

## COVER SHEET

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S.E.C. Registration Number

J	G			S	U	M	M	I	T		H	O	L	D	I	N	G	S	,		I	N	C	.					
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(Company's Full Name)

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

FRANCISCO M. DEL MUNDO
Compliance Officer

Contact Person

633-7631 to 40
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Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

I	-	A	C	G	R
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FORM TYPE

Last Thursday of May
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Month

Day

Annual Meeting

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

Issuer of Securities under SEC-BED Order No. 512, Series of 1993; SEC-BED Order No. 623, Series of 1993; SEC-BED Order No. 693, Series of 1994; SEC-BED Order No. 966, Series of 1994; and SEC-CFD Order No. 080, Series of 1998
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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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LCU

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Document I.D.

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Cashier

STAMPS
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Remarks: pls. use blank ink for scanning purposes



## 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 to 40, 240-8801 FAX NO.: 633-9207, 240-9106

27 May 2021

### **SECURITIES AND EXCHANGE COMMISSION**

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

Attention: **Atty. Rachel Esther J. Gumbang-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: **Ms. Janet A. Encarnacion**  
**Head, Disclosure Department**

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 2020.



**FRANCISCO M. DEL MUNDO**  
**COMPLIANCE OFFICER**  
**TIN # 150-030-615**



**SEC FORM – I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

- |    |   |  |
|----|---|--|
| 1. | For the calendar year ended   | 2020                                   |
| 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   | 6. <input type="text"/> (SEC Use Only) |
|    | Province, Country or other jurisdiction of incorporation or organization  | Industry Classification Code:          |
|    | 43 <sup>RD</sup> Floor, Robinsons Equitable Tower, ADB Ave.,<br>Corner Poveda Road St. Ortigas Center, Pasig City | 1605                                   |
| 7. | Address of principal office   | Postal Code                            |
|    | (632) 8633-7631 to 40   |  |
| 8. | Issuer's telephone number, including area code  |  |
|    | None  |  |
| 9. | Former name, former address, and former fiscal year, if changed since last report.                                |  |



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT  
AS OF DECEMBER 31, 2020**

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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	<p>1. Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors of the Directors are disclosed in the following:</p> <p><b>Definitive Information Statement</b>            Profiles of the Nominees For Election to the Board of Directors For the Year 2020, pages 7-10            Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 108-111  <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020</a></p> <p><b>Annual Report SEC Form 17A</b>            Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 82-86  <a href="https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report">https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report</a></p>	
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		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>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.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure</p> <p>3. Qualifications for or Disqualification from Directorship; page 11</p> <p><b>2.1. Qualifications of a Director</b> In addition to the applicable provisions of the Corporation Code, Securities Regulation Code, and other relevant laws the Articles of Incorporation and By-Laws of the Corporation, the following general guidelines shall be observed in the initial evaluation of Director-nominees to the Board:</p> <p>2.1.1. He should own at least one (1) share of stock of the Corporation;</p> <p>2.1.2. He must have a practical understanding of the business of the Corporation;</p> <p>2.1.3. He shall have been proven to possess integrity and probity.</p> <p>The Corporate Governance Committee, as defined under Article III-B (3), may consider and recommend to the Board other qualifications which are now or may hereafter be provided in the relevant existing</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>laws or any amendments thereto or new law applicable to the Corporation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of nonexecutive directors.	Compliant	<p>The directors and the type of their directorships are disclosed in the following:</p> <p><b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 108-111</p> <p><a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p> <p>For the year 2020, the Board of Directors is composed of 10 members. Nine (9) of these Directors are Non-Executive of which three (3) are Independent Directors. Only one (1) is an Executive Director.</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																																																																													
		<table><tr><th>No.</th><th>JGSHI</th><th colspan="3">Type of Directorship</th></tr><tr><th></th><th>Name</th><th>Position</th><th>ED</th><th>NED</th><th>ID</th></tr><tr><td>1</td><td>James L. Go</td><td>Director, Chairman</td><td></td><td>✓</td><td></td></tr><tr><td>2</td><td>Lance Y. Gokongwei</td><td>Director, President and CEO</td><td>✓</td><td></td><td></td></tr><tr><td>3</td><td>Lily G. Ngochua</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>4</td><td>Patrick Henry C. Go</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>5</td><td>Johnson Robert G. Go, Jr.</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>6</td><td>Robina Y. Gokongwei-Pe</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>7</td><td>Cirilo P. Noel</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>8</td><td>Renato T. De Guzman</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td>9</td><td>Jose T. Pardo</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td>10</td><td>Antonio L. Go</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td colspan="3">Total</td><td>1</td><td>6</td><td>3</td></tr></table> <p><b>Company Website</b> Board of Director <a href="https://www.jgsummit.com.ph/our-company/Board of Directors">https://www.jgsummit.com.ph/our-company/Board of Directors</a></p> <p><b>Annual Report SEC Form 17A</b>; pages 82-86 <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	No.	JGSHI	Type of Directorship				Name	Position	ED	NED	ID	1	James L. Go	Director, Chairman		✓		2	Lance Y. Gokongwei	Director, President and CEO	✓			3	Lily G. Ngochua	Director		✓		4	Patrick Henry C. Go	Director		✓		5	Johnson Robert G. Go, Jr.	Director		✓		6	Robina Y. Gokongwei-Pe	Director		✓		7	Cirilo P. Noel	Director		✓		8	Renato T. De Guzman	Independent Director			✓	9	Jose T. Pardo	Independent Director			✓	10	Antonio L. Go	Independent Director			✓	Total			1	6	3	
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Recommendation 1.3																																																																																
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	The company’s Board Charter and Manual on Corporate Governance relating to its policy on training of director are found in:  <b>Revised Corporate Governance Manual</b> Article IX Communication, Education and Training; page 43																																																																														



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><b>B. EDUCATION AND TRAINING</b></p> <p>Every Director shall receive appropriate orientation when he is first appointed to the Board of Directors, in order to ensure that incoming Directors are appropriately apprised of their duties and responsibilities before beginning their Directorships. The orientation program shall include SEC-mandated topics on Corporation Governance and an introduction to the Company's business, Articles of Incorporation, and Code of Business Conduct and Ethics.</p> <p>Likewise, Management Officers shall receive appropriate orientation on his duties as a management executive and how to discharge these duties when he is first appointed to the Corporation. This will ensure that incoming Senior Management Officers are familiar with the Corporation's business and governance processes.</p> <p>Each Director and key Officer shall be required to attend a training program on Corporate Governance and relevant topics every year. The training program shall ensure that Directors and key Officers are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Company as well as Corporate Governance matters including audit, internal controls, risk management, sustainability and strategy.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
2. Company has an orientation program for first time directors.	Compliant	The orientation program of directors is found in:  <b>Revised Corporate Governance Manual</b>	
3. Company has relevant annual continuing training for all directors.	Compliant	Article IX Communication, Education and Training; page 43  <b>B. EDUCATION AND TRAINING</b> Every Director shall receive appropriate orientation when he is first appointed to the Board of Directors, in order to ensure that incoming Directors are appropriately apprised of their duties and responsibilities before beginning their Directorships. The orientation program shall include SEC-mandated topics on Corporation Governance and an introduction to the Company's business, Articles of Incorporation, and Code of Business Conduct and Ethics.  Likewise, Management Officers shall receive appropriate orientation on his duties as a management executive and how to discharge these duties when he is first appointed to the Corporation. This will ensure that incoming Senior Management Officers are familiar with the Corporation's business and governance processes.  Each Director and key Officer shall be required to attend a training program on Corporate Governance and relevant topics every year. The training program shall ensure that Directors and key Officers are continuously informed of the developments in the business and regulatory environments, including emerging risks relevant to the Company as well as Corporate Governance matters including audit, internal controls, risk management, sustainability and strategy.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><a href="https://www.jgsummit.com.ph/Revised_Corporate_Governance_Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Trainings and Continuing Education Programs for the Directors and Key Officers</b></p> <p>The Corporation has organized several programs for the continuing education and training of its directors and key officers. For 2020, the focus of the programs was on the core values of the business of the JG Summit Group, in light of the situation brought about by the COVID-19 pandemic. The directors and key officers of the Corporation attended the subject online seminars for at least four (4) hours of Corporate Governance Training.</p> <ol style="list-style-type: none"> <li>1. Conversations on Entrepreneurial Mindset</li> <li>2. Conversations on Integrity</li> <li>3. Conversations on Stewardship</li> <li>4. Training Webinar on the Relevant Laws, Rules, Regulations, and the JG Group's Policies on Anti-Corruption, Anti-Bribery, and Conflicts of Interest</li> </ol> <p>On May 18, 2021, the SEC issued the Accreditation Letter to the Company for the approval of the in-house CG Seminars of the JG Group for 2020.</p> <p>Other directors<sup>1</sup> and officers of the Corporation, as may be applicable, had also separately attended at least four (4) hours of Corporate Governance trainings and seminars provided by</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>other companies in which they hold office as directors, and/or by the SEC and the Philippine Stock Exchange.</p> <p><sup>1</sup>Mr. James L. Go has been granted permanent exemption from the Corporate Governance Training requirement as stated in the Letter dated November 12, 2015 from the SEC Corporate Governance and Finance Department.</p> <p><b>ANNEX 1-Advisement Letter from SEC for the Accreditation of in-house Corporate Governance Training</b></p>	
<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 10 A.3. Responsibilities, Duties and Functions of the Board, 3.2.4; page 17 3.2.4. Adopt policies on board nomination and election that will ensure diversity in board composition in terms of knowledge, expertise and experience; <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website Board Diversity Policy</b></p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

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		<p>The Company recognize the benefits of having a diverse Board and its value in maintaining sound corporate governance while achieving strategic objectives and sustainable growth. The Policy establishes the approach to realize diversity of Board membership.</p> <p><a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/board-diversity-policy">https://www.jgsummit.com.ph/corporate-governance/company-policies/board-diversity-policy</a></p> <p>The Board is diverse in terms of expertise, gender and professional experience. For the year 2020, the Board of Directors is composed of 10 members. Nine (9) of these Directors are Non-Executive of which three (3) are Independent Directors. The Board also has 2 women forming part of the Non-Executive Directors.</p> <table><tr><th>No.</th><th colspan="2">JGSHI</th><th colspan="3">Type of Directorship</th></tr><tr><th></th><th>Name</th><th>Position</th><th>ED</th><th>NED</th><th>ID</th></tr><tr><td>1</td><td>James L. Go</td><td>Director, Chairman</td><td></td><td>✓</td><td></td></tr><tr><td>2</td><td>Lance Y. Gokongwei</td><td>Director, President and CEO</td><td>✓</td><td></td><td></td></tr><tr><td>3</td><td>Lily G. Ngochua</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>4</td><td>Patrick Henry C. Go</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>5</td><td>Johnson Robert G. Go, Jr.</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>6</td><td>Robina Y. Gokongwei-Pe</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>7</td><td>Cirilo P. Noel</td><td>Director</td><td></td><td>✓</td><td></td></tr><tr><td>8</td><td>Renato T. De Guzman</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td>9</td><td>Jose T. Pardo</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td>10</td><td>Antonio L. Go</td><td>Independent Director</td><td></td><td></td><td>✓</td></tr><tr><td colspan="3">Total</td><td>1</td><td>6</td><td>3</td></tr></table>	No.	JGSHI		Type of Directorship				Name	Position	ED	NED	ID	1	James L. Go	Director, Chairman		✓		2	Lance Y. Gokongwei	Director, President and CEO	✓			3	Lily G. Ngochua	Director		✓		4	Patrick Henry C. Go	Director		✓		5	Johnson Robert G. Go, Jr.	Director		✓		6	Robina Y. Gokongwei-Pe	Director		✓		7	Cirilo P. Noel	Director		✓		8	Renato T. De Guzman	Independent Director			✓	9	Jose T. Pardo	Independent Director			✓	10	Antonio L. Go	Independent Director			✓	Total			1	6	3	
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Optional: Recommendation 1.4																																																																																	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity.  Provide link or reference to a progress report in achieving its objectives.	
<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	<b>Revised Corporate Governance Manual</b> E. The Corporate Secretary; page 29 1. Qualifications of the Corporate Secretary The Corporate Secretary, a Filipino citizen and a resident of the Philippines, is an officer of the Corporation and must be exemplary in performance. The Corporate Secretary should: 1.1. Possess appropriate administrative and interpersonal skills; 1.2. Have a working knowledge of the operations of the Corporation; 1.3. Be aware of the laws, rules, and regulations necessary in the performance of his duties and responsibilities; and 1.4. Be a separate individual from the Compliance Officer and should not be a member of the Board of Directors.	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

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		<p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Corporate Secretary; page 140 <a href="https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Maria Celia H. Fernandez-Estavillo</b>, 49, is the Senior Vice President and General Counsel of JGSHI since March 1, 2017. She was appointed as Corporate Secretary of JGSHI, Universal Robina Corporation and JG Summit Petrochemical Corporation on October 1, 2020. She was also appointed as Assistant Secretary of Gokongwei Brothers Foundation, Inc. on October 1, 2020. Prior to her appointment in JGSHI, Atty. Fernandez-Estavillo was the head of the Legal and Regulatory Affairs Group, Corporate Secretary and member of the Board of Directors of Rizal Commercial Banking Corporation. She was Assistant Vice President of Global Business Development of ABS-CBN. She also held positions in government as Head of the Presidential Management Staff, Assistant Secretary at the Department of Agriculture and Chief of Staff of Senator Edgardo J. Angara. She began her legal career in ACCRA. She graduated from the University of the Philippines with a Bachelor of Science degree in Business Economics (Summa Cum Laude) and a Bachelor of Laws degree (Cum Laude). She</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>completed her Master of Laws (LLM) in Corporate Law from New York University School of Law. She received the highest score in the Philippine Bar examinations of 1997.</p> <p><b>Annual Report SEC Form 17A,</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Corporate Secretary; page 87 <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report</a></p> <p><b>Company Website</b> <a href="https://www.jgsummit.com.ph/our-company/management-team/executive-officers?ref=nav_corporate_executive_officers">https://www.jgsummit.com.ph/our-company/management-team/executive-officers?ref=nav_corporate_executive_officers</a></p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>The Corporate Secretary attended:</p> <p>The Corporation has organized several programs for the continuing education and training of its directors and key officers. For 2020, the focus of the programs was on the core values of the business of the JG Summit Group, in light of the situation brought about by the COVID-19 pandemic. The directors and key officers of the Corporation attended the subject online seminars for at least four (4) hours of Corporate Governance Training.</p>	



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		<ol style="list-style-type: none"> <li>1. Conversations on Entrepreneurial Mindset</li> <li>2. Conversations on Integrity</li> <li>3. Conversations on Stewardship</li> <li>4. Training Webinar on the Relevant Laws, Rules, Regulations, and the JG Group's Policies on Anti-Corruption, Anti-Bribery, and Conflicts of Interest</li> </ol> <p><b>ANNEX 1-Advisement Letter from SEC for the Accreditation of in-house Corporate Governance Training</b></p>	
<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	<p>Information on the Company's Compliance Officer, including his/her name, position, qualifications, duties and functions are disclosed in the following:</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure G. Compliance Officer; pages 35</p> <p><b>1. Appointment of the Compliance Officer</b> The Board shall ensure that it is assisted in its duties by a Compliance Officer. The Board may consider appointing a Compliance Officer with a rank of Senior Vice President or an equivalent position with adequate stature and authority in the Corporation. The Compliance Officer</p>	
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		

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		<p>should not be a member of the Board of Directors and shall have direct reporting responsibilities to the Chairman of the Board. The Compliance Officer shall annually attend a training on Corporate Governance.</p> <p><a href="https://www.jgsummit.com.ph/Revised_Corporate_Governance_Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Compliance Officer; page 141 <a href="https://www.jgsummit.com.ph/docs/2021_Definitive_Information_Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Company Website</b> <b>Disclosure-Change in Directors and Officers</b> <a href="https://www.jgsummit.com.ph/docs/2020/10/PSE%20Disclosure%20Form%204-8%20-%20Change%20in%20Directors%20and_or%20Officers%20(Resignation,%20Removal%20or%20Appointment,%20Election%20and_or%20Promotion).pdf">https://www.jgsummit.com.ph/docs/2020/10/PSE%20Disclosure%20Form%204-8%20-%20Change%20in%20Directors%20and_or%20Officers%20(Resignation,%20Removal%20or%20Appointment,%20Election%20and_or%20Promotion).pdf</a></p> <p><b>Annual Report SEC Form 17A,</b> Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant, Compliance Officer; page 88 <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	

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		<p><b>Francisco M. Del Mundo</b>, 50, is the Senior Vice President, Chief Financial Officer (CFO) and Compliance Officer of JG Summit Holdings Inc. (JGSHI). He is also concurrently the CFO of Universal Robina Corporation (URC) and Aspen Business Solutions, Inc. (ABSI). In 2013, he joined JGSHI as Vice President for JG Summit and Affiliates Shared Services. He was appointed as CFO of URC International the same year, concurrent with his Shared Services role. He brings with him 27 years of experience in all aspects of the finance career. He has built his career from 17 years of rigorous training in Procter &amp; Gamble (P&amp;G) and 3 years in Coca-Cola prior to joining the JG Summit Group. He has worked in three different markets: Manila, Thailand and Singapore, and has held numerous CFO and Regional Finance Head positions, namely: CFO for ASEAN, Head of Accounting Shared Services for Central and Eastern Europe, Middle East and Africa, and Asia Hub Manager for Internal Controls for P&amp;G. During his stint with Coca-Cola, he was the CFO for Coca-Cola Bottlers Philippines, Inc. and concurrently the CEO of Coca-Cola Bottlers Business Services, the company's global shared service handling Philippines, Singapore and Malaysia.</p> <p><a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	The Compliance Officer, who was newly appointed in 12 October 2020 attended the in-house training provided for the Company Directors and Officers. He was able to complete 2.5	

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		<p>hours of the required 4 hours of training due to urgent personal matters (death and sickness within his immediate family).</p> <p><b>ANNEX 1-Advisement Letter from SEC for the Accreditation of in-house Corporate Governance Training</b></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>			
<b>Recommendation 2.1</b>			
<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>	Compliant	<p>The following contains the information on how the directors performed their duties:</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  A.4. Specific Duties and Responsibilities of a Director; page 15-16</p> <p><b>4. Specific Duties and Responsibilities of a Director</b>  A Director shall endeavor to act in the best interest of the Corporation its shareholders and stakeholders in a manner characterized by fairness, accountability, and transparency.</p> <p>A. Director shall observe the following norms of conduct:</p> <p>4.1. Conduct fair and impartial business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation;</p>	

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		<p>4.2. Devote the time and attention necessary to properly and effectively perform his duties and responsibilities;</p> <p>4.3. Act judiciously. Before deciding on any matter brought before the Board, a Director should carefully evaluate the issues and, if necessary, make inquiries and request clarification;</p> <p>4.4. Exercise independent judgment. A Director should view each problem or situation objectively;</p> <p>4.5. Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-Laws, the rules and regulations of the SEC and, where applicable, the requirements of relevant regulatory agencies;</p> <p>4.6. Observe confidentiality. A Director should keep secure and confidential all nonpublic information he may acquire or learn by reason of his position as Director; and</p> <p>4.7. Have a working knowledge of the Corporation's control systems. A Director shall ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.</p> <p>4.8. Disclose to the Philippine Stock Exchange (PSE) and the SEC the trading of the Corporation's shares by Directors, Officers (or persons performing similar functions) and controlling Shareholders. This shall also include the</p>	

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		<p>disclosure of the Corporation's purchase of its shares from the market (e.g. share buy-back program).</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b>  <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></p>	
<b>Recommendation 2.2</b>			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	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 14</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>3.2.2 Oversee the development of and approve the Company's business objectives and strategy, and monitor their implementation, in order to sustain the Company's long-term viability and strength. The Board shall review and guide corporate strategy, major plans of action, risk management policies and procedures, annual</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>budgets and business plans; set performance objectives; monitor implementation and corporate performance; and oversee major capital expenditures, acquisitions and divestitures</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>Business objectives and strategy are reviewed and approved annually.</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></p>	
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>The company's vision, mission and core values can be found in:</p> <p><b>Company Website</b></p> <p><b>Purpose</b></p> <p>JG Summit has an unrelenting commitment to provide our customers with better choices, creating shared success with our stakeholders.</p>	

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		<p><b>Core Values</b></p> <p><b>Entrepreneurial Mindset.</b> We strive for growth with a resilient, passionate and agile mindset with focus on living out our purpose to provide our customers with better choices.</p> <ul style="list-style-type: none"> <li>• Growth and Agile Mindset</li> <li>• Courage and Resilience</li> <li>• Learning from Failing</li> <li>• Customer-centricity</li> </ul> <p><b>Stewardship.</b> We are fully responsible for the resources entrusted to us, be they financial, environmental, and people. We make sure that they are managed well and cared for, all with sustainability at the forefront.</p> <ul style="list-style-type: none"> <li>• Long-term View</li> <li>• Professional Management</li> <li>• Pragmatic and Frugal Portfolio Balance</li> <li>• Empowerment with Accountability</li> <li>• Passion for Excellence</li> </ul> <p><b>Integrity.</b> We will act with honor in all our undertakings and with all our stakeholders, upholding the principle of always doing the right thing because it is the right thing to do, even when no one is watching.</p> <ul style="list-style-type: none"> <li>• Respect</li> <li>• Psychological Safety</li> <li>• Honesty</li> </ul>	



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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ul style="list-style-type: none"> <li>• Walk the Talk</li> <li>• Compliance</li> <li>• Leading by Example</li> </ul> <p><b>Ambition</b></p> <p>By 2024, JG Summit will solidify its position among the largest conglomerates in the Philippines.  <a href="https://www.jgsummit.com.ph/Company Purpose, Core Values and Ambition">https://www.jgsummit.com.ph/Company Purpose, Core Values and Ambition</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 14            3.2.8. Annually review, together with Management, the Company's vision and mission;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	

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2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>The following contains information on the strategy execution process:</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 14</p> <p>3.2.2 Oversee the development of and approve the Company's business objectives and strategy, and monitor their implementation, in order to sustain the Company's long-term viability and strength. The Board shall review and guide corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans; set performance objectives; monitor implementation and corporate performance; and oversee major capital expenditures, acquisitions and divestitures</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Annual Report SEC 17A</b>  Part I – Business and General Information; page 5-49  <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	
Recommendation 2.3			

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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 27  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b>  Profiles of the Nominees For Election to the Board of Directors For the Year 2020, pages 7  Part III– Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; page 108</p> <p><b>James L. Go</b>, 80, is the Chairman of the Board of Directors of JG Summit Holdings, Inc. He is the Chairman Emeritus of URC and the Chairman of Cebu Air, Inc. He is also the Chairman and Chief Executive Officer of Oriental Petroleum and Minerals Corporation. He is the Chairman Emeritus of Robinsons Land Corporation, JG Summit Petrochemical Corporation, and JG Summit Olefins Corporation. He is the Vice Chairman of Robinsons Retail Holdings, Inc. and a Director of Marina Center Holdings Private Limited, United Industrial Corporation Limited and Hotel Marina City Private Limited. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a director of the PLDT Inc. (PLDT) since November 3, 2011. He is a member of the Technology Strategy and Risk Committees and Advisor of the Audit</p>	

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		<p>Committee of the Board of Directors of PLDT. He was elected a director of Manila Electric Company on December 16, 2013.</p> <p>Mr. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA. Mr. James L. Go is a brother of Mr. John L. Gokongwei, Jr. and joined URC in 1964.</p> <p><a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020</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></p> <p>Article III Governance Structure</p> <p>A.3. Responsibilities, Duties and Functions of the Board, 3.2.3; page 14</p> <p>3.2.3. Oversee the adoption of an effective succession planning program and remuneration policies;</p>	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p>5. Internal Control Responsibilities of the Board, 5.1.5; page 19</p> <p>5.1.5. Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees and management succession plan.</p> <p>2. Corporate Governance Committee, 3.3. Functions, 3.3.4;</p>	

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		<p>page 25</p> <p>3.3.4. Recommend continuing education/training programs for Directors, assignment of tasks/projects to Board Committees, succession planning for the Board members and senior Officers, and levels of remuneration for corporate and individual performance;</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b> <b>Succession Planning and Remuneration Policy</b></p> <p>The Company shall ensure the Company's effective performance and sustained growth through leadership continuity for the benefit of all its stakeholders. Subject to the Board's approval, suitable candidates are identified, assessed and nominated to fill the vacancies that arise from time to time. Competency requirements are assessed and developed through planned developments and learning initiatives. This ensures systematic and long-term development of individuals in the senior management level as ready replacement when the need arises due to deaths, disabilities, retirements and other unexpected occurrence.</p> <p><a href="https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a></p>	

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<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p>The following contains information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  B.3. Corporate Governance Committee; page 22  The Corporate Governance Committee shall have the following functions:  3.3.6. Establish a formal procedure to develop a policy for determining the remuneration of Directors and Officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates, including disallowing any Director to decide his remuneration;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Succession Planning and Remuneration Policy</b>  12. The Corporate Governance Committee shall recommend and the Board of Directors shall approve the remuneration of Executive and Non-Executive Directors.  12.1. Fixed remuneration for Non-Executive directors (including Independent Directors) shall reflect the time commitment and responsibilities of the role.</p>	
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		

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		<p>12.2. The remuneration of Executive Directors may be a combination of fixed monthly salary in terms of their appointment as approved by the Board and variable pay based on the Company's and individual performance. The Corporate Governance Committee shall determine and decide the performance parameters and/or measurable standards applicable to the Executive Directors that will serve as the basis for the variable pay.</p> <p>12.3. The Corporate Governance Committee may consider aligning Key Executives and Board remuneration with the longer-term interests of the company and its shareholders.</p> <p>13. The compensation structure for Key Management Personnel and Senior Management Team members may consist of fixed salary component and variable performance-based compensation. The compensation structure shall be devised to help the Company attract and retain top talents to efficiently run the Company with a long-term perspective.</p> <p><a href="https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a></p>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.		Provide proof of board approval	

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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	<p>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.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	<p>3.2. Duties and Functions of the Board, 3.2.4; page 14</p> <p>3.2.4. Adopt policies on board nomination and election that will ensure diversity in board composition in terms of knowledge, expertise and experience;</p>	



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3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	B.3. Corporate Governance Committee, 3.3.5; page 25 3.3.5. Determine the nomination and election process for the Corporation’s Directors and define the general profile of the Board members that the Company may need and ensure appropriate knowledge, competencies and expertise that complement the existing skills of the Board; <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>  <b>Company Website</b> <b>Board Nomination and Election Policy</b> The Board recognizes the importance of having a qualified and competent Board to achieve Company objectives as well as to protect the interest of all its stakeholders and shall ensure that proper nomination and election process is in place to attain this. <a href="http://www.jgsummit.com.ph/Board Nomination and Election Policy">http://www.jgsummit.com.ph/Board Nomination and Election Policy</a>  <b>Notice of Annual Stockholders’ Meeting</b> <a href="https://www.jgsummit.com.ph/Notice for Annual Stockholders Meeting 2020">https://www.jgsummit.com.ph/Notice for Annual Stockholders Meeting 2020</a>	
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 processes in the nomination, election or replacement of a director.	Compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		
Optional: Recommendation to 2.6			

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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	<p>The following contains the company's policy on related party transaction, including policy on review and approval of significant RPTs:</p> <p><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 14  3.2.5. Oversee the implementation of a policy and system on RPTs which shall include the review and approval of material or significant RPTs and ensure fairness and transparency of the transactions;</p> <p>2.3. Functions of the Audit Committee, 2.3.8; page 23  2.3.8. Review and approve the interim and Annual Financial Statements before their submission to the Board, with particular focus on the following:</p> <ul style="list-style-type: none"> <li>Any change/s in accounting policies and practices;</li> </ul>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		

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		<ul style="list-style-type: none"> <li>• Areas where significant amount of judgment has been exercised;</li> <li>• Significant Related Party Transactions;</li> <li>• Significant adjustments resulting from the audit;</li> <li>• Going concern assumptions;</li> <li>• Compliance with accounting standards; and</li> <li>• Compliance with tax, legal, and regulatory requirements.</li> </ul> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Material Related Party Transaction Policy</b>                      The Company shall conduct all Material Related Party Transactions (MRPT) on an arm's length basis, on fair and reasonable terms and conditions no less favorable than any such terms available to unrelated third parties under the same or similar circumstances.                      The purpose of this policy is to protect the Company from conflict of interest by instituting the proper review, approval and reporting of transactions which may be entered in to between or among the Company or any of its subsidiaries, associates, affiliates, joint venture, directors and officers.                      This policy shall cover the review, approval and reporting of transactions which may be entered into between or among the Company or any of its subsidiaries, associates, affiliates, joint venture, directors and officers and the general guidelines to be observed in relation to MRPTs.</p>	

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		<a href="https://www.jgsummit.com.ph/Material%20Related%20Party%20Transactions%20Policy">https://www.jgsummit.com.ph/Material Related Party Transactions Policy</a>  <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 arms-length basis.  <b>Annual Report SEC Form 17A</b> Related Party Transactions; Note 40, 290-296 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>	
<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 aggregate amount of RPTs within	Compliant	Provide information on a materiality threshold for RPT disclosure and approval, if any.  Provide information on RPT categories  <b>Company Website</b> <b>Material Related Party Transaction Policy</b>  Materiality Threshold refers to ten percent (10%) of the Company's total consolidated assets based on its latest audited financial statements.	

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any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.		<p>All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock.</p> <p>Aggregate RPT transactions within a twelve (12) – month period that meets or breaches the materiality threshold shall require the same Board approval above.</p> <p><a href="https://www.jgsummit.com.ph/Material%20Related%20Party%20Transactions%20Policy">https://www.jgsummit.com.ph/Material Related Party Transactions Policy</a></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.	Compliant	<p>Provide information on voting system, if any.</p> <p><b>Definitive Information Statement</b>  <b>Item 4. Submission of Matters to a Vote of Security Holders</b>            There were no matters submitted to a vote of security holders during the fourth quarter of the year covered by this report. page 13  <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</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/Amended%20By-Laws">http://www.jgsummit.com.ph/Amended By-Laws</a></p>	

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		There are no transactions during the financial year that would require the approval of the majority of non-related party shareholders.	
<b>Recommendation 2.8</b>			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<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 14  3.2.6. Oversee the adoption of policies on the selection of Management and Key Officers and the assessment of their performance;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Succession Planning and Remuneration Policy</b></p> <p>3. All appointments, re-appointments, removal and tenure of the Directors shall be governed by the provisions of the Company's Nomination and Election Policy.</p> <p>4. All hiring and appointments of Senior Managerial Personnel with the rank of AVP and up (equivalent of Job Grades 16 and up) shall be presented, deliberated and approved by the Executive Committee. The ranks (officer title) and position or functional titles of Senior Managerial Personnel shall be conferred by the Corporate Governance</p>	

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		<p>Committee. Corporate Human Resources (CHR) shall facilitate the presentation and deliberation process.</p> <p><a href="https://www.jgsummit.com.ph/Succession_Planning_and_Remuneration_Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</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>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<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 14  3.2.6. Oversee the adoption of policies on the selection of Management and Key Officers and the assessment of their performance;  Article VII Corporate Governance Monitoring And Self-Assessment, pages 42-43  A. The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and Committees. Every three (3) years, the assessment may be supported by an external facilitator.  B. The Board shall have in place a system that provides the criteria and process to determine the performance of the Board, the individual Directors, and Committees including feedback from Shareholders.</p>	

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		<p>C. The Corporate Governance Committee shall oversee the evaluation process, shall ensure that its business processes and practices are consistent with the provisions of this Manual.</p> <p>This Manual shall be subject to review as the need arises in order to take into account the Corporation's changing needs, business, technological and environmental conditions, and regulatory requirements. Any recommended changes to the Manual shall be subject to approval by the Board.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b></p> <p><b>Succession Planning and Remuneration Policy</b></p> <p>6. The Corporate Governance Committee shall periodically review the list of senior managerial personnel due for retirement/attrition within the year with due consideration of possible new vacancies that may arise from business needs and/or up-gradation and shall assess the availability of suitable candidates. Based on the recommendation of the Chief Executive Officer, President and CHR Head, the Committee:</p> <p>6.1. Shall recommend to the Board the retention or replacement of incumbents after due evaluation using the following criteria:</p> <p><input type="checkbox"/> 50% Performance: Consistent Demonstration of Competencies and Impact to the Business Results</p>	



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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>that can be validated on the Advancement Planning ratings.</p> <p><input type="checkbox"/> 50% Demonstration of Leadership Attributes that can be validated through critical incidents and vouching of critical stakeholders on consistent demonstration of the 6 Leadership attributes:</p> <ul style="list-style-type: none"> <li>▪ Competent;</li> <li>▪ Strategic</li> <li>▪ Innovative;</li> <li>▪ Passionate;</li> <li>▪ Entrepreneurial; and</li> <li>▪ Team Player</li> </ul> <p><a href="https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a></p> <p><b>Provide information on the assessment process and indicate frequency of assessment of performance.</b></p> <p>Senior Executive's performance is assessed annually after the end of the Financial Year.</p>	
<b>Recommendation 2.9</b>			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>The following contains the Board's performance management framework for management and personnel:</p> <p><b>Revised Corporate Governance Manual</b></p> <p>Article III Governance Structure</p>	

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>A.3. Responsibilities, Duties and Functions of the Board, 3.2.6 to 3.2.7; page 14</p> <p>3.2.6. Oversee the adoption of policies on the selection of Management and Key Officers and the assessment of their performance;</p> <p>3.2.7. Oversee the establishment of an internal control system to monitor and manage potential conflicts of interest and an ERM framework to identify, monitor, assess and manage key business risks;</p> <p>Article VII Corporate Governance Monitoring And Self—Assessment, pages 42-43</p> <p>A. The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and Committees. Every three (3) years, the assessment may be supported by an external facilitator.</p> <p>B. The Board shall have in place a system that provides the criteria and process to determine the performance of the Board, the individual Directors, and Committees including feedback from Shareholders.</p> <p>C. The Corporate Governance Committee shall oversee the evaluation process, shall ensure that its business processes and practices are consistent with the provisions of this Manual.</p> <p>This Manual shall be subject to review as the need arises in order to take into account the Corporation's changing needs, business, technological and environmental conditions, and regulatory requirements. Any recommended changes to the Manual shall be subject to approval by the Board.</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b></p> <p><b>Succession Planning and Remuneration Policy</b></p> <p>7. The Corporate Governance Committee shall periodically review the list of senior managerial personnel due for retirement/attrition within the year with due consideration of possible new vacancies that may arise from business needs and/or up-gradation and shall assess the availability of suitable candidates. Based on the recommendation of the Chief Executive Officer, President and CHR Head, the Committee:</p> <p>7.1. Shall recommend to the Board the retention or replacement of incumbents after due evaluation using the following criteria:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> 50% Performance: Consistent Demonstration of Competencies and Impact to the Business Results that can be validated on the Advancement Planning ratings.</li> <li><input type="checkbox"/> 50% Demonstration of Leadership Attributes that can be validated through critical incidents and vouching of critical stakeholders on consistent demonstration of the 6 Leadership attributes: <ul style="list-style-type: none"> <li>▪ Competent;</li> <li>▪ Strategic</li> <li>▪ Innovative;</li> <li>▪ Passionate;</li> </ul> </li> </ul>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ul style="list-style-type: none"> <li>▪ Entrepreneurial; and</li> <li>▪ Team Player</li> </ul> <p><a href="https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a></p> <p>Senior Executive'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>	
<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></p> <p>Article III Governance Structure</p> <p>3. Responsibilities of the Board, 3.2.7; page 14, 15</p> <p>3.2.7. Oversee the establishment of an internal control system to monitor and manage potential conflicts of interest and an ERM framework to identify, monitor, assess and manage key business risks;</p> <p>3.2.14. Ensure that the Corporation establishes appropriate Corporate Governance policies and procedures pursuant to this Manual and the Governance Code, including but not limited to, policies on conflict of</p>	

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		<p>interest, and oversee the effective implementation thereof.</p> <p>5. Internal Control Responsibilities of the Board; page 16</p> <p>5.1. The internal control mechanisms for the performance of the Board's oversight responsibility may include:</p> <p>5.1.5. Review of the Corporation's human resource policies, conflict of interest situations, compensation program for employees and management succession plan.</p> <p>B. Board Committees 2. Audit Committee; page 18</p> <p><b>2.1. Role of the Audit Committee</b></p> <p>The role of the Audit Committee is to provide oversight over the Company's financial reporting, Internal Control System, Internal and External Audit processes, and monitor compliance with applicable laws and regulations. It shall ensure that systems and processes are put in place to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of business operations, and proper safeguarding and use of the Corporation's resources and assets.</p> <p>F. Internal Audit, 4. Responsibilities of Internal Audit; page 32-33</p> <p><b>4. Responsibilities of Internal Audit</b></p>	

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		<p>Internal Audit shall be solely responsible for the planning, implementation, and reporting of its results. For this purpose, Internal Audit shall:</p> <p>4.1. Periodically review the Internal Audit charter and present it to the Senior Management and the Audit Committee for approval;</p> <p>4.2. Establish and implement risk-based Internal Audit Plan, including policies and procedures, to determine the priorities of the Internal Audit activity, consistent with the Corporation's goals;</p> <p>4.3. Present the Internal Audit Plan and its performance, resource requirement and impact of resource limitations, as well as significant interim changes, to Senior Management and the Audit Committee for review and approval;</p> <p>4.4. Spearhead the performance of the Internal Audit activity to ensure it adds value to the Corporation;</p> <p>4.5. Prepare a forward Strategic Audit Plan to set the direction and approach of audits in the long-term;</p> <p>4.6. Perform regular and special audit as contained in the Annual Audit Plan and/or based on the Company's risk assessment;</p> <p>4.7. Perform consulting and advisory services related to governance and control as appropriate for the Corporation;</p> <p>4.8. Perform compliance audit of relevant laws, rules and regulations, contractual obligations and other commitments, that could have a significant impact on the Corporation;</p>	

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		<p>4.9. Review, audit and assess the efficiency and effectiveness of the internal control system of all areas of the Company;</p> <p>4.10. Evaluate operations or programs to ascertain whether results are consistent with established objectives and goals, and whether the operations or programs are being carried out as planned;</p> <p>4.11. Evaluate specific operations at the request of the Board or Management, as appropriate;</p> <p>4.12. Monitor and evaluate governance processes;</p> <p>4.13. Report in a timely manner significant issues noted during the audit relating to the adequacy, efficiency, and effectiveness of policies, controls, processes, and activities of the Corporation. As directed by or under the policies of the Audit Committee, furnishes auditees and/or any other member of Management copies of the reports;</p> <p>4.14. Recommend any improvement in policies and procedures, systems of controls, processes, and other financial and operational matters to assist Management in the effective discharge of their responsibilities, in order to minimize or prevent waste, extravagance, negative image, and fraud. Management is responsible to implement specific recommendations;</p> <p>4.15. Coordinate with External Auditors and ensure that the audit works are complementary to optimize coverage at a reasonable cost; and</p> <p>4.16. Comply with standards that are promulgated by the relevant professional and regulatory bodies.</p>	

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		<a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>	
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 18</p> <p><b>2.1. Role of the Audit Committee</b>  The role of the Audit Committee is to provide oversight over the Company's financial reporting, Internal Control System, Internal and External Audit processes, and monitor compliance with applicable laws and regulations. It shall ensure that systems and processes are put in place to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of business operations, and proper safeguarding and use of the Corporation's resources and assets.</p> <p>F. Internal Audit, 4. Responsibilities of Internal Audit, 4.1; page 32</p> <p><b>4. Responsibilities of Internal Audit</b>  Internal Audit shall be solely responsible for the planning, implementation, and reporting of its results. For this purpose, Internal Audit shall:</p>	



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		<p>4.1. Periodically review the Internal Audit charter and present it to the Senior Management and the Audit Committee for approval;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Audit Committee Charter</b>  <a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a></p>	
<b>Recommendation 2.11</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	<p>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.</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  3. Responsibilities of the Board, 3.2.7; page 14</p>	
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	<p>3.2.7. Oversee the establishment of an internal control system to monitor and manage potential conflicts of interest and an ERM framework to identify, monitor, assess and manage key business risks;</p> <p>4. Board Risk Oversight Committee, Role of the BROCC, 4.1; page 26</p> <p><b>4.1. Role of the BROCC</b>  The role of the BROCC is to oversee the establishment of ERM framework that will effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level</p>	

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		<p>risk exposures, as well as the effectiveness of risk management strategies. The BROC shall be responsible for defining the Company's level of risk tolerance and providing oversight over its risk management policies and procedures to anticipate, minimize, control or manage risks or possible threats to its operational and financial viability.</p> <p>G. Enterprise Risk Management; pages 34-36</p> <p><b>1. Role of ERM</b></p> <p>The role of ERM is to oversee that a sound ERM framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise level risk exposures, as well as the effectiveness of risk management strategies.</p> <p><b>2. Functions and Responsibilities of ERM</b></p> <p>ERM shall have the following functions and responsibilities:</p> <p>2.1. Define a risk management strategy;</p> <p>2.2. Identify and analyzing key risk exposures relating to Economic, Environmental, Social and Governance ("EESG") factors and the achievement of the Corporation's strategic objectives;</p> <p>2.3. Evaluate and categorize each identified risk using the Company's predefined risk categories and parameters;</p> <p>2.4. Establish a risk register with clearly defined, prioritized and residual risks;</p>	

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		<p>2.5. Develop risk mitigation plan for the most important risks to the Company, as defined by the risk management strategy;</p> <p>2.6. Communicate and report significant risk exposures including business risks (e.g. strategic, compliance, operational, financial and reputational risks), control issues and risk mitigation plan to the BROCC;</p> <p>2.7. Collaborate with the CEO in updating and making recommendations to the BROCC;</p> <p>2.8. Coordinate, monitor, and facilitate compliance with laws, rules, and regulations; and</p> <p>2.9. Suggest ERM policies and related guidance, as may be needed.</p> <p><b>3. Authority of ERM</b> Subject to the approval of the BROCC, the ERM is authorized to:</p> <p>3.1. Allocate resources and apply different techniques required to accomplish ERM objectives;</p> <p>3.2. Assess and recruit personnel with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter provided within policy and approved budget;</p> <p>3.3. Have discussions with Management and employees of the Corporation at any reasonable time;</p> <p>3.4. Attend or participate in meetings relating to the Board's oversight responsibilities for ERM;</p> <p>3.5. Have full and free access to the BROCC; and</p>	

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		<p>3.6. Obtain the necessary assistance of Business Unit or Corporate Center Unit, as well as other specialized services from within or outside the Corporation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b></p> <p>5. Financial Risk Management Objectives and Policies Enterprise Risk Management Group (ERMG) Framework; page 198-223</p> <p><a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p>	
<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	<p>Provide link to the company's website where the Board Charter is disclosed.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure B. Board Committees; page 18</p> <p>To aid in the optimal performance of its roles and responsibilities and ensure compliance with the principles of Corporate Governance, the Board shall form the following Board Committees: (a) Audit Committee (b) Corporate Governance Committee (c) Board Risk Oversight Committee (BROC) and (d) Related Party Transaction Committee.</p>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		

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3. Board Charter is publicly available and posted on the company's website.	Compliant	<p><b>1. Appointment of Members and Adoption of Committee Charter</b></p> <p><b>1.1. Appointment of Members of the Board Committees</b> The Board shall appoint the members and chairman (from among the members) of each Board Committee annually.</p> <p><b>1.2 Charter of the Board Committees</b></p> <p>1.2.1 Each Board Committee shall have a Charter which shall define and govern, among other matters, its purposes, composition, membership and duties and responsibilities, conduct of meetings, and reporting processes.</p> <p>1.2.2 The respective Charters of the Board Committee shall be approved by the Board and shall not be amended, altered, or varied unless the Board shall have approved such amendment, alteration or variation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b> <b>Board Committees' Charters</b> <a href="https://www.jgsummit.com.ph/corporate-governance/board-committees charters">https://www.jgsummit.com.ph/corporate-governance/board-committees charters</a></p>	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	Compliant	<p>Information on or link/reference to a document showing company's insider trading policy is found in:</p> <p><b>Company Website</b></p>	

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		<b>Insider Trading Policy</b> The Company shall abide with the provisions of law set forth in the Securities Regulation Code and shall implement policies and procedures to prevent the unauthorized disclosure or misuse of material, non-public information in securities trading to preserve the reputation and integrity of the Company.  <a href="http://www.jgsummit.com.ph/Insider Trading Policy">http://www.jgsummit.com.ph/Insider Trading Policy</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.	Compliant	<b>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</b>  The dealings of the Company with any of its Directors, Officers, Stockholders and Related Interests (DOSRI) and Related Parties shall be in the regular course of business and upon terms not less favorable to the Company than those offered to others. Related Party Transactions (RPTs) are generally allowed, provided they are done on an arm's length basis.  <b>Company Website</b> Directors, Officers, Stockholders and Related Interests (DOSRI) Policy <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/directors-officers-stockholders-and-related-interests-dosri">https://www.jgsummit.com.ph/corporate-governance/company-policies/directors-officers-stockholders-and-related-interests-dosri</a>	

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2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p><b>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</b></p> <p><b>Company Website</b>  <b>By-Laws</b>  <b>Article III-Board of Directors</b>  <b>Section 1: Powers of the Board</b></p> <p>Unless otherwise provided by law, the corporate powers of the Corporation controlled and held by the Board of Directors to be elected by and from among the stockholders. Without prejudice to such general powers and such other powers as may be granted by law, the Board of Directors shall have the allowing express powers:</p> <ul style="list-style-type: none"> <li>a) From time to time, to make and change rules and regulations not inconsistent with these by-laws for the management of the Corporation's business and affairs;</li> <li>b) To purchase, receive, take, or otherwise acquire in any lawful manner, for and in the name of the Corporation, any and all properties, rights, interest or privileges, including securities and bonds of other corporations, as the transaction of the business of the Corporation may reasonably or necessarily require, for such consideration and upon such terms and conditions as the Board may deem proper or convenient.</li> </ul>	

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		<p>c) To invest the funds of the Corporation in another corporation or business or for any other purposes other than those for which the Corporation was organized, whenever in the judgement of the Board of Directors the interests of the Corporation would thereby be promoted, subject to such stockholders' approval as may be required by law.</p> <p>d) To incur such indebtedness as the Board may deem necessary and, for such purpose, to make and issue evidence of such indebtedness including, without limitation, notes, deeds of trust, instruments, bonds, debentures, or securities, subject to such stockholder approval as may be required by law, and/or pledge, mortgage, or otherwise encumber all or part of the properties and rights of the Corporation.</p> <p>e) To guarantee, for and in behalf of the Corporation obligations of other corporations or entities in which it has lawful interest.</p> <p>f) To make provisions of the discharge of the obligations of the Corporation as they mature, including payment for any property, or in stock, bonds, debentures, or other securities of the Corporation lawfully issued for the purpose.</p> <p>g) To sell, lease, exchange, assign, transfer or otherwise dispose of any property, real or personal, belonging to the Corporation whenever in the Board's judgement, the Corporation's interest would thereby be promoted;</p>	



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		<p>h) To establish pension, retirement, bonus, profit-sharing or other types of incentives or compensation plans for the employees including officers and directors of the Corporation and to determine the persons to participate in any such plans and the amount of their respective participation;</p> <p>i) To prosecute, maintain, defend, compromise or abandon any lawsuit in which the Corporation or its officers are either plaintiffs or defendants in connection with the business of the Corporation, and likewise, to grant installments for the payments or settlement of whatsoever debts are payment to the Corporation;</p> <p>j) To delegate, from time to time, any of the powers of the Board which may lawfully be delegated in the course of the current business or businesses of the Corporation to any standing or special committee or to any officer or agent and to appoint any person to be agents of the Corporation with such powers (including the power to sub-delegate), and upon such terms as may be deemed fit.</p> <p>k) To implement these by-laws and to act on any matter not covered by these by-laws, provided such matter does not require the approval or consent of the stockholders under any existing law, rules or regulations.</p>	

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		<a href="https://www.jgsummit.com.ph/our-company/articles-of-incorporation-and-by-laws">https://www.jgsummit.com.ph/our-company/articles-of-incorporation-and-by-laws</a>	
<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>			
<b>Recommendation 3.1</b>			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<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; page 18-27</p> <p>To aid in the optimal performance of its roles and responsibilities and ensure compliance with the principles of Corporate Governance, the Board shall form the following Board Committees: (a) Audit Committee (b) Corporate Governance Committee (c) Board Risk Oversight Committee (BROC) and (d) Related Party Transaction Committee.</p> <p><b>1. Appointment of Members and Adoption of Committee Charter</b>  <b>1.1. Appointment of Members of the Board Committees</b>  The Board shall appoint the members and chairman (from among the members) of each Board Committee annually.</p>	

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		<p><b>1.2 Charter of the Board Committees</b></p> <p>1.2.1 Each Board Committee shall have a Charter which shall define and govern, among other matters, its purposes, composition, membership and duties and responsibilities, conduct of meetings, and reporting processes.</p> <p>1.2.2 The respective Charters of the Board Committee shall be approved by the Board and shall not be amended, altered, or varied unless the Board shall have approved such amendment, alteration or variation.</p> <p><b>2. Audit Committee</b></p> <p><b>2.1. Role of the Audit Committee</b></p> <p>The role of the Audit Committee is to provide oversight over the Company's financial reporting, Internal Control System, Internal and External Audit processes, and monitor compliance with applicable laws and regulations. It shall ensure that systems and processes are put in place to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of business operations, and proper safeguarding and use of the Corporation's resources and assets.</p> <p><b>2.2. Organization of the Audit Committee</b></p> <p>2.2.1. The Audit Committee reports functionally to the Board.</p>	

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		<p>2.2.2. The Audit Committee shall be composed of at least three (3) Non-Executive Directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the Audit Committee. All members must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p> <p>2.2.3. The Board shall appoint an Independent Director as Chairman, of the Audit Committee.</p> <p><b>2.3. Functions of the Audit Committee</b></p> <p>The Audit Committee shall have the following functions:</p> <p>2.3.1. Oversee the Internal Audit Department, and recommend the appointment and/or grounds for approval of the Internal Audit Head. The Audit Committee shall also approve the terms and conditions for the outsourcing of Internal Audit services if applicable;</p> <p>2.3.2. Through the Internal Audit Department, monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets;</p> <p>2.3.3. Review the Annual Internal Audit Plan to ensure its conformity with the objectives of the Corporation. The Plan shall include the audit scope, resources, and budget necessary to implement it;</p>	

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		<p>2.3.4. Review the reports submitted by the Internal and External Auditors;</p> <p>2.3.5. Review and monitor Management's responsiveness to Internal Audit's findings and recommendations;</p> <p>2.3.6. Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit, and ensure the proper coordination, if more than one audit firm is involved in the activity, to secure proper coverage and minimize duplication of efforts;</p> <p>2.3.7. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the proportion of non-audit fees paid to the External Auditor to the Corporation's overall consultancy expenses. The Committee shall evaluate if the non-audit work will create a potential conflict of interest and shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this shall be disclosed in the Corporation's Annual Corporate Governance Report;</p> <p>2.3.8. Review and approve the interim and Annual Financial Statements before their submission to the Board, with particular focus on the following: Any change/s in accounting policies and practices;</p>	

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		<ul style="list-style-type: none"> <li>▪ Areas where significant amount of judgment has been exercised;</li> <li>▪ Significant adjustments resulting from the audit;</li> <li>▪ Going concern assumptions;</li> <li>▪ Compliance with accounting standards; and</li> <li>▪ Compliance with tax, legal, and regulatory requirements.</li> </ul> <p>2.3.9. Review the disposition of the recommendations in the External Auditor's management letter;</p> <p>2.3.10. Perform oversight functions over the Corporation's Internal and External Auditors. It shall ensure the independence of Internal and External Auditors, and that both auditors are given reasonable access to all material records, properties and personnel to enable them to perform their respective audit functions;</p> <p>2.3.11. Recommend the appointment, re-appointment, removal and fees of the External Auditor; and</p> <p>2.3.12. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal controls, audit process and monitoring of compliance with applicable laws, rules and regulations.</p> <p><b>2.4. Meetings of the Audit Committee</b></p> <p>2.4.1. The Audit Committee shall meet quarterly and as often as may be necessary. The Audit Committee may opt to meet without the presence of the</p>	

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		<p>CEO or other management team members, and periodically meet with the Internal Audit Head.</p> <p>2.4.2. The notice and agenda for each meeting shall be circulated to all Audit Committee members at least five (5) business days before each meeting.</p> <p>2.4.3. The Audit Committee may invite other Directors and Management Officers to attend any meeting.</p> <p>2.4.4. The Audit Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>2.4.5. A quorum shall be present as long as an Independent Director is present or if at least a majority of the members of the Audit Committee is present. No business shall be transacted at any meeting unless a q</p> <p>The Audit Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.</p> <p><b>3. Corporate Governance Committee</b></p> <p><b>3.1. Role of the Corporate Governance Committee</b></p> <p>The role of the Corporate Governance Committee is to oversee the development and implementation of Corporate Governance principles and policies. The Corporate Governance Committee shall recommend a</p>	

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		<p>formal framework on the nomination, remuneration and evaluation of the performance of the Directors and key Management Officers to ensure that this framework is consistent with the Corporation's culture, strategies and the business environment.</p> <p><b>3.2. Organization of the Corporate Governance Committee</b></p> <p>3.2.1. The Corporate Governance Committee shall report directly to the Board.</p> <p>3.2.2. 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 shall ensure that the members of the Corporate Governance Committee are appropriately qualified to discharge their responsibilities.</p> <p>3.2.3. The Board shall appoint one of the members of the Corporate Governance Committee to be the Committee Chairman.</p> <p><b>3.3. Functions of the Corporate Governance Committee</b></p> <p>The Corporate Governance Committee shall have the following functions:</p> <p>3.3.1. Oversee the implementation of a Corporate Governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the</p>	



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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>Corporation's size, complexity and business strategy, as well as the business and regulatory environment;</p> <p>3.3.2. Oversee the formulation and implementation of a Code of Business Conduct and Ethics and internal policies and monitor compliance with such code and policies by the Corporation through communication and awareness campaign, continuous training and setting a proper forum where issues may be addressed;</p> <p>3.3.3. Oversee the performance evaluation of the Board and its Committees and Management, and conduct an annual self-evaluation of its performance;</p> <p>3.3.4. Recommend continuing education/training programs for Directors, assignment of tasks/projects to Board Committees, succession planning for the Board members and senior Officers, and levels of remuneration for corporate and individual performance;</p> <p>3.3.5. Determine the nomination and election process for the Corporation's Directors and define the general profile of the Board members that the Company may need and ensure appropriate knowledge, competencies and expertise that complement the existing skills of the Board;</p> <p>3.3.6. Establish a formal procedure to develop a policy for determining the remuneration of Directors and Officers that is consistent with the Corporation's culture and strategy as well as the</p>	

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		<p>business environment in which it operates, including disallowing any Director to decide his remuneration;</p> <p>3.3.7. Establish efficient communication channels which aid and encourage employees, customers, suppliers, creditors and other Stakeholders to raise concerns on potential unethical or unlawful behavior without fear of retribution; and</p> <p>3.3.8. Review recommendations concerning policies on conflict of interest, salaries and benefits policies, promotion and career advancement directives, and compliance with all statutory requirements.</p> <p><b>3.4. Meetings of the Corporate Governance Committee</b></p> <p>3.4.1. The Corporate Governance Committee shall meet twice a year or as may be necessary.</p> <p>3.4.2. The notice and agenda for each meeting shall be circulated to all Corporate Governance Committee members at least five (5) business days before each meeting.</p> <p>3.4.3. The Corporate Governance Committee may invite other Directors and Management Officers to attend any meeting.</p> <p>3.4.4. The Corporate Governance Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>3.4.5. A quorum shall be present if at least a majority of the members of the Corporate Governance</p>	

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		<p>Committee is present. No business shall be transacted at any meeting unless a quorum is present.</p> <p>3.4.6. The Corporate Governance Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.</p> <p><b>4. Board Risk Oversight Committee</b></p> <p><b>4.1. Role of the BROC</b></p> <p>The role of the BROC is to oversee the establishment of ERM framework that will effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. The BROC shall be responsible for defining the Company's level of risk tolerance and providing oversight over its risk management policies and procedures to anticipate, minimize, control or manage risks or possible threats to its operational and financial viability.</p>	

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		<p><b>4.2. Organization of the BROC</b></p> <p>4.2.1. The Board Risk Oversight Committee shall be composed of at least three (3) directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the BROC. At least one member of the committee must have relevant knowledge and experience on risk and risk management.</p> <p>4.2.2. The Board shall appoint one of the members of the BROC to be the Committee Chairman.</p> <p><b>4.3. Functions of the BROC</b></p> <p>The BROC shall have the following functions:</p> <p>4.3.1. Oversee the development and implementation of a formal ERM Plan that contains the following elements:</p> <ul style="list-style-type: none"> <li>▪ Common language or register of risks;</li> <li>▪ Well-defined risk management goals, objectives and oversight;</li> <li>▪ Uniform processes of identifying, assessing, evaluating and measuring risks as well developing strategies to manage and mitigate prioritized risks;</li> <li>▪ Designing and implementing risk management strategies; and</li> <li>▪ Continuing assessments and monitoring to improve risk strategies, processes and measures;</li> </ul>	

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		<p>4.3.2. Evaluate the ERM Plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROCC shall revisit defined risk management strategies, look for emerging or changing material exposures, and stays abreast of significant developments that may seriously impact the likelihood of harm or loss;</p> <p>4.3.3. Review the Corporation's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and occurrence of major events that may have a major impact on the Company;</p> <p>4.3.4. Assess the probability of each identified risk becoming a reality and estimate its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Corporation and its Stakeholders;</p> <p>4.3.5. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and</p> <p>4.3.6. Report to the Board on a regular basis, or as deemed necessary, the Company's risk, material risk exposures, the actions taken to reduce the</p>	

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		<p>risks, and recommends appetite levels, risk tolerance limits, further action or plans, as necessary.</p> <p><b>4.4. Meetings of the BROC</b></p> <p>4.4.1. The BROC shall meet twice a year or as may be necessary. The BROC may opt to meet without the presence of the CEO or other management team members, and periodically meets with the ERM Head.</p> <p>4.4.2. The notice and agenda for each meeting shall be circulated to all BROC members at least five (5) business days before each meeting.</p> <p>4.4.3. The BROC may invite other Directors and Management Officers to attend any meeting.</p> <p>4.4.4. The BROC Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>4.4.5. A quorum shall be present as long as an Independent Director is present or if at least a majority of the members of the BROC is present. No business shall be transacted at any meeting unless a quorum is present.</p> <p>4.4.6. The BROC shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.</p>	

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		<p><b>5. Related Party Transaction Committee</b></p> <p><b>5.1. Mission of the Related Party Transaction (RPT) Committee</b></p> <p>The mission of the RPT Committee is to ensure that there is group-wide policy and system governing Material Related Party Transactions (MRPTs), particularly those that breach the materiality threshold. The policy shall include the appropriate review and approval of MRPTs, which guarantee fairness and transparency of the transactions.</p> <p><b>5.2. Organization of the Related Party Transaction Committee</b></p> <p>5.2.1. The RPT Committee reports functionally to the Board.</p> <p>5.2.2. The RPT Committee shall be composed of at least three (3) Non-Executive Directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the RPT Committee. The Board shall ensure that the members of the RPT Committee are appropriately qualified to discharge their responsibilities.</p> <p>5.2.3. The Board shall appoint an Independent Director as Chairman, of the RPT Committee.</p>	

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		<p><b>5.3. Functions of the Related Party Transaction Committee</b>  <b>The Related Party Transaction Committee shall have the following functions:</b></p> <p>5.3.1. Establish policy on MRPTs that promotes transparency and ensure that transactions occur under conditions that protect the rights of all stakeholders.</p> <p>5.3.2. Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, MRPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, MRPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;</p> <p>5.3.3. Evaluate all MRPTs to ensure that these are not undertaken on more favorable economic terms (e.g. price, commissions, interest rates, fees, tenor, collateral requirements) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating MRPTs, the Committee takes into account, among others, the following:</p>	



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		<ul style="list-style-type: none"> <li>▪ The related party's relationship to the company and interest in the transaction;</li> <li>▪ The material facts of the proposed MRPT, including the proposed aggregate value of such transaction;</li> <li>▪ The benefits to the corporation of the proposed MRPT;</li> <li>▪ The availability of the other sources of comparable products or services; and</li> <li>▪ An assessment of whether the proposed MRPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company shall have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;</li> </ul> <p>5.3.4. Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating the company's MRPT exposures reviewed and approved during the year including unusual or infrequently occurring transactions, and policies on conflicts of interest or potential conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;</p>	

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		<p>5.3.5. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;</p> <p>5.3.6. Ensure that transactions with related parties, including write-off of exposures are subject to periodic independent review or audit process; and</p> <p>5.3.7. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting MRPTs, including periodic review of RPT policies and procedures.</p> <p>5.3.8. If needed, appoint an independent party to evaluate the fairness of the transaction price on the acquisition and disposal of assets, particularly those passing a materiality threshold determined by the RPT Committee.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Recommendation 3.2</b>			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<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 18-21</p> <p><b>2. Audit Committee</b> <b>2.1. Role of the Audit Committee</b> The role of the Audit Committee is to provide oversight over the Company's financial reporting,</p>	

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		<p>Internal Control System, Internal and External Audit processes, and monitor compliance with applicable laws and regulations. It shall ensure that systems and processes are put in place to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of business operations, and proper safeguarding and use of the Corporation's resources and assets.</p> <p><b>2.2. Organization of the Audit Committee</b></p> <p>2.2.1. The Audit Committee reports functionally to the Board.</p> <p>2.2.2. The Audit Committee shall be composed of at least three (3) Non-Executive Directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the Audit Committee. All members must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p> <p>2.2.4. The Board shall appoint an Independent Director as Chairman, of the Audit Committee.</p>	

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		<p><b>2.3. Functions of the Audit Committee</b></p> <p>The Audit Committee shall have the following functions:</p> <p>2.3.1. Oversee the Internal Audit Department, and recommend the appointment and/or grounds for approval of the Internal Audit Head. The Audit Committee shall also approve the terms and conditions for the outsourcing of Internal Audit services if applicable;</p> <p>2.3.2. Through the Internal Audit Department, monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, integrity of financial reporting, and security of physical and information assets;</p> <p>2.3.3. Review the Annual Internal Audit Plan to ensure its conformity with the objectives of the Corporation. The Plan shall include the audit scope, resources, and budget necessary to implement it;</p> <p>2.3.4. Review the reports submitted by the Internal and External Auditors;</p> <p>2.3.5. Review and monitor Management's responsiveness to Internal Audit's findings and recommendations;</p> <p>2.3.6. Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit, and ensure the proper coordination, if more than one audit firm is involved in the activity, to secure proper coverage and minimize duplication of efforts;</p>	

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		<p>2.3.7. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the proportion of non-audit fees paid to the External Auditor to the Corporation's overall consultancy expenses. The Committee shall evaluate if the non-audit work will create a potential conflict of interest and shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this shall be disclosed in the Corporation's Annual Corporate Governance Report;</p> <p>2.3.8. Review and approve the interim and Annual Financial Statements before their submission to the Board, with particular focus on the following: Any change/s in accounting policies and practices;</p> <ul style="list-style-type: none"> <li>▪ Areas where significant amount of judgment has been exercised;</li> <li>▪ Significant adjustments resulting from the audit;</li> <li>▪ Going concern assumptions;</li> <li>▪ Compliance with accounting standards; and</li> <li>▪ Compliance with tax, legal, and regulatory requirements.</li> </ul>	

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		<p>2.3.9. Review the disposition of the recommendations in the External Auditor's management letter;</p> <p>2.3.10. Perform oversight functions over the Corporation's Internal and External Auditors. It shall ensure the independence of Internal and External Auditors, and that both auditors are given reasonable access to all material records, properties and personnel to enable them to perform their respective audit functions;</p> <p>2.3.11. Recommend the appointment, re-appointment, removal and fees of the External Auditor; and</p> <p>2.3.12. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal controls, audit process and monitoring of compliance with applicable laws, rules and regulations.</p> <p><b>2.4. Meetings of the Audit Committee</b></p> <p>2.4.1. The Audit Committee shall meet quarterly and as often as may be necessary. The Audit Committee may opt to meet without the presence of the CEO or other management team members, and periodically meet with the Internal Audit Head.</p> <p>2.4.2. The notice and agenda for each meeting shall be circulated to all Audit Committee members at least five (5) business days before each meeting.</p> <p>2.4.3. The Audit Committee may invite other Directors and Management Officers to attend any meeting.</p>	

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		<p>2.4.4. The Audit Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>2.4.5. A quorum shall be present as long as an Independent Director is present or if at least a majority of the members of the Audit Committee is present. No business shall be transacted at any meeting unless a q</p> <p>The Audit Committee shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b> <b>Audit Committee Charter</b> <a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a></p> <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>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><b>Revised Corporate Governance Manual</b></p> <p>Article III Governance Structure</p> <p>B.1. Audit Committee, 2.3. Functions of the Audit Committee, 2.3.11; page 20</p> <p>2.3.11. Recommend the appointment, re-appointment, removal and fees of the External Auditor;</p> <p>Article V Accountability And Audit, B; page 37</p> <p>B. The Board, after consultations with the Audit Committee, shall recommend to the Shareholders an External Auditor duly accredited by the SEC who shall undertake an independent audit of the Corporation, and shall provide an objective assurance on the matter by which the financial statements shall be prepared and presented to the Shareholders. The External Auditor shall not, at the same time, provide Internal Audit services to the Corporation. Non-audit work may be given to the External Auditor, provided it does not conflict with his duties as an independent External Auditor, or does not pose a threat to his independence.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Audit Committee is composed of at least three appropriately qualified nonexecutive directors, the majority of whom, including the Chairman is independent.	Compliant	<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>Definitive Information Statement</b></p> <p>The members of the Audit Committee of the Corporation are the following: page 27</p> <p>1) Antonio L. Go - Chairman (Independent Director)                  2) Renato T. De Guzman – (Independent Director)                  3) Jose T. Pardo - (Independent Director)                  4) Cirilo P. Noel – (Non-Executive Director)                  5) James L. Go – (Advisory Member)</p> <p>PART III - CONTROL AND COMPENSATION INFORMATION                  Item 9. Directors and Executive Officers of the Registrant                  Part III Control and Compensation Information, Item 9                  Directors and Executive Officers of the Registrant; pages 136-139  <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<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>PART III - CONTROL AND COMPENSATION INFORMATION  Item 9. Directors and Executive Officers of the Registrant  Part III Control and Compensation Information, Item 9  Directors and Executive Officers of the Registrant; pages 136-139  <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p>The members of the Audit Committee of the Corporation are the following: page 27</p> <ol style="list-style-type: none"> <li>1) Antonio L. Go - Chairman (Independent Director)</li> <li>2) Renato T. De Guzman – (Independent Director)</li> <li>3) Jose T. Pardo - (Independent Director)</li> <li>4) Cirilo P. Noel – (Non-Executive Director)</li> <li>5) James L. Go – (Advisory Member)</li> </ol> <p><b>Appointment of the Chairman and Members of the Board Committees</b>  <a href="https://www.jgsummit.com.ph/docs/Disclosure/Material%20Information%20Transactions-Appointment%20of%20the%20Chairman%20and%20Members%20of%20the%20Board%20Committees">https://www.jgsummit.com.ph/docs/Disclosure/Material Information Transactions-Appointment of the Chairman and Members of the Board Committees</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION												
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>Information on the Chairman of the Audit Committee is disclosed in and can be found in:</p> <p>PART III - CONTROL AND COMPENSATION INFORMATION Item 9. Directors and Executive Officers of the Registrant Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 136-139</p> <p><a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <table><tr><th>POSITION</th><th>Name of Director</th></tr><tr><td>Chairman of the Audit Committee</td><td>Antonio L. Go (ID)</td></tr><tr><td>Chairman of the Board</td><td>James L. Go (NED)</td></tr><tr><td>Chairman of the Corporate Governance Committee</td><td>Jose T. Pardo (ID)</td></tr><tr><td>Chairman of the Board Risk Oversight Committee</td><td>Renato T. De Guzman (ID)</td></tr><tr><td>Chairman of the Related Party Transactions Committee</td><td>Jose T. Pardo (ID)</td></tr></table> <p><b>Appointment of the Chairman and Members of the Board Committees</b></p> <p><a href="https://www.jgsummit.com.ph/docs/Disclosure/Material%20Information%20Transactions-Appointment%20of%20the%20Chairman%20and%20Members%20of%20the%20Board%20Committees">https://www.jgsummit.com.ph/docs/Disclosure/Material Information Transactions-Appointment of the Chairman and Members of the Board Committees</a></p>	POSITION	Name of Director	Chairman of the Audit Committee	Antonio L. Go (ID)	Chairman of the Board	James L. Go (NED)	Chairman of the Corporate Governance Committee	Jose T. Pardo (ID)	Chairman of the Board Risk Oversight Committee	Renato T. De Guzman (ID)	Chairman of the Related Party Transactions Committee	Jose T. Pardo (ID)	
POSITION	Name of Director														
Chairman of the Audit Committee	Antonio L. Go (ID)														
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Chairman of the Corporate Governance Committee	Jose T. Pardo (ID)														
Chairman of the Board Risk Oversight Committee	Renato T. De Guzman (ID)														
Chairman of the Related Party Transactions Committee	Jose T. Pardo (ID)														

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>Proof that the Audit Committee approved all non-audit services conducted by the external auditor is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  B.2. Audit Committee, Functions of the Audit Committee,  2.3.7; page 19</p> <p>2.3.7. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the proportion of non-audit fees paid to the External Auditor to the Corporation's overall consultancy expenses. The Committee shall evaluate if the non-audit work will create a potential conflict of interest and shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this shall be disclosed in the Corporation's Annual Corporate Governance Report;</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Non-Compliant	<p><b>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</b></p>	<p>The President and CEO is an Executive Director who has been invited by the Audit Committee to attend in the meeting to represent the company in respect of audit issues raised by the Audit</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<p>Committee. He does not however, provide any input or insights in respect of Audit Committee matters.</p> <p>The Audit Committee is chaired by an Independent Director and composed of ALL Non-Executive Directors (NEDs), majority of whom are Independent Directors who provide independent and balanced insights.</p> <p>The Revised Corporate Governance Manual and Audit Committee Charter states that, “The Audit Committee <u>may</u> opt to meet without the presence of the CEO or other 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.”</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<p>B.2. Audit Committee, Page 20</p> <p>2.4. Meetings of the Audit Committee</p> <p>2.4.1. The Audit Committee shall meet quarterly and as often as may be necessary. The Audit Committee may opt to meet without the presence of the CEO or other management team members, and periodically meet with the Internal Audit Head.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a></p>
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	Compliant	<p>The Audit Committee had 4 meetings during the year as documented in:</p> <p><b>Definitive Information Statement</b></p> <p>(h) Appraisals and Performance Report for the Board, page 24</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																								
		<p>The incumbent members of the Audit Committee of the Corporation and their attendance at meetings since their election at the Annual Meeting of Stockholders in 2020 up to present are as follows:</p> <table border="1"> <thead> <tr> <th>Audit Committee Members</th><th>Position</th><th>No. of Board Meetings Attended/Held</th><th>Attendance Percentage</th></tr> </thead> <tbody> <tr> <td>Antonio L. Go</td><td>Chairman</td><td>4/4</td><td>100%</td></tr> <tr> <td>Cirilo P. Noel</td><td>Member</td><td>4/4</td><td>100%</td></tr> <tr> <td>Jose T. Pardo</td><td>Member</td><td>4/4</td><td>100%</td></tr> <tr> <td>Renato T. De Guzman</td><td>Member</td><td>4/4</td><td>100%</td></tr> <tr> <td>James L. Go</td><td>Advisory Member</td><td>4/4</td><td>100%</td></tr> </tbody> </table> <p><a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p>	Audit Committee Members	Position	No. of Board Meetings Attended/Held	Attendance Percentage	Antonio L. Go	Chairman	4/4	100%	Cirilo P. Noel	Member	4/4	100%	Jose T. Pardo	Member	4/4	100%	Renato T. De Guzman	Member	4/4	100%	James L. Go	Advisory Member	4/4	100%	
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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 3. Corporate Governance Committee; page 21-23 <b>3.1. Role of the Corporate Governance Committee</b> The role of the Corporate Governance Committee is to oversee the development and implementation of</p>																									

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Corporate Governance principles and policies. The Corporate Governance Committee shall recommend a formal framework on the nomination, remuneration and evaluation of the performance of the Directors and key Management Officers to ensure that this framework is consistent with the Corporation's culture, strategies and the business environment.</p> <p><b>3.2. Organization of the Corporate Governance Committee</b></p> <p>3.2.1. The Corporate Governance Committee shall report directly to the Board.</p> <p>3.2.2. 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 shall ensure that the members of the Corporate Governance Committee are appropriately qualified to discharge their responsibilities.</p> <p>3.2.3. The Board shall appoint one of the members of the Corporate Governance Committee to be the Committee Chairman.</p> <p><b>3.3. Functions of the Corporate Governance Committee</b> The Corporate Governance Committee shall have the following functions:</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>3.3.1. Oversee the implementation of a Corporate Governance framework and periodically review the said framework to ensure that it remains appropriate in light of material changes to the Corporation's size, complexity and business strategy, as well as the business and regulatory environment;</p> <p>3.3.2. Oversee the formulation and implementation of a Code of Business Conduct and Ethics and internal policies and monitor compliance with such code and policies by the Corporation through communication and awareness campaign, continuous training and setting a proper forum where issues may be addressed;</p> <p>3.3.3. Oversee the performance evaluation of the Board and its Committees and Management, and conduct an annual self-evaluation of its performance;</p> <p>3.3.4. Recommend continuing education/training programs for Directors, assignment of tasks/projects to Board Committees, succession planning for the Board members and senior Officers, and levels of remuneration for corporate and individual performance;</p> <p>3.3.5. Determine the nomination and election process for the Corporation's Directors and define the general profile of the Board members that the Company may need and ensure appropriate knowledge, competencies</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>and expertise that complement the existing skills of the Board;</p> <p>3.3.6. Establish a formal procedure to develop a policy for determining the remuneration of Directors and Officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates, including disallowing any Director to decide his remuneration;</p> <p>3.3.7. Establish efficient communication channels which aid and encourage employees, customers, suppliers, creditors and other Stakeholders to raise concerns on potential unethical or unlawful behavior without fear of retribution; and</p> <p>3.3.8. Review recommendations concerning policies on conflict of interest, salaries and benefits policies, promotion and career advancement directives, and compliance with all statutory requirements.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Governance Structure, Board Committees</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/board-committees">https://www.jgsummit.com.ph/corporate-governance/board-committees</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<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> <p><b>Company Website</b>  <b>Board Nomination and Election Policy</b>                      The Board recognizes the importance of having a qualified and competent Board to achieve Company objectives as well as to protect the interest of all its stakeholders and shall ensure that proper nomination and election process is in place to attain this.  <a href="http://www.jgsummit.com.ph/Board Nomination and Election Policy">http://www.jgsummit.com.ph/Board Nomination and Election Policy</a></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<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><b>Definitive Information Statement</b></p> <p>The members of the Corporate Governance Committee of the Corporation are the following, page 19:</p> <ol style="list-style-type: none"> <li>1. Jose T. Pardo – Chairman (Independent Director)</li> <li>2. Renato T. De Guzman – (Independent Director)</li> <li>3. Antonio L. Go - (Independent Director)</li> </ol> <p>PART III - CONTROL AND COMPENSATION INFORMATION Item 9. Directors and Executive Officers of the Registrant Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 136-139 <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>Information on the Chairman of the Corporate Governance Committee is disclosed and can be found in:</p> <p>The Chairman of the Corporate Governance Committee is Mr. Jose T. Pardo, an Independent Director.</p> <p><b>Definitive Information Statement</b></p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>The members of the Corporate Governance Committee of the Corporation are the following, page 19:</p> <ol style="list-style-type: none"> <li>1. Jose T. Pardo – Chairman (Independent Director)</li> <li>2. Renato T. De Guzman – (Independent Director)</li> <li>3. Antonio L. Go - (Independent Director)</li> </ol> <p>PART III - CONTROL AND COMPENSATION INFORMATION Item 9. Directors and Executive Officers of the Registrant Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 136-139 <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Company website</b> <b>Board Committees</b> <a href="https://www.jgsummit.com.ph/corporate-governance/board-committees">https://www.jgsummit.com.ph/corporate-governance/board-committees</a></p> <p><b>Appointment of the Chairman and Members of the Board Committees</b> <a href="https://www.jgsummit.com.ph/docs/Disclosure/Material%20Information%20Transactions-Appointment%20of%20the%20Chairman%20and%20Members%20of%20the%20Board%20Committees">https://www.jgsummit.com.ph/docs/Disclosure/Material Information Transactions-Appointment of the Chairman and Members of the Board Committees</a></p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.		The Corporate Governance Committee had ____ meetings during the year as documented in:	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Recommendation 3.4</b>			
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.	Compliant	<p>Information on the Board Risk Oversight Committee (BROC), 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; <b>page 23-25</b></p> <p><b>4. Board Risk Oversight Committee</b></p> <p><b>4.1. Role of the BROC</b></p> <p>The role of the BROC is to oversee the establishment of ERM framework that will effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. The BROC shall be responsible for defining the Company's level of risk tolerance and providing oversight over its risk management policies and procedures to anticipate, minimize, control or manage risks or possible threats to its operational and financial viability.</p> <p><b>4.2. Organization of the BROC</b></p> <p>4.2.1. The Board Risk Oversight Committee shall be composed of at least three (3) directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the BROC. At least one member of the committee must have</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>relevant knowledge and experience on risk and risk management.</p> <p>4.2.2. The Board shall appoint one of the members of the BROC to be the Committee Chairman.</p> <p><b>4.3. Functions of the BROC</b></p> <p>The BROC shall have the following functions:</p> <p>4.3.1. Oversee the development and implementation of a formal ERM Plan that contains the following elements:</p> <ul style="list-style-type: none"> <li>▪ Common language or register of risks;</li> <li>▪ Well-defined risk management goals, objectives and oversight;</li> <li>▪ Uniform processes of identifying, assessing, evaluating and measuring risks as well developing strategies to manage and mitigate prioritized risks;</li> <li>▪ Designing and implementing risk management strategies; and</li> <li>▪ Continuing assessments and monitoring to improve risk strategies, processes and measures;</li> </ul> <p>4.4. Evaluate the ERM Plan to ensure its continued relevance, comprehensiveness and effectiveness. The BROC shall revisit defined risk management strategies, look for emerging or changing material exposures, and stays abreast of significant</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>developments that may seriously impact the likelihood of harm or loss;</p> <p>4.4.1. Review the Corporation's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and occurrence of major events that may have a major impact on the Company;</p> <p>4.4.2. Assess the probability of each identified risk becoming a reality and estimate its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Corporation and its Stakeholders;</p> <p>4.4.3. Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and</p> <p>4.4.4. Report to the Board on a regular basis, or as deemed necessary, the Company's risk, material risk exposures, the actions taken to reduce the risks, and recommends appetite levels, risk tolerance limits, further action or plans, as necessary.</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><b>4.4. Meetings of the BROC</b></p> <p>4.4.1. The BROC shall meet twice a year or as may be necessary. The BROC may opt to meet without the presence of the CEO or other management team members, and periodically meets with the ERM Head.</p> <p>4.4.2. The notice and agenda for each meeting shall be circulated to all BROC members at least five (5) business days before each meeting.</p> <p>4.4.3. The BROC may invite other Directors and Management Officers to attend any meeting.</p> <p>4.4.4. The BROC Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>4.4.5. A quorum shall be present as long as an Independent Director is present or if at least a majority of the members of the BROC is present. No business shall be transacted at any meeting unless a quorum is present.</p> <p>4.4.6. The BROC shall cause proper records of its proceedings to be kept. Members may nominate a member or some other person to be the Committee Secretary to record and keep minutes of meetings and other proceedings.</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>  <b>Company Website</b> <b>Board Risk Oversight Committee</b> <a href="http://www.jgsummit.com.ph/Board Risk Oversight Committee Charter">http://www.jgsummit.com.ph/Board Risk Oversight Committee Charter</a>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<p>Information on the members of the BROC, including their qualifications and type of directorship are disclosed and found in:</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  B.4. Board Risk Oversight Committee, Organization of the BROC, 4.2.1; page 23</p> <p>4.2.1. The Board Risk Oversight Committee shall be composed of at least three (3) directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the BROC. At least one member of the committee must have relevant knowledge and experience on risk and risk management.</p> <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>	
		<p><b>Definitive Information Statement</b>  The members of the Board Risk Oversight Committee of the Corporation are the following: pages 27-28</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>1) Renato T. De Guzman – Chairman (Independent Director)  2) Antonio L. Go - (Independent Director)  3) Jose T. Pardo – (Independent Director)  4) Lance Y. Gokongwei</p> <p>PART III - CONTROL AND COMPENSATION INFORMATION  Item 9. Directors and Executive Officers of the Registrant  Part III Control and Compensation Information, Item 9  Directors and Executive Officers of the Registrant; pages 136-139  <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Company website  Board Committees</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/board-committees">https://www.jgsummit.com.ph/corporate-governance/board-committees</a></p> <p><b>Appointment of the Chairman and Members of the Board Committees</b>  <a href="https://www.jgsummit.com.ph/docs/Disclosure/Material%20Information%20Transactions-Appointment%20of%20the%20Chairman%20and%20Members%20of%20the%20Board%20Committees">https://www.jgsummit.com.ph/docs/Disclosure/Material Information Transactions-Appointment of the Chairman and Members of the Board Committees</a></p>	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	Information on the Chairman of the BROC is disclosed and can be found in:	

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		<p>The Chairman of the BROCC is Mr. Renato T. De Guzman, an Independent Director and is not a Chairman of any other committee.</p> <p><b>Definitive Information Statement</b> PART III - CONTROL AND COMPENSATION INFORMATION Item 9. Directors and Executive Officers of the Registrant Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 136-139 <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <table><tr><th>POSITION</th><th>Name of Director</th></tr><tr><td>Chairman of the Board Risk Oversight Committee</td><td>Renato T. De Guzman (ID)</td></tr><tr><td>Chairman of the Board</td><td>James L. Go (NED)</td></tr><tr><td>Chairman of the Audit Committee</td><td>Antonio L. Go (ID)</td></tr><tr><td>Chairman of the Corporate Governance Committee</td><td>Jose T. Pardo (ID)</td></tr><tr><td>Chairman of the Related Party Transactions Committee</td><td>Jose T. Pardo (ID)</td></tr></table> <p><b>Appointment of the Chairman and Members of the Board Committees</b></p>	POSITION	Name of Director	Chairman of the Board Risk Oversight Committee	Renato T. De Guzman (ID)	Chairman of the Board	James L. Go (NED)	Chairman of the Audit Committee	Antonio L. Go (ID)	Chairman of the Corporate Governance Committee	Jose T. Pardo (ID)	Chairman of the Related Party Transactions Committee	Jose T. Pardo (ID)	
POSITION	Name of Director														
Chairman of the Board Risk Oversight Committee	Renato T. De Guzman (ID)														
Chairman of the Board	James L. Go (NED)														
Chairman of the Audit Committee	Antonio L. Go (ID)														
Chairman of the Corporate Governance Committee	Jose T. Pardo (ID)														
Chairman of the Related Party Transactions Committee	Jose T. Pardo (ID)														

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/docs/Disclosure/Material%20Information%20Transactions-Appointment%20of%20the%20Chairman%20and%20Members%20of%20the%20Board%20Committees">https://www.jgsummit.com.ph/docs/Disclosure/Material Information Transactions-Appointment of the Chairman and Members of the Board Committees</a>	
4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>Information on the background, skills, and/or experience of the members of the BROCC.</p> <p><b>Definitive Information Statement</b>            PART III - CONTROL AND COMPENSATION INFORMATION            Item 9. Directors and Executive Officers of the Registrant            Part III Control and Compensation Information, Item 9            Directors and Executive Officers of the Registrant; pages 136-139  <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Company Website</b>  <b>Board of Directors</b>  <a href="https://www.jgsummit.com.ph/Board%20of%20Directors">https://www.jgsummit.com.ph/Board of Directors</a></p> <p><b>Board Risk Oversight Committee</b>  <a href="https://www.jgsummit.com.ph/Board%20Risk%20Oversight%20Committee">https://www.jgsummit.com.ph/Board Risk Oversight Committee</a></p>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all	Compliant	Revised Corporate Governance Manual Article III Governance Structure, Related Party Transaction Committee; page 25-27	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

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material related party transactions of the company.		<p><b>5. Related Party Transaction Committee</b></p> <p><b>5.1. Mission of the Related Party Transaction (RPT) Committee</b></p> <p>The mission of the RPT Committee is to ensure that there is group-wide policy and system governing Material Related Party Transactions (MRPTs), particularly those that breach the materiality threshold. The policy shall include the appropriate review and approval of MRPTs, which guarantee fairness and transparency of the transactions.</p> <p><b>5.2. Organization of the Related Party Transaction Committee</b></p> <p>5.2.1. The RPT Committee reports functionally to the Board.</p> <p>5.2.2. The RPT Committee shall be composed of at least three (3) Non-Executive Directors, at least one (1) of whom shall always be an Independent Director. The Board may consider Independent Directors to comprise majority membership of the RPT Committee. The Board shall ensure that the members of the RPT Committee are appropriately qualified to discharge their responsibilities.</p> <p>5.2.3. The Board shall appoint an Independent Director as Chairman, of the RPT Committee.</p> <p><b>5.3. Functions of the Related Party Transaction Committee</b></p> <p><b>The Related Party Transaction Committee shall have the following functions:</b></p>	

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		<p>5.3.1. Establish policy on MRPTs that promotes transparency and ensure that transactions occur under conditions that protect the rights of all stakeholders.</p> <p>5.3.2. Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, MRPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, MRPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;</p> <p>5.3.3. Evaluate all MRPTs to ensure that these are not undertaken on more favorable economic terms (e.g. price, commissions, interest rates, fees, tenor, collateral requirements) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating MRPTs, the Committee takes into account, among others, the following:</p> <ul style="list-style-type: none"> <li>▪ The related party's relationship to the company and interest in the transaction;</li> </ul>	

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		<ul style="list-style-type: none"> <li>▪ The material facts of the proposed MRPT, including the proposed aggregate value of such transaction;</li> <li>▪ The benefits to the corporation of the proposed MRPT;</li> <li>▪ The availability of the other sources of comparable products or services; and</li> <li>▪ An assessment of whether the proposed MRPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company shall have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs;</li> </ul> <p>5.3.4. Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating the company's MRPT exposures reviewed and approved during the year including unusual or infrequently occurring transactions, and policies on conflicts of interest or potential conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;</p> <p>5.3.5. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;</p>	



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		<p>5.3.6. Ensure that transactions with related parties, including write-off of exposures are subject to periodic independent review or audit process; and</p> <p>5.3.7. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting MRPTs, including periodic review of RPT policies and procedures.</p> <p>5.3.8. If needed, appoint an independent party to evaluate the fairness of the transaction price on the acquisition and disposal of assets, particularly those passing a materiality threshold determined by the RPT Committee.</p> <p><b>5.4. Meetings of the Related Party Transaction Committee</b></p> <p>5.4.1. The RPT Committee shall meet as many times as the Committee deems necessary.</p> <p>5.4.2. The notice and agenda for each meeting shall be circulated to all RPT Committee members at least five (5) business days before each meeting.</p> <p>5.4.3. The RPT Committee may invite other Directors and Management Officers to attend any meeting.</p> <p>5.4.4. The RPT Committee Chairman shall preside in all meetings of the Committee. In his absence, the members present shall elect from among themselves one member to preside over the particular meeting.</p> <p>5.4.5. A quorum shall be present as long as an Independent Director is present. No business shall be transacted at any meeting unless a quorum is present.</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>5.4.6. Voting on all RPT Committee resolutions shall be carried consistent with Material Related Party Transaction Policy.</p> <p>5.4.7. The RPT Committee shall cause proper records of its proceedings to be kept. Members may nominate a person to be the Committee Secretary to record and keep minutes of meetings and other proceedings, and to circulate the same to the RPT Committee members for approval.</p> <p>5.4.8. The RPT Committee may make further rules of procedures or vary or amend existing ones from time to time as the Committee deems fit.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</p> <p><b>Definitive Information Statement</b></p> <p>The members of the Related Party Transaction Committee of the Corporation are the following:, page 28</p> <p>1) Jose T. Pardo – Chairman (Independent Director)                  2) Renato T. De Guzman – (Independent Director)                  3) Cirilo P. Noel – (Non-Executive Director)</p> <p>PART III - CONTROL AND COMPENSATION INFORMATION                  Item 9. Directors and Executive Officers of the Registrant</p>	

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		Part III Control and Compensation Information, Item 9 Directors and Executive Officers of the Registrant; pages 136-139 <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a>	
Recommendation 3.6			
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.	Compliant	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:  <b>Company Website</b> <b>Board Committee’s Charters</b> <a href="https://www.jgsummit.com.ph/corporate-governance/board-committees">https://www.jgsummit.com.ph/corporate-governance/board-committees</a>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		
3. Committee Charters were fully disclosed on the company’s website.	Compliant		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation’s business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the	Compliant	Actual Meetings are conducted instead of tele/ videoconferencing.	

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Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.		<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 17</p> <p>6.1. The Board shall schedule meetings at the beginning of the year, and hold regular meetings in accordance with its By-Laws and convene special meetings when required by business exigencies.</p> <p>6.2. The notice and agenda of the meeting and other relevant meeting materials shall be furnished to the Directors at least five (5) business days prior to each meeting, which meeting must be duly minuted.</p> <p>6.3. The 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>6.4. Independent Directors shall always attend Board meetings. Unless otherwise provided in the By-Laws, their absence shall not affect the quorum requirement.</p> <p>However, the Board may, to promote transparency, require the presence of at least one (1) Independent Director in all its meetings.</p>	

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		<p>6.5. To monitor the Directors' compliance with the attendance requirements, the Corporation shall submit to the Commission, within five (5) business days from the end of the Corporation's fiscal year, an advisement letter on Directors' record of attendance in Board meetings.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</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>Definitive Information Statement</b></p> <p>(h) Appraisals and Performance Report for the Board, pages 24-25</p> <p><a href="https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>ANNEX 2-Certificate of Attendance of the Directors in the Meetings For Year 2020</b></p> <p><b>Minutes of Annual Stockholders' Meeting</b></p> <p><a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></p>	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p><b>Revised Corporate Governance Manual</b></p> <p>Article III Governance Structure</p> <p>A.6. Board Meetings and Quorum Requirement; page 17</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>6.1. The Board shall schedule meetings at the beginning of the year, and hold regular meetings in accordance with its By-Laws and convene special meetings when required by business exigencies.</p> <p>6.2. The notice and agenda of the meeting and other relevant meeting materials shall be furnished to the Directors at least five (5) business days prior to each meeting, which meeting must be duly minuted.</p> <p>6.3. The 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>6.4. Independent Directors shall always attend Board meetings. Unless otherwise provided in the By-Laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one (1) Independent Director in all its meetings.</p> <p>6.5. To monitor the Directors' compliance with the attendance requirements, the Corporation shall submit to the Commission, within five (5) business days from the end of the Corporation's fiscal year, an advisement letter on Directors' record of attendance in Board meetings.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	

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3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Information on any questions raised or clarification/explanation sought by the directors are disclosed and can be found in:  <b>Minutes of Annual Stockholders' Meeting</b> <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a>	
<b>Recommendation 4.2</b>			
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.	Non-Compliant	Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.  Provide information or reference to a document containing information on the directorships of the company's directors in both listed and non-listed companies	The Company sees to it that the members of the board are committed to perform their roles and responsibilities regardless of the number of board seats they have in other companies and in the absence of policy setting the limit of board seats that a non-executive director can hold. The Company take note of the guidelines on the number of board seats recommended by the Commission to listed companies.  Only 1 NED concurrently serves as Director in more than five (5) PLCs. The said director holds board seats in 8 PLCs including JGSHI. Nonetheless, the director

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			<p>is present in all meetings of the board &amp; board committees and competently performs his functions and responsibilities as JGSHI's director. He regularly reviews the minutes and materials for the meeting and confidently gives his opinion or recommendations to Management's proposals/views, and oversees the long-term strategy of the company. His 100% attendance in the Board meetings was disclosed in JGSHI's Annual Report and Definitive Information Statement.</p> <p><b>Definitive Information Statement</b> PART III – Control and Compensation Information Item 9. Directors and Executive Officers of the Registrant ; page 136 <a href="https://www.jgsummit.com.ph/docs/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p> <p><b>Annual Report (digital copy colored)</b> Corporate Governance section</p>



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			<a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a>  Summary of NEDs (including the IDs) and Directorships in PLCs <table><tr><th>Name of Director</th><th>PLCs with Directorship / Designation</th></tr><tr><td>James L. Go</td><td>1. JG Summit Holdings, Inc. – Non-Executive Director, Chairman 2. Universal Robina Corporation – Non-Executive Director, Chairman Emeritus 3. Robinsons Land Corporation – Non-Executive Director, Chairman Emeritus 4. Cebu Air, Inc. –</td></tr></table>	Name of Director	PLCs with Directorship / Designation	James L. Go	1. JG Summit Holdings, Inc. – Non-Executive Director, Chairman 2. Universal Robina Corporation – Non-Executive Director, Chairman Emeritus 3. Robinsons Land Corporation – Non-Executive Director, Chairman Emeritus 4. Cebu Air, Inc. –
Name of Director	PLCs with Directorship / Designation						
James L. Go	1. JG Summit Holdings, Inc. – Non-Executive Director, Chairman 2. Universal Robina Corporation – Non-Executive Director, Chairman Emeritus 3. Robinsons Land Corporation – Non-Executive Director, Chairman Emeritus 4. Cebu Air, Inc. –						

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			<div> Non-Executive Director, Chairman  5. Robinsons Retail Holdings, Inc. – Non-Executive Director, Vice-Chairman  6. Oriental Petroleum and Minerals Corporation – Executive Director, Chairman and CEO  7. PLDT, Inc. – Non-Executive Director  8. Manila Electric Company – Non-Executive Director </div>
			<div> Lily Ngo-Chua  1. JG Summit Holdings, Inc. – Non-Executive Director </div>

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			<div>Patrick Henry C. Go</div> <div>                     1. JG Summit Holdings, Inc. – Non-Executive Director                      2. Universal Robina Corporation- Non-Executive Director                      3. Robinsons Land Corporation - Non-Executive Director                 </div>
			<div>Robina Y. Gokongwei -Pe</div> <div>                     1. JG Summit Holdings, Inc. - Non-Executive Director                      2. Robinsons Land Corporation - Non-Executive Director                      3. Cebu Air, Inc. - Non-Executive Director                      4. Robinsons Retail Holdings,                 </div>

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				Inc. –Executive Director
			Johnson Robert G. Go, Jr.	1. JG Summit Holdings, Inc. – Non-Executive Director 2. Universal Robina Corporation– Non-Executive Director 3. Robinsons Land Corporation – Non-Executive Director
			Cirilo P. Noel	1. JG Summit Holdings, Inc. - Non-Executive Director 2. Robinsons Retail Holdings, Inc. – Independent Director

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			<div> <div></div> <div> <p>3. Globe Telecom, Inc. – Independent Director</p> <p>4. Security Bank Corporation – Vice Chairman</p> <p>5. San Miguel Foods and Beverage – Independent Director</p> </div> </div>
			<div> <div>Jose T. Pardo</div> <div> <p>1. JG Summit Holdings, Inc. - Independent Director</p> <p>2. Philippine Savings Bank - Chairman / Independent Director</p> <p>3. Philippine Seven Corporation - Chairman / Independent Director</p> </div> </div>

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			Renato De Guzman	4. JG Summit Holdings, Inc. - Independent Director
			Antonio L. Go	1. JG Summit Holdings, Inc. – Independent Director 2. Cebu Air, Inc. – Independent Director 3. Robinsons Retail Holdings, Inc. – Independent Director 4. Oriental Petroleum and Minerals Corporation . – Independent Director
Recommendation 4.3				

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1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</p> <p>As a policy, a Director shall notify the Board before accepting Directorship in any company.</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  A.8. Directorships and Officerships in Other Corporations;  page 17  8.2. A Director shall notify the Board before accepting Directorship in another Company.  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>The changes ,if any, in the Directorship are reflected in the Definitive Information Statement</p> <p><b>Definitive Information Statement</b>  Profiles of the Nominees For Election To The Board Of Directors For The Year 2021, pages 9-13  PART III – Control and Compensation Information,  Item 9. Directors and Executive Officers of the Registrant,  pages 136-139  <a href="https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement">https://www.jgsummit.com.ph/docs/2021 Definitive Information Statement</a></p>	

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Optional: Principle 4																																																																																	
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	<p>The Company had 14 meetings during the year.</p> <table><tr><th colspan="6">Attendance of Directors</th></tr><tr><th colspan="6">January 1 to December 31, 2020</th></tr><tr><th>Board</th><th>Name</th><th>Date of Election</th><th>No. of Meetings Held during the year</th><th>No. of Meetings Attended</th><th>%</th></tr><tr><td>Director, Chairman</td><td>James L. Go</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Director, President and CEO</td><td>Lance Y. Gokongwei</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Director</td><td>Lily G. Ngo-Chua</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Director</td><td>Patrick Henry C. Go</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Director</td><td>Johnson Robert G. Go, Jr.</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Director</td><td>Robina Gokongwei-Pe</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Non-Executive Director</td><td>Cirilo P. Noel</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Independent Director</td><td>Jose T. Pardo</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Independent Director</td><td>Renato T. De Guzman</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr><tr><td>Independent Director</td><td>Antonio L. Go</td><td>May 14, 2020</td><td>14</td><td>14</td><td>100%</td></tr></table> <p><b>ANNEX 2-Certificate of Attendance of the Directors in the Meetings For Year 2020</b></p>	Attendance of Directors						January 1 to December 31, 2020						Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%	Director, Chairman	James L. Go	May 14, 2020	14	14	100%	Director, President and CEO	Lance Y. Gokongwei	May 14, 2020	14	14	100%	Director	Lily G. Ngo-Chua	May 14, 2020	14	14	100%	Director	Patrick Henry C. Go	May 14, 2020	14	14	100%	Director	Johnson Robert G. Go, Jr.	May 14, 2020	14	14	100%	Director	Robina Gokongwei-Pe	May 14, 2020	14	14	100%	Non-Executive Director	Cirilo P. Noel	May 14, 2020	14	14	100%	Independent Director	Jose T. Pardo	May 14, 2020	14	14	100%	Independent Director	Renato T. De Guzman	May 14, 2020	14	14	100%	Independent Director	Antonio L. Go	May 14, 2020	14	14	100%	
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# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<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:	<p>For CY 2020, the Company has three (3) Independent Directors representing twenty seven percent (27%) of the total membership of the Board. The remaining six (6) Directors are Non-Executive and only one (1) executive director, the President and CEO. The Board is able to exercise objective and independent judgment on all corporate affairs. The Company also ensured to strengthen the governance through the establishment of corporate governance related policies.</p> <p>The Company is compliant with the Securities Regulation Code 38.7.1 requiring a minimum of 2</p>

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<p>Independent Directors in the Board of Publicly Listed Companies.</p> <p>The Company already considered the appointment of an additional 1 Independent Director for the current year as compliance and due consideration to the best practice</p> <p><b>Definitive Information Statement</b>                      Certification of Independent Director; page 26-31  <a href="https://www.jgsummit.com.ph/docs/2020/Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2020/Definitive Information Statement</a></p> <p><b>Definitive Information Statement</b>                      Certification of Independent Director; page 34-42  <a href="https://www.jgsummit.com.ph/2021/Definitive%20Information%20Statement">https://www.jgsummit.com.ph/2021/Definitive Information Statement</a></p>
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	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 11</p> <p><b>2.1. Qualifications of a Director</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>In addition to the applicable provisions of the Corporation Code, Securities Regulation Code, and other relevant laws the Articles of Incorporation and By-Laws of the Corporation, the following general guidelines shall be observed in the initial evaluation of Director-nominees to the Board:</p> <p>2.1.1. He should own at least one (1) share of stock of the Corporation;</p> <p>2.1.2. He must have a practical understanding of the business of the Corporation;</p> <p>2.1.3. He shall have been proven to possess integrity and probity.</p> <p>The Corporate Governance Committee, as defined under Article III-B (3), may consider and recommend to the Board other qualifications which are now or may hereafter be provided in the relevant existing laws or any amendments thereto or new law applicable to the Corporation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b>            Profiles of the Nominees For Election To The Board of Directors For The Year 2020, Pages 7-10            Part III Control and Compensation Information, Item 9. Directors and Executive Officers of the Registrant; page 108-110</p> <p>Certification of Independent Directors, pages 26-31</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	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 15</p> <p><b>4. Specific Duties and Responsibilities of a Director</b>  A Director shall endeavor to act in the best interest of the Corporation its shareholders and stakeholders in a manner characterized by fairness, accountability, and transparency.</p> <p>A Director shall observe the following norms of conduct:</p> <p>4.1. Conduct fair and impartial business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation;</p> <p>4.2. Devote the time and attention necessary to properly and effectively perform his duties and responsibilities;</p> <p>4.3. Act judiciously. Before deciding on any matter brought before the Board, a Director should carefully evaluate the issues and, if necessary, make inquiries and request clarification;</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>4.4. Exercise independent judgment. A Director should view each problem or situation objectively;</p> <p>4.5. Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-Laws, the rules and regulations of the SEC and, where applicable, the requirements of relevant regulatory agencies;</p> <p>4.6. Observe confidentiality. A Director should keep secure and confidential all nonpublic information he may acquire or learn by reason of his position as Director; and</p> <p>4.7. Have a working knowledge of the Corporation's control systems. A Director shall ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.</p> <p>4.8. Disclose to the Philippine Stock Exchange (PSE) and the SEC the trading of the Corporation's shares by Directors, Officers (or persons performing similar functions) and controlling Shareholders. This shall also include the disclosure of the Corporation's purchase of its shares from the market (e.g. share buy-back program).</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Recommendation 5.3</b>			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION														
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	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> Certification of Independent Director; pages 26-31 <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement-for-2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p> <table><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><tr><td>Antonio L. Go May 28, 2018</td><td>2</td><td>2</td></tr><tr><td>Jose T. Pardo August 6, 2003</td><td>17</td><td>8</td></tr><tr><td>Renato De Guzman April 28, 2015</td><td>5</td><td>5</td></tr></table> <p>Reckoned from 2012, the Company’s Independent Director have yet to reach the cumulative term of nine years in 2021.</p>	Director’s Name	No. of Years served as Director		From first election	Reckoning from 2012	Antonio L. Go May 28, 2018	2	2	Jose T. Pardo August 6, 2003	17	8	Renato De Guzman April 28, 2015	5	5	
Director’s Name	No. of Years served as Director																
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Antonio L. Go May 28, 2018	2	2															
Jose T. Pardo August 6, 2003	17	8															
Renato De Guzman April 28, 2015	5	5															
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	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>															
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious	Compliant	<p><b>Revised Corporate Governance Manual</b> Article I Introduction and Definition of Terms 10. Independent Director, 9.12; page 11</p>															

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION				
justification and seeks shareholders’ approval during the annual shareholders’ meeting.		9.12. As a rule, independent directors may serve for a maximum of nine (9) consecutive years starting from 2012, making sure however that the shareholders’ legal right to vote and be as directors remains inviolable. If the Corporation wants to retain an independent director who has served for nine consecutive years, the Board shall provide meritorious justifications and advise the shareholders of such justification during the annual shareholders meeting.  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>					
Recommendation 5.4							
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	Following are company’s Chairman of the Board and Chief Executive Officer (CEO): <table border="1"><tr><td>Chairman</td><td>James L. Go</td></tr><tr><td>President and Chief Executive Officer</td><td>Lance Y. Gokongwei</td></tr></table> <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 108-110 <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a>  <b>Revised Corporate Governance Manual</b>	Chairman	James L. Go	President and Chief Executive Officer	Lance Y. Gokongwei	
Chairman	James L. Go						
President and Chief Executive Officer	Lance Y. Gokongwei						

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Article III Governance Structure</p> <p>C. Chairman; page 27</p> <p>The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and Shareholders. The Chairman shall also assist in ensuring compliance with and performance of the Corporate Governance policies and practices.</p> <p>As needed or in accordance with applicable regulations such as the Revised Code of Corporate Governance, the roles of Chairman and the CEO may be separated in order to foster an appropriate balance of power, increased accountability, and better capacity for independent decision-making by the Board. A clear delineation of functions shall be made between the roles of the Chairman and CEO.</p> <p>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>The Board may consider designating a Lead Director among the Independent Directors if the Chairman of the Board is not an Independent Director and if the positions of the Chairman of the Board and CEO are held by one person. The Lead Director shall be the intermediary between the Chairman and the other Directors when necessary; convene and chair meetings of the Non-Executive Directors; and contribute to the performance evaluation of the Chairman, as required. The duties and responsibilities of the Chairman in relation to the Board may include, among others, the following:</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ol style="list-style-type: none"> <li>1. The Chairman shall supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary and Management and make certain that such agenda focuses on strategic matters, including the overall risk appetite of the Corporation, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;</li> <li>2. Guarantee that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;</li> <li>3. Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual Directors;</li> <li>4. Ensure that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;</li> <li>5. Assure the availability of proper orientation for first-time Directors and continuing training opportunities and requirements for all Directors; and</li> <li>6. Make sure that performance of the Board is evaluated at least once a year and discussed/ followed up on;</li> </ol> <p>D. The CEO; page 28  <b>Duties and Responsibilities of the CEO:</b></p> <ol style="list-style-type: none"> <li>1. Communicate and implement the Corporation's vision, mission, values and overall strategy and promote any</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Corporation or Stakeholder change in relation to the same;</p> <ol style="list-style-type: none"> <li>2. Build the corporate culture and motivate the employees of the Corporation. Direct, evaluate and guide the work of key Officers of the Corporation;</li> <li>3. Oversee the operations of the Corporation and manages human and financial resources in accordance with the strategic plan;</li> <li>4. Serve as the link between internal operations as well as internal and external Stakeholders;</li> <li>5. Exercise general care, management and administration of the business operations of the Company. He shall ensure that: (a) the business and affairs of the Company are managed in a sound and prudent manner; and (b) operational, financial and internal controls are adequate and effective to ensure reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets and compliance with laws, rules, regulations and contracts;</li> <li>6. Provide leadership for Management in determining, developing and implementing business strategies, plans and budgets to the extent approved by the Board. He shall provide the Board with a balanced and understandable account of the Company's performance, financial condition, results of operations and prospects on a regular basis;</li> <li>7. Provide the Directors/Board with adequate and timely information about the matters to be taken up in their Board meetings and, upon the request of any Director or the Board, make presentations on specific topics and</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>respond to further inquiries in relation thereto during Board meetings. The Directors shall have independent access to Management; and</p> <p>8. Formulate, under the oversight of the Audit Committee, financial reporting and internal control systems, rules and procedures.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<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 27</p> <p>The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and Shareholders. The Chairman shall also assist in ensuring compliance with and performance of the Corporate Governance policies and practices.</p> <p>As needed or in accordance with applicable regulations such as the Revised Code of Corporate Governance, the roles of Chairman and the CEO may be separated in order to foster an appropriate balance of power, increased accountability, and better capacity for independent decision-making by the Board. A clear delineation of functions shall be made between the roles of the Chairman and CEO.</p> <p>If the roles of Chairman and CEO are unified, the proper checks and balances shall be laid down to ensure that the</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Board gets the benefit of independent views and perspectives.</p> <p>The Board may consider designating a Lead Director among the Independent Directors if the Chairman of the Board is not an Independent Director and if the positions of the Chairman of the Board and CEO are held by one person. The Lead Director shall be the intermediary between the Chairman and the other Directors when necessary; convene and chair meetings of the Non-Executive Directors; and contribute to the performance evaluation of the Chairman, as required.</p> <p>The duties and responsibilities of the Chairman in relation to the Board may include, among others, the following:</p> <ol style="list-style-type: none"> <li>1. The Chairman shall supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary and Management and make certain that such agenda focuses on strategic matters, including the overall risk appetite of the Corporation, considering the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;</li> <li>2. Guarantee that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;</li> <li>3. Facilitate discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual Directors;</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>4. Ensure that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;</p> <p>5. Assure the availability of proper orientation for first-time Directors and continuing training opportunities and requirements for all Directors; and</p> <p>6. Make sure that performance of the Board is evaluated at least once a year and discussed/ followed up on;</p> <p>D. The CEO; page 28</p> <p><b>Duties and Responsibilities of the CEO:</b></p> <p>1. Communicate and implement the Corporation's vision, mission, values and overall strategy and promote any Corporation or Stakeholder change in relation to the same;</p> <p>2. Build the corporate culture and motivate the employees of the Corporation. Direct, evaluate and guide the work of key Officers of the Corporation;</p> <p>3. Oversee the operations of the Corporation and manages human and financial resources in accordance with the strategic plan;</p> <p>4. Serve as the link between internal operations as well as internal and external Stakeholders;</p> <p>Exercise general care, management and administration of the business operations of the Company. He shall ensure that: (a) the business and affairs of the Company are managed in a sound and prudent manner; and (b) operational, financial and internal controls are adequate and effective to ensure reliability and integrity of financial and operational information, effectiveness and</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>efficiency of operations, safeguarding of assets and compliance with laws, rules, regulations and contracts;</p> <p>6. Provide leadership for Management in determining, developing and implementing business strategies, plans and budgets to the extent approved by the Board. He shall provide the Board with a balanced and understandable account of the Company's performance, financial condition, results of operations and prospects on a regular basis;</p> <p>7. Provide the Directors/Board with adequate and timely information about the matters to be taken up in their Board meetings and, upon the request of any Director or the Board, make presentations on specific topics and respond to further inquiries in relation thereto during Board meetings. The Directors shall have independent access to Management; and</p> <p>8. Formulate, under the oversight of the Audit Committee, financial reporting and internal control systems, rules and procedures.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>Identify the relationship of Chairman and CEO</p> <p>The Chairman is the uncle of the CEO.</p>	
<b>Recommendation 5.5</b>			

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-Compliant	Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.	<p>The Chairman is a Non-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 Board and CEO are held by one person. The Lead Director shall be the intermediary between the Chairman and the other Directors when necessary; convene and chair meetings of the Non-Executive Directors; and contribute to the performance evaluation of the Chairman, as required.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure C. Chairman; page 27 <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the	Compliant	Provide proof of abstention, if this was the case.	

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
corporation abstain from taking part in the deliberations on the transaction.		No Director had a material interest in any transaction executed by the Company during the financial year.	
<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Non-Compliant	Provide proof and details of said meeting, if any.  Provide information on the frequency and attendees of meetings.	The President and CEO is an Executive Director who has been invited by the Audit Committee to attend in the meeting to represent the company in respect of audit issues raised by the Audit Committee. He does not however, provide any input or insights in respect of Audit Committee matters.
2. The meetings are chaired by the lead independent director.	Non-Compliant		The Audit Committee is chaired by an Independent Director and composed of ALL Non-Executive Directors (NEDs), majority of whom are Independent Directors who provide independent and balanced insights.  The Revised Corporate Governance Manual and Audit Committee Charter states that, "The Audit Committee <u>may</u> opt to meet without the presence of the CEO or



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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<p>other 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.”</p> <p><b>Revised Corporate Governance Manual</b>  Article III Governance Structure  B.2. Audit Committee, Page 20  2.4. Meetings of the Audit Committee  2.4.1. The Audit Committee shall meet quarterly and as often as may be necessary. The Audit Committee may opt to meet without the presence of the CEO or other management team members, and periodically meet with the Internal Audit Head.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>  <a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a></p>

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Optional: Principle 5			
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).	
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	
2. The Chairman conducts a self-assessment of his performance.	Compliant	The Board conducted an annual assessment, including the performance of the Board and its committees.	
3. The individual members conduct a self-assessment of their performance.	Compliant	Company Website <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/board-assessment">https://www.jgsummit.com.ph/corporate-governance/company-policies/board-assessment</a>	
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Compliant	Identify the external facilitator and provide proof of use of an external facilitator.  The Company is in its second year of implementing Self-Assessment. The Company shall consider engaging an external facilitator every three (3) years for the year-end assessments.	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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.	Compliant	<p>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</p> <p>The Board conducted an annual assessment, including the performance of the Board and its committees.</p> <p><b>Company Website</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/board-assessment">https://www.jgsummit.com.ph/corporate-governance/company-policies/board-assessment</a> </p>	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<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 38  <b>A. Shareholders</b>  <b>A.1. Shareholders' Rights</b>            The Board is committed to treat all Shareholders fairly and equitably, and shall recognize, protect and facilitate the exercise of their rights. These rights relate to the following among others:</p> <ol style="list-style-type: none"> <li><b>1. Right to vote on all matters that require their consent or approval</b></li> </ol> <p><b>Article VIII Disclosure and Transparency; page 42</b></p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>B. The Board shall have in place a system that provides the criteria and process to determine the performance of the Board, the individual Directors, and Committees including feedback from Shareholders.</p> <p><a href="https://www.jgsummit.com.ph/Revised%20Corporate%20Governance%20Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Minutes of Annual Stockholders Meeting</b>  <a href="https://www.jgsummit.com.ph/Minutes%20of%20the%20Annual%20Stockholders%20Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></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.			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	<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="https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics">https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics</a></p>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>Information on how the company disseminated the Code to its Board, senior management and employees is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Article IX Communication, Education and Training; pages 43-44</p> <p><b>A. COMMUNICATION</b></p> <p>This Corporate Governance Manual shall be posted in the Company's Website that can be readily accessed by any interested party.</p> <p>The Board shall oversee the dissemination of this Corporate Governance Manual to all employees and related third parties, and to likewise enjoin compliance.</p> <p><b>B. EDUCATION AND TRAINING</b></p> <p>Every Director shall receive appropriate orientation when he is first appointed to the Board of Directors, in order to ensure that incoming Directors are appropriately apprised of their duties and responsibilities before beginning their Directorships. The orientation program shall include SEC-mandated topics on Corporation Governance and an introduction to the Company's business, Articles of Incorporation, and Code of Business Conduct and Ethics.</p> <p>Likewise, Management Officers shall receive appropriate orientation on his duties as a management executive and how to discharge these duties when he is first appointed to the Corporation. This will ensure that incoming Senior Management Officers are familiar with the Corporation's business and governance processes. Each Director and key Officer shall be required to attend a training program on Corporate Governance and relevant topics every year. The training program shall ensure that Directors and key Officers are continuously informed of the developments in the business and regulatory environments, including</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>emerging risks relevant to the Company as well as Corporate Governance matters including audit, internal controls, risk management, sustainability and strategy.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<p>The Code of Business Conduct and Ethics is posted/ disclosed at:</p> <p><b>Company Website</b>  <b>Code of Business Conduct and Ethics</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics">https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics</a></p>	
<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	<p>Information on the company's policy and procedure on curbing and penalizing bribery is disclosed and can be found in:</p> <p><b>Company Website</b>  <b>Code of Business Conduct and Ethics</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics">https://www.jgsummit.com.ph/corporate-governance/company-policies/code-of-business-conduct-ethics</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>	
<b>Recommendation 7.2</b>			

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<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="https://www.jgsummit.com.ph/corporate-governance/company-policies/conflict-of-interest-policy">https://www.jgsummit.com.ph/corporate-governance/company-policies/conflict-of-interest-policy</a></p> <p>The Company has Annual Online Self Disclosure Activity where employees are required to provide disclosures on Conflicts of Interest and Gifts and Sponsorships Received. A summary of compliance and exception report is provided to the Conflicts of Interest Committee (CICOM) and the same is reported to the Company President and CEO and Audit Committee.</p>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<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> </ul>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ul style="list-style-type: none"> <li>All employees that will be required by their Immediate Heads.</li> </ul> <p><b>Conflicts of Interest</b>  <a href="https://www.jgsummit.com.ph/corporate-governance/company-policies/conflict-of-interest-policy">https://www.jgsummit.com.ph/corporate-governance/company-policies/conflict-of-interest-policy</a> </p>	
<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>			
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.	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 38</p> <p><b>A. Shareholders</b>  <b>A.1. Shareholders' Rights</b>  The Board is committed to treat all Shareholders fairly and equitably, and shall recognize, protect and facilitate the exercise of their rights. These rights relate to the following among others:</p> <p><b>2. Right to inspect corporate books and records</b>  Any stockholder who desires to exercise his right to inspect corporate books and records of the Company must make a</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>written request addressed to the Corporate Secretary, and stating the specific reason(s) or purpose(s) for the inspection. The exercise of such right may be denied if:</p> <ul style="list-style-type: none"> <li>(i) The requesting stockholder improperly used information obtained from prior examination;</li> <li>(ii) Is not acting in good faith; or</li> <li>(iii) There is a reasonable ground to safeguard the interests of the Company, such as when the subject of inspection contains confidential or proprietary information or covered by a confidentiality or nondisclosure obligation which will be violated by the Company if inspection were allowed. In no case shall the stockholder be allowed to take corporate books and other records out of the principal office of the Company for the purpose of inspecting them. The Corporate Secretary may elevate the request for inspection for the information, approval, or other appropriate action by the Board. This Revised Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.</li> </ul> <p><b>3. Right to information</b></p> <p>Stockholders shall be provided, upon request, with periodic reports filed by the Company with the SEC (e.g., proxy statement/information statement and annual report) which disclose personal or professional information about the Directors and Officers such as their educational and business background, holdings of the Company's shares, material transactions with the Company, relationship with other</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Directors and Officers and the aggregate compensation of Directors and Officers.</p> <p>Article VIII Disclosure and Transparency; page 43</p> <p>The Board shall establish policies to ensure the comprehensive, accurate, reliable and timely report to the shareholders and other stakeholders that give a fair and complete picture of Company's financial condition, results and business operations in accordance with the disclosure and reporting requirements of SEC, PSE and other regulators. This shall include material and reportable non-financial and sustainability issues related to EESG concerns of its business. The Company may consider adopting globally recognized standards/framework in reporting sustainability and non-financial issues. It shall cause the filing of all required information through the appropriate PSE mechanisms for listed companies and submissions to the SEC for the interest of its Shareholders and other Stakeholders.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>All pertinent corporate disclosures filed with SEC and PSE are posted in the:</b></p> <p><b>Company Website</b> Disclosure <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav_corporate_sec_and_pse_filings">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav_corporate_sec_and_pse_filings</a></p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Supplement to Recommendations 8.1</b>			
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.	Non-Compliant	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>Annual and Quarterly Consolidated Financial Statements are submitted and published within <u>102 days</u> and <u>43-44 days</u>, respectively.</p> <p>The Company is compliant with the Securities Regulation Code on Rule 17.1 – Reportorial Requirements- submission to the Commission (i) An annual report on SEC Form 17-A for the fiscal year within one hundred five (105) business days after the end of the fiscal year and (ii) A quarterly report on SEC Form 17-Q within forty five (45) business days after the end of each of the first three quarters of each fiscal year.</p> <p><b>Annual Report SEC Form 17A</b>  <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p> <p><b>Quarterly Report SEC Form 17Q</b>  <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-quarterly-report">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-quarterly-report</a></p>

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	Compliant	<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 48-50  Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; pages 172-198  <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report</a></p>	
<b>Recommendation 8.2</b>			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<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>  Article III Governance Structure</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.	Compliant	<p>4. Specific Duties and Responsibilities of a Director; page 15</p> <p>4.8. Disclose to the Philippine Stock Exchange (PSE) and the SEC the trading of the Corporation's shares by Directors, Officers (or persons performing similar functions) and controlling Shareholders. This shall also include the disclosure of the Corporation's purchase of its shares from the market (e.g. share buy-back program).</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Article VIII Disclosure and Transparency; page 42</p> <p>The Company shall have a policy requiring all directors and officers to disclose/report to the Company through the Compliance Officer any dealings in the Company's shares within three business days.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Insider Trading Policy</b>  The Company shall abide with the provisions of law set forth in the Securities Regulation Code and shall implement policies and procedures to prevent the unauthorized disclosure or misuse of material, non-public information in securities trading to preserve the reputation and integrity of the Company.</p> <p><a href="http://www.jgsummit.com.ph/Insider Trading Policy">http://www.jgsummit.com.ph/Insider Trading Policy</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="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-statement-of-beneficial-ownership">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-statement-of-beneficial-ownership</a></p>	
<b>Supplement to Recommendation 8.2</b>			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This	Compliant	<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</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).		<p>4. Specific Duties and Responsibilities of a Director; page 15</p> <p>4.8. Disclose to the Philippine Stock Exchange (PSE) and the SEC the trading of the Corporation's shares by Directors, Officers (or persons performing similar functions) and controlling Shareholders. This shall also include the disclosure of the Corporation's purchase of its shares from the market (e.g. share buy-back program).</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b></p> <p><a href="https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement">https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement</a></p> <p>Link or reference to the company's Conglomerate Map.</p> <p><b>Company Website</b></p> <p><a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a></p> <p><b>Annual Report SEC Form 17A</b></p> <p>Map Of The Relationships Of The Companies Within The Group; page 316</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	
Recommendation 8.3			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.	Compliant	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:  <b>Definitive Information Statement</b> Profiles of the Nominees For Election to the Board of Directors For the Year 2020, pages 7-10 PART III – Control and Compensation Information 9. Directors and Executive Officers of the Registrant; page 108-114 <a href="https://www.jgsummit.com.ph/docs/2020%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement</a>	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<b>Annual Report SEC Form 17A</b> PART III – Control And Compensation Information Item 9 Directors and Executive Officers of Registrant; page 82-89 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>	
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Information on the company policy and practice for determining executive remuneration is disclosed and can be found in:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure 7. Remuneration of Directors and Officers; page 17	
2. Company provides a clear disclosure of its policies and procedure for setting executive	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
remuneration, including the level and mix of the same.		<p>Remuneration of Directors and Officers Formal procedures for the development of a policy on the levels of remuneration for Directors and Officers shall be established by the Corporation. The levels of remuneration shall be sufficient to be able to attract and retain the services of qualified and competent Directors and Officers. No Director shall participate in deciding on his remuneration</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b></p> <p><b>Succession Planning and Remuneration Policy</b></p> <p>14. The Corporate Governance Committee shall recommend and the Board of Directors shall approve the remuneration of Executive and Non-Executive Directors.</p> <p>14.1. Fixed remuneration for Non-Executive directors (including Independent Directors) shall reflect the time commitment and responsibilities of the role.</p> <p>14.2. The remuneration of Executive Directors may be a combination of fixed monthly salary in terms of their appointment as approved by the Board and variable pay based on the Company's and individual performance. The Corporate Governance Committee shall determine and decide the performance parameters and/or measurable standards applicable to the Executive Directors that will serve as the basis for the variable pay.</p>	



# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>14.3. The Corporate Governance Committee may consider aligning Key Executives and Board remuneration with the longer-term interests of the company and its shareholders.</p> <p>15. The compensation structure for Key Management Personnel and Senior Management Team members may consist of fixed salary component and variable performance-based compensation. The compensation structure shall be devised to help the Company attract and retain top talents to efficiently run the Company with a long-term perspective.</p> <p><a href="http://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">http://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a></p>	
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:	<p>The Company discloses the remuneration of directors and executives in aggregate amount and can be found in:</p> <p><b>Annual Report SEC Form 17A</b> Item 10. Executive Compensation; page 90 <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>
Recommendation 8.5			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>Information of the company's RPT policies is disclosed and can be found in:</p> <p><b>Revised Corporate Governance Manual</b></p> <p>Article VIII Disclosure and Transparency; page 42  The Company shall disclose its policies governing RPTs and other unusual or infrequently occurring transactions. The material or significant RPTs reviewed and approved during the year shall be disclosed in its Annual Corporate Governance Report.  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b></p> <p><b>Material Related Party Transaction Policy</b>  The Company shall conduct all Material Related Party Transactions (MRPT) on an arm's length basis, on fair and reasonable terms and conditions no less favorable than any such terms available to unrelated third parties under the same or similar circumstances.  The purpose of this policy is to protect the Company from conflict of interest by instituting the proper review, approval and reporting of transactions which may be entered in to between or among the Company or any of its subsidiaries, associates, affiliates, joint venture, directors and officers.  This policy shall cover the review, approval and reporting of transactions which may be entered into between or among the Company or any of its subsidiaries, associates, affiliates, joint</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>venture, directors and officers and the general guidelines to be observed in relation to MRPTs.</p> <p><a href="https://www.jgsummit.com.ph/Material%20Related%20Party%20Transactions%20Policy">https://www.jgsummit.com.ph/Material Related Party Transactions Policy</a></p> <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 no transaction decided by the Board involving conflict of interest with any director.</b></p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<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 significant RPTs are disclosed in the:</p> <p><b>Annual Report SEC Form 17A</b></p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		Audited Financial Statements, Notes to Financial Statements Notes 40, Related Party Transactions; page 290-296 <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report</a>	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<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</p> <p>4. Specific Duties and Responsibilities of a Director; page 15 A Director shall endeavor to act in the best interest of the Corporation its shareholders and stakeholders in a manner characterized by fairness, accountability, and transparency.</p> <p>A Director shall observe the following norms of conduct:</p> <p>4.1. Conduct fair and impartial business transactions with the Corporation, and ensure that his personal interest does not conflict with the interests of the Corporation;</p> <p>Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 39</p> <p>Article VIII Disclosure and Transparency; page 43 The Company shall fully disclose all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment. This includes directors and key officer's qualifications, share</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>ownership in the Company, membership in other boards, other executive positions, and corporate governance trainings attended.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Definitive Information Statement</b>                      Directors Disclosures on Self-Dealing and Related Party Transactions                      No transaction, without proper disclosure, was undertaken by the Corporation in which any director, executive officer, or any nominee for election as director was involved or had a direct or indirect material interest.                      Directors, officers and employees of the Corporation are required to promptly disclose any business or family-related transactions with the Corporation to ensure that potential conflicts of interest are surfaced and brought to the attention of management; page 18  <a href="https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement">https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement</a></p>	
<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>Link or reference where this is disclosed:</p> <p>Revised Corporate Governance Manual                      Article III Governance Structure  <b>3.2. Duties and Functions of the Board</b>; page 14                          3.2.5. Oversee the implementation of a policy and system on RPTs which shall include the review and approval</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>of material or significant RPTs and ensure fairness and transparency of the transactions;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>All RPTs are disclosed in the:  <b>Annual Report SEC Form 17A</b>            Audited Financial Statements, Notes to Financial Statements            Notes 40, Related Party Transactions; page 290-296  <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	
<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	<p>Link or reference where this is disclosed:</p> <p>Company Website            SEC Form 17-C  <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-current-report">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-current-report</a></p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>Identify independent party appointed to evaluate the fairness of the transaction price</p> <p>Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Revised Corporate Governance Manual Article III Governance Structure, Related Party Transaction Committee; page 25-27</p> <p>One of the Functions of the Related Party Transaction Committee is if needed, appoint an independent party to evaluate the fairness of the transaction price on the acquisition and disposal of assets, particularly those passing a materiality threshold determined by the RPT Committee.</p> <p>On December 23, 2020, the Company entered into a share purchase agreement with Meralco PowerGen for the sale of 30% of the issued and outstanding shares of GBPC for a total consideration of P=12.0 billion which shall be paid in installments. The purchase price will be subject to adjustment based on the amount of dividends from GBPC that the Company will be entitled to receive after the signing date. The carrying value is reclassified as 'Assets held for sale' in the consolidated statement of financial position as of December 31, 2020.</p> <p>This is disclosed in the: Definitive Information Statement, page 97 <a href="https://www.jgsummit.com.ph/2021%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/2021 Definitive Information Statement</a></p> <p><b>Annual Report SEC Form 17A</b> Notes to Consolidated Financial Statements 14. Investments in Associates and Joint Ventures, page 230</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>  The Annual Report which was audited by the Company's appointed external auditors, SGV & Co. the transaction underwent approval process from Philippine Competition Commission (PCC) before it was finalized. Further, Meralco/MGEN have engaged an independent party (Alpha Primus Advisors as financial advisor and Picazo Law as legal advisor) to do valuation of the transaction to ensure fairness of price. The transaction is subject to customary closing conditions, including regulatory and third party approvals and is expected to close within the first quarter of 2021, bringing any unforeseen circumstances.	
<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="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-current-report">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-current-report</a>  <b>Definitive Information Statement</b> <a href="https://www.jgsummit.com.ph/docs/2020%20Definitive%20Information%20Statement">https://www.jgsummit.com.ph/docs/2020 Definitive Information Statement</a>	
<b>Recommendation 8.7</b>			



# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	The Revised Corporate Governance Manual was last updated to amend and incorporate changes in the corporate governance practices of the Corporation in the year 2020. It was submitted to SEC and PSE on December 22, 2020.	
3. Company's MCG is posted on its company website.	Compliant	<p><b>PSE EDGE:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1bfb2b1cbb5004920de8473ceb6d6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1bfb2b1cbb5004920de8473ceb6d6407</a></p> <p><b>Website:</b>  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>Prior to the last amendment, the Revised Corporate Governance Manual is submitted to SEC in May 31, 2017 and reported in PSE EDGE on the same date.</p> <p><b>PSE EDGE</b>  <a href="http://edge.pse.com.ph/JGSHI Revised Corporate Governance Manual">http://edge.pse.com.ph/JGSHI Revised Corporate Governance Manual</a></p>	
<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	<p>Provide proof of submission.</p> <p><b>Revised Corporate Governance Manual</b></p> <p>The Revised Corporate Governance Manual was last updated to amend and incorporate changes in the corporate</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>governance practices of the Corporation in the year 2020. It was submitted to SEC and PSE on December 22, 2020.</p> <p><b>PSE EDGE:</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1bfb2b1cbb5004920de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1bfb2b1cbb5004920de8473cebbd6407</a></p> <p><b>ANNEX 3-Email copy of the online submission to SEC</b></p> <p><b>Website:</b>  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Revised Corporate Governance Manual</b>  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		The company's Annual Report containing the said information are:	
a. Corporate Objectives	Compliant	<p><b>Annual Report SEC Form 17A</b>  <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020_17-A Annual Report</a></p> <p><b>Annual Report (digital copy colored)</b>  Corporate Governance section  <a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p>	
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy			
e. Biographical details (at least age, academic qualifications, date of	Compliant		

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year	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 non-compliance, identifies and explains reason for each such issue.		Provide link or reference to where this is contained in the Annual Report	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	<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 97 <a href="https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report">https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report</a></p> <p><b>Annual Report SEC Form 17A</b> <b>Financial Risk Management Objectives and Policies</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Page 172</p> <p>The BOD of the Parent Company and its subsidiaries review and approve the policies for managing each of these risks which are summarized below, together with the related risk management structure</p> <p>Risk Management Structure The BOD of the Parent Company and the respective BOD of each subsidiary are ultimately responsible for the oversight of the Group's risk management processes that involve identifying, measuring, analyzing, monitoring and controlling risks.</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report">https://www.jgsummit.com.ph/disclosures/2020-17-A-Annual-Report</a></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.	Compliant	<p>Link or reference to where this is contained in the Annual Report</p> <p><b>Financial Risk Management Objectives and Policies</b> Page 172</p> <p>The BOD of the Parent Company and its subsidiaries review and approve the policies for managing each of these risks which are summarized below, together with the related risk management structure</p> <p>Risk Management Structure The BOD of the Parent Company and the respective BOD of each subsidiary are ultimately responsible for the oversight of the Group's risk management processes that involve</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>identifying, measuring, analyzing, monitoring and controlling risks.</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p> <p>Also contained in the I-ACGR the Audit Attestation Memo issued and certified by the Chief Audit Executive and President and CEO.</p> <p><b>ANNEX 4-Audit Attestation Memo</b></p>	
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	<p>Link or reference to where these are contained in the Annual Report</p> <p><b>Annual Report SEC 17A</b></p> <p>Part I. Business and General Information, Risks; page 48-49</p> <p>Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; pages 172-198</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	
<p><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.</p>			
<p><b>Recommendation 9.1</b></p>			
1. Audit Committee has a robust process for approving and recommending the appointment,	Compliant	<p>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:</p> <p><b>Revised Corporate Governance Manual</b></p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
reappointment, removal, and fees of the external auditors.		Article III Governance Structure B. Audit Committee; page 18 2.3.11. Recommend the appointment, re-appointment, removal and fees of the External Auditor; <a href="https://www.jgsummit.com.ph/Revised_Corporate_Governance_Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	80.92% percentage of shareholders ratified the appointment and fees of the external auditor.  <b>Minutes of Annual Stockholders' Meeting</b> <a href="https://www.jgsummit.com.ph/Minutes_of_the_Annual_Stockholders_Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</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 37 5. The External Auditor shall be rotated or changed every five (5) years or earlier, or the signing partner of the External Auditing firm assigned to the Corporation, should be changed with the same frequency.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	Compliant	<p>Link/reference to the company's Audit Committee Charter:</p> <p><b>Company Website</b>  <b>Audit Committee Charter</b>  <a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a></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.	Compliant		

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
Supplement to Recommendations 9.2			
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.	Compliant	Link/reference to the company’s Audit Committee Charter  <b>Company Website</b> <b>Audit Committee Charter</b> <a href="https://www.jgsummit.com.ph/Audit Committee Charter">https://www.jgsummit.com.ph/Audit Committee Charter</a>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant		
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	Nature of non-audit services performed by the external auditor.  <b>Annual Report SEC Form 17-A</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 Audit - Related Fees, page 81 <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>  The following table sets out the aggregate fees billed to the Company for each of the last three (3) years for professional services rendered by SyCip Gorres Velayo & Co.	



# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION																				
		<table border="1"> <thead> <tr> <th></th><th>2020</th><th>2019</th><th>2018</th></tr> </thead> <tbody> <tr> <td><b>Audit and Audit-Related Fees</b></td><td></td><td></td><td></td></tr> <tr> <td>Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements</td><td>₱3,790,000</td><td>₱3,610,000</td><td>₱3,340,000</td></tr> <tr> <td>All Other Fees</td><td>5,500,000</td><td>None</td><td>4,000,000</td></tr> <tr> <td><b>Total</b></td><td><b>₱9,290,000</b></td><td><b>₱3,610,000</b></td><td><b>₱7,340,000</b></td></tr> </tbody> </table> <p>No other service was provided by external auditors to the Company for the calendar years 2020, 2019 and 2018.</p>		2020	2019	2018	<b>Audit and Audit-Related Fees</b>				Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	₱3,790,000	₱3,610,000	₱3,340,000	All Other Fees	5,500,000	None	4,000,000	<b>Total</b>	<b>₱9,290,000</b>	<b>₱3,610,000</b>	<b>₱7,340,000</b>	
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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	<p>Link or reference to guidelines or policies on non-audit services</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure B.2. Audit Committee; page 18</p> <p>2.3.7. Evaluate and determine the non-audit work, if any, of the External Auditor, and periodically review the proportion of non-audit fees paid to the External Auditor to the Corporation's overall consultancy expenses.</p> <p>The Committee shall evaluate if the non-audit work will create a potential conflict of interest and shall disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. If the non-audit work is allowed, this shall be disclosed in the Corporation's Annual Corporate Governance Report;</p>																					

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Article V Accountability and Audit; page 39</p> <p>B. The Board, after consultations with the Audit Committee, shall recommend to the Shareholders an External Auditor duly accredited by the SEC who shall undertake an independent audit of the Corporation, and shall provide an objective assurance on the matter by which the financial statements shall be prepared and presented to the Shareholders. The External Auditor shall not, at the same time, provide Internal Audit services to the Corporation. Non-audit work may be given to the External Auditor, provided it does not conflict with his duties as an independent External Auditor, or does not pose a threat to his independence.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>Provide information on audit and non-audit fees paid.</p> <p><b>Annual Report SEC Form 17-A</b></p> <p>Part II. Operational and Financial Information</p> <p>Item 8. Information on Independent Accountant and other Related Matters, A. External Audit Fees and Services Audit and Audit - Related Fees, page 81</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p> <p>The following table sets out the aggregate fees billed to the Company for each of the last three (3) years for professional services rendered by SyCip Gorres Velayo &amp; Co.,</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

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<b>Additional Recommendation to Principle 9</b>																							
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>Information on company's external auditor, such as:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner: <b>Vicky Lee Salas</b> page 98</li> <li>2. Accreditation number: <b>No. 0115-AR-4 (Group A)</b></li> <li>3. Date Accredited: <b>April 16, 2019</b></li> <li>4. Expiry date of accreditation: <b>April 15, 2022</b></li> <li>5. Name, address, contact number of the audit firm. <b>SyCip Gorres Velayo &amp; Co. 6760 Ayala Avenue 1226 Makati City Philippines, (632) 8891 0307</b> Pages 106 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></li> </ol>																					

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	<p>Provide information on the following:</p> <ol style="list-style-type: none"> <li>1. Date it was subjected to SOAR inspection, if subjected; November 12-23, 2018</li> <li>2. Name of the Audit firm; Sycip, Gorres, Velayo &amp; Co.</li> <li>3. Members of the engagement team inspected by the SEC. The names of the members of the engagement team were provided to the SEC during the SOAR inspection.</li> </ol>	
<b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
<b>Recommendation 10.1</b>			
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.	Compliant	<p>Link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p> <p><b>Revised Corporate Governance Manual</b>  Article VIII Disclosure and Transparency; page 42  The Board shall establish policies to ensure the comprehensive, accurate, reliable and timely report to the shareholders and other stakeholders that give a fair and complete picture of Company's financial condition, results and business operations in accordance with the disclosure and reporting requirements of SEC, PSE and other regulators. This shall include material and reportable non-financial and sustainability issues related to EESG concerns of its business. The Company may consider adopting globally recognized standards/framework in reporting sustainability and non-financial issues. It shall cause the filing of all required information through the appropriate PSE mechanisms for</p>	

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>listed companies and submissions to the SEC for the interest of its Shareholders and other Stakeholders.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	Compliant	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p> <p>The Company submitted the SEC Sustainability Report together with the 2020 Annual Report (SEC Form 17-A) to the Commission on April 12, 2021. The Guidelines provides a Sustainability Reporting Framework for Philippine PLCs that builds upon four of the globally accepted frameworks, which companies use to report on sustainability and non-financial information - the Global Reporting Initiative's (GRI) Sustainability Reporting Standards, the International Integrated Reporting Council's (IIRC) Integrated Reporting (IR) Framework, the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standards, and the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).</p> <p><b>Annual Report SEC Form 17A</b> Sustainability Report <a href="https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	

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		<b>Company Website</b> <b>Sustainability Report</b> <a href="https://www.jgsummit.com.ph/docs/2020/SustainabilityReport">https://www.jgsummit.com.ph/docs/2020/Sustainability Report</a>	
<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.			
<b>Recommendation 11.1</b>			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	The Company uses various communication channels like website, Analyst's briefing, Media briefings /press conferences, Quarterly reporting, Annual reporting, etc.)  <b>Company Website</b> <b>Investor Relations</b> <b>IR Presentations</b> <a href="https://www.jgsummit.com.ph/investor-relations/ir-presentations/2020?ref=nav_corporate_ir_presentations">https://www.jgsummit.com.ph/investor-relations/ir-presentations/2020?ref=nav_corporate_ir_presentations</a>  <b>Disclosures</b> <b>SEC and PSE Filings</b> Form 17A (Annual Report) Form 17Q (Quarterly Report) Form 17C (Current Report) <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav_corporate_sec_and_pse_filings">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav_corporate_sec_and_pse_filings</a>	
<b>Supplemental to Principle 11</b>			

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1. Company has a website disclosing up-to-date information on the following:	Compliant	Provide link to company website  <b>Company Website</b> <a href="http://www.jgsummit.com.ph/">http://www.jgsummit.com.ph/</a>	
a. Financial statements/reports (latest quarterly)	Compliant		
b. Materials provided in briefings to analysts and media	Compliant		
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		
f. Company’s Articles of Incorporation and By-Laws	Compliant		
Additional Recommendation to Principle 11			
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>	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	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	

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		<p>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 4-Audit Attestation Memo</b></p> <p><b>Annual Report SEC Form 17A</b> Statement of Management's Responsibility for Consolidated Financial Statements; page 97 <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report</a></p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>International framework used for Enterprise Risk Management</p> <p>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 17A</b> Part I. Business and General Information, Risks; page 48-49</p>	



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		Notes to Financial Statements, 4. Financial Risk Management Objectives and Policies; pages 172-198 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>	
<b>Supplement to Recommendations 12.1</b>			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<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>The Company ensures compliance with the regulatory mandates of SEC, PSE, Philippine Dealing and other regulatory agencies. The Company has consistently keeps itself abreast of the regulatory developments in the industry.</p> <p><b>PSE EDGE</b> <a href="http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=210">http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=210</a></p> <p><b>Company Website Disclosures</b> <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav_corporate_sec_and_pse_filings">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-annual-report?ref=nav corporate sec and pse filings</a></p> <p>Indicate frequency of review.</p>	

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		In addition, the Company's General Counsel Group- Compliance, Corporate Secretary's Office and Corporate Governance and Management Systems Group periodically review compliance with 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.	Compliant	<p>Provide information on IT governance process.</p> <p>Up to date, the Data Privacy Policy and Information Security (InfoSec) Policies are in place.</p> <p>The Company established the Information Security Management Systems (ISMS) Policies which institutionalized information security as part of the Conglomerate's enterprise risk management, protect the Company's information assets and reputation, and comply with relevant laws and regulations.</p> <p>The ISMS consists of the following:</p> <p>1. <b>Core Information Security Policies</b> – drive primary objectives of the ISMS: establish, maintain, and improve information security</p> <p>1.1. <b>Information Security Policy</b> - is to establish, maintain, and continuously improve the ISMS to protect information assets, maintaining competitive advantage and increasing stakeholders' confidence.</p> <p>1.2. <b>Information Asset Management Policy</b> - is to define and classify information assets in both physical and</p>	

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		<p>electronic formats and provide guidance on how to appropriately handle information assets according to classification.</p> <p>1.3. <b>Information Security Incident Management Policy</b> - is to mandate a structured approach in managing incidents that compromise corporate information and personal data of the business units' customers.</p> <p>1.4. <b>Compliance Policy</b> - is to ensure that Business Units comply with applicable legal, regulatory requirements and contractual obligations, when conducting business activities.</p> <p>2. <b>Organizational Policies</b> – establish Information Security organization, roles and responsibilities as well as accountability of those who have access to corporate information</p> <p>2.1. <b>Information Security Internal Organization Policy</b> - is to establish the appropriate internal organization to ensure security of information assets</p> <p>2.2. <b>Human Resource Security Policy</b> - is to protect the company's business interests by ensuring that employees and contractors understand and fulfill their roles and responsibilities to preserve information security before, during, and after employment</p> <p>2.3. <b>Supplier Relations Policy</b> – this is to mandate controls which protect information assets that will be exposed</p>	

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		<p>to suppliers and preserve the integrity of supplier selection activities</p> <p>3. <b>Access and Use Policies</b> – enforce controls for access and authorization, as well as acceptable use of information assets</p> <p>3.1.<b>Access Control Policies</b> – this is to Implement adequate measures to regulate access to different information assets and facilities, ensuring that facilities and equipment may only be accessed by authorized personnel</p> <p>3.2.<b>Acceptable Use of Assets</b> - Ensure that employees understand how corporate assets should and should not be used, ensuring that the BU gets the most value out of its corporate assets and networks, and avoids unintended security breaches.</p> <p>3.3.<b>Physical and Environmental Security Policy</b> - Protect corporate assets and information by mandating controls that prevent unauthorized physical access to company premises, as well as equipment that support business operations</p> <p>3.4.<b>Mobile Device and Teleworking Policy</b> - Establish rules for the use, management and security of all mobile devices that process company information and establish rules for conducting official business outside the work premises</p>	

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		<p>4. <b>Operational Security Policies</b> – implementation of technical controls to maintain target level of security</p> <p>4.1. <b>Cryptographic Controls Policy</b> - Apply cryptographic controls (i.e. encryption) on confidential electronic information (e.g. files, databases), to add another layer of protection and prevent unauthorized use or disclosure.</p> <p>4.2. <b>Operations Security Policy</b> - Apply appropriate controls to ensure that day to day operations are carried out in a controlled and a secure manner.</p> <p>4.3. <b>Communications Security Policy</b> - Implement measures that will protect information as it moves both within the corporate network and outward.</p> <p>4.4. <b>Data Security Policy</b> - Implement measures to protect corporate information from possible loss and leakage, avoiding breaches in legal, statutory or contractual obligations.</p> <p>4.5. <b>Secure Development Policy</b> - Protect corporate information and minimize breaches by ensuring that information security concerns are taken into consideration when developing or acquiring systems and services.</p> <p><b>Annual Report</b>  <b>Sustainability Report</b>  <a href="https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report">https://www.jgsummit.com.ph/disclosures/2020_17-A_Annual_Report</a></p>	

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<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	<p>The Company's in-house Internal Audit focuses on delivering its mandate of determining whether the governance, risk management and control processes, as designed and represented by management, are adequate and functioning in a manner that provides reasonable level of confidence that:</p> <ul style="list-style-type: none"> <li>▪ Employees' actions are compliant with policies, standards, procedures, and applicable laws and regulations;</li> <li>▪ Quality and continuous improvement are fostered in the control processes;</li> <li>▪ Programs, plans, and objectives are achieved;</li> <li>▪ Resources are acquired economically, used efficiently, and protected adequately;</li> <li>▪ Significant financial, managerial, and operating information is accurate, reliable, and timely;</li> <li>▪ Significant key risks are appropriately identified and managed;</li> <li>▪ Significant legislative or regulatory issues impacting the Company are recognized and properly addressed.</li> </ul> <p>Opportunities for improving management control, profitability and the Company's reputation may be identified during audits.</p> <p><b>Revised Corporate Governance Manual</b> Article III Governance Structure F. Internal Audit; page 30 Role of Internal Audit</p>	

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		<p>The role of Internal Audit is to provide independent objective and risk based assurance within the Corporation, designed to add value and improve the Corporation's operations. This will help the Corporation accomplish its objectives by providing a systematic, disciplined approach for the evaluation and improvement of the effectiveness of risk management, control and governance processes.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<p>The company's Chief Audit Executive (CAE) is Ms. Rya. Agustin and information containing her responsibilities is found in:</p> <p>Revised Corporate Governance Manual Article III Governance Structure F. Internal Audit; page 30</p> <p>2.1. The Board shall appoint an Internal Audit Head, a Chief Audit Executive or its equivalent position, who shall oversee and be responsible for the Internal Audit activity of the Corporation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
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.	

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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 33 <b>1. Role of ERM</b> The role of ERM is to oversee that a sound ERM framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>  The Enterprise Risk Management (ERM) ensures that a sound ERM framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework guides the Board in identifying units/business	



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		<p>lines and enterprise level risk exposures, as well as the effectiveness of risk management strategies.</p> <p>The <b>ERM framework</b> revolves around the following eight interrelated risk management approaches:</p> <ol style="list-style-type: none"> <li>1. <b>Internal Environmental Scanning</b> - it involves the review of the overall prevailing risk profile of the Business Unit (BU) to determine how risks are viewed and addressed by the management. This is presented during the strategic planning, annual budgeting and mid-year performance reviews of the BU.</li> <li>2. <b>Objective Setting</b> - the Company's BOD mandates Management to set the overall annual targets through strategic planning activities, in order to ensure that management has a process in place to set objectives that are aligned with the Company's goals.</li> <li>3. <b>Event Identification</b> – it identifies both internal and external events affecting the Group's set targets, distinguishing between risks and opportunities.</li> <li>4. <b>Risk Assessment</b> - the identified risks are analyzed relative to the probability and severity of potential loss that serves as basis for determining how the risks will be managed. The risks are further assessed as to which risks are controllable and uncontrollable, risks that require management's action or monitoring, and risks that may materially weaken the Company's earnings and capital.</li> <li>5. <b>Risk Response</b> - the Company's BOD, through the oversight role of the Internal Control Group ensures action</li> </ol>	

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		<p>plan is executed to mitigate risks, either to avoid, self-insure, reduce, transfer or share risk.</p> <p>6. <b>Control Activities</b> - policies and procedures are established and approved by the Company's BOD and implemented to ensure that the risk responses are effectively carried out enterprise-wide.</p> <p>7. <b>Information and Communication</b> - relevant risk management information is identified, captured and communicated in form and substance that enable all personnel to perform their risk management roles.</p> <p>8. <b>Monitoring</b> - the Internal Control Group of the respective Company and BUs and Corporate Internal Audit constantly monitor the management of risks through audit reviews, compliance checks, revalidation of risk strategies and performance reviews.</p> <p><b>Internal Controls</b></p> <p>With the leadership of the Company's Chief Financial Officer (CFO), internal control is embedded in the operations of the company and each BU thus increasing their accountability and ownership in the execution of the BU's internal control framework. To accomplish the established goals and objectives, BUs implement robust and efficient process controls to ensure:</p>	

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		1. Compliance with policies, procedures, laws and regulations 2. Economic and efficient use of resources 3. Check and balance and proper segregation of duties 4. Identification and remediation control weaknesses 5. Reliability and integrity of information 6. Proper safeguarding of company resources and protection of company assets through early detection and prevention of fraud.	
<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.  The Company did not see a need for technical support for ERM.	
<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).	Non-Compliant		Under the controls function and as part of the budgeting process, the Chief Financial Officer (CFO) is the steward of risk management specifically those that have financial impact and affect company value. Information on his/her responsibilities and

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			<p>qualifications/background are disclosed in:</p> <p><b>Annual Report SEC Form 17A</b> PART III – Control And Compensation Information, Item 9. Directors and Executive Officers of the Registrant, no. 7; page 88 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p> <p>For the current year, the Company is in the process of appointing a Chief Risk Officer to lead the enterprise risk management processes and system.</p>
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-Compliant		<p>Under the controls function and as part of the budgeting process, the Chief Financial Officer (CFO) is the steward of risk management specifically those that have financial impact and affect company value. Information on his/her responsibilities and qualifications/background are disclosed in:</p> <p><b>Annual Report SEC Form 17A</b></p>

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			PART III – Control And Compensation Information, Item 9. Directors and Executive Officers of the Registrant, no. 7; page 88 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>
<b>Additional Recommendation to Principle 12</b>			
1. Company’s Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<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 4-Audit Attestation Memo</b></p> <p><b>Annual Report SEC Form 17A</b> Statement of Management’s Responsibilities for Consolidated Financial Statements; page 97 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	

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<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	<p>Link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</p> <p>Provide link to company's website</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 38</p> <p><b>A. Shareholders</b></p> <p><b>A.1. Shareholders' Rights</b> The Board is committed to treat all Shareholders fairly and equitably, and shall recognize, protect and facilitate the exercise of their rights. These rights relate to the following among others:</p> <p><b>1. Right to vote on all matters that require their consent or approval</b></p> <p><b>2. Right to inspect corporate books and records</b> Any stockholder who desires to exercise his right to inspect corporate books and records of the Company must make a written request addressed to the Corporate Secretary, and stating the specific reason(s) or purpose(s) for the inspection. The exercise of such right may be denied if:</p> <p>(i) The requesting stockholder improperly used information obtained from prior examination;</p>	

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		<p>(ii) Is not acting in good faith; or</p> <p>(iii) There is a reasonable ground to safeguard the interests of the Company, such as when the subject of inspection contains confidential or proprietary information or covered by a confidentiality or nondisclosure obligation which will be violated by the Company if inspection were allowed. In no case shall the stockholder be allowed to take corporate books and other records out of the principal office of the Company for the purpose of inspecting them. The Corporate Secretary may elevate the request for inspection for the information, approval, or other appropriate action by the Board. This Revised Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.</p> <p><b>3. Right to information</b>  Stockholders shall be provided, upon request, with periodic reports filed by the Company with the SEC (e.g., proxy statement/information statement and annual report) which disclose personal or professional information about the Directors and Officers such as their educational and business background, holdings of the Company's shares, material transactions with the Company, relationship with other Directors and Officers and the aggregate compensation of Directors and Officers.</p> <p><b>4. Right to dividends</b></p>	

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		<p>Stockholders shall have the right to receive declared dividends subject to the procedures prescribed by the Board.</p> <p><b>5. Appraisal right</b> The stockholders shall have appraisal right under any of the following circumstances:</p> <p>5.1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any aspect superior to those of outstanding shares of any class, or of extending or reducing the term of corporate existence;</p> <p>5.2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the property and assets of the Company;</p> <p>5.3. In case of merger or consolidation; and</p> <p>5.4. Investment of funds in any other corporation or business or for any purpose other than the primary purpose for which the Company was organized.</p> <p><b>A.2. Promotion of Shareholders' Rights</b></p> <p>1. The Board shall be transparent and fair in the conduct of the annual and special Shareholders' meetings of the Corporation. The Board shall encourage active Shareholders participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days</p>	



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		<p>before the meeting in accordance with the Securities Regulation Code. The Shareholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of law, rules and regulations and the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor.</p> <p>2. The Board shall encourage active Shareholders participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be made available on the Company Website within [five] business days from the end of the meeting.</p> <p>3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p> <p>4. The Board shall appoint an Investor Relations Officer (IRO) who shall ensure constant engagement with its Shareholders. The IRO shall create an Investor Relations Program to which shall aim to communicate to the shareholders all material information on the activities of the Company.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<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/Amended ByLaws">http://www.jgsummit.com.ph/Amended ByLaws</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/JGS Amended Articles of Incorporation">http://www.jgsummit.com.ph/JGS Amended Articles of Incorporation</a>  <b>Amended By-Laws</b> Article II Meetings of Stockholders Meeting, Section 7-8; page 6-7 <a href="http://www.jgsummit.com.ph/Amended ByLaws">http://www.jgsummit.com.ph/Amended ByLaws</a>	
3. Board has an effective, secure, and efficient voting system.	Compliant	Voting procedure can be referred in the:  <b>Definitive Information Statement</b>	
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>Item 19. Voting Procedures, pages 22-23</b> <b>(a) The vote required for approval or election:</b> Pursuant to Section 6, Article II of the By-Laws of the Corporation, a majority of the subscribed capital, present in person or by proxy, shall be sufficient in a stockholders' meeting to constitute a quorum for the election of directors and for the transaction of any business whatsoever, except in those cases where the Revised Corporation Code requires the affirmative vote of a greater proportion.	

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		<p><b>(b) The method by which votes will be counted:</b>  Article VII of the By-Laws also provides that the By-Laws may be amended or repealed by stockholders owning or representing a majority of the outstanding capital stock and by a majority of the Board of Directors at any regular meeting, or at any special meeting called for the purpose, or the Board of Directors may, in any regular or special meeting thereof amend or repeal these By-Laws or adopt new By-Laws, provided, however, that this power delegated to the Board of Directors, to amend or repeal these By-Laws or adopt new By-Laws shall be considered as revoked whenever stockholders representing majority of the outstanding capital stock of the Corporation shall so vote at a regular or special meeting called for the purpose.</p> <p>In accordance with Article II, Section 7 of the By-Laws, every stockholder shall be entitled to vote, in person or by proxy, for each share of stock held by him which has voting power upon the matter in questions. The votes for the election of directors, and except upon demand by any stockholder, the votes upon any question before the meeting, except with respect to procedural questions determined by the Chairman of the meeting, shall be by viva voce or show of hands.</p> <p>Article II, Section 8 of the By-Laws also provides that the directors of the Corporation shall be elected by plurality vote at the annual meeting of the stockholders for that year at which a quorum is present. At each election for directors, every stockholder shall have the right to vote, in person or by</p>	

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		<p>proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or by distributing such votes as the same principle among any number of candidates.</p> <p>Sections 23 and 57 of the Revised Corporation Code provides that the Corporation may allow a stockholder to cast his vote in <i>absentia</i> via modes which the Corporation shall establish, taking into account the company's scale, number of shareholders or members, structure and other factors consistent with the basic right of corporate suffrage. The Secretary shall record all the votes and proceedings of the stockholders and of the Directors in a book kept for that purpose.</p>	
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	<p>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</p> <p>For the past financial year, no special shareholders' meeting was held.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 40 <b>A.2. Promotion of Shareholders' Rights</b> 1. The Board shall be transparent and fair in the conduct of the annual and special Shareholders' meetings of the Corporation. The Board shall encourage active Shareholders participation by sending the Notice of</p>	

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		<p>Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days before the meeting in accordance with the Securities Regulation Code. The Shareholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of law, rules and regulations and the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor.</p> <p>2. The Board shall encourage active Shareholders participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be made available on the Company Website within [five] business days from the end of the meeting.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>Information or link/reference to the policies on treatment of minority shareholders:</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 38 <b>A. Shareholders</b></p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><b>A.1. Shareholders' Rights</b></p> <p>The Board is committed to treat all Shareholders fairly and equitably, and shall recognize, protect and facilitate the exercise of their rights. These rights relate to the following among others:</p> <p><b>1. Right to vote on all matters that require their consent or approval</b></p> <p><b>2. Right to inspect corporate books and records</b></p> <p>Any stockholder who desires to exercise his right to inspect corporate books and records of the Company must make a written request addressed to the Corporate Secretary, and stating the specific reason(s) or purpose(s) for the inspection. The exercise of such right may be denied if:</p> <ul style="list-style-type: none"> <li>(i) The requesting stockholder improperly used information obtained from prior examination;</li> <li>(ii) Is not acting in good faith; or</li> <li>(iii) There is a reasonable ground to safeguard the interests of the Company, such as when the subject of inspection contains confidential or proprietary information or covered by a confidentiality or nondisclosure obligation which will be violated by the Company if inspection were allowed. In no case shall the stockholder be allowed to take corporate books and other records out of the principal office of the Company for the purpose of inspecting them. The Corporate Secretary may elevate the request for inspection for the information,</li> </ul>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>approval, or other appropriate action by the Board. This Revised Manual shall be available for inspection by any stockholder of the Company at reasonable hours on business days.</p> <p><b>3. Right to information</b>  Stockholders shall be provided, upon request, with periodic reports filed by the Company with the SEC (e.g., proxy statement/information statement and annual report) which disclose personal or professional information about the Directors and Officers such as their educational and business background, holdings of the Company's shares, material transactions with the Company, relationship with other Directors and Officers and the aggregate compensation of Directors and Officers.</p> <p><b>4. Right to dividends</b>  Stockholders shall have the right to receive declared dividends subject to the procedures prescribed by the Board.</p> <p><b>5. Appraisal right</b>  The stockholders shall have appraisal right under any of the following circumstances:</p> <p>5.1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any aspect superior to those of outstanding shares of any class, or of extending or reducing the term of corporate existence;</p>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>5.2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the property and assets of the Company;</p> <p>5.3. In case of merger or consolidation; and</p> <p>5.4. Investment of funds in any other corporation or business or for any purpose other than the primary purpose for which the Company was organized.</p> <p><b>A.2. Promotion of Shareholders' Rights</b></p> <p>1. The Board shall be transparent and fair in the conduct of the annual and special Shareholders' meetings of the Corporation. The Board shall encourage active Shareholders participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days before the meeting in accordance with the Securities Regulation Code. The Shareholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of law, rules and regulations and the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor.</p> <p>2. The Board shall encourage active Shareholders participation by making the result of the votes taken during the most recent Annual or Special</p>	



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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be made available on the Company Website within [five] business days from the end of the meeting.</p> <p>3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p> <p>4. The Board shall appoint an Investor Relations Officer (IRO) who shall ensure constant engagement with its Shareholders. The IRO shall create an Investor Relations Program to which shall aim to communicate to the shareholders all material information on the activities of the Company.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
7. Company has a transparent and specific dividend policy.	Non-Compliant	<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><b>Amended By-Laws</b></p>

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<p>Article VI-Fiscal Year, Dividends &amp; Finances Section 3. Dividends; page 19  <a href="http://www.jgsummit.com.ph/Amended By-Laws">http://www.jgsummit.com.ph/Amended By-Laws</a></p> <p>1. The Board of Directors of JG Summit Holdings, Inc. (JGS) approved on <b>May 13, 2020</b> the declaration of a regular cash dividend in the amount of <b>Thirty Eight Centavos (P0.38) per common share</b> from unrestricted retained earnings of JGS as of December 31, 2019 to all stockholders of record as of June 11, 2020 and <b>paid on July 8, 2020</b>.  <a href="https://www.jgsummit.com.ph/2020/Disclosure-Declaration of Cash Dividends">https://www.jgsummit.com.ph/2020/Disclosure-Declaration of Cash Dividends</a></p> <p>2. The Board of Directors of JG Summit Holdings, Inc. (JGS) approved on August 14, 2020 the declaration of a stock dividend for common shares as follows:</p>

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
			<p>a. A stock dividend equivalent to five per cent (5%) of the total issued and outstanding shares of JGS or Three Hundred Fifty Eight Million One Hundred Forty Two Thousand Eighty Three (358,142,083) common shares, to be issued and paid for out of the unrestricted retained earnings of JGS as of December 31, 2019, to all stockholders holding common shares as of record date of October 30, 2020, to be distributed on November 25, 2020.</p> <p>b. Any fractional shares resulting from the stock dividend declaration will be paid in cash.</p> <p>c. This was approved at a Special Stockholders' Meeting of JGS held via remote communication last October 20, 2020.</p>

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			<a href="https://www.jgsummit.com.ph/2020/Disclosure-Declaration of Stock Dividends for Common Shares">https://www.jgsummit.com.ph/2020/Disclosure-Declaration of Stock Dividends for Common Shares</a>
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>For CY 2020, the Company has engaged the services of Sycip, Gorres, Velayo &amp; Co. in counting/validating 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> <p><b>Definitive Information Statement</b> page 4 (viii) The Office of the Corporate Secretary shall tabulate all votes received and an independent third party will validate the results. During the meeting, the Secretary shall report the votes received and inform the stockholders if the particular agenda item is carried or disapproved. The total number of votes cast for each item for approval under the agenda will be shown on the screen.</p> <p><a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p>	
<b>Recommendation 13.2</b>			

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
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.	Non-Compliant	Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out	<p>The Notice of the ASM, along with the Financial Statements and relevant information on the incumbent and nominated Directors and Corporate Officers were released via:</p> <p>Definitive Information Statement posted in PSE EDGE: <b>April 20, 2020 or 24 days before the meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=fc27df3b3dd5a24d0de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=fc27df3b3dd5a24d0de8473cebbd6407</a></p> <p>ASM Schedule: May 14, 2020</p> <p>The Notice of Annual Stockholders Meeting was:</p> <p>Posted in PSE EDGE: <b>March 20, 2020 or 55 days before the meeting</b>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=75e0d909a1a5be920de8473cebbd6407">https://edge.pse.com.ph/openDiscViewer.do?edge_no=75e0d909a1a5be920de8473cebbd6407</a></p> <p>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</p>

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
			<a href="https://www.jgsummit.com.ph/NoticeofASM">https://www.jgsummit.com.ph/NoticeofASM</a>  Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS) Definitive Information Statement Notice of Annual Meeting of Stockholders Explanation of Agenda Items For Stockholders' Meeting <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement</a>  The Notices are distributed to security holders at least fifteen (15) business days prior to the date of the stockholder's meeting. The company is compliant with Securities Regulation Code 20.3.3 Filing Requirements, 20.3.3.4.
<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>	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	<a href="https://www.jgsummit.com.ph/docs/Notice for Annual Stockholders Meeting">https://www.jgsummit.com.ph/docs/Notice for Annual Stockholders Meeting</a>  <b>Definitive Information Statement</b> <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a>	
b. Auditors seeking appointment/reappointment	Compliant		
c. Proxy documents	Compliant		
Optional: Recommendation 13.2			
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="https://www.jgsummit.com.ph/docs/Notice for Annual Stockholders Meeting">https://www.jgsummit.com.ph/docs/Notice for Annual Stockholders Meeting</a>  <b>Definitive Information Statement</b> <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a>	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders’	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:	

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Meeting publicly available the next working day.		<b>Minutes of Annual Stockholders' Meeting</b> <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</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	<p>Link to minutes of meeting in the company website.</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></p> <p>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes</p> <p>Indicate also if the voting on resolutions was by poll.</p> <p>Include whether there was opportunity to ask question and the answers given, if any</p> <p><b>Minutes of Annual Stockholders' Meeting</b>  <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a></p>	
<b>Supplement to Recommendation 13.3</b>			



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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	External auditor and other relevant individuals were present during the ASM and/or special meeting:  <b>Minutes of Annual Stockholders' Meeting</b> <a href="https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting">https://www.jgsummit.com.ph/Minutes of the Annual Stockholders Meeting</a>	
<b>Recommendation 13.4</b>			
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.	Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes  <b>Revised Corporate Governance Manual</b> Article III Governance Structure, 3. Responsibilities, Duties and Functions of the Board; page 15 3.2.15. Consider the implementation of an alternative dispute resolution system for the amicable settlement of conflicts or differences between the Corporation and its Shareholders, if applicable.  Article VI Stakeholders' Rights And Protection Of Minority Shareholders' Interest; page 40 3. The Company may consider adopting an Alternative Dispute Resolution procedure. <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	Link/reference to where it is found in the Manual on Corporate Governance:  <b>Revised Corporate Governance Manual</b> Article III Governance Structure, 3. Responsibilities, Duties and Functions of the Board; page 15	

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	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>3.2.16. Consider the implementation of an alternative dispute resolution system for the amicable settlement of conflicts or differences between the Corporation and its Shareholders, if applicable.</p> <p>Article VI Stakeholders' Rights And Protection Of Minority Shareholders' Interest; page 40</p> <p>3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>Disclose the contact details of the officer/office responsible for investor relations, such as:</p> <p>1. Name of the person: Michael P. Liwanag , Senior Vice President, Investor Relations and Chief of Staff Telephone number: Trunkline: (632) 8633-7631 loc. 396</p> <p>2. E-mail address : <a href="mailto:mike.liwanag@jgsummit.ph">mike.liwanag@jgsummit.ph</a></p> <p><b>Company Website</b> <a href="http://www.jgsummit.com.ph/investor-relations-program">http://www.jgsummit.com.ph/investor-relations-program</a></p>	
2. IRO is present at every shareholder's meeting.	Compliant	<p>Indicate if the IRO was present during the ASM.</p> <p>Yes, the IRO was present in the last ASM.</p>	

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<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	<p>Provide information on how antitakeover measures or similar devices were avoided by the board, if any.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; pages 38-39</p> <p><b>A.2. Promotion of Shareholders' Rights</b> 1. The Board shall be transparent and fair in the conduct of the annual and special Shareholders' meetings of the Corporation. The Board shall encourage active Shareholders participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days before the meeting in accordance with the Securities Regulation Code. The Shareholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of law, rules and regulations and the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor. 2. The Board shall encourage active Shareholders participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be made available on the</p>	

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		<p>Company Website within [five] business days from the end of the meeting.</p> <p>3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p> <p>4. The Board shall appoint an Investor Relations Officer (IRO) who shall ensure constant engagement with its Shareholders. The IRO shall create an Investor Relations Program to which shall aim to communicate to the shareholders all material information on the activities of the Company.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p>Indicate the company's public float.</p> <p>Public Ownership Report Public Ownership Percentage: 40.07%</p> <p><a href="https://www.jgsummit.com.ph/Public Ownership Report">https://www.jgsummit.com.ph/Public Ownership Report</a></p>	
<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	<p>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.</p> <p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 39</p> <p><b>A.2. Promotion of Shareholders' Rights</b> 1. The Board shall be transparent and fair in the conduct of the annual and special Shareholders'</p>	

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	<b>COMPLIANT/ NON- COMPLIANT</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPLANATION</b>
		<p>meetings of the Corporation. The Board shall encourage active Shareholders participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least fifteen (15) business days before the meeting in accordance with the Securities Regulation Code. The Shareholders shall be encouraged to personally attend such meetings. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of law, rules and regulations and the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy shall be resolved in the stockholder's favor.</p> <p>2. The Board shall encourage active Shareholders participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting shall be made available on the Company Website within [five] business days from the end of the meeting.</p> <p>3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p> <p>4. The Board shall appoint an Investor Relations Officer (IRO) who shall ensure constant engagement with its Shareholders. The IRO shall create an Investor Relations Program to which shall aim to</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>communicate to the shareholders all material information on the activities of the Company.</p> <p><a href="https://www.jgsummit.com.ph/Revised%20Corporate%20Governance%20Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>Disclose the process and procedure for secure electronic voting in absentia, if any.</p> <p><b>Definitive Information Statement</b> ANNEX D-Voting in Absentia Procedures, page 32-33 <a href="https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement%20for%202020">https://www.jgsummit.com.ph/disclosures/sec-fillings/sec-information-statement for 2020</a></p>	
<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>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	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 40</p> <p><b>B. Other Stakeholders</b> The Company shall identify the various Stakeholders and promote cooperation between them and the Company in creating wealth, growth and sustainability.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ol style="list-style-type: none"> <li>1. The Company shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of Stakeholders.</li> <li>2. The Board shall adopt a transparent framework and process that allows Stakeholders to communicate with the Company and to obtain redress for the violation of their rights. Stakeholders may communicate with the Company through the various Stakeholders touchpoints such as the Investor Relations Office, Office of the Corporate Secretary, Customer Relations Office, the Corporate Communications Group and the Company's Website.</li> <li>3. The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and its governance including but not limited to:                         <ol style="list-style-type: none"> <li>3.1. Health, safety and welfare;</li> <li>3.2. Training and development; and</li> <li>3.3. Reward and compensation.</li> </ol> </li> <li>4. The Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The same shall be disseminated to all employees across the Corporation through trainings to embed them in the Company's culture.</li> <li>5. The Board shall establish a suitable framework for whistleblowing and ensure its enforcement to allow employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of</li> </ol>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>the Board or a unit created to handle whistleblowing concerns.</p> <p>6. The Company shall recognize and place importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the Company sustainable growth, while contributing to the advancement of the society where it operates.</p> <p>7. The Company shall employ value chain processes that takes into consideration EESG issues and concerns.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Annual Report (digital copy colored)</b> Corporate Governance section <a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	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 40-41</p> <p><b>B. Other Stakeholders</b> The Company shall identify the various Stakeholders and promote cooperation between them and the Company in creating wealth, growth and sustainability.</p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<ol style="list-style-type: none"> <li>1. The Company shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of Stakeholders.</li> <li>2. The Board shall adopt a transparent framework and process that allows Stakeholders to communicate with the Company and to obtain redress for the violation of their rights. Stakeholders may communicate with the Company through the various Stakeholders touchpoints such as the Investor Relations Office, Office of the Corporate Secretary, Customer Relations Office, the Corporate Communications Group and the Company's Website.</li> <li>3. The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and its governance including but not limited to: <ol style="list-style-type: none"> <li>3.1. Health, safety and welfare;</li> <li>3.2. Training and development; and</li> <li>3.3. Reward and compensation.</li> </ol> </li> <li>4. The Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The same shall be disseminated to all employees across the Corporation through trainings to embed them in the Company's culture.</li> <li>5. The Board shall establish a suitable framework for whistleblowing and ensure its enforcement to allow employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of</li> </ol>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>the Board or a unit created to handle whistleblowing concerns.</p> <p>6. The Company shall recognize and place importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the Company sustainable growth, while contributing to the advancement of the society where it operates.</p> <p>7. The Company shall employ value chain processes that takes into consideration EESG issues and concerns.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p>	
<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>	Compliant	<p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 41</p> <p><b>B. Other Stakeholders</b></p> <p>2. The Board shall adopt a transparent framework and process that allows Stakeholders to communicate with the Company and to obtain redress for the violation of their rights. Stakeholders may communicate with the Company through the various Stakeholders touchpoints such as the Investor Relations Office, Office of the Corporate Secretary, Customer Relations Office, the Corporate Communications Group and the Company's Website.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p>Refer to CICOM in company website:</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Email Address: <a href="mailto:CICOM@jgsummit.com.ph">CICOM@jgsummit.com.ph</a>  Fax Number: 8395-3888  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.  40th 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>  The Company is committed to conduct business according to the highest ethical and legal standards. In line with this commitment, we encourage employees and business partners to raise concerns about any aspect of the business operation.</p> <p>The objectives of this policy are the following:</p> <ol style="list-style-type: none"> <li>1. To encourage employees, business partners and other stakeholders to report concerns involving actual or suspected violations of Company policies, its code of conduct, criminal or unlawful acts or omissions, and instances when an act or omission endangers the health and safety of the employees.</li> </ol>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>2. To provide clear procedures for reporting any actual or suspected violation of Company policies, misconduct, malpractice, irregularities or risks against the Company.</p> <p>3. To protect the Whistleblower against any form of retaliation.</p> <p><a href="http://www.jgsummit.com.ph/Whistleblowing Policy">http://www.jgsummit.com.ph/Whistleblowing Policy</a></p>	
<b>Supplement to Recommendation 14.3</b>			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	<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 15 3.2.15. Consider the implementation of an alternative dispute resolution system for the amicable settlement of conflicts or differences between the Corporation and its Shareholders, if applicable.</p> <p>Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 40 3. The Company may consider adopting an Alternative Dispute Resolution procedure.</p>	
<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	Compliant	Disclose any requests for exemption by the company and the reason for the request.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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.		For the past financial year, the company did not request any exemption.	
2. Company respects intellectual property rights.	Compliant	<p>Provide specific instances, if any.</p> <p>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.</p> <p>Code of Business Conduct, No. 11-Confidential Information  <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>	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<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 41</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>3. The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and its governance including but not limited to:</p> <p>3.1. Health, safety and welfare;  <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b>  <b>Health, Safety and Welfare Policy</b>                      The Company is committed to undertake all reasonable steps to ensure the health, safety and welfare for the best interest of our stakeholders and the communities where we live and work by complying with the provisions of law, industry rules and regulations, standards of independent accreditation bodies where the Company obtained accreditation, and contractual obligations.  <a href="http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare">http://www.jgsummit.com.ph/stakeholders-health-safety-and-welfare</a></p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<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 (digital copy colored)</b>                      Corporate Governance section  <a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p> <p><b>Annual Report</b>                      Sustainability Report                      Supplier Accreditation Policy</p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>The Company follows the Supplier Accreditation Policy to ensure that the Company's suppliers and contractors are qualified to meet its commitments. Suppliers and contractors undergo accreditation and orientation on Company policies.</p> <p><a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</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>	Compliant	<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 41</p> <p>3. The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and its governance including but not limited to:</p> <p>3.1. Health, safety and welfare; 3.2. Training and development; and 3.3. Reward and compensation.</p> <p><a href="https://www.jgsummit.com.ph/Revised%20Corporate%20Governance%20Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b></p>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>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>Annual Report</b> Sustainability Report Social, Employee Management, pages 21-27 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p> <p><b>Annual Report (digital copy colored)</b> Corporate Governance section <a href="https://www.jgsummit.com.ph/Digital%20Annual%20Report%202020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/ compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<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></p>	



**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>12. The Corporate Governance Committee shall recommend and the Board of Directors shall approve the remuneration of Executive and Non-Executive Directors.</p> <p>12.1. Fixed remuneration for Non-Executive directors (including Independent Directors) shall reflect the time commitment and responsibilities of the role.</p> <p>12.2. The remuneration of Executive Directors may be a combination of fixed monthly salary in terms of their appointment as approved by the Board and variable pay based on the Company's and individual performance. The Corporate Governance Committee shall determine and decide the performance parameters and/or measurable standards applicable to the Executive Directors that will serve as the basis for the variable pay.</p> <p>12.3. The Corporate Governance Committee may consider aligning Key Executives and Board remuneration with the longer-term interests of the company and its shareholders.</p> <p>13. The compensation structure for Key Management Personnel and Senior Management Team members may consist of fixed salary component and variable performance-based compensation. The compensation structure shall be devised to help the Company attract and retain top talents to efficiently run the Company with a long-term perspective.</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy">https://www.jgsummit.com.ph/Succession Planning and Remuneration Policy</a>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<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 41</p> <p>3. The Board shall establish policies, programs and procedures that encourage employees to actively participate in the realization of the Company's goals and its governance including but not limited to:</p> <p>3.1. Health, safety and welfare; 3.2. Training and development; and 3.3. Reward and compensation.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</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> <p><b>Annual Report</b> Sustainability Report Social, Employee Management, pages 21-27</p>	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a>	
3. Company has policies and practices on training and development of its employees.	Compliant	<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>Annual Report</b> Sustainability Report Social, Employee Management, Employee Training and Development page 23 <a href="https://www.jgsummit.com.ph/disclosures/2020%2017-A%20Annual%20Report">https://www.jgsummit.com.ph/disclosures/2020 17-A Annual Report</a></p>	
<b>Recommendation 15.2</b>			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<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 41</p>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>4. The Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The same shall be disseminated to all employees across the Corporation through trainings to embed them in the Company's culture.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</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">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics</a></p> <p><b>Company Website</b> <b>Whistleblowing Policy</b> The Company is committed to conduct business according to the highest ethical and legal standards. In line with this commitment, we encourage employees and business partners to raise concerns about any aspect of the business operation. The objectives of this policy are the following:</p> <ol style="list-style-type: none"> <li>1. To encourage employees, business partners and other stakeholders to report concerns involving actual or suspected violations of Company policies, its code of conduct, criminal or unlawful acts or omissions, and instances when an act or omission endangers the health and safety of the employees.</li> <li>2. To provide clear procedures for reporting any actual or suspected violation of Company policies, misconduct, malpractice, irregularities or risks against the Company.</li> </ol>	

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>3. To protect the Whistleblower against any form of retaliation.</p> <p><a href="http://www.jgsummit.com.ph/Whistleblowing Policy">http://www.jgsummit.com.ph/Whistleblowing Policy</a></p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<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">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics</a></p>	
<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	<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">http://www.jgsummit.com.ph/docs/Code-of-Business-Conduct-and-Ethics</a></p>	
<b>Recommendation 15.3</b>			

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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 whistleblowing 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></p> <p>The Company is committed to conduct business according to the highest ethical and legal standards. In line with this commitment, we encourage employees and business partners to raise concerns about any aspect of the business operation.</p> <p>The objectives of this policy are the following:</p> <ol style="list-style-type: none"> <li>1. To encourage employees, business partners and other stakeholders to report concerns involving actual or suspected violations of Company policies, its code of conduct, criminal or unlawful acts or omissions, and instances when an act or omission endangers the health and safety of the employees.</li> <li>2. To provide clear procedures for reporting any actual or suspected violation of Company policies, misconduct, malpractice, irregularities or risks against the Company.</li> <li>3. To protect the Whistleblower against any form of retaliation.</li> </ol> <p><a href="http://www.jgsummit.com.ph/Whistleblowing Policy">http://www.jgsummit.com.ph/Whistleblowing Policy</a></p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	Information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.	

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p><b>Revised Corporate Governance Manual</b> Article VI Stakeholders' Rights and Protection of Minority Shareholders' Interest; page 41</p> <p>5. The Board shall establish a suitable framework for whistleblowing and ensure its enforcement to allow employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation and to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p> <p><a href="https://www.igsummit.com.ph/Revised Corporate Governance Manual">https://www.igsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b> <b>Whistleblowing Policy</b> The Company is committed to conduct business according to the highest ethical and legal standards. In line with this commitment, we encourage employees and business partners to raise concerns about any aspect of the business operation.</p> <p>The objectives of this policy are the following:</p> <ol style="list-style-type: none"> <li>1. To encourage employees, business partners and other stakeholders to report concerns involving actual or suspected violations of Company policies, its code of conduct, criminal or unlawful acts or omissions, and instances when an act or omission endangers the health and safety of the employees.</li> <li>2. To provide clear procedures for reporting any actual or suspected violation of Company policies, misconduct, malpractice, irregularities or risks against the Company.</li> </ol>	

## INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>3. To protect the Whistleblower against any form of retaliation.</p> <p><a href="http://www.jgsummit.com.ph/Whistleblowing Policy">http://www.jgsummit.com.ph/Whistleblowing Policy</a></p>	
<p><b>Principle 16:</b> 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.</p>			
<p><b>Recommendation 16.1</b></p>			
<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>	Compliant	<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 41</p> <p>6. The Company shall recognize and place importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the Company sustainable growth, while contributing to the advancement of the society where it operates.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website</b> <b>Corporate Social Responsibility</b> <b>Foundation</b> <a href="https://www.gokongweibrothersfoundation.org/">https://www.gokongweibrothersfoundation.org/</a></p> <p><b>Annual Report (digital copy colored)</b> <a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p>	



# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

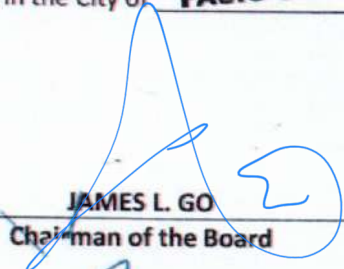
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>Link/reference to policies, programs and practices to ensure that its 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 38 <a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</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>Annual Report (digital copy colored)</b> <a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</a></p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<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 41 6. The Company shall recognize and place importance on the interdependence between business and society, and promote a mutually beneficial relationship that allows the</p>	


# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

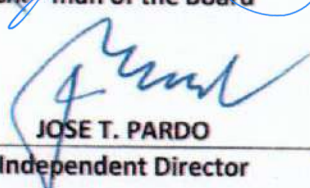
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
		<p>Company sustainable growth, while contributing to the advancement of the society where it operates.</p> <p><a href="https://www.jgsummit.com.ph/Revised Corporate Governance Manual">https://www.jgsummit.com.ph/Revised Corporate Governance Manual</a></p> <p><b>Company Website Sustainability</b></p> <p><a href="http://www.jgsummit.com.ph/sustainability">http://www.jgsummit.com.ph/sustainability</a></p> <p><b>Annual Report (digital copy colored)</b></p> <p><a href="https://www.jgsummit.com.ph/Digital Annual Report 2020">https://www.jgsummit.com.ph/Digital Annual Report 2020</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 21 MAY 2021.

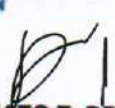
SIGNATURES


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


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

  
**JOSE T. PARDO**  
Independent Director

  
**ANTONIO L. GO**  
Independent Director

  
**RENATO T. DE GUZMAN**  
Independent Director

  
**FRANCISCO M. DEL MUNDO**  
Compliance Officer

  
**MA. CELIA F. ESTAVILLO**  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2021, 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
ANTONIO L. GO	100-929-712
RENATO T. DE GUZMAN	127-386-444
FRANCISCO M. DEL MUNDO	150-030-615
MA. CELIA F. ESTAVILLO	144-289-419

Doc No.: 126

Page No.: 29

Book No.: 3

Series of: 2021

  
**ANDRE R. B. BUZETA-ACERO**  
Notary Public for Pasig, San Juan, and Pateros  
Notarial Commission No. 248 extended  
until June 30, 2021 pursuant to Bar Matter No. 3795  
40th Floor Robinsons Equestrian Tower, ADB Ave.  
cor. Poveda Road, Ortigas Center, Pasig City 1605  
Roll of Attorneys No. 55159  
PTR No. 6540675/01-11-2021/Makati City  
IBP Receipt No. 144096/01-05-2021/Rizal Chapter

CORPORATE GOVERNANCE AND FINANCE DEPARTMENT

18 May 2021

**Ms. Andre Ria B. Buzeta-Acero**

Assistant Corporate Secretary

**JG SUMMIT HOLDINGS, INC.**

Equitable Tower, ADB Avenue cor. Poveda St.

Ortigas Center 1605 Pasig City

**Re: In-house Corporate Governance Seminar**

**Dear Ms. Buzeta-Acero:**

This refers to your letter dated 14 December 2020 requesting the Commission's approval of its 2020 In-House Corporate Governance Seminar on 17, 21, 22 and 28 December 2020 at 5:00-6:30p.m. and 11:00 – 12:00 pm via Microsoft Teams and exemption from accreditation of its resource speakers from accreditation.

Please be advised that the Commission, through the Department's Supervising Commissioner Kelvin Lester K. Lee approved the company's requests on 18 May 2021.

The said training and the submission of completion report together with its proof of attendance and conduct of training are duly noted. Nevertheless, the company is **reminded** to submit the requirements for the approval of in-house corporate governance training on time pursuant to SEC Memorandum Circular No. 2, Series of 2015 and **warned** that subsequent delayed submission of the requirements will result in the outright dismissal of the request.

Very truly yours,



**RACHEL ESTHER J. GUMTANG-REMALANTE**  
Director

/mtbs



## 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 to 40, 240-8801 FAX NO.: 633-9207, 240-9106

### CERTIFICATE

I, MARIA CELIA H. FERNANDEZ-ESTAVILLO, of legal age, Filipino, with office address at the 40<sup>th</sup> Floor, Robinsons Equitable Tower, ADB Avenue corner Poveda Road, Ortigas Center, Pasig City, Metro Manila, hereby certify that:

1. I am the duly elected and qualified Corporate Secretary of JG SUMMIT HOLDINGS, INC. (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at 43<sup>rd</sup> Floor Robinsons Equitable Tower ADB Avenue corner Poveda Street Ortigas Center, Pasig City, Metro Manila.
2. The attendance of the directors in the meetings of the Board of Directors of JG Summit Holdings, Inc. ("JGSHI") held during fiscal year 2020 were as follows:

Board	Name	Date of Election	No. of Meetings Held during the year*	No. of Meetings Attended	%
Chairman	James L. Go	May 14, 2020	14	14	100%
Member	Lance Y. Gokongwei	May 14, 2020	14	14	100%
Member	Lily G. Ngochua	May 14, 2020	14	14	100%
Member	Patrick Henry C. Go	May 14, 2020	14	14	100%
Member	Johnson Robert G. Go, Jr.	May 14, 2020	14	14	100%
Member	Robina Y. Gokongwei-Pe	May 14, 2020	14	14	100%
Member	Cirilo P. Noel	May 14, 2020	14	14	100%
Independent	Jose T. Pardo	May 14, 2020	14	14	100%
Independent	Renato T. De Guzman	May 14, 2020	14	14	100%
Independent	Antonio L. Go	May 14, 2020	14	14	100%

\*Fiscal year 2020 of JGSHI is from January 1, 2020 to December 31, 2020.

IN WITNESS WHEREOF, I have hereunto signed this Certificate this April 29, 2021 in Pasig City, Philippines.

  
**MARIA CELIA H. FERNANDEZ-ESTAVILLO**  
 Corporate Secretary

# ANNEX 3

## EMAIL SUBMISSION OF THE REVISED CORPORATE GOVERNANCE MANUAL 2020



Tue 12/22/2020 11:39 AM

Christina S. Nava

JG Summit Holdings, Inc.\_Revised Corporate Governance Manual\_22December2020

To ☐ ictdsubmission@sec.gov.ph

Cc ☐ CGFD Account;  Christina S. Nava



JG Summit Holdings, Inc.\_Revised Corporate Governance Manual\_22December2020.pdf  
1 MB





22 December 2020

**SECURITIES AND EXCHANGE COMMISSION**  
G/F Secretariat Building  
PICC Complex, Roxas Boulevard, Pasay City

Attention:     **Atty. Rachel Esther J. Guntang-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:     **Ms. Janet A. Encarnacion**  
                         **Head, Disclosure 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:     **Ms. Janet A. Encarnacion**  
                         **Head, Disclosure Department**

In compliance with the Revised Code of Corporate Governance of the Securities and Exchange Commission, we hereby submit JG Summit Holdings, Inc.’s Revised Corporate Governance Manual. The revisions have been approved by the Board of Directors in their meeting on December 16, 2020. This supersedes the previous Revised Corporate Governance Manual that was approved by the Board on May 12, 2017, adopted by the Corporation on October 1, 2017 and submitted to SEC on May 31, 2017.



FRANCISCO M. DEL MUNDO  
COMPLIANCE OFFICER  
TIN # 150-030-615


## SEC ICTD SUBMISSION RECEIPT NOTICE




Tue 12/22/2020 11:40 AM

ICTD Submission <ictdsubmission@sec.gov.ph>

[EXTERNAL]:Acknowledgement Notice Re: JG Summit Holdings, Inc.\_Revised Corporate Governance Manual\_22December2020

To  Christina S. Nava

 **CAUTION:** This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know that the contents are safe.

Dear Customer,

SUCCESSFULLY ACCEPTED  
(subject to verification and review of the quality of the attached document)

Thank you.

SEC ICTD.





JG SUMMIT HOLDINGS, INC.

**MEMORANDUM**

**DATE** : April 12, 2021

**TO** : **AUDIT COMMITTEE**

**FROM** : CORPORATE INTERNAL AUDIT

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

I, **Rya Aissa S. Agustin, Director 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 state that in my opinion the Audit 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 Committee are:

		Elected Date
<b>Chairman</b>	• Mr. Antonio L. Go	August 14, 2020
<b>Independent Members</b>	• Mr. Jose T. Pardo • Mr. Renato T. De Guzman	
<b>Non-Executive Director</b>	• Mr. Cirilo P. Noel	
<b>Advisory Member</b>	• Mr. James L. Go	

**RYA AISSA S. AGUSTIN**

Director and Chief Audit Executive (CAE) –JGSHI

Noted by:

**LANCE Y. GOKONGWEI**  
President and CEO – JGSHI



**JG SUMMIT HOLDINGS, INC.**

**SECRETARY'S CERTIFICATE**


I, **MARIA CELIA H. FERNANDEZ-ESTAVILLO**, of legal age, Filipino, with office address at the 40<sup>th</sup> Floor, Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City, Philippines being the duly elected Corporate Secretary of JG SUMMIT HOLDINGS, INC. ("Corporation"), a corporation duly organized and existing under the laws of the Philippines, with office address at the 43<sup>rd</sup> Floor, Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City, Metro Manila, after having been duly sworn in accordance with law, hereby depose and state that the following resolution was duly approved by the Board of Directors of the Corporation on April 5, 2021:

"RESOLVED, that the Board of Directors of JG Summit Holdings, Inc. (the "Corporation") hereby designates Ms. Rya Aissa S. Agustin, Director of Corporate Internal Audit of the Corporation as Chief Audit Executive to prepare and sign the Audit Attestation Memo of the Corporation for 2020 in compliance with the requirements of the Securities and Exchange Commission.

APPROVED: April 5, 2021."


  
**MARIA CELIA H. FERNANDEZ-ESTAVILLO**  
Corporate Secretary

ATTESTED BY:

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

SUBSCRIBED AND SWORN to before me this 22 APR 2021 at Pasig City, Philippines, affiant exhibiting to me her SSS ID with No. 33-16255779.

Doc No. 17 ;  
Page No. 13 ;  
Book No. 8 ;  
Series of 2021.

  
**ANDREIA B. BUZETA-ACERO**  
Notary Public for Pasig, San Juan, and Pateros  
Notarial Commission No. 248 extended  
until June 30, 2021 pursuant to Bar Matter No. 3795  
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