



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended December 31, 2017
2. SEC Identification Number CS200411461 3. BIR Tax Identification No. 232-715-069
4. Exact name of issuer as specified in its charter MEGAWIDE CONSTRUCTION CORPORATION
5. Philippines.....
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 2/F Spring Bldg. Arnaiz Ave. cor. P. Burgos St., Pasay City, Metro Manila 1300
Address of principal office Postal Code
8. (02) 655-1111
Issuer's telephone number, including area code
9. Not Applicable
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p>Megawide Construction Corporation ("Megawide" or the "Company") has a Board of Directors ("Board") composed of Directors with working knowledge, experience or expertise relevant to its industry. Their work experience, qualifications and expertise are indicated in the Company's 2017 Annual Report ("Annual Report") and 2017 Definitive Information Statement ("DIS")</p> <p>Please see the table on page 59 of the Annual Report: click to open</p> <p>Please see the table on page 8 of the DIS: click to open</p> <p>Moreover, Megawide's New Manual on Corporate Governance ("New Manual") provides that the Board shall be composed of Directors with a collective working knowledge, experience or expertise that is relevant to its industry/sector. The Board shall always ensure that it has an appropriate mix of competence and expertise, and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of Megawide.</p> <p>Please see page 8 of the New Manual: click to open</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		

Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Non-compliant	<p>The list of Directors and their other directorships are indicated in the Company's Annual Report (page 61) and DIS (pages 12 to 13). While there are seven (7) Directors in the Annual Report and the DIS, please note that Director Tuason resigned on 19 January 2018.</p> <p>Please see the table on page 59 of the Annual Report: click to open</p> <p>Please see the table on page 8 of the DIS: click to open</p>	<p>Pending compliance. In accordance with the New Manual, after the 2018 Annual Stockholders' Meeting in July, the membership of the Board shall be a combination of Executive and Non-Executive Directors (including Independent Directors), with the majority being Non-Executive Directors.</p> <p>Please see page 8 of the New Manual: click to open</p> <p>Nevertheless, the Company and the Board always ensure that no Director or small group of Directors can dominate the decision-making process of the Board.</p>
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>The policy of Megawide to provide relevant training to its Directors covering topics on Corporate Governance mandated by the Securities and Exchange Commission ("SEC") is indicated in the New Manual.</p> <p>Please see page 9, letter c., of the New Manual: click to open</p>	
2. Company has an orientation program for first time directors.	Compliant	<p>The orientation program for first time Directors and annual continuing training for all Directors are incorporated in Megawide's New Manual.</p> <p>Please see page 9, letter cc., of the New Manual: click to open</p>	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>The 2016 Annual Corporate Governance Report ("ACGR") provides that the Company gives a brief presentation on its structure and business operations after election of the new Directors. Moreover, the Directors and senior Management have attended <i>Corporate Governance Seminars</i> and <i>ASEAN Scorecard Seminars</i>, for the past three (3) years.</p> <p>Please see page 16 of the ACGR: click to open</p>	

Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	<p>The Board is currently composed of six (6) male Directors. While there are seven (7) Directors in the Annual Report and the DIS, please note that Director Tuason resigned on 19 January 2018.</p> <p>The Company's policy on Board diversity is explained in the New Manual. The Company aims to maintain a Board comprised of talented and dedicated Directors with a diverse mix of expertise, experience, skills and backgrounds, which shall reflect the diverse nature of the business environment in which the Company operates.</p> <p>Please see page 9, letter d., of the New Manual: click to open</p>	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.			
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>The Board is assisted by a Corporate Secretary, Atty. Althea F. Oaminal. She was elected as Corporate Secretary during the September 18, 2017 Organizational Meeting of the Board and as disclosed with The Philippine Stock Exchange, Inc. (the "PSE" or the "Exchange").</p> <p>Please see the Minutes of the of the 2017 Organizational Meeting of the Board: click to open</p> <p>Further, the duties of the Corporate Secretary are listed in the New Manual.</p> <p>Please see page 9, letter e., of the New Manual: click to open</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<p>The designated Compliance Officer of the Company is Atty. Jennifer Lee. She was designated as such during the Organizational Meeting of the Board held on September 18, 2017 and as disclosed with the PSE.</p> <p>Please see the Minutes of the of the Organizational Meeting: click to open</p>	

3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<p>Atty. Oaminal is not a member of the Board, which is currently composed of Mr. Edgar B. Saavedra, Mr. Michael C. Cosiquien, Mr. Oliver Y. Tan, Mr. Manuel Louie B. Ferrer, former Chief Justice Hilario G. Davide, Jr. and Mr. Leonilo G. Coronel. While there are seven (7) Directors in the Annual Report and the DIS, please note that Director Tuason resigned on 19 January 2018.</p> <p>Please see page 59 of the Annual Report: click to open</p> <p>Please see page 8 of the DIS: click to open</p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>Atty. Oaminal attended several trainings on corporate governance in 2017 conducted by the SEC and SEC-accredited seminar providers.</p>	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.			
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	<p>The Board is assisted by a Compliance Officer, Atty. Jennifer C. Lee, who was appointed as Compliance Officer during the September 18, 2017 Organizational Meeting of the Board and as disclosed with the PSE. Atty. Lee is also the Assistant Corporate Secretary.</p> <p>Please see the Minutes of the Organizational Meeting: click to open</p> <p>The duties and responsibilities of the Compliance Officer are listed in the New Manual.</p> <p>Please see page 10, letter f., of the New Manual: click to open</p>	

2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-compliant		<p>Pending compliance. Pursuant to the New Manual, the Board will appoint a new Compliance Officer during the 2018 Organizational Meeting, who shall have a rank of Senior Vice President, or an equivalent position, with adequate stature and authority in Megawide.</p> <p>Please see page 10, letter f., of the New Manual: click to open</p>
3. Compliance Officer is not a member of the board.	Compliant	<p>Atty. Lee is not a member of the Board which is composed of Mr. Edgar B. Saavedra, Mr. Michael C. Cosiquien, Mr. Oliver Y. Tan, Mr. Manuel Louie B. Ferrer, former Chief Justice Hilario G. Davide, Jr. and Mr. Leonilo G. Coronel.</p> <p>Please see page 59 of the Annual Report: click to open</p> <p>Please see page 8 of the DIS: click to open</p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	Atty. Lee attended trainings on corporate governance in 2017 conducted by the SEC and SEC-accredited seminar providers.	

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p>In accordance with its duties and functions under the New Manual, the Board shall always act (and has always acted) on a fully informed basis, in good faith, with due diligence and care, and in the best interest of Megawide.</p> <p>Please see page 11, number 2, of the New Manual: click to open</p>	
--	-----------	---	--

Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>The New Manual mandates that the Board shall oversee the development of and approve the Company's strategy.</p> <p>Please see page 11, letter b., of the New Manual: click to open</p>	
---	-----------	---	--

2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>The New Manual dictates that the Board shall oversee and monitor the implementation of the Company's business objectives and strategy.</p> <p>Please see page 11, letter b., of the New Manual: click to open</p>	
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>The Company's Vision, Mission and Core Values are stated in the Company's website:</p> <p>Please see the <i>About Us</i> portion of the Company website: click to open</p> <p>The Board reviews the vision, mission and core values regularly, and revises such on an as needed basis.</p> <p>The Board reviews its vision, mission and core values annually, as stated in the ACGR.</p> <p>Please see page 3, letter c, of the ACGR: click to open</p>	
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 New Manual mandates that the Board shall provide sound strategic policies and guidelines to the Company on major capital expenditures, periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets, and Management's overall performance;</p> <p>Please see page 11, letter e., of the New Manual: click to open</p> <p>Please see page 13, letter u., of the New Manual: click to open</p> <p>Moreover, the Chairman of the Board shall make certain that every Board meeting agenda focuses on strategic matters, including the overall risk appetite of the Company, considering the developments in business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations</p> <p>Please see page 16, subsection i., of the New Manual: click to open</p>	

Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>The Chairperson, Mr. Edgar B. Saavedra is one of the founders of Megawide. He is personally responsible for leading the Company's diverse construction and infrastructure projects. His experience in the field spans over twenty (20) years.</p> <p>More information regarding Mr. Edgar B. Saavedra is provided in the website of Megawide: click to open</p> <p>Please also see page 8 of the Company's 2018 Preliminary Information Statement ("PIS"): click to open</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>The Company's New Manual states that the Board shall adopt and implement an effective succession program for Directors and Management to ensure growth and continued increase in shareholders' value. This will include adopting a policy on the retirement age of Directors and key officers as part of the Company's Management succession program.</p>	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p>Please see page 13, letter aa., of the New Manual: click to open</p>	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p>The New Manual states that in setting the remuneration of Management and Directors, the long-term interest of Megawide shall be taken into account. In doing so, it shall formulate and adopt a policy specifying the relationship between remuneration and performance. No Director shall participate in discussions or deliberations involving his own remuneration.</p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<p>Please see page 13, letter t., of the New Manual: click to open</p> <p>Moreover, the Board has constituted a Governance, Compensation and Nomination Committee ("GNCC") which will oversee the Company's succession plan and remuneration policy.</p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>Please see the GNCC Charter: click to open</p>	

Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.		<p>The remuneration of the CEO and the four most highly compensated Management officers are determined based on the company salary structure and benefits package upon the recommendation of the GNCC and subject to Board approval.</p> <p>Salary adjustments are based on performance and changes in responsibilities.</p> <p>Please see page 24, letter D, of the ACGR: click to open</p> <p>Further, through the GNCC, the Board shall oversee the establishment and administration of the Company's compensation program, and align the remuneration of key officers and Board members with it long-term interests. The GNCC shall formulate and adopt a policy specifying the relationship between remuneration and performance.</p> <p>Please see letter C, of the GNCC Charter: click to open</p>	
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.	Compliant		
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	<p>The New Manual provides that the Board, through the GNCC, will have a formal and transparent Board nomination and election policy that will include how it accepts nominations from minority shareholders. The said policy will also include an assessment of the effectiveness of the Board's processes and procedures for nominations, election, or replacement of a Director.</p> <p>Please see page 11, number 2, letter a., of the New Manual: click to open</p> <p>Pursuant to its Charter, the GNCC shall implement and oversee the Company's election and nomination policy.</p> <p>Please see the GNCC Charter: click to open</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		

5. Board nomination and election policy includes an assessment of the effectiveness of the Board's 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			
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.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p>The Company's RPTs are enumerated in Megawide's PIS and Annual Report.</p> <p>Please see page 66 of the Annual Report: click to open</p> <p>Please see page 11, number 4, of the PIS: click to open</p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p>The Board has established an Audit and Risk Management Committee ("ARMC") and has approved its Charter during its meeting held on 14 May 2018 which provides its roles and responsibilities, including the oversight of Megawide's RPTs.</p>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p>Please see the ARMC Charter: click to open</p> <p>Further, the Board has adopted a Related Party Transactions Policy ("RPT Policy") which shall be implemented and enforced by the ARMC.</p> <p>Please see the RPT Policy: click to open</p>	

Supplement to Recommendations 2.7			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p>The ACGR also provides the policies and procedures of Megawide with regard to RPTs.</p> <p>Please see page 18, number 4, of the ACGR: click to open</p> <p>The RPT Policy states that the parent company and its subsidiaries, whether owned directly or indirectly, shall set thresholds and categories for Disclosure and Approval of RPTs. The amount of each RPT shall be considered for purposes of applying these thresholds. The following are the thresholds for RPTs:</p> <ul style="list-style-type: none"> •Below Php1B requires approval of the concerned entity's CEO or President; and, •Above Php1B requires approval of concerned entity's Board of Directors. <p>Please see the RPT Policy of the Company: click to open</p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	Non-Compliant		<p>The ARMC will consider this in the review and revision of the RPT Policy of the Company.</p>
Recommendation 2.8			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	Compliant	<p>It is the Board's primary responsibility under the New Manual to approve the selection of senior Management as led by the CEO, and control functions led by their respective heads (Chief Risk Officer, Compliance Officer, and Chief Audit Executive).</p> <p>Please see page 12, letter q., of the New Manual: click to open</p> <p>Further, the GNCC is mandated by the Board to oversee and evaluate the Company's human resource planning process and succession plans for the CEO and other senior executive positions. Also, recommend for Board approval short-listed candidates for these positions.</p> <p>Please see Letter C, item 1, of the GNCC Charter: click to open</p>	

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>It is the Board's primary responsibility under the New Manual to assess the performance of senior Management as led by the CEO, and control functions led by their respective heads (Chief Risk Officer, Compliance Officer, and Chief Audit Executive).</p> <p>Please see page 12, letter q., of the New Manual: click to open</p> <p>The ACGR states that the performance of Management is assessed annually.</p> <p>Please see page 52, letter M, of the ACGR: click to open</p>	
<p>Recommendation 2.9</p>			
<p>1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>	<p>The ACGR explains the criteria used in assessing the annual performance of the Board, its committees, individual Directors, and the CEO/President.</p> <p>Please see page 52 letter M, of the ACGR: click to open</p> <p>With respect to the appraisal of Management and personnel, the Company has a PeopleCore website/account where the performance management framework and/or employees' (rank and file to managerial) key performance indicators and evaluations are found. Unfortunately, this is only accessible internally.</p>	
<p>2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.</p>	<p>Compliant</p>		
<p>Recommendation 2.10</p>			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p>Compliant</p>	<p>The internal control system of the Company is explained in the ACGR.</p> <p>Please see page 36, letter G, of the ACGR: click to open</p> <p>The New Manual indicates that Megawide shall have an adequate and effective internal control system.</p> <p>Please see page 20, number 12, of the New Manual: click to open</p> <p>Moreover, the ARMC is tasked to oversee the internal control system of the Company.</p> <p>Please see letter A, of the ARMC Charter: click to open</p>	

<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>		<p>Aside from the internal control system provided in the ACGR, the New Manual also states that the Board shall ensure that an internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts within the Board and the Company.</p> <p>Please see page 13, letter cc., of the New Manual: click to open</p>	
<p>3. Board approves the Internal Audit Charter.</p>	Compliant	<p>The organization and oversight of the Internal Audit Department, the internal control system and processes are the responsibility of the ARMC.</p> <p>Please see letter A, of the ARMC Charter: click to open</p> <p>Moreover, the Board has approved an Internal Audit Charter which became effective on June 1, 2017.</p> <p>Please see the Internal Audit Charter: click to open</p>	
Recommendation 2.11			
<p>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.</p>	Compliant	<p>The ARMC adopted an ERM policy that includes establishing a culture of disclosing, evaluating and managing risks from the Board and throughout the organization towards achieving its goals and objectives. ARMC identified that the key risks Megawide is exposed to are credit risk, liquidity risk and market risk. These are monitored and managed on a business unit level by the Comptrollers with the guidance of the Chief Financial Officer and CEO.</p>	
<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.</p>	Compliant	<p>Please see page 32 of the ACGR: click to open</p> <p>To further strengthen its ERM system, the Board recently hired a consultant to update and reassess the initially identified risks and introduce a more robust system of monitoring and management.</p>	

Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The By-Laws of Megawide and the Company's New Manual clearly sets out the roles, responsibilities, and accountabilities of the Board. Please see the By-Laws: click to open	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	Please see page 11 of the New Manual: click to open	
3. Board Charter is publicly available and posted on the company's website.	Compliant		
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	The Board has adopted a Trading Policy during its meeting held on 14 May 2018, which clearly states the Company's policy against insider trading. Please see the Trading Policy: click to open	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	Megawide prohibits, in its RPT Policy, the grant of personal loans, advances, guarantees, and securities, in any manner, to its Directors, including their spouses and other dependents. Please see the RPTs Policy of the Company: click to open	
2. Company discloses the types of decision requiring board of directors' approval.			
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			

Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>As stated in the New Manual, the Board has established the following committees to aid it in the optimal performance of its roles and responsibilities:</p> <ul style="list-style-type: none"> a. Executive Committee; b. Finance Committee; c. Audit and Risk Management Committee, and; d. Governance, Nomination and Compensation Committee <p>Please see page 13, number 3, of the New Manual: click to open</p>	
Recommendation 3.2			
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>The Board established the ARMC, and approved its Charter during its Board meeting held on 14 May 2018, which shall oversee the Company's financial reporting procedure, system of internal control, audit process, and compliance with applicable laws, rules and regulations.</p> <p>Please see the ARMC Charter: click to open</p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-compliant	<p>In accordance with its Charter, the ARMC shall be composed of three (3) Non-Executive Directors, majority of whom including the Chairman is independent.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	Pending compliance. The members of the ARMC will be appointed during the Organizational Meeting of the Board in July 2018, which shall have, at least, three (3) Independent Directors.
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Non-compliant		
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>The Charter of the ARMC requires that its Chairman is not a Chairman of any other committee.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	

Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>There were no non-audit services conducted by the external auditor in 2017.</p> <p>One of the ARMC's responsibilities is to approve all non-audit services conducted by the external auditor.</p> <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p>The 2017 Audit Committee conducted, and the ARMC shall conduct regular meetings and dialogues with the external audit team. For matters requiring the exclusion of people from the Management team, they are asked to step out.</p> <p>The ARMC shall meet, at least, four (4) times each year without anyone from Management present.</p> <p>Please see the Committee Policies and Procedures in the ARMC Charter: click to open</p>	
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	Compliant	The 2017 Audit Committee met four (4) times in 2017. Every 17-Q or 17-A is approved during the Audit Committee meetings.	
2. Audit Committee approves the appointment and removal of the internal auditor.			
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>The Board established a GNCC tasked to assist the Board in the performance of its corporate governance responsibilities. The Board approved the GNCC Charter during its meeting held on 14 May 2018.</p> <p>Please see the GNCC Charter: click to open</p>	

2. Corporate Governance Committee is composed of at least three members, all of whom should be independent	Non-compliant	<p>The GNCC Charter requires that it shall be composed of at least three (3) Directors, all of whom should be independent.</p> <p>Please see the Committee Composition in the GNCC Charter: click to open</p>	Pending compliance. The members of the GNCC will be appointed during the Organizational Meeting of the Board in July 2018, which shall be composed of at least three (3) Directors, all of whom should be independent.
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>The GNCC Charter requires that its Chairman is an Independent Director.</p> <p>Please see the Committee Composition in the GNCC Charter: click to open</p> <p>The Chairman of the 2017 Corporate Governance Committee is former Chief Justice Hilario G. Davide, Jr.</p>	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	<p>In accordance with its Charter, the GNCC shall meet four (4) times each year.</p> <p>Please see the Committee Policies and Procedures in the GNCC Charter: click to open</p>	
Recommendation 3.4			
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>The functions of the BROC shall be performed by the ARMC.</p> <p>Please see page 2, number 15, of the ARMC Charter: click to open</p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	<p>The composition of the BROC, through the ARMC, shall be composed of at least three (3) non-executive Directors, majority of whom are independent, including its Chairman.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	

<p>3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.</p>	<p>Compliant</p>	<p>The Chairman of the ARMC shall not be a Chairman of any other committee.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	
<p>4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>Compliant</p>	<p>At least one (1) member of the ARMC shall have the relevant thorough knowledge and experience on risk and risk management, as stated in its Charter.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<p>Compliant</p>	<p>The ARMC shall perform the functions of the RPT committee, as stated in its Charter.</p> <p>Please see page 3, letter B, of the ARMC Charter: click to open</p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>Non-compliant</p>	<p>The ARMC, pursuant to its Charter, shall be composed of at least three (3) Non-Executive Directors, majority of whom, including the Chairman, shall be independent.</p> <p>Please see the Committee Composition in the ARMC Charter: click to open</p>	<p>Pending compliance. The members of the ARMC will be appointed during the Organizational Meeting of the Board in July 2018, which shall have, at least, three (3) Independent Directors.</p>

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 Charters of the Company's established Board Committees are found as Annexes of the New Manual. Please see New Manual: click to open The Executive Committee Charter: click to open	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	The Finance Committee Charter: click to open The ARMC Charter: click to open	
3. Committee Charters were fully disclosed on the company's website	Compliant	The GNCC Charter: click to open	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1																																			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>The attendance of the member of the Board during the meetings held in 2017, is as follows:</p> <table border="1"> <thead> <tr> <th>Board</th> <th>Name</th> <th>Date of Election</th> <th>No. of Meetings Attended/ No. of Meetings Held = %</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Edgar B. Saavedra</td> <td>9/18/17</td> <td>6/6 = 100%</td> </tr> <tr> <td>Member</td> <td>Michael C. Cosiquien</td> <td>9/18/17</td> <td>4/6 = 66.67%</td> </tr> <tr> <td>Member</td> <td>Oliver Y. Tan</td> <td>9/18/17</td> <td>6/6 = 100%</td> </tr> <tr> <td>Member</td> <td>Manuel Louie B. Ferrer</td> <td>9/18/17</td> <td>3/3 = 100%</td> </tr> <tr> <td>Member</td> <td>Florentino A. Tuason Jr. (resigned as of 1/19/18)</td> <td>9/18/17</td> <td>6/6 = 100%</td> </tr> <tr> <td>Independent</td> <td>Hilario G. Davide, Jr.</td> <td>9/18/17</td> <td>6/6 = 100%</td> </tr> <tr> <td>Independent</td> <td>Leonilo G. Coronel</td> <td>9/18/17</td> <td>6/6 = 100%</td> </tr> </tbody> </table> <p>The New Manual provides that the Directors shall attend and actively participate in all meetings of the Board, committees, and shareholders in person or through tele-/video conferencing in accordance with the rules and regulations of the SEC.</p> <p>Please see page 14, number 4, letter a., of the New Manual: click to open</p>	Board	Name	Date of Election	No. of Meetings Attended/ No. of Meetings Held = %	Chairman	Edgar B. Saavedra	9/18/17	6/6 = 100%	Member	Michael C. Cosiquien	9/18/17	4/6 = 66.67%	Member	Oliver Y. Tan	9/18/17	6/6 = 100%	Member	Manuel Louie B. Ferrer	9/18/17	3/3 = 100%	Member	Florentino A. Tuason Jr. (resigned as of 1/19/18)	9/18/17	6/6 = 100%	Independent	Hilario G. Davide, Jr.	9/18/17	6/6 = 100%	Independent	Leonilo G. Coronel	9/18/17	6/6 = 100%	
Board	Name	Date of Election	No. of Meetings Attended/ No. of Meetings Held = %																																
Chairman	Edgar B. Saavedra	9/18/17	6/6 = 100%																																
Member	Michael C. Cosiquien	9/18/17	4/6 = 66.67%																																
Member	Oliver Y. Tan	9/18/17	6/6 = 100%																																
Member	Manuel Louie B. Ferrer	9/18/17	3/3 = 100%																																
Member	Florentino A. Tuason Jr. (resigned as of 1/19/18)	9/18/17	6/6 = 100%																																
Independent	Hilario G. Davide, Jr.	9/18/17	6/6 = 100%																																
Independent	Leonilo G. Coronel	9/18/17	6/6 = 100%																																

2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p>The New Manual requires that in Board and committee meetings, the Director shall review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.</p> <p>Please see page 14, number 4, letter a., of the New Manual: click to open</p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>Questions, comments and requests for clarification of the Directors during the Board and Committee meetings are duly noted and addressed by the relevant resource persons.</p>	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>The directorships of Megawide's Directors in both listed and non-listed companies are disclosed in Megawide's Annual Report and DIS.</p> <p>Please see the table on page 59 of the Annual Report: click to open</p> <p>Please see the table on page 8 of the DIS: click to open</p> <p>The New Manual states that the non-executive Directors of the Board shall concurrently serve as a Director to a maximum of five (5) publicly listed companies.</p> <p>Please see page 14 number 4 letter b of the New Manual: click to open</p>	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>The New Manual requires Directors to notify the Board before accepting a directorship in another company.</p> <p>Please see page 14, number 4, letter c., of the New Manual: click to open</p>	
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.	Compliant		
3. Board of directors meet at least six times during the year.	Compliant	There were six (6) board meetings held in 2017. Please see page 15 of the PIS: click to open	
4. Company requires as minimum quorum of at least 2/3 for board decisions.			The Board follows the minimum quorum as indicated in the Corporation Code of the Philippines.

Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Non-compliant	The Results of the Annual Stockholders' Meeting held on 18 September 2017 ("ASM"), as posted on the PSE EDGE shows the election of two (2) Independent Directors of Megawide. Please see the Minutes of the ASM: click to open	Despite having only two (2) Independent Directors, the Board ensures the exercise of independent judgment on corporate affairs and proper oversight of managerial performance. The Board has adopted in its New Manual that it shall have at least three (3) Independent Directors or such number as to constitute (one third) 1/3 of the Board, whichever is higher. Please see page 8, letter b., of the New Manual: click to open As such, the Board will be electing a new Independent Director during the next Annual Stockholders' Meeting.
--	---------------	---	--

Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	The Certificate of Independent Directors attached to the DIS shows the qualifications of the Independent Directors. Please see the DIS: click to open	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	It is a Company policy that the Board shall endeavor to exercise objective and independent judgment on all corporate affairs. Please see Principle 5 on page 4 of the New Manual: click to open	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	The Certificate of Independent Directors attached to the DIS shows the number of years served by the Independent Directors. Please see the DIS: click to open The New Manual requires that an Independent Director shall serve for a maximum cumulative term of nine (9) years. Please see page 16, letter c., of the New Manual: click to open	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	The New Manual perpetually bars from re-election an Independent Director who has served for nine (9) years. Please see page 16, letter c., of the New Manual: click to open	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	Although this scenario has yet to happen, Megawide undertakes to provide meritorious justification and to secure shareholders' approval during the Annual Shareholders' Meeting. This is embodied in page 16, letter c., of the New Manual: click to open	

Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Non-compliant	The Chairman of the Board of Directors and the Chief Executive Officer ("CEO") is Mr. Edgar B. Saavedra.	<p>Pending compliance. Given that the positions of Chairman and CEO are held by the same person, the Board shall designate a "Lead Director" among its Independent Directors during the next Organizational Meeting in order to foster an appropriate balance of power, increased accountability, and better capacity for independent decision making by the Board.</p> <p>Please see page 16, letter d., of the New Manual: click to open</p>
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>The New Manual sets apart the responsibilities of the Chairman of the Board and the CEO.</p> <p>Please see page 16 of the New Manual: click to open</p>	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-compliant	<p>The Chairman of the Board is an Executive Director.</p> <p>This may be viewed in the results of the Organizational Meeting disclosed in the PSE EDGE portal.</p> <p>Please see the Minutes of the Organizational Meeting: click to open</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>No case yet.</p> <p>The New Manual states that any Director with a material interest affecting Megawide shall abstain from taking part in the deliberations pertaining to such transactions to ensure that he has no influence over its outcome.</p> <p>Please see page 17, letter e., of the New Manual: click to open</p>	

Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	As stated in the New Manual, the Non-Executive Directors of the Company shall have separate periodic meetings with the external auditor and Heads of the Internal Audit, as part of their compliance and risk functions, without any Executive Directors present to ensure that proper checks and balances are in place within the Company. If a Lead Director is appointed, such periodic meetings shall be chaired by him.	
2. The meetings are chaired by the lead independent director.	Compliant		Please see page 17, letter f., of the New Manual: click to open
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	
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	The GNCC Charter provides that it will assess the performance of the Board by accomplishing the Company's Annual Corporate Governance Self-Evaluation Report. Please see the GNCC Charter: click to open	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		

<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p>Compliant</p>	<p>The New Manual states that the Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, all the Directors and the Board committees. If the need arises, every three (3) years, such assessment will be supported by an external facilitator.</p> <p>Please see page 17, number 6, letter a., of the New Manual: click to open</p>	<p>Pending compliance. Commencing this year, Megawide will submit the self-assessments to an external facilitator, which will be identified.</p>
<p>Recommendation 6.2</p>			
<p>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.</p>	<p>Compliant</p>	<p>The By-Laws, the New Manual, and the GNCC Charter provide for the criteria and process in determining the performances of the Board, individual Directors and committees. Additionally, the shareholders of Megawide may easily reach the Company through:</p> <p>corpaffairs@megawide.com.ph.</p>	
<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>Megawide may also be reached at its trunkline (02) 655-1111.</p>	
<p>Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.</p>			
<p>Recommendation 7.1</p>			
<p>1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.</p>	<p>Compliant</p>	<p>Megawide is guided by the highest ethical standards of honesty, integrity, and accountability in the conduct of its business. Its Code of Business Conduct and Ethics serves as a statement of the Company's ethical beliefs, values, and commitment, and a moral guide to its day-to-day activities and to all Directors, officers, employees, interns, agents, consultants, sub-contractors, and other persons associated with or representing the Company.</p> <p>The Board has adopted a Code of Business Conduct and Ethics on 14 May 2018.</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p>	

2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>Megawide regularly conducts orientation seminars for the Board of Directors, senior Management and employees through various meetings.</p> <p>Additionally, an adequate number of printed copies of the Code of Business Conduct and Ethics will be reproduced under the supervision of Human Resources Department, with a minimum of at least one (1) hard copy per department.</p>	
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Code of Business Conduct and Ethics may be accessed through the following link: click to open	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>Part IV of the Code of Business Conduct and Ethics provides for the policies in relation to briberies.</p> <p>Failure to comply with laws and policies on bribery will not only lead to grave consequences such as termination of employment and/or severance of the business relations, but will also entail civil and/or criminal penalties.</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	The Directors, Management, employees, including subcontractors, work together to ensure prompt and consistent action against violations of the Code of Business Conduct and Ethics.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>Megawide encourages everyone to report all infractions or violations of the Code directly to the Chief Human Resources Officer or the Chief Legal Officer.</p> <p>The procedure by which the Board implements and monitors compliance with the Code of Business Conduct and Ethics and with the Company's internal policies are found in Part VIII of the Code of Conduct and Business and Ethics.</p> <p>Please see Part VIII of the Code of Business Conduct and Ethics: click to open</p>	

Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p>Compliant</p>	<p>Company disclosures are made available on Megawide's website, www.megawide.com.ph.</p> <p>Under the New Manual, the Board has established corporate disclosure policies and procedures that shall ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders.</p> <p>Please see page 18, number 8, letter a., of the New Manual: click to open</p>	
---	------------------	---	--

Supplement to Recommendations 8.1

<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p>Megawide complies with the deadlines prescribed by the PSE and the SEC.</p>	
---	------------------	--	--

<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p>Compliant</p>	<p>1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders;</p> <ul style="list-style-type: none"> - Based on the ERM report of Megawide, the risk to minority shareholders is in relation to their right to be represented in the Board. However, the shareholder has the right to cumulate his votes in order to assure proper representation in the Board. In terms of approval or corporate actions, the Company has two (2) Independent Directors and it complies with the requirements of the Company's Code of Business Conduct and Ethics, Securities Regulation Code, and New Manual on Corporate Governance in ensuring and protecting the rights of stockholders. <p>Please see the ERM report: click to open</p> <p>2. cross-holdings among company affiliates;</p> <ul style="list-style-type: none"> - Shareholdings of Megawide are disclosed in the Public Ownership Report. Similarly, cross-holdings among affiliates are outlined in the Annual Report. <p>3. any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p> <ul style="list-style-type: none"> - This also disclosed under the Annual Report. <p>Please see Annual Report: click to open</p>	
Recommendation 8.2			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Megawide timely discloses with the PSE and the SEC the following reports:</p> <ol style="list-style-type: none"> 1) Quarterly Public Ownership Reports; and, 2) Statement of Beneficial Ownership (Forms 23-A and 23-B). 	
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Public Ownership Reports are accessible at the PSE EDGE portal and on Megawide's website.</p> <p>Please see the Public Ownership Report: click to open</p> <p>The New Manual also requires Directors and officers to disclose or report to Megawide any of their dealings in its shares within three (3) business days.</p> <p>Please see page 18, letter b., of the New Manual: click to open</p>	

Supplement to Recommendation 8.2			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	Compliant	<p>The Public Ownership Report as of March 31, 2018 shows the shareholdings of directors and Management of Megawide.</p> <p>Please see the Public Ownership Report: click to open</p> <p>The list of the top 100 shareholders of Megawide is disclosed monthly with the PSE. It is accessible at the PSE EDGE portal and Megawide's website:</p> <p>Please see the list of top 100 shareholders: click to open</p>	
Recommendation 8.3			
<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	Compliant	<p>The Annual Report, the DIS and the website provide for the material information, including experience and qualifications of the individual Directors.</p> <p>Please see the Annual Report: click to open</p> <p>Please see the DIS: click to open</p> <p>Please see the Megawide website: click to open</p>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	Compliant	<p>The Annual Report and the DIS provide for the material information including experience and qualifications of the key executives.</p> <p>Please see the Annual Report: click to open</p> <p>Please see the DIS: click to open</p> <p>Please see the Megawide website: click to open</p>	
Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	Compliant	<p>The ACGR discloses the policies and procedures for setting Board remuneration, including the level and mix of the same.</p> <p>Please see page 24 of the ACGR: click to open</p>	

<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>The ACGR discloses the policies and procedures for setting executive remuneration, including the level and mix of the same.</p> <p>Please see page 24 of the ACGR: click to open</p> <p>The New Manual requires that the Company provide a clear disclosure of its policies and procedures for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report. The Company may also disclose the remuneration on an individual basis, including termination and retirement.</p> <p>Please see page 18, number 8, letter d., of the New Manual: click to open</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>The Board remuneration and executive compensation are provided for in the Annual Report and the DIS.</p> <p>Please see page 62 of the Annual Report: click to open</p> <p>Please see page 12 of the DIS: click to open</p>	
Recommendation 8.5			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>Currently, there are no related-party transaction issues within Megawide.</p> <p>As stated in the RPT Policy, RPTs that are required to be disclosed and reported in the Company's filings with the SEC shall be disclosed in accordance with laws, rules, regulations, and the Philippine Financial Reporting & Accounting Standards. Megawide shall comply with Philippine Accounting Standards 24's required disclosures of relationships between the Company and its subsidiaries irrespective of whether there have been transactions between them, transactions and outstanding balances, including commitments, in the consolidated and separate individual financial statements. It shall disclose the name of its parent, the ultimate controlling party and/or the most senior parent (defined as the first parent above the immediate parent) that produces consolidated financial statements available for public use.</p> <p>All RPTs shall be disclosed to the ARMC and any material RPT shall be disclosed to the Board.</p> <p>Please see the RPT Policy: click to open</p>	

<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p>In the conduct of audit of Megawide, the following are considered related parties: parent company, joint ventures, subsidiaries, entities under common control, substantial stockholders, officers including spouse/ children/ siblings/ parents, Directors including spouse/ children/ siblings/ parents, and interlocking director relationship of Board of Directors.</p> <p>Currently, among Megawide's non-public shareholders are:</p> <ol style="list-style-type: none"> 1) Citicore Holdings Investment, Inc. ("CHI"); and 2) Megacore Holdings, Inc. ("MHI"). <p>CHI currently owns 33.34% of Megawide, while MHI owns 28.88%. Among the majority shareholders of CHI are Edgar B. Saavedra and Michael C. Cosiquien. Oliver Y. Tan is also a shareholder and director of CHI. MHI, on the other hand, is primarily owned by Edgar B. Saavedra, where he is president and chairman of the board of directors.</p> <p>The Company's RPTs are enumerated in Megawide's PIS and Annual Report.</p> <p>Please see page 66 of the Annual Report: click to open</p> <p>Please see page 11, number 4, of the PIS: click to open</p>	
---	------------------	--	--

Supplement to Recommendation 8.5

<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>Compliant</p>	<p>The Board discusses and resolves issues on major transactions of the Company. This ensures that independent views from all Directors are obtained.</p> <p>The Company complies with the requirements of Section 32 of the Corporation Code on "Dealings of directors, trustees or officers with the corporation."</p> <p>Directors who are aware of an actual or potential conflict of interest must immediately bring such matter to the attention of the Chief Human Resources Officer or the Chief Legal Officer of the Company.</p> <p>Please see Code of Business Conduct and Ethics: click to open</p>	
--	------------------	---	--

Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>The New Manual requires the Board to formulate and implement policies and procedures that would ensure the integrity and transparency of RPTs between and among the Company and its parent company, joint ventures, subsidiaries, associates, affiliates, shareholders, officers, and Directors, including their spouses, children, dependent sibling and parents, and of interlocking director relationships by members of the Board.</p> <p>Please see page 12, letter m., of the New Manual: click to open</p> <p>Moreover, the RPT Policy requires the Board and the ARMC to consider whether such transactions are fair and at arm's length.</p> <p>Please see the RPT Policy: click to open</p>	
Recommendation 8.6			
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>Megawide promptly makes disclosure of any material fact or event relative to the acquisition or disposal of significant assets. Material transactions are disclosed through the PSE EDGE.</p> <p>Following is a link to Megawide's disclosures: click to open</p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>There has been no significant disposal of assets affecting the viability of the shareholders and other stakeholders.</p>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	<p>Material transactions are promptly disclosed to the PSE and may be accessed at:</p> <p>Megawide's disclosures to the PSE may be accessed through: click to open</p>	

Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	The New Manual contains Megawide's corporate governance policies, programs and procedures. It was submitted to the SEC and the PSE on May 28, 2018.	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	The New Manual is available in the following link: click to open	
3. Company's MCG is posted on its company website.	Compliant		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	On 14 May 2018, pursuant to SEC Memorandum Circular No. 19, the Board approved and adopted the New Manual. The same was submitted to the SEC and to the PSE on May 28, 2018. Please see New Manual: click to open	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:	Compliant	The Annual Report was timely disclosed on 11 April 2018 through the PSE EDGE, and contains information on corporate objectives, financial performance indicators, non-financial performance indicators, dividend policy, biographical details of all Directors, attendance details of each Director, and total remuneration of each Director. The Annual Report may be accessed at the PSE website through: click to open The Annual Report is also posted on Megawide's website through: click to open	
a. Corporate Objectives	Compliant		
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		
g. Total remuneration of each member of the board of directors	Compliant		

<p>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.</p>	<p>Compliant</p>	<p>The Annual Report provides that, "The Company endeavors to comply with the code of corporate governance. Any non-compliance will be identified and explained in the Annual Corporate Governance Report."</p> <p>Please see page 67 of the Annual Report: click to open</p>	
<p>3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p>	<p>Compliant</p>	<p>The ACGR discusses Megawide's material controls and the risk management system.</p> <p>For the material controls, please see page 35 of the ACGR: click to open</p> <p>For the risk management system, please see page 31 of the ACGR: click to open</p> <p>Further, the ACGR explains that the ARMC is responsible for reviewing the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is communicated to the ARMC by the Head of Internal Audit. In its review, the Head of Internal Audit shall consider the work of the Internal Audit Department, senior managers within the Company who have the responsibility for the development and maintenance of the internal control framework, and the comments made by the external auditor in their management letters and audit reports.</p> <p>Please see page 37 of the ACGR: click to open</p> <p>Additionally, the ARMC, under its Charter, shall review Megawide's material controls and risk management systems.</p> <p>Please see the ARMC Charter: click to open</p>	
<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.</p>	<p>Compliant</p>	<p>The Directors, in the ACGR, declared that they have reviewed the effectiveness of the Company's risk management system. They found that the measures currently in place have proven to be effective and adequate. However, Megawide, together with the ARMC, plans to institutionalize and formalize the risk management system.</p> <p>Please see page 31 of the ACGR: click to open</p>	

<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).</p>	<p>Compliant</p>	<p>The ACGR and the Annual Report discusses extensively the key risks encountered by Megawide.</p> <p>Please see page 27 of the Annual Report: click to open</p> <p>Please see page 32 of the ACGR: click to open</p>	
<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>Compliant</p>	<p>In the Annual Report, it states that the ARMC is required to pre-approve all audit and non-audit services rendered by and approve the engagement fees and other compensation to be paid to the independent accountant. When deciding whether to approve these items, Megawide's ARMC takes into account whether the provision of any non-audit service is compatible with the independence standards under the guidelines of the SEC. To assist in this undertaking, the ARMC actively engages in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact their objectivity and independence and, if appropriate, recommends that the Board take appropriate action to ensure their independence.</p> <p>Please see page 58 of the Annual Report: click to open</p> <p>The ARMC Charter provides that the committee shall approve the appointment, reappointment, removal, and fees of the external auditor.</p> <p>Please see the ARMC Charter: click to open</p>	
<p>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.</p>	<p>Compliant</p>	<p>Stockholders representing 100% of the 1,606,837,135 shares represented during the ASM in 2017 unanimously voted in favor of the appointment of Punongbayan & Araullo as external auditor.</p> <p>Please see Minutes of the ASM: click to open</p>	

<p>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.</p>	Compliant	<p>Megawide has never removed nor replaced its external auditor.</p> <p>Please see page 58 of the Annual Report: click to open</p>	
Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	Compliant	<p>The Annual Report and the DIS provide that the Company has a policy of rotating the lead audit partner every five (5) years.</p> <p>The Annual Report states that pursuant to SRC Rule 68, Paragraph 3 (b) (iv) and (ix) (Rotation of External Auditors) which states that the signing partner shall be rotated after every five (5) years of engagement with a two-year (2-year) cooling off period for the re-engagement of the same signing partner, the Company engaged Ms. Mailene Sigue-Bisnar of Punongbayan & Araullo for the examination of the Company's financial statements for 2016 to 2017. Previously, the Company engaged Mr. Leonardo D. Cuaresma, Jr. of Punongbayan & Araullo for the examination of the Company's financial statements from 2014 to 2015.</p> <p>Please see Annual Report: click to open</p> <p>The ARMC Charter also states that it shall review the external auditor's suitability and effectiveness on an annual basis and shall implement a policy of rotating the external auditor's lead audit partner every five (5) years.</p> <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	Compliant	<p>The ARMC's Charter includes the following responsibilities:</p> <ul style="list-style-type: none"> a. assessing the integrity and independence of external auditors; b. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and, c. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	

<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	<p>Compliant</p>	<p>In accordance with its Charter, the ARMC shall be responsible for reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p> <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	
Supplement to Recommendations 9.2			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.</p>	<p>Compliant</p>	<p>The ARMC shall ensure that the external auditor is credible, competent and has the ability to understand complex RPTs, its counterparties, and valuations of such transactions, pursuant to its Charter.</p> <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	<p>Compliant</p>	<p>The ARMC shall ensure that the external auditor has adequate quality control procedures, as stated in its Charter.</p> <p>Please see the Roles and Responsibilities in the ARMC Charter: click to open</p>	
Recommendation 9.3			
<p>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.</p>	<p>Compliant</p>	<p>As of December 31, 2017, the external auditor did not perform any non-audit services.</p> <p>The New Manual states that the Company shall disclose the nature of non-audit work or services performed by the external auditor in the Annual Report.</p> <p>Please see page 19, number 9, letter c., of the New Manual: click to open</p>	

<p>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.</p>	<p>Compliant</p>	<p>In accordance with the Annual Report, the ARMC shall pre-approve all non-audit services and approve the engagement fees. It shall take into account whether the provision of any non-audit service is compatible with the independence standards of the SEC.</p> <p>Please see page 58 of the Annual Report: click to open</p> <p>The New Manual mandates the ARMC to be alert for any potential conflict of interest situations which could be viewed as impairing the external auditor's objectivity.</p> <p>Please see page 19, number 9, letter c., of the New Manual: click to open</p>	
<p>Supplement to Recommendation 9.3</p>			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	<p>Compliant</p>	<p>Considering that the external auditor did not perform non-audit services as of December 31, 2017, no fees were paid for the same.</p>	
<p>Additional Recommendation to Principle 9</p>			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	<p>Compliant</p>	<p>Punongbayan & Araullo is SEC Group A accredited</p> <ol style="list-style-type: none"> 1. Name of the audit engagement partner: MAILENE SIGUE-BISNAR 2. Accreditation number: No. 0396-AR-3 3. Expiry date of accreditation: October 15, 2018. 4. Name, address, contact number of the audit firm: <p>Punongbayan & Araullo 19th & 20th Floor, Tower 1, The Enterprise Center, 6766 Ayala Ave, Makati, 1200 Kalakhang Maynila Tel no. (02) 998-2288</p>	
<p>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).</p>	<p>Compliant</p>	<p>As of May 30, 2018, Punongbayan & Araullo has not undergone SOAR inspection by the SEC. However, it has been notified that it will be subject SOAR inspection this 2018 and it intends to cooperate and comply with the same.</p>	

Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	Megawide has a policy on timely disclosure, confidentiality and insider trading, which is discussed in its Trading Policy, which the Board adopted and approved during its meeting held last May 14, 2018. Please see the Trading Policy: click to open	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	The New Manual explains that the Board shall have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance issues of its business, which underpin sustainability. Megawide shall adopt a globally recognized standard/framework in reporting sustainability and non-financial issues. Please see page 19, number 10, of the New Manual: click to open	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	Megawide regularly conducts quarterly analysts' and investors' briefings. Notice of these briefings are promptly disclosed to the PSE.	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	Compliant	The Company has a website disclosing up-to-date information. The website can be accessed through the following link: click to open	

a. Financial statements/reports (latest quarterly)	Compliant	The Financial Statements/reports are found in: click to open	
b. Materials provided in briefings to analysts and media	Compliant	The materials provided to analysts and media can be found in the link below: click to open	Materials are provided during the briefings themselves.
c. Downloadable annual report	Compliant	The Annual Report can be downloaded through this link: click to open	
d. Notice of ASM and/or SSM	Compliant	The Notice of ASM/ Special Stockholders Meeting ("SSM") are found in: click to open	
e. Minutes of ASM and/or SSM	Compliant	The Minutes of ASM / SSM are found in: click to open	
f. Company's Articles of Incorporation and By-Laws	Compliant	The Articles of Incorporation may be accessed through: click to open The By-Laws are available in: click to open	

Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	Compliant	The Company complies with the SEC-prescribed website template. It contains information regarding the Company's Board, corporate governance, investor relations, and corporate disclosures. The website can be accessed through the following link: click to open	
---	-----------	---	--

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	<p>Megawide applies the Committee of Sponsoring Organizations ("COSO") framework in understanding its internal control system and provides the following key concepts:</p> <ul style="list-style-type: none"> Internal control is a process, rather than a structure. It is continuing series of activities, planned, implemented and monitored by the board of directors and management at all levels within an organization. Internal control provides reasonable assurance, not absolute assurance, with regard to achievement of the organization's objectives. The objectives of internal control relate to assurance not only about reliable financial reporting and compliance, but also with regard to its effectiveness and efficiency of operations. <p>Every quarter the Internal Audit Group reports to the ARMC the summary of results of audit engagements.</p> <p>Please see the Internal Audit Group Report for 2017: click to open</p> <p>The foregoing are provided in page 36 of the ACGR: click to open</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>The ACGR states that the Directors have reviewed the effectiveness of its risk management system and that they have proven to be effective and adequate.</p> <p>Please see page 31 of the ACGR: click to open</p> <p>Based on the Enterprise Risk Management report of Megawide:</p> <p>The Board of Directors have adopted an Enterprise Risk Management (ERM) Policy Statement wherein the company shall: (i) establish a culture of disclosing, evaluating and managing risks, from the Board of Directors and throughout the organization towards achieving its goals and objectives; (ii) protect and preserve its employees' and clients' safety and welfare, the value and condition of its properties and assets and its local and global reputation; and (iii) align its risk appetite with its long-term strategic objectives.</p> <p>The measures currently in place have proven to be effective and adequate. However, the company plans to institutionalize and formalize the risk management system.</p> <p>This may be accessed at: click to open</p>	

Supplement to Recommendations 12.1			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	Compliant	<p>The Code of Business Conduct and Ethics provides guidance on the mandatory compliance with laws and relevant regulations.</p> <p>The Code of Business Conduct and Ethics serves as a statement of the Company's ethical beliefs, values, and commitment, as well as a moral guide to the day-to-day business/professional activities and endeavors of all Directors, officers, employees, interns, agents, consultants, sub-contractors, and other persons associated with or representing Megawide.</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p>	
Optional: Recommendation 12.1			
<p>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.</p>			
Recommendation 12.2			
<p>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.</p>	Compliant	<p>Megawide has in place an independent Internal Audit Department on its projects and business units.</p> <p>A system of internal control refers to the process by which organizations maintain environments that encourage incorruptibility and deter fraudulent activities by Management and employees. Internal controls encompasses a set of rules, policies and procedures Megawide implements to provide reasonable assurance that:</p> <ul style="list-style-type: none"> Its financial reports are reliable; its operations are effective and efficient; and, Its activities comply with applicable laws and regulations. <p>Megawide applies the COSO framework in understandings its internal control system and provides the following key concepts:</p> <ul style="list-style-type: none"> Internal control is a process, rather than a structure. It is continuing series of activities, planned, implemented and monitored by the board of directors and management at all levels within an organization; Internal control provides reasonable assurance, not absolute assurance, with regard to achievement of the organization's objectives; The objectives of internal control relate to assurance not only about reliable financial reporting and compliance, but also with regard to its effectiveness and efficiency of operations; and, Internal control is also concerned with the achievement of performance objectives, such as profitability. <i>(continued to next column)</i> 	<p>Warnings should also be given regarding over-reliance on any system, noting in particular the following:</p> <ul style="list-style-type: none"> A good internal control system cannot turn a poor manager into a good one; The system can only provide reasonable assurance regarding the achievement of objectives – all internal control systems are at risk from mistakes and errors; Internal control systems can be bypassed by collusion and management override, and; Controls are only designed to cope with routine transactions and events. <p>There are resource constraints in provision of internal control systems, limiting their effectiveness.</p> <p>In other words, it is good corporate governance to establish the system in order to minimize risks, but those risks can never be entirely eliminated.</p> <p>Please see page 36 of the ACGR: click to open</p>

Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	The Board has appointed Mia Cortez as the Group Internal Audit and Risk Management Officer (GIARMO). She has 14 years of experience in audit and finance. She worked as senior manager of Punongbayan & Araullo and handled audit of various listed and multinational companies from various industries which includes construction and real estate. In 2009, she worked in Grant Thornton, New York, an affiliate of P&A as part of P&A's training program.	
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	Pursuant to the New Manual, the CAE shall oversee and be responsible for the internal audit activity of the Company, including that portion that is outsourced to a third party service provider. Please see page 20, letter c., of the New Manual: click to open	
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	Megawide has its own Internal Audit Department. Please see the Internal Audit Charter: click to open	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The ARMC is tasked to identify, assess and monitor key risk exposures, in accordance with its Charter. Please see the ERM portion of the ARMC Charter: click to open	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	This is not necessary at the moment, however, Megawide will seek technical support in risk management, if needed.	

Recommendation 12.5

<p>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).</p>	<p>Non-compliant</p>	<p>The New Manual already provides for the responsibilities and functions of a CRO, as follows:</p> <ol style="list-style-type: none">1) Supervise the entire ERM process and spearhead the development, implementation, maintenance, and continuous improvement of the ERM process and documentation;2) Communicates the top risks and the status of implementation of risk management strategies and action plans to the ARMC;3) Collaborates with the CEO in updating and making recommendations to the ARMC;4) Suggests ERM policies and related guidance, as may be needed; and,5) Provides insights on the followings:<ol style="list-style-type: none">a. Risk management processes are performing as intended;b. Risk measures reported are continuously reviewed by risk owners for effectiveness; andc. Established risk policies and procedures are being complied with. <p>Please see page 21, letter e., of the New Manual: click to open</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>Non-compliant</p>	<p>The New Manual requires that the CRO shall be an expert on ERM and shall have adequate authority, stature, resources and support to fulfill his responsibilities.</p> <p>Please see page 21, letter e., of the New Manual: click to open</p> <p>Additionally, the Board has drafted a more comprehensive Risk Charter and Manual which shall oversee and approve the Company-wide risk management practices.</p>	

Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.		<p>The CEO, including other members of the Board have stated in the ACGR that:</p> <p>The Directors have reviewed the effectiveness of the Company's risk management system.</p> <p>The measures currently in place have proven to be effective and adequate. However, the Company, together with the Audit and Risk Management Committee, plans to institutionalize and formalize the risk management system.</p> <p>Please see page 31 of the ACGR: click to open</p>	

Cultivating a Synergic Relationship with Shareholders

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p>The New Manual lists the basic rights of shareholders.</p> <p>Please see page 22, number 13, letter a., of the New Manual: click to open</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>Basic shareholders' rights are disclosed in Megawide's website and may be found in the link below:</p> <p>click to open</p>	

Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	<p>Megawide has two kinds of shares: 1) Common shares with voting rights; and 2) Non-preferred shares with non-voting rights. Both kinds are listed with the PSE.</p> <p>The Board has adopted an effective, secure and efficient voting system. The voting procedure is:</p> <p>a. The vote required for approval or election</p> <p>The vote required for the election of Directors and all questions (except in cases otherwise provided by the Company) is the vote of at least a majority of the outstanding capital stock.</p> <p>b. The method by which votes will be counted</p> <p>Article II, Section 17 of the By-laws provides that at all meetings of stockholders, a stockholder may vote in person or by proxy. Section 24 of the Corporation Code of the Philippines provides that in stock corporations, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing, at the time fixed in the By-laws, in his own name on the stock books of the Company, or where the By-laws are silent, at the time of the election.</p> <p>Each stockholder shall have one (1) vote for each share of stock entitled to vote and recorded in his name in the books of Megawide.</p> <p>The external auditor will assist in the counting of votes.</p> <p>The voting system is discussed in page 14 of the DIS: click to open</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant		
3. Board has an effective, secure, and efficient voting system.	Compliant		
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.	Non-compliant		<p>However, in case of dissent, the shareholder may exercise his right of appraisal which is available under the New Manual.</p> <p>Please see page 23, item vi, of the New Manual: click to open</p>

<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.</p>	<p>Compliant</p>	<p>The New Manual states that minority shareholders shall be granted the right to propose the holding of a meeting, and right to propose items in the agenda of the meeting, provided the items are for legitimate business purpose.</p> <p>Please see page 23 of the New Manual: click to open</p>	
<p>6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.</p>	<p>Compliant</p>	<p>The treatment of minority stockholders is outlined in the ACGR.</p> <p>Please see page 50 of the ACGR: click to open</p> <p>The Board has also adopted corporate governance policies in the New Manual to protect the rights of minority stakeholders.</p> <p>Please see pages 22 to 23 of the New Manual: click to open</p>	
<p>7. Company has a transparent and specific dividend policy.</p>	<p>Compliant</p>	<p>The list of dividends declared by Megawide may be found in the DIS.</p> <p>Please see the DIS: click to open</p> <p>An updated list is found in the PIS.</p> <p>Please see the PIS: click to open</p> <p>The Annual Report states that on June 26, 2013, the Board adopted a dividend policy of declaring annual cash dividends equivalent to 20% of the prior year income, subject to contractual obligations.</p> <p>Please see page 41 of the Annual Report: click to open</p> <p>The New Manual also explains that shareholders shall have the right to receive dividends subject to the discretion of the Board. Megawide shall be compelled to declare dividends when its retained earnings shall be in excess of one hundred percent (100%) of its paid-in capital stock, except: (a) when justified by definite corporate expansion projects or programs approved by the Board; or (b) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not yet been secured; or (c) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for special reserve for probable contingencies.</p> <p>Please see page 23, item v, of the New Manual: click to open</p>	

Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	Punongbayan & Araullo assisted in the counting and validation of the votes at the ASM for 2017.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.		The Notice of ASM was disclosed with the PSE one hundred eight (108) days before the Meeting. Please see the DIS which contains the Notice: click to open	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		The DIS, which includes the Notice of ASM contains the details of the Directors, auditor and proxy documents. Please see the DIS which contains the Notice: click to open	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	The profile of Directors are provided in the DIS which contains the Notice of ASM. Please see page 8 of the DIS: click to open	
b. Auditors seeking appointment/re-appointment	Compliant	The auditor seeking appointment/re-appointment is in the Notice of ASM. Please see page 2 of the Notice of ASM: click to open	
c. Proxy documents	Compliant	The DIS, which includes the Notice of ASM contains the details of the Directors, auditor and proxy documents. Please see the DIS which contains the Notice: click to open	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	The DIS along with the Notice of ASM provides the rationale for the agenda items. Please see the DIS and Notice of ASM: click to open	

Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	<p>The Minutes of the ASM for 2017 contains information on all relevant questions raised and answered during the ASM and the results of the vote taken during the most recent ASM. The results of the organizational meeting and ASM are likewise disclosed with the PSE on the same day.</p> <p>Please see the Minutes of the ASM: click to open</p> <p>Please see the results of the organizational meeting: click to open</p>	
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>The Minutes of the ASM were made available on Megawide's website within five (5) business days from the end of the meeting.</p> <p>The said Minutes may be accessed on the Company website through the link below: click to open</p>	
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<p>The external auditor and other relevant individuals were present during the ASM.</p> <p>Please see the Minutes of the ASM: click to open</p>	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-compliant	<p>The ACGR describes the alternative dispute resolution system which was adopted by Megawide for the last three (3) years in amicably settling conflicts or differences between the Company and its stockholders, and the Company and third parties, including regulatory authorities.</p> <p>Please see page 20, number 6, of the ACGR: click to open</p>	

2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<p>The New Manual incorporates the duty of the Board to make available an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p> <p>It is the duty of the Board to establish and maintain an alternative dispute resolution system in the Company that can amicably settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including the regulatory authorities.</p> <p>Please see the page 24, letter d., of the New Manual: click to open</p>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>JOAN COSICO <i>Vice President – Investor Relations</i> jcosico@megawide.com.ph Office address: 20 N. Domingo St., Brgy. Valencia, Quezon City Email address: investorrelations@megawide.com.ph</p>	
2. IRO is present at every shareholder's meeting.	Compliant	While the IRO was not present during the ASM, the IRO team was present.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	There are no specific instances when the Board has experienced anti-takeover measures or similar devices. However, should any of these events occur the Board shall endeavor to avoid the same.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p>Based on the Public Ownership Report as of March 31, 2018, the public ownership is at 31.31%.</p> <p>Please see the Public Ownership Report: click to open</p>	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant		

2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		N/A	Shareholders are allowed to send proxies to the Annual Shareholders' Meeting. The Board is looking into implementing an electronic voting system for shareholder who are absent during the Annual Shareholders' Meeting.
--	--	-----	---

Duties to Stakeholders

Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Megawide's stakeholders are disclosed in the ACGR. Please see page 40 of the ACGR: click to open The New Manual requires that the Board identify Megawide's various stakeholders and promote cooperation between them and the Company in creating wealth, growth and sustainability. Please see page 24, letter a., of the New Manual: click to open	
---	-----------	---	--

Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	Megawide's policies and programs for the fair treatment and protection of stakeholders are disclosed in the ACGR. Please see page 40 of the ACGR: click to open The New Manual dictates that the Board shall establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders. Please see page 24, letter b., of the New Manual: click to open	
---	-----------	--	--

Recommendation 14.3

<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p>Compliant</p>	<p>JOAN COSICO <i>Vice President – Investor Relations</i> jcosico@megawide.com.ph</p> <p>JENNIFER A. LEE <i>Compliance Officer</i> jcl@quasha-interlaw.com</p> <p>Under the Whistleblower Policy of the Company, following are the are types of concerns to be addressed:</p> <ul style="list-style-type: none">1) Financial2) Suspected fraudulent activity3) Breaches of the guidelines and other compliances4) Retaliation or retribution against an individual who reports a concern. <p>The Internal Audit Group of the Company is also responsible for maintaining the Policy.</p> <p>The New Manual reiterates the duties of the Bard to stakeholders and mandates a process be adopted that will allow stakeholders to communicate with the Company and obtain redress for violation of their rights.</p> <p>Please see page 24, number 14, of the New Manual: click to open</p>	
---	------------------	---	--

Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	Compliant	<p>The Board is tasked to establish and maintain an alternative dispute resolution system in the Company that can amicably settle conflicts or differences between the Company and its stockholders, and the Company and third parties, including the regulatory authorities.</p> <p>The ACGR describes the alternative dispute resolution system adopted by the Company for the last three (3) years.</p> <p>Please see page 20, number 6, of the ACGR: click to open</p> <p>Further, the Board, as required by the New Manual, shall establish and maintain an alternative dispute resolution system that can amicably settle conflict or difference between Megawide and its shareholders, and the Company and third parties, including regulatory authorities.</p> <p>Please see page 12, letter o., of the New Manual: click to open</p> <p>Additionally, the Board shall make available at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p> <p>Please see page 24, letter d., of the New Manual: click to open</p>	
Additional Recommendations to Principle 14			
<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	Compliant	<p>None.</p> <p>The Company does not seek any exemption from the application of a law, rule or regulations especially when it refers to a corporate governance issue.</p>	

<p>2. Company respects intellectual property rights.</p>	<p>Compliant</p>	<p>Any ideas, inventions or other intellectual property which Company personnel developed or are involved in developing while connected with the Company are considered the property of the Company.</p> <p>Further, Megawide, as stated in the Annual Report, does not believe that its operations are dependent on any patent, trademark, copyright, licenses, franchise, concession, or royalty agreement.</p> <p>Please page 25 of the Annual Report: click to open</p>	
Optional: Principle 14			
<p>1. Company discloses its policies and practices that address customers' welfare</p>	<p>Compliant</p>	<p>Megawide believes that its suppliers and customers are critical to its success in many ways. Thus, they are committed to maintaining honest and mutually beneficial relationships with its suppliers and customers.</p> <p>The Code of Business Conduct and Ethics provides for the policies and practices that address supplier and contractual relationships with the Company.</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p> <p>The Annual Report enumerates the customer and project selection procedure and practices of Megawide which provides for the implementation of strict quality assurance and quality controls.</p> <p>Please see page 10 of the Annual Report: click to open</p> <p>Moreover, the construction contracts executed by Megawide with its customers generally contain a warranty from Megawide that it shall be responsible for and shall indemnify and hold the customers free and harmless.</p> <p>Please see page 67 of the Annual Report: click to open</p>	

<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p>Compliant</p>	<p>The Company has a supplier accreditation policy in place. As illustrated in the ACGR, at least three (3) suppliers are required to submit their bid proposals for review and evaluation, and a recommendation is submitted for consideration.</p> <p>Please see page 40 of the ACGR: click to open</p> <p>Further, the Annual Report discusses that in selecting suppliers, Megawide considers quality, pricing, and efficient delivery of raw materials, among others.</p> <p>Please see page 25 of the Annual Report: click to open</p>	
--	------------------	--	--

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p>Compliant</p>	<p>Megawide commits to provide and maintain a safe, secure and healthy work environment.</p> <p>Please see page 41 of the ACGR: click to open</p> <p>The Company's Code of Business Conduct and Ethics and other relevant rules and regulations shall serve as a guide in determining the penalties and sanctions to be imposed by the Human Resources Department where violations are proven and validated.</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p> <p>The New Manual also embodies the policy of the Board to establish policies, programs and procedures that encourage employees to actively participate in the relation of Megawide's goals and in its governance.</p> <p>The establishment of policies and programs covering among others, the following: (1) health, safety and welfare; (2) training and development; and (3) reward/compensation for employees, encourages employees to perform better and motivates them to take a more dynamic role in the Company.</p> <p>Please see page 25, number 15, letter a., of the New Manual: click to open</p>	
---	------------------	---	--

Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>Employees receive incentives based on their performance, which is evaluated every June and December, based on the ACGR.</p> <p>Please see page 42 of the ACGR: click to open</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>The Company has health care benefits for employees covered by its insurance provider.</p> <p>Moreover, all employees are required to undergo annual medical check-up.</p> <p>Employees are also instructed to report accidents and unsafe conditions and practices to the Safety Department.</p> <p>Please see page 41 of the ACGR: click to open</p> <p>Further, the Company has implemented a Quality, Environmental, Safety & Health Policy.</p> <p>Please see the Quality, Environmental, Safety & Health Policy: click to open</p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p>Depending on their work assignment and employee development plans, employees undergo, or are sent to, specialized training courses.</p> <p>Please see page 41 of the ACGR: click to open</p>	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>The anti-corruption plan is discussed in the Code of Business Conduct and Ethics.</p> <p>Violations or suspected violation of company policies can be brought to the attention of any of the following:</p> <ol style="list-style-type: none"> 1. Head of Human Resources Department 2. Compliance officer 3. Head of Audit Group <p>Please see the Code of Business Conduct and Ethics: click to open</p>	

<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>Compliant</p>	<p>A copy of the Code of Business Conduct and Ethics is posted on the website of Megawide. Additionally, numerous orientations are conducted by Management, with the approval of the Board.</p> <p>The Code of Business Conduct and Ethics is available on the website through the following link: click to open</p>	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>The Company's Code of Business Conduct and Ethics and other relevant rules and regulations shall serve as a guide in determining the penalties and sanctions to be imposed by the Human Resources Department where violations are proven and validated.</p> <p>Please see page 42 of the ACGR: click to open</p> <p>Please see the Code of Business Conduct and Ethics: click to open</p>	
Recommendation 15.3			
<p>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</p>	<p>Compliant</p>	<p>Anonymous disclosures or disclosures with identities are allowed.</p> <p>Complete protection will be given to whistleblowers against any retaliation, threat, demotion, and other unfair practices.</p> <p>The Compliance Officer or the Chairman of the Audit Committee may receive complaints about unethical practices.</p> <p>Complaints may be emailed to quasha@quasha-interlaw.com.</p> <p>The Board has adopted a Whistleblower Policy which became effective on December 2, 2016.</p> <p>Please see the Whistleblower Policy: click to open</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>In accordance with the Whistleblower Policy, complaints may be sent to the Compliance Officer or the Chairman of the Audit Committee through the following email addresses:</p> <p>quasha@quasha-interlaw.com or topcoronel@gmail.com</p> <p>The Whistleblower Policy provides a suitable framework which allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p> <p>Please see the Whistleblower Policy: click to open</p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>The ARMC shall oversee the Whistleblower Policy in coordination with the Internal Audit Group to implement the program effectively.</p> <p>The ARMC and the Compliance Officer shall oversee the enforcement of the whistleblowing framework, pursuant to the Whistleblower Policy.</p> <p>Please see page 4 of the Whistleblower Policy: click to open</p>	

Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

Recommendation 16.1

1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>Megawide has a separate foundation for its corporate social responsibility initiatives: the Megawide Foundation, Inc.</p> <p>Information regarding the foundation may be found in: click to open</p>	
--	-----------	---	--

Optional: Principle 16

1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>The Company is ISO 14001 compliant. It has received ISO 14001:2004 Environmental Management System Standards and LEED Certification.</p> <p>Please see page 40 of the ACGR: click to open</p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p>Megawide has a separate foundation for its corporate social responsibility initiatives: the Megawide Foundation, Inc.</p> <p>Information regarding the foundation may be found in: click to open</p>	

MAY 30 2018

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



EDGAR B. SAAVEDRA
Chairman of the Board of Directors
President
Chief Executive Officer



LEONILO G. CORONEL
Independent Director



JENNIFER C. LEE
Compliance Officer



HILARIO G. DAVIDE, Jr.
Independent Director



ALTHEA ISOBEL F. OAMINAL
Corporate Secretary

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

SUBSCRIBED AND SWORN to before me this MAY 30 2018 affiants exhibited to me their valid Government issued IDs as follows:

<u>Names</u>	<u>Government ID</u>	<u>Date/Place Issued</u>
EDGAR B. SAAVEDRA	TIN: 195-661-064	
LEONILLO G. CORONEL	OSCA No. 07747	
HILARIO G. DAVIDE, JR.	OSCA No. 46711	
JENNIFER C. LEE	Passport No. EC4663163	July 16, 2015/DFA Manila.
ALTHEA ISOBEL F. OAMINAL	Passport No. EC2854853	Nov. 27, 2014/DFA East

Doc. No. 5 :
Page No. 3 :
Book No. I :
Series of 2018



Renato S. Puno
RENATO S. PUNO
Commission No. M-369
Notary Public for Makati City
Until December 31, 2019
6th Floor, Don Pablo Building
114 Amoroso St., Legaspi Village, Makati City
PTR No. 6619803/01-06-2018/Makati City
IBP Lifetime No. 016751/05-12-17/Muntinlupa City
MCLE - Exempt
Roll No. 69389