-Compliant		
4. Each committee conducts a self-assessment of its performance.	Non-Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Not Applicable	Identify the external facilitator and provide proof of use of an external facilitator.	This will be considered in future years.
<b>Recommendation 6.2</b>			
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.	Non-Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders	The Company is conducting an informal assessment process. A formal self-assessment process including its documentation is being established.

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p align="center">Compliant</p>	<p>Information on the feedback mechanism from shareholders is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39                      Article VIII Disclosure and Transparency; page 43  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Minutes of Annual Stockholders Meeting;</b> pages 2-3  <a href="http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf">http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf</a></p>	
<p><b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</p>			
<p><b>Recommendation 7.1</b></p>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Information on the company’s Code of Business Conduct and Ethics is disclosed and can be found in:</p> <p><b>Company Website</b>  <b>Code of Business Conduct and Ethics</b>  <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a></p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Information on how the company disseminated the Code to its Board, senior management and employees is disclosed and can be found in:  <b>Revised Corporate Governance Manual</b> Article IX Communication, Education and Training; pages 44-45 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Code of Business Conduct and Ethics is posted/ disclosed at:  <b>Company Website</b> <b>Code of Business Conduct and Ethics</b> <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Information on the company's policy and procedure on curbing and penalizing bribery is disclosed and can be found in:  <b>Company Website</b> <b>Code of Business Conduct and Ethics</b> <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a>  <b>Conflicts of Interest</b> <a href="http://www.jgsummit.com.ph/conflict-of-interest-policy">http://www.jgsummit.com.ph/conflict-of-interest-policy</a>	
<b>Recommendation 7.2</b>			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>	<p align="center">Compliant</p>	<p>Proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies is found in.</p> <p><b>Company Website</b>  <b>Code of Business Conduct and Ethics</b>  <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a></p> <p><b>Conflicts of Interest</b>  <a href="http://www.jgsummit.com.ph/conflict-of-interest-policy">http://www.jgsummit.com.ph/conflict-of-interest-policy</a></p> <p>The Company has Annual Disclosure Activities where selected employees are required to provide disclosures on Conflicts of Interest and Gifts and Sponsorships Received to their respective HR Departments who summarize the same and provide exception report to the Conflicts of Interest Committee.</p>	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p align="center">Compliant</p>	<p>The following are required to comply with the Code of Business Conduct and Ethics. There are no material findings on noncompliance.</p> <ul style="list-style-type: none"> <li>• All employees in the managerial and executive levels</li> <li>• All employees with procurement, retail merchandising, CAPEX project management, and leasing functions</li> <li>• Technical specialists involved in CAPEX projects</li> <li>• All employees involved in engineering fabrications (whether OPEX or CAPEX)</li> <li>• All employees that will be required by their Immediate Heads.</li> </ul>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			
<p>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.</p>	Compliant	<p>Information on the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders are disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 39                      Article VIII Disclosure and Transparency; page 43  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<b>Supplement to Recommendations 8.1</b>			
<p>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.</p>	Non-Compliant	<p>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</p>	<p>Annual and Quarterly Consolidated Financial Statements are submitted and published within <u>105 days</u> and <u>45 days</u>, respectively, compliant with Philippine regulatory requirements.</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>4. Company discloses in its annual report the principal risks associated with the 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.</p>	<p align="center">Compliant</p>	<p>Provide link or reference to the company’s annual report where the following are disclosed:</p> <ol style="list-style-type: none"> <li>1. principal risks to minority shareholders associated with the identity of the company’s controlling shareholders;</li> <li>2. cross-holdings among company affiliates; and</li> <li>3. any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</li> </ol> <p><b>Annual Report SEC Form 17A</b>                      Part 1. Business and General Information, Risk; pages 38-39                      Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; page 149  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<b>Recommendation 8.2</b>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Information on the company’s policy requiring directors and officers to disclose their dealings in the company’s share is disclosed and found in:</p> <p><b>Revised Corporate Governance Manual</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>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.</p>	<p align="center">Compliant</p>	<p>Article III Governance Structure 4. Specific Duties and Responsibilities of a Director; page 18 Article VIII Disclosure and Transparency; page 48 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Insider Trading Policy</b> <b>Company Website</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Policy_on_Insider_Trading.pdf">http://www.jgsummit.com.ph/docs/2018/06/Policy_on_Insider_Trading.pdf</a></p> <p>Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</p> <p><b>SEC Form 23 A/B (Statement of Beneficial Ownership)</b> <a href="http://www.jgsummit.com.ph/sec-form-23-ab-statement-of-beneficial-ownership">http://www.jgsummit.com.ph/sec-form-23-ab-statement-of-beneficial-ownership</a></p>	
<b>Supplement to Recommendation 8.2</b>			
<p>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).</p>	<p align="center">Compliant</p>	<p>Information on the shareholdings of directors, management and top 100 shareholders are disclosed in:</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure 4. Specific Duties and Responsibilities of a Director; page 18 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Definitive Information Statement</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a></p> <p>Link or reference to the company’s Conglomerate Map.</p> <p><b>Company Website</b> <a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a></p> <p><b>Annual Report SEC Form 17A</b> Map Of The Relationships Of The Companies Within The Group; page 283 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<b>Recommendation 8.3</b>			
<p>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.</p>	Compliant	<p>Information on the directors’ academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended are disclosed in:</p> <p>Information the key officers’ academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of</p>	Compliant	<p><b>Definitive Information Statement</b> PART III – Control and Compensation Information 9. Directors and Executive Officers of the Registrant; page 102</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
interest that might affect their judgment.		<a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>  <b>Annual Report SEC Form 17A</b> PART III – Control And Compensation Information Item 9 Directors and Executive Officers of Registrant; page 71 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Company policy and practice for setting board remuneration is disclosed and can be found in:  Information on the company policy and practice for determining executive remuneration is disclosed and can be found in:	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<b>Revised Corporate Governance Manual</b> Article III Governance Structure 7. Remuneration of Directors and Officers; page 20 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>  <b>Succession Planning and Remuneration Policy</b> <b>Company Website</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant	Breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO is disclosed in:	Disclosure of the director remuneration and executive compensation is disclosed in:  <b>Annual Report SEC Form 17A</b> Item 10. Executive Compensation; page 79 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Information of the company's RPT policies is disclosed and can be found in:  <b>Revised Corporate Governance Manual</b> Article VIII Disclosure and Transparency; page 44 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>  <b>Related Party Transaction Policy</b> <b>Company Website</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Related_Party_Transactions_Policy.pdf</a>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</p> <p><b>For the past financial year, there was transaction decided by the Board involving conflict of interest with any director.</b></p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</p> <ol style="list-style-type: none"> <li>1. name of the related counterparty;</li> <li>2. relationship with the party;</li> <li>3. transaction date;</li> <li>4. type/nature of transaction;</li> <li>5. amount or contract price;</li> <li>6. terms of the transaction;</li> <li>7. rationale for entering into the transaction;</li> <li>8. the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</li> <li>9. other terms and conditions</li> </ol> <p>All material RPTs are disclosed in the:</p> <p><b>Annual Report SEC Form 17A</b>                      Audited Financial Statements, Notes to Financial Statements                      Notes 40, Related Party Transactions; page 256  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Supplement to Recommendation 8.5</b>			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p align="center">Compliant</p>	<p>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      4. Specific Duties and Responsibilities of a Director; page 18                      Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39                      Article VIII Disclosure and Transparency; page 43  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<b>Optional : Recommendation 8.5</b>			
<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms’ length.</p>	<p align="center">Compliant</p>	<p>Link or reference where this is disclosed:</p> <p>Revised Corporate Governance Manual                      Article III Governance Structure                      Specific Duties and Responsibilities of a Director; page 18  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p>All material RPTs are disclosed in the:</p> <p><b>Annual Report SEC Form 17A</b>                      Audited Financial Statements, Notes to Financial Statements                      Notes 40, Related Party Transactions; page 256</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
<b>Recommendation 8.6</b>			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	Link or reference where this is disclosed:  Company Website SEC Form 17-C <a href="http://www.jgsummit.com.ph/sec-form-17-c-current-report">http://www.jgsummit.com.ph/sec-form-17-c-current-report</a>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	Identify independent party appointed to evaluate the fairness of the transaction price  Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.  <b>For the financial year, the company did not have any transaction requiring the appointment of an independent party.</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Supplement to Recommendation 8.6</b>			
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	Provide link or reference where these are disclosed.  <b>Company Website</b> SEC Form 17-C <a href="http://www.jgsummit.com.ph/sec-form-17-c-current-report">http://www.jgsummit.com.ph/sec-form-17-c-current-report</a>  <b>Definitive Information Statement</b> <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	The Manual on Corporate Governance is posted in the:  <b>Revised Corporate Governance Manual</b> <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant		
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	Provide proof of submission.  <b>Revised Corporate Governance Manual</b> <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:	Compliant	The company's Annual Report containing the said information are:  <b>Annual Report SEC Form 17A</b> <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
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	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		
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		Provide link or reference to where this is contained in the Annual Report	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>non-compliance, identifies and explains reason for each such issue.</p>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Link or reference to where this is contained in the Annual Report</p> <p><b>Annual Report SEC 17A</b> Statement of Management’s Responsibility For Consolidated Financial Statement; page 86 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<p>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.</p>	<p align="center">Compliant</p>	<p>Link or reference to where this is contained in the Annual Report</p> <p><b>Annual Report SEC 17A</b> Statement of Management’s Responsibility For Consolidated Financial Statement; page 86 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p> <p>The Company’s Chief Executive Officer and Chief Audit Executive issue an annual attestation that the Company has an internal audit, controls and compliance system in place and working effectively in all material respects, compliant with the standards set out in the Corporate Audit Manual. These processes provide an assurance that enables the senior management of the company to understand, manage and satisfactorily control risk exposures.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<b>Annex 2-Chief Auditor’s Attestation</b>	
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	Link or reference to where these are contained in the Annual Report  <b>Annual Report SEC 17A</b> Part I. Business and General Information, Risk; pages 38-39 Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; pages 149-153 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
<b>Principle 9:</b> 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.			
<b>Recommendation 9.1</b>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Information on the process for approving and recommending the appointment, reappointment, removal and fees of the company’s external auditor is disclosed and can be found in:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure A.3. Responsibilities, Duties and Functions of the Board; page 16 B. Audit Committee; page 21 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the	Compliant	<b>77.82%</b> percentage of shareholders ratified the appointment and fees of the external auditor.  <b>Minutes of Annual Stockholders’ Meeting</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
Board and ratified by the shareholders.		<a href="http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf">http://www.jgsummit.com.ph/docs/2018/03/JGS_Minutes_ASM_2017_pdf2.pdf</a>	
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	Information on or link/reference to a document containing the company's reason for removal or change of external auditor:  For the past financial year, there was no removal of external auditor.	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Information on or link/reference to a document containing the policy of rotating the lead audit partner every five years:  <b>Revised Corporate Governance Manual</b> Article V Accountability and Audit; page 38 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
<b>Recommendation 9.2</b>			
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	Compliant	Link/reference to the company's Audit Committee Charter:  <b>Company Website</b> <b>Audit Committee Charter</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf</a>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>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.</p>			
<p>2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.</p>	Compliant		
<b>Supplement to Recommendations 9.2</b>			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	Compliant	<p>Link/reference to the company’s Audit Committee Charter <b>Company Website</b> <b>Audit Committee Charter</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf">http://www.jgsummit.com.ph/docs/2018/06/JGSHI_Audit_Committee_Charter.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		
<b>Recommendation 9.3</b>			
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	Nature of non-audit services performed by the external auditor.  Annual Report SEC Form 17-A Part II. Operational and Financial Information Item 8. Information on Independent Accountant and other Related Matters, A. External Audit Fees and Services Audit and Non-Audit - Related Fees; page 71 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
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	Link or reference to guidelines or policies on non-audit services <b>Revised Corporate Governance Manual</b> Article III Governance Structure B.2. Audit Committee; page 21 Article V Accountability and Audit; page 38 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Provide information on audit and non-audit fees paid.  <b>Annual Report SEC Form 17-A</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Part II. Operational and Financial Information Item 8. Information on Independent Accountant and other Related Matters, A. External Audit Fees and Services Audit and Non-Audit - Related Fees; page 71 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
<b>Additional Recommendation to Principle 9</b>			
1. Company’s external auditor is duly accredited by the SEC under Group A category.	Compliant	Information on company’s external auditor, such as:  1. Name of the audit engagement partner: <b>Aris C. Malantic</b> 2. Accreditation number: <b>No. 0326-AR-3 (Group A)</b> 3. Date Accredited: <b>May 1, 2015</b> 4. Expiry date of accreditation: <b>April 30, 2018</b> 5. Name, address, contact number of the audit firm. <b>SyCip Gorres Velayo &amp; Co. 6760 Ayala Avenue 1226 Makati City Philippines, (632) 891 0307</b> Pages 88-95 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
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	Provide information on the following: 1. Date it was subjected to SOAR inspection, if subjected; 2. Name of the Audit firm; and 3. Members of the engagement team inspected by the SEC.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><b>The Company’s External Auditor has not yet been subjected to SOAR.</b></p>	
<p><b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</p>			
<p><b>Recommendation 10.1</b></p>			
<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>Link on the company’s policies and practices on the disclosure of non-financial information, including EESG issues.</p> <p>Revised Corporate Governance Manual Article VIII Disclosure and Transparency; page 43 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>Non-Compliant</p>	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p>	<p>The Company is in the process of planning and developing the standard/ framework for reporting sustainability and non-financial issues.</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p><b>Principle 11:</b> 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.</p>			
<p><b>Recommendation 11.1</b></p>			
<p>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.</p>	<p align="center">Compliant</p>	<p>The Company uses various communication channels like website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Annual reporting, etc.)</p> <p><b>Company Website</b>  <a href="http://www.jgsummit.com.ph/sec-form-17-c-current-report">http://www.jgsummit.com.ph/sec-form-17-c-current-report</a></p> <p><b>Annual Report SEC Form 17A</b>                      Part V- Exhibits and Schedules Item 14. Exhibits and Reports on SEC Form 17-C; page 83  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<p><b>Supplemental to Principle 11</b></p>			
<p>1. Company has a website disclosing up-to-date information on the following:</p>	<p align="center">Compliant</p>	<p>Provide link to company website</p> <p><b>Company Website</b>  <a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a></p>	
<p>a. Financial statements/reports (latest quarterly)</p>	<p align="center">Compliant</p>		
<p>b. Materials provided in briefings to analysts and media</p>	<p align="center">Compliant</p>		
<p>c. Downloadable annual report</p>	<p align="center">Compliant</p>		
<p>d. Notice of ASM and/or SSM</p>	<p align="center">Compliant</p>		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
e. Minutes of ASM and/or SSM	Compliant		
f. Company’s Articles of Incorporation and By-Laws	Compliant		
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	<b>Company Website</b> <a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> 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.			
<b>Recommendation 12.1</b>			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	List quality service programs for the internal audit functions.  Frequency of review of the internal control system  The Company’s Chief Executive Officer and Chief Audit Executive issue an annual attestation that the Company has an internal audit, controls and compliance system in place and working effectively in all material respects, compliant with the standards set out in the Corporate Audit Manual. These processes provide an assurance that enables the senior management of the company to understand, manage and satisfactorily control risk exposures.  <b>Annex 2-Chief Auditor’s Attestation</b>  <b>Annual Report SEC Form 17A</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Statement of Management’s Responsibility for Consolidated Financial Statements; page 86	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	Compliant	<p>International framework used for Enterprise Risk Management Information or reference to a document containing information on:</p> <ol style="list-style-type: none"> <li>1. Company’s risk management procedures and processes</li> <li>2. Key risks the company is currently facing</li> <li>3. How the company manages the key risks</li> </ol> <p>Frequency of review of the enterprise risk management framework.</p> <p>The above information are found in:</p> <p><b>Annual Report SEC Form 17A</b>                      Part 1. Business and General Information, Risk; pages 38-39                      Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; page 149  <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	
<b>Supplement to Recommendations 12.1</b>			
<p>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</p>	Compliant	<p>Provide information on or link/ reference to a document containing the company’s compliance program covering compliance with laws and relevant regulations.</p> <p>Indicate frequency of review.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.		The Company has a General Counsel Group that periodically reviews compliance to applicable laws, rules and regulations.	
<b>Optional: Recommendation 12.1</b>			
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.		Provide information on IT governance process	
<b>Recommendation 12.2</b>			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	The internal audit is in-house.	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	The company's Chief Audit Executive (CAE) is Mr. Emmanuel B. De Pano and information containing his responsibilities is found in:  Revised Corporate Governance Manual Article III Governance Structure	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		F. Internal Audit; page 31 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
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	There is no outsourced internal audit activity.	
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	Identify qualified independent executive or senior management personnel, if applicable.  The internal audit is in-house.	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Information on company’s risk management function is found in:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure G. Enterprise Risk Management; page 34 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Identify source of external technical support, if any.  <b>The Company did not see a need for technical support for ERM.</b>	
<b>Recommendation 12.5</b>			
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	The company's Chief Financial Officer acts as the Chief Risk Officer (CRO) and information on his/her responsibilities and qualifications/background are disclosed in:  <b>Annual Report SEC Form 17A</b> PART III – Control And Compensation Information, Item 9. Directors and Executive Officers of the Registrant, no. 6; page 77 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	The company's Chief Financial Officer acts as the Chief Risk Officer (CRO) and has the adequate authority, stature, resources and support to fulfill his/her responsibilities.  Annual Report SEC Form 17A PART III – Control And Compensation Information, Item 9. Directors and Executive Officers of the Registrant, no. 6; page 77	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
<b>Additional Recommendation to Principle 12</b>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Provide link to CEO and CAE’s attestation</p> <p>The Company’s Chief Executive Officer and Chief Audit Executive issue an annual attestation that the Company has an internal audit, controls and compliance system in place and working effectively in all material respects, compliant with the standards set out in the Corporate Audit Manual. These processes provide an assurance that enables the senior management of the company to understand, manage and satisfactorily control risk exposures.</p> <p><b>Annex 2-Chief Auditor’s Attestation</b></p> <p><b>Annual Report SEC Form 17A</b> Statement of Management’s Responsibilities for Consolidated Financial Statements; page 86 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Link or reference to the company’s Manual on Corporate Governance where shareholders’ rights are disclosed.  Provide link to company’s website	
2. Board ensures that basic shareholder rights are disclosed on the company’s website.	Compliant	<b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
<b>Supplement to Recommendation 13.1</b>			
1. Company’s common share has one vote for one share.	Compliant	<b>Amended By-Laws</b> Article II Meetings of Stockholders Meeting, Section 7-8; page 6-7 <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf</a>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	Information on classes of shares, including their voting rights are found in:  <b>Articles of Incorporation</b> <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_AOI_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_AOI_Amended_2015.pdf</a>  <b>Amended By-Laws</b>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Article II Meetings of Stockholders Meeting, Section 7-8; page 6-7 <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf</a>	
3. Board has an effective, secure, and efficient voting system.	Compliant	Voting procedure is by viva voce or show of hands.  Shareholder voting mechanisms are found in:	
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	<b>Amended By-Laws</b> Article II Meetings of Stockholders Meeting, Section 7-8; page 6-7 <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf</a>	
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	Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)  For the past financial year, no special shareholders’ meeting was held.  <b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Information or link/reference to the policies on treatment of minority shareholders:  <b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
<p>7. Company has a transparent and specific dividend policy.</p>	<p>Non-Compliant</p>	<p>Provide information on or link/reference to the company's dividend Policy.</p> <p>Indicate if company declared</p>	<p>Dividends payable out of the surplus profits of the Company shall be declared at such time and in such manner and in such amounts as the Board of Directors shall determine. Provided that, stock dividends shall be subject to the approval of the stockholders in a meeting called for the purpose.</p> <p>Amended By-Laws Article VI-Fiscal Year, Dividends &amp; Finances Section 3. Dividends; page 19 <a href="http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf">http://www.jgsummit.com.ph/docs/20160411/JGS_ByLaws_Amended_2015.pdf</a></p>
<p><b>Optional: Recommendation 13.1</b></p>			
<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p>	<p>Compliant</p>	<p>Sycip, Gorres, Velayo &amp; Co. counted/validated the votes at the ASM.</p> <p>In accordance with the Engagement Letter with SGV, the Validation Report maybe provided upon request after obtaining a written consent from SGV.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 13.2</b>			
<p>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.</p>	<p>Non-Compliant</p>	<p>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</p>	<p>The Company is compliant with Securities Regulation Code Rule 20.3.3 Filing Requirements, 20.3.3.4. The information statement, proxy form and management report referred to in SRC Rule 20.4, if applicable, shall be distributed to security holders at least fifteen (15) business days prior to the date of the stockholders' meeting.</p> <p>The Notice of Annual or Special Stockholder's Meeting:</p> <p>Posted to PSE EDGE: <b>April 25, 2017</b>                      Actual sending the stockholders: <b>June 5, 2017</b> (15 business days)                      ASM Schedule: <b>June 27, 2017</b></p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p> <p><a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notify_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notify_ASM_2017.pdf</a></p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS) <a href="http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf">http://www.jgsummit.com.ph/docs/20170530/JGS_20IS_DEFINITIVE_2017.pdf</a>
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Link or reference to the company's notice of Annual Shareholders' Meeting  <b>Notice of Annual Stockholders' Meeting</b>	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	<a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf</a>	
b. Auditors seeking appointment/reappointment	Compliant		
c. Proxy documents	Compliant		



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Rationale for the agenda items is contained in the:  <b>Notice of Annual Stockholders' Meeting</b> <a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf</a>	
<b>Recommendation 13.3</b>			
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	Information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM were documented on:  <b>Minutes of Annual Stockholders' Meeting</b> <a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf</a>	
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	Link to minutes of meeting in the company website.  <b>Minutes of Annual Stockholders' Meeting</b> <a href="http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf">http://www.jgsummit.com.ph/docs/20170425/JGS_Notice_ASM_2017.pdf</a>  Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes  Indicate also if the voting on resolutions was by poll.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>Include whether there was opportunity to ask question and the answers given, if any</p> <p><b>SGV Validation Report</b> (will be provided upon request of SEC)</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf">http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf</a></p>	
<b>Supplement to Recommendation 13.3</b>			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>Compliant</p>	<p>External auditor and other relevant individuals were present during the ASM and/or special meeting:</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf">http://www.jgsummit.com.ph/docs/20170630/JGS_Results_ASM_2016.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 13.4</b>			
<p>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.</p>	<p align="center">Compliant</p>	<p>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure, 3. Responsibilities, Duties and Functions of the Board; page 18                      Article VI Stakeholders’ Rights And Protection Of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p>2. The alternative dispute mechanism is included in the company’s Manual on Corporate Governance.</p>	<p align="center">Compliant</p>	<p>Link/reference to where it is found in the Manual on Corporate Governance:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure, 3. Responsibilities, Duties and Functions of the Board; page 18                      Article VI Stakeholders’ Rights And Protection Of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person: Chesca Bugia-Tenorio, Investor Relations Director 2. Telephone number: Trunkline: (632) 633-7631 to 40 3. Fax number: 4. E-mail address: : chesca.tenorio@jgsummit.com.ph  <b>Company Website</b> <a href="http://www.jgsummit.com.ph/investor-relations-program">http://www.jgsummit.com.ph/investor-relations-program</a>	
2. IRO is present at every shareholder’s meeting.	Compliant	Indicate if the IRO was present during the ASM.  Yes, the IRO was present in the last ASM.	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	Provide information on how antitakeover measures or similar devices were avoided by the board, if any.  <b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; pages 39-40 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised Corporate Governance Manual JGSHI.pdf</a>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	Indicate the company's public float.  Public Ownership Percentage: 36.018% <b>Annual Report</b> Part II Operational and Financial Information Top 20 stockholders as of December 31, 2017; page 45 <a href="http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf">http://www.jgsummit.com.ph/docs/2018/05/JGSHI&amp;Subs_SEC17-A_2017.pdf</a>	
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.  <b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; pages 39-40 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Duties to Stakeholders</b>			
<p><b>Principle 14:</b> 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.</p>			
<b>Recommendation 14.1</b>			
<p>1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	Compliant	<p>Identify the company’s shareholder and provide information or reference to a document containing information on the company’s policies and programs for its stakeholders.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b> Annual Report (Colored), Sustainability the JG Summit Way; pages 78- <a href="http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf">http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf</a></p>	
<b>Recommendation 14.2</b>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	Compliant	<p>Policies and programs for the protection and fair treatment of company’s stakeholders:</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 14.3</b>			
<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p align="center">Compliant</p>	<p>Refer to CICOM in company website:</p> <p>Email Address: <a href="mailto:CICOM@jgsummit.com.ph">CICOM@jgsummit.com.ph</a>                      Fax Number: 395-3888                      Mailing Address: Must be sent in a sealed envelope clearly marked "Strictly Private and Confidential-To Be Opened by Addressee Only".                      CICOM                      JG Summit Holdings, Inc.                      44th Flr. Robinsons Equitable Tower                      ADB Avenue, Cor., Poveda Road, Pasig City</p> <p>Provide information on whistleblowing policy, practices and procedures for stakeholders</p> <p><b>Company Website</b>  <b>Whistleblowing policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf</a></p>	
<b>Supplement to Recommendation 14.3</b>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p align="center">Compliant</p>	<p>Information on the alternative dispute resolution system established by the company:</p> <p><b>Revised Corporate Governance Manual</b>                      Article III Governance Structure                      3.Responsibility, Duties and Functions of the Board; page 18</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a>	
<b>Additional Recommendations to Principle 14</b>			
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	Disclose any requests for exemption by the company and the reason for the request.  For the past financial year, the company did not request any exemption.	
2. Company respects intellectual property rights.	Compliant	Provide specific instances, if any.  The Company has developed confidential business and technical information over many years at considerable expense. Because of this effort, the Company now owns or otherwise possesses valuable confidential business and technical information; hence, everyone is expected to protect it as carefully similar to the protection of tangible property.  Code of Business Conduct, No. 11-Confidential Information; page	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a>	
<b>Optional: Principle 14</b>			
<p>1. Company discloses its policies and practices that address customers' welfare</p>	<p align="center">Compliant</p>	<p>Policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same:</p> <p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>  <b>Health, Safety and Welfare Policy</b>  <a href="http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare">http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare</a></p>	
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p align="center">Compliant</p>	<p>Policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</p> <p><b>Annual Report (Colored)</b>                      Corporate Governance Section; Corporate Governance and Management Systems; page 61  <a href="http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf">http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p>	
<p><b>Principle 15:</b> 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.</p>			
<p><b>Recommendation 15.1</b></p>			
<p>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.</p>	<p>Compliant</p>	<p>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</p> <p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>                      Corporate Governance, Company Policies, Stakeholders Health, Safety and Welfare, Employees                      JG ILED, JG CARES and other employee engagement  <a href="http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare">http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Supplement to Recommendation 15.1</b>			
<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p align="center">Compliant</p>	<p>The company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p> <p><b>Company Website</b>  <b>Succession Planning and Remuneration Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Succession_Planning_and_Remuneration_Policy.pdf</a></p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p align="center">Compliant</p>	<p>Information on policies and practices on health, safety and welfare of employees.                      Include statistics and data, if any.</p> <p>Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b>                      Revised Corporate Governance Manual, Company Policies, Stakeholders Health, Safety and Welfare, Employees JG ILED, JG CARES and other employee engagement  <a href="http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare">http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>Compliant</p>	<p>Information on policies and practices on training and development of employees. Include information on any training conducted or attended.</p> <p><b>Company Website</b> Corporate Governance, Company Policies, Stakeholders Health, Safety and Welfare, Employees JG ILED, JG CARES and other employee engagement <a href="http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare">http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare</a></p>	
<p><b>Recommendation 15.2</b></p>			
<p>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.</p>	<p>Compliant</p>	<p>Link/reference to the company’s policies, programs and practices on anti-corruption</p> <p>Revised Corporate Governance Manual Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b> <b>Code of Conduct and Ethics</b> <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<b>Company Website</b> <b>Whistleblowing Policy</b> <a href="http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf</a>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company’s culture.</p>	<p align="center">Compliant</p>	<p>Identify how the board disseminated the policy and program to employees across the organization</p> <p>All employees undergo an onboarding program where they are informed and oriented about company policies including the Code of Business Conduct and Ethics that is also available in the Company Website</p> <p><b>Company Website</b>  <b>Code of Conduct and Ethics</b>  <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a></p>	
<p><b>Supplement to Recommendation 15.2</b></p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p align="center">Compliant</p>	<p>Link/reference to the company policy and procedures on penalizing employees involved in corrupt practices. Include any finding of violations of the company policy.</p> <p><b>Company Website</b>  <b>Code of Conduct and Ethics</b>  <a href="http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics.pdf</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<b>Recommendation 15.3</b>			
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	<p>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</p> <p>Indicate if the framework includes procedures to protect the employees from retaliation.</p>	
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	<p><b>Company Website Whistleblowing Policy</b>  <a href="http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf</a></p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>Information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</p> <p><b>Revised Corporate Governance Manual</b>                      Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39  <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website Whistleblowing Policy</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<a href="http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf">http://www.jgsummit.com.ph/docs/2018/06/Whistleblowing_Policy.pdf</a>	

**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**

<p>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.</p>	<p>Compliant</p>	<p>Information or reference to a document containing information on the company’s community involvement and environment related programs.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b> <b>Corporate Social Responsibility</b> <a href="http://www.jgsummit.com.ph/gokongwei-brothers-foundation">http://www.jgsummit.com.ph/gokongwei-brothers-foundation</a></p> <p><b>Company Website</b> <b>Annual Report (Colored)</b> <a href="http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf">http://www.jgsummit.com.ph/docs/20170629/JGSHI_AR_2016.pdf</a></p>	
---	------------------	--	--

**Optional: Principle 16**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>	<p align="center">Compliant</p>	<p>Link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website Sustainability</b> <a href="http://www.jgsummit.com.ph/sustainability">http://www.jgsummit.com.ph/sustainability</a></p> <p><b>Company Website</b> Annual Report (Colored), Sustainability the JG Summit Way; pages 78- <a href="http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf">http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf</a></p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p align="center">Compliant</p>	<p>Link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders’ Rights and Protection of Minority Shareholders’ Interest; page 39 <a href="http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf">http://www.jgsummit.com.ph/docs/2017/07/10/Revised_Corporate_Governance_Manual_JGSHI.pdf</a></p> <p><b>Company Website</b></p>	

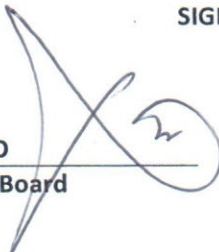


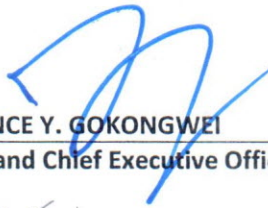
**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

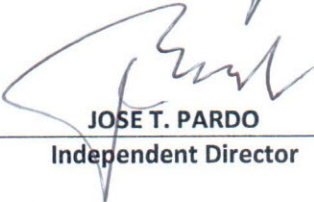
	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p><b>Sustainability</b>  <a href="http://www.jgsummit.com.ph/sustainability">http://www.jgsummit.com.ph/sustainability</a></p> <p><b>Company Website</b>                      Annual Report (Colored), Sustainability the JG Summit Way; pages 78-  <a href="http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf">http://www.jgsummit.com.ph/docs/2018/05/2018-0522-jgsummit-2017AR_web.pdf</a></p>	


Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of PASIG CITY on MAY 28 2018, 2018.

**SIGNATURES**

  
**JAMES L. GO**  
 Chairman of the Board

  
**LANCE Y. GOKONGWEI**  
 President and Chief Executive Officer

  
**JOSE T. PARDO**  
 Independent Director

  
**CORNELIO T. PERALTA**  
 Independent Director

  
**RENATO T. DE GUZMAN**  
 Independent Director

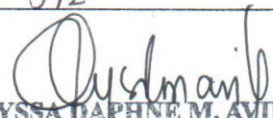
  
**ARLENE S. DENZON**  
 Compliance Officer

  
**ROSALINDA F. RIVERA**  
 Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 28 2018 day of 28 2018, affiant(s) exhibiting to me their identification cards, as follows:

NAME	TAX IDENTIFICATION NO.
JAMES L. GO	124 - 294 - 200
LANCE Y. GOKONGWEI	116 - 312 - 586
JOSE T. PARDO	116 - 203 - 611
CORNELIO T. PERALTA	115 - 365 - 627
RENATO T. DE GUZMAN	127 - 386 - 444
ARLENE S. DENZON	102 - 099 - 863
ROSALINDA F. RIVERA	185 - 543 - 392

Doc No.: 29  
 Page No.: 7  
 Book No.: I  
 Series of: 2018

  
**ALYSSA DAPHNE M. AVILA**  
 Commission No. 160  
 Notary Public for Pasig City  
 until December 31, 2019  
 40th Floor Robinsons Equitable Tower, ADB Ave.  
 cor. Poveda Road, Ortigas Center, Pasig City 1605  
 Roll No. 64364  
 PTR No. 5611614 / 01-09-2018 / Quezon City  
 IBP No. 026256 / 01-11-2018 / RSM



ANNEX 1

# JG SUMMIT HOLDINGS, INC.

43<sup>rd</sup> 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

January 5, 2018

## SECURITIES AND EXCHANGE COMMISSION

PICC Secretariat Building,  
Philippine International Convention Center (PICC) Complex,  
Roxas Boulevard, Pasay City, NCR, Philippines

Attention: **Ms. Rachel Esther J. Gumtang-Remalante**  
Officer-in-Charge, Corporate Governance and Finance Division

Dear Ms. Gumtang-Remalante,

Please find below the attendance of the directors in the meetings of the Board of Directors of JG Summit Holdings, Inc. ("JGSHI") held during fiscal year 2017.

Board	Name	Date of Election	No. of Meetings Held During the Fiscal Year*	No. of Meetings Attended	%
Member	1. John L. Gokongwei, Jr.	June 27, 2017	9	9	100.00%
Chairman	2. James L. Go	June 27, 2017	9	9	100.00%
Member	3. Lance Y. Gokongwei	June 27, 2017	9	9	100.00%
Member	4. Lily G. Ngochua	June 27, 2017	9	9	100.00%
Member	5. Patrick Henry C. Go	June 27, 2017	9	9	100.00%
Member	6. Robina Gokongwei-Pe	June 27, 2017	9	9	100.00%
Member	7. Johnson Robert G. Go, Jr.	June 27, 2017	9	9	100.00%
Member	8. Ricardo J. Romulo	June 27, 2017	9	8	88.89%
Independent	9. Cornelio T. Peralta	June 27, 2017	9	9	100.00%
Independent	10. Jose T. Pardo	June 27, 2017	9	9	100.00%
Independent	11. Renato T. de Guzman	June 27, 2017	9	9	100.00%

\*Fiscal year 2017 of JGSHI is from January 1, 2017 to December 31, 2017.

Thank you for your kind attention.

Very truly yours,

  
**ROSALINDA F. RIVERA**  
Corporate Secretary

  
**ARLENE S. DENZON**  
Compliance Officer





**MEMORANDUM**

**DATE** : January 4, 2018

**TO** : **AUDIT AND RISK MANAGEMENT COMMITTEE**

**FROM** : CORPORATE AUDIT

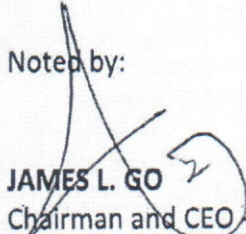
**SUBJECT** : **Internal Audit, Controls and Compliance System Attestation for the Year**

I, **Emmanuel B. De Pano, Vice President and Chief Audit Executive (CAE)**, am of the opinion that JG Summit Holdings Inc. (the Company) has internal audit, controls, and compliance system in place and working effectively; in all material respects, compliant with the standards set out in the *Corporate Audit Policy Manual* (the Manual). These processes provide an assurance that enables the senior management of the company to understand, manage and satisfactorily control risk exposures.

I as CAE of JGSHI, further states that in my opinion the Audit and Risk Management Committee for the company is constituted and operates in accordance with the independence and governance requirements of the Manual. The Chairman and Members of the Audit and Risk Management Committee are:

		Elected Date
<b>Chairman</b>	• Cornelio T. Peralta	June 28, 2017
<b>Independent Member</b>	• Jose T. Pardo	
<b>Non-independent Member</b>	• John L. Gokongwei, Jr. , James L. Go, Lance Y. Gokongwei & Johnson Robert G. Go, Jr.	

  
**EMMANUEL B. DE PANO**  
 VP, Chief Audit Executive –JGSHI

Noted by:  
  
**JAMES L. GO**  
 Chairman and CEO – JGSHI