



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **December 31, 2018**
2. SEC Identification Number **845**
3. BIR Tax Identification No. **000-508-536-000**
4. Exact name of issuer as specified in its charter **Solid Group Inc.**
5. **Philippines**
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **2285 Don Chino Roces Ave., Makati City**
Address of principal office
8. **1231**
Postal Code
8. **(02)843-1511**
Issuer's telephone number, including area code
9. **N.A.**
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	AMCG Article 3 (A) Composition of the Board	
2. Board has an appropriate mix of competence and expertise.	Compliant	AMCG Article 3 (E) Qualification of Directors http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
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	(Amended Manual on Corporate Governance (AMCG) Article 3 A&B – Board Governance) Please see Annexes A and B for the profile or qualifications of the Board members.	
Recommendation 1.2			

1. Board is composed of a majority of non-executive directors.	Non-Compliant		<p>Membership to the Company's Board is a combination of executive and non-executive directors (including independent directors) in order that no director or small group of directors can dominate the decision making process. The Company believes that the overall recommendation is being achieved.</p> <p>(MCG Article 3 A. Composition 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 Board Committee recommends continuous training program for directors.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG - Article 3 L ii d)</p>	
2. Company has an orientation program for first time directors.	Compliant	<p>The CEO assures the availability of proper orientation to first-time directors and continuing training opportunities for all directors. Annual corporate governance training is being consistently conducted for all directors and key officers of the company by accredited SEC institutional trainers.</p>	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>(AMCG - Article 3 D i e)</p>	
Recommendation 1.4			

<p>1. Board has a policy on board diversity.</p>	<p>Compliant</p>	<p>Membership to the Company's Board is a combination of executive and non-executive directors (including independent directors in order that no director or small group of directors can dominate the decision making process. The Company believes that the overall recommendation is being achieved. There are 9 directors consisting of 6 males and 3 females.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 A)</p>	
<p>Optional: Recommendation 1.4</p>			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>			
<p>Recommendation 1.5</p>			

1. Board is assisted by a Corporate Secretary.	Compliant	<p>Atty. Roberto V. San Jose is the Corporate Secretary of the Company. His qualifications can be found in link below. https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf</p> <p>2018 SEC Form 17A page 56</p> <p>His duties and functions can be found in the link below: http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 M)</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	<p>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf</p> <p>2018 SEC Form 17-A Pages 54 and 56 (3rd paragraph)</p> <p>Mellina T. Corpuz is the Compliance Officer of the company.</p>	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	<p>The Corporate Secretary is not a member of the Board of Directors.</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Results%20of%20Organizational%20Meeting_2018.pdf</p> <p>(SGI Results of Organizational Meeting 2018).k</p>	

<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>Compliant</p>	<p>Topics covered on the corporate governance training attended for four (4) hours on August 10, 2018 by the Corporate Secretary:</p> <ul style="list-style-type: none"> 1) Review of SEC Code of CG and I-ACGR, Guideline on Self-Assessment of BOD and Board Committee members, and Highlights of Comprehensive Tax Reform Program Package 2; 2) Corporate Governance Trends for 2018; 3) Corporate Governance Cases <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>In compliance with SEC Memorandum Circular No, 19 Series of 2016</p> <p>(AMCG Article 3 M)</p>	
Optional: Recommendation 1.5			
<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p>			
Recommendation 1.6			

1. Board is assisted by a Compliance Officer.	Compliant	Mellina T. Corpuz is the Company's SEC Compliance Officer. She has Bachelor of Science in Commerce from University of San Carlos Cebu City and is a Certified Public Accountant. She holds the rank of a Senior Vice President. She is the Chief Accounting Officer effective June 2006. Prior to that, she was the Senior Accounting Manager since 2002 and was the Accounting Manager since 1996. She has business experience for more than five (5) years.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant	<p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Results%20Of%20Annual%20Stockholders%20Meeting%202018.pdf</p> <p>(Minutes of 2018 Organizational Meeting, page 1)</p>	
3. Compliance Officer is not a member of the board.	Compliant	<p>Her duties and functions can be found in the link below.</p> <p>Mellina T. Corpuz is not a member of the board.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf</p> <p>(AMCG Article 3 N, pages 23-24)</p>	

<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>Compliant</p>	<p>Topics covered on the corporate governance training attended for four (4) hours on August 10, 2018 by the Corporate Secretary:</p> <ol style="list-style-type: none"> 1) Review of SEC Code of CG and I-ACGR, Guideline on Self-Assessment of BOD and Board Committee members, and Highlights of Comprehensive Tax Reform Program Package 2; 2) Corporate Governance Trends for 2018; 3) Corporate Governance Cases <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf</p> <p>In compliance with SEC Memorandum Circular No. 19 Series of 2016 (AMCG Article 3 N)</p>	
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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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG, Article 3 H)	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 G)	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	http://www.solidgroup.com.ph/about/company#mission (Company website: Mission, Vision and Corporate values)	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 G)	
Recommendation 2.3			

<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>Compliant</p>	<p>Jason S. Lim has Bachelor of Arts – Social Sciences from the University of the Philippines in Diliman and also attended the Management Development Program at the Asian Institute of Management in 1982. He is Chairman of the Board effective June 2016. He was Sr. Vice President and Chief Operating Officer from May 2002 to 2016. He is a Director since 1996. He is Chairman of Green Sun Hotel Management Inc., MySolid Technologies & Devices Corporation, Solid Manila Corporation and SolidGroup Technologies Corporation. He is also currently President of Zen Towers Corporation, Kita Corporation, Solid Manila Finance Inc., Precos, Inc. and Casa Bocobo Hotel Inc.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG - Article 3 D)</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17A, page 54)</p>	
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Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>It is a duty and function of the Board to adopt an effective succession planning program for the Company. The Corporate Governance Committee recommends succession plan for the board members and senior officers.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 G ii a & Article 3 L ii d)</p>	
2. Board adopts a policy on the retirement for directors and key officers.	Non-Compliant		<p>Non-compliant; The Company has a retirement policy for its officers and employees but none for its directors. The Company believes that it benefits from vast knowledge and experience of its senior directors that it does not limit the age.</p> <p>(based on Retirement Policy)</p>
Recommendation 2.5			

1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 K, page 16) http://www.solidgroup.com.ph/sites/default/files/downloadables/Remuneration%20Committee%20Charter.pdf (Remuneration Committee Charter)	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	Pursuant to AMCG, a portion of the remuneration of executive directors may be structured or be based on corporate and Individual performance. No director should participate in deciding on his remuneration	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 K Remuneration of Directors and Officers 1 st and 2 nd par. page 16)	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.			

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.			
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Corporate%20Governance%20and%20Nominations%20Committee%20Charter.pdf	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	(Governance and Nominations Committee Charter); and, http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	(AMCG Article 6 – Stockholders' Rights & Protection of Minority Stockholders' Interests)	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Corporate%20Governance%20and%20Nominations%20Committee%20Charter.pdf	
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	Corporate Governance and Nominations Committee Charter	
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	http://www.solidgroup.com.ph/sites/default/files/downloadables/Related%20Party%20Transaction%20Policy.pdf (Related Transaction Policy)	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Prior year's purchase of real property from a related party under common ownership was duly approved by the Board. No transaction for the year.	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		
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>Compliant</p>	<p>The total amount per annum of each RPT shall be considered for purposes of applying these thresholds:</p> <table border="1" data-bbox="926 370 1415 743"> <thead> <tr> <th data-bbox="926 370 1171 464">Threshold Amount</th> <th data-bbox="1171 370 1415 464">Required Approval of Authority</th> </tr> </thead> <tbody> <tr> <td data-bbox="926 464 1171 558">Php0.5 million and below</td> <td data-bbox="1171 464 1415 558">Local management</td> </tr> <tr> <td data-bbox="926 558 1171 680">Php0.5 million up to Php20 Million</td> <td data-bbox="1171 558 1415 680">Parent's Executive Management</td> </tr> <tr> <td data-bbox="926 680 1171 743">Above Php20.0 million</td> <td data-bbox="1171 680 1415 743">Board</td> </tr> </tbody> </table> <p data-bbox="926 776 1415 870">http://www.solidgroup.com.ph/sites/default/files/downloadables/Related%20Party%20Transaction%20Policy.pdf</p> <p data-bbox="926 899 1415 959">Under Section 4.Threshold Transactions of the RPT Policy,</p>	Threshold Amount	Required Approval of Authority	Php0.5 million and below	Local management	Php0.5 million up to Php20 Million	Parent's Executive Management	Above Php20.0 million	Board	
Threshold Amount	Required Approval of Authority										
Php0.5 million and below	Local management										
Php0.5 million up to Php20 Million	Parent's Executive Management										
Above Php20.0 million	Board										
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>Non-Compliant</p>		<p>The Company has RPT Committee and included in the committee are the two (2) independent directors. The Company also has Related Party Transaction policy. The Company believes that the overall recommendation is achieved.</p>								
<p>Recommendation 2.8</p>											

<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p>Management team appointed by the Board are the following:</p> <p>CEO – Susan L. Tan SVP – David S. Lim SVP & CFO – Vincent S. Lim Cor. Sec. – Atty. Roberto V. San Jose Asst. Cor. Sec.– Atty. Ana Maria K. Lim VP & Treas. – Lita L. Joaquin VP for Buss. Devt. – Beda T. Manalac CRO – Vincent S. Lim CCO/SVP & CAO – Mellina T. Corpuz CAE – Ericson B. Salvador CIO – Josephine T. Santiago</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Results%20Of%20Annual%20Stockholders%20Meeting%202018.pdf Page 1</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf</p> <p>(AMCG Article 3 I i.b page 13 & Article 3 I iv.b page 14)</p>	
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<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>http://www.solidgroup.com.ph/sites/default/files/downloadables/Corporate%20Governance%20and%20Nominations%20Committee%20Charter.pdf (AMCG Board Committee Article 3 L ii (b) Corporate Governance and Nomination Committee IV. Duties and Responsibilities – Nomination (m) page 19)</p>	
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Recommendation 2.9

<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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf AMCG Art. 3 I. Internal Control Responsibilities of the Board pages 12-13</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Corporate%20Governance%20and%20Nominations%20Committee%20Charter.pdf (Corporate Governance and Nominations Committee Charter page 3)</p>	
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<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>(AMCG Article 7 Governance Self-rating System par. 2 page 27)</p>	
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Recommendation 2.10

1. Board oversees that an appropriate internal control system is in place.	Compliant	Internal control responsibilities of the board includes overseeing that an appropriate internal control is in place. http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant		
3. Board approves the Internal Audit Charter.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Sec 3 L Board Committees page 17) Please see Annex C for the IA Charter	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	(AMCG Sec 3 L Board Committees page 20)	

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.	Non-compliant		http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (MCG Article 3 Board Governance)
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-compliant		Based on AMCG Article 3. The responsibilities, duties and function of the Board are included in the AMCG. While the Company has no Board Charter, it believes that the overall recommendation is achieved
3. Board Charter is publicly available and posted on the company's website.	Non-compliant		See explanation above
Optional: Principle 2			
1. Board has a clear insider trading policy.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Insider%20Trading%20Policy.pdf Insider Trading Policy	
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.			
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			

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 L page 17)</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Board%20Committees%202017-2018_0.pdf</p> <p>Company website: Board Committees</p>	
<p>Recommendation 3.2</p>			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p>The Audit Committee is responsible to recommend the appointment and removal of the company's external auditor.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf</p> <p>Audit Committee Charter</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Non-compliant</p>		<p>The Company is not able to comply at this time but will do so in the near future.</p> <p>The Committee is composed of 5 qualified members consisting of the following: 2 non-executive directors and 3 executive directors. The Chairman is an independent director.</p>

3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	Please refer to Annexes A and B containing information on the background, knowledge, skills, and experience of all the members of the Audit Committee	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>Pursuant to Audit Committee Charter, under Article II, Composition and Qualifications of Committee Members, the Chairman of the Audit Committee is an Independent Director, who is not the Chairman of the Board or of any other committee</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Board%20Committees%202017-2018_0.pdf</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf Audit Committee Charter</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf Audit Committee Charter</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf 2018 SEC Form 17-A Annual report Information on Independent Accountant and Other Related Matters, page 62</p>	

2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Non-compliant	.	There are at least two (2) Audit Committee meetings during the year. The independent directors can approach the external auditors and ask the issues on their own. The Company believes that the overall recommendation is achieved.
Optional: Recommendation 3.2			
1. Audit Committee meets at least four times during the year.			
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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Art. 3. L ii, page 19)	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-compliant		The Company is not able to comply at this time but will do so in the near future.
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Maria G. Goolsby is the Chairman of the Corporate Governance Committee who is an independent director. https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Results%20Of%20Annual%20Stockholders%20Meeting%202018.pdf (Minutes of Organizational Meeting 2018)	
Optional: Recommendation 3.3.			

1. Corporate Governance Committee meets at least twice during the year.			
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 Company has Risk Management Committee.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Art. 3. L iii, page 20)</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Risk%20Management%20Committee%20Charter.pdf (Risk Management Committee Charter IV. Duties and Responsibilities, page 4)</p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-compliant		The Company is not able to comply at this time but will do so in the near future.
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	<p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Results%20Of%20Annual%20Stockholders%20Meeting%202018.pdf</p> <p>(Company Website: Minutes of Organizational Meeting page 2)</p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	Please see Annex A and B for the profile/qualifications of BROC members.	

Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Art. 3. L iv, page 21)	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Non-compliant		The Company is not able to comply at this time but will do so in the near future.
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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	(AMCG Art. 3. L v, page 22) The Charter includes the functions of the Committee that is necessary for performance evaluation purposes.	
3. Committee Charters were fully disclosed on the company's website.	Compliant	Committee charters which are disclosed in the company's website are: 1) Audit 2) Corporate Governance and Nominations 3) Compensation and Remuneration 4) Risk Management http://www.solidgroup.com.ph/corporate-governance (AMCG Art. 3. L)	

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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 J page 16)	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 H ii pages 11-12)	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 H iii page 12)	
Recommendation 4.2			

<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>Compliant</p>	<p>In accordance with Amended Manual on CG, Article 3, Section C. Multiple Board Seats, non-executive directors of the Board should concurrently serve as directors to a maximum of five publicly listed companies</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 C 4th par., page 5)</p>	
<p>Recommendation 4.3</p>			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>Compliant</p>	<p>In accordance with Amended Manual on CG, Article 3, Section C. Multiple Board Seats, a Director should notify the board where he/she is an incumbent director before accepting directorship in another company.</p>	
<p>Optional: Principle 4</p>			
<p>1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p>			
<p>2. Company schedules board of directors' meetings before the start of the financial year.</p>			
<p>3.</p>			
<p>4. Board of directors meet at least six times during the year.</p>			
<p>5. Company requires as minimum quorum of at least 2/3 for board decisions.</p>			
<p>Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs</p>			
<p>Recommendation 5.1</p>			

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 Company is not able to comply at this time but will do so in the near future..
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3, Section E & F)	
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	None in the Company's by-laws provisions constrained the directors' ability to vote independently. http://www.solidgroup.com.ph/sites/default/files/downloadables/Amended%20By-Laws.pdf Company website: About/ Articles of Incorporation and By-Laws/Amended By-Laws)	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2017-C%20Certification%20of%20Independent%20Directors%202018.pdf SEC Form 17-C Certification of Independent Directors (2018)	

<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG, Article 3, Section B(ii))</p>	
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	<p>Compliant</p>	<p>The Company will have another independent director not later than 2021.</p> <p>In the instance that the Company wants to retain an independent director who has served for nine (9) years (reckoned from 2012), the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG, Article 3, Section B(ii))</p>	
<p>Recommendation 5.4</p>			

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<p>The positions of Chairman and CEO are held separately but they are related to each other.</p> <p>Jason S. Lim is the Chairman of the Board. Susan L. Tan is the President and Chief Executive Officer of the Company</p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG, Article 3, Section D)</p> <p>The Chairman and CEO are two separate individuals with clearly defined responsibilities, A clear delineation of functions should be made between them upon their election.</p> <p>(AMCG, Article 3, Section D)</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.	Compliant	<p>Quintin Chua, an independent director was designated as the lead director.</p> <p>The Chairman of the Board is an Executive officer of the Company.</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	http://www.solidgroup.com.ph/sites/default/files/downloadables/Related%20Party%20Transaction%20Policy.pdf Related Party Transaction Policy	
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	The NEDs did not have separate meeting with external auditors and heads of internal audit, compliance and risk without any executive present. But they have unrestricted access to external and internal auditors. http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG, Article 3. J)	
2. The meetings are chaired by the lead independent director.	Compliant	There were at least two (2) Audit Committee meetings during the year chaired by the lead independent director, Quintin W. Chua.	
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.			

Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
2. The Chairman conducts a self-assessment of his performance.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 7 2 nd par. Page 27)	
3. The individual members conduct a self-assessment of their performance.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 7 2 nd par. Page 27)	
4. Each committee conducts a self-assessment of its performance.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 7 2 nd par. Page 27)	
5. Every three years, the assessments are supported by an external facilitator.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 7 2 nd par. Page 27)	

Recommendation 6.2

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	(AMCG, Article 7, page 27)	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG, Article 10, page 28)	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	The Code was disseminated through the Internal Audit department who conducted a series of orientation seminars within the Group. This was also discussed by the Chairman to the Board.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf www.solidgroup.com.ph (Company website: Corporate Governance, Code of Business Conduct and Ethics)	

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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf Code of Business Conduct Article III	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG, Article 10 2 nd par. page 28) Board of directors, executives, managers, supervisors and all employees of the Company and its member companies are required to adhere to the code of business conduct and ethics	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf (Company website/Corporate Governance/Code of Business Conduct 1 st par page 1)	
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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG, Article 8 3rd par.)</p>	
Supplement to Recommendation 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>Non-compliant</p>		<p>The Company requested for an extension to file the audited annual consolidated financial statements after April 15, 2019, SEC prescribed reporting period of 105 days. The Annual report was submitted and published on April 26, 2019. The Company requested for an extension to file the quarterly consolidated reports after May 15, 2019, SEC prescribed reporting period of 45 days. The quarterly report was submitted and published on May 20, 2019.</p> <p>http://www.solidgroup.com.ph/company-disclosures</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>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf</p> <p>(2018 SEC Form 17 A Annual Report, Item II Security Ownership of Certain Beneficial Owners and Management, page 58)</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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Art 8, page 27)</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2023-B.pdf</p>	
<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>http://www.solidgroup.com.ph/company-disclosures/sec-filings/statement-of-beneficial-ownership</p> <p>(Company website: SEC Filings/SEC Form 23 A/B / 2017)</p>	
<p>Supplement to Recommendation 8.2</p>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>https://www.solidgroup.com.ph/sites/default/files/downloadables/Top%20100%20Stockholders%20as%20of%20Dec.%2031%2C%202018.pdf</p> <p>Top 100</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/Public%20Ownership%20Report%20as%20of%20December%2031%2C%202018.pdf</p> <p>Public ownership</p> <p>http://www.solidgroup.com.ph/about/company/conglomerate-map</p> <p>Group Corporate Structure</p>	
<p>Recommendation 8.3</p>			

<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>	<p>Compliant</p>	<p>Please refer to Annexes A and B showing directors' profile.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 8 2nd par. page 27)</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>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 8 2nd par. page 27)</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>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Art 3 Sec K, page 16)</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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Art 3 Sec K, 2nd par., page 16)</p>	

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant		Company discloses the compensation of the top five management officers and all other directors and officers as a group in its annual report. Although, the SEC regards individual disclosure as a good practice, the Company believes that compensation on an individual basis is a confidential matter.
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Recommendation 8.5

1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Art 3 Sec L, iv., page 21)	
		http://www.solidgroup.com.ph/sites/default/files/downloadables/Related%20Party%20Transaction%20Policy.pdf RPT Policy	

2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17-A Notes to FS, page 154)	
		http://www.solidgroup.com.ph/sites/default/files/downloadables/2017%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17-A Page 9)	

Supplement to Recommendation 8.5

1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3. Sec H I 3 rd par. page 11)	
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.			
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	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2017%20C%20Material%20Information%20-%20Stock%20Dividend%20Declaration%20of%20SMC.pdf Prior year's transactions were disclosed as per above link. No transaction during the year.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	An independent appraisal company, Crown Property Appraisal Corporation was outsourced to conduct appraisal of properties of the company and its subsidiaries which served as basis on the acquisition or disposal of assets.	
Supplement to Recommendation 8.6			

1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	<p>The Company has no shareholder agreement, voting trust agreements, confidentiality agreements and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17-A Annual Report , Security Ownership of Certain Beneficial Owners and Management, page 58).</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	(AMCG/Corporate Governance/ Manual on Corporate Governance (MCG))	
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	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG/Corporate Governance/Manual on Corporate Governance (MCG))</p>	

Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:			
a. Corporate Objectives			
b. Financial performance indicators			
c. Non-financial performance indicators			
d. Dividend Policy			
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors meetings held during the year			
g. Total remuneration of each member of the board of directors			
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.			
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.			

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.			
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).			

Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter/Article IV Sec 5 page 4)	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	Reappointment of P&A Grant Thornton Philippines during the ASM held on June 28, 2018 was unanimously approved by the stockholders holding at least 77.7% of the outstanding capital stock of the corporation, with no dissenting and abstaining votes. http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter/Article IV. Section 4 page 4)	

<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>	<p>Compliant</p>	<p>No removal of auditors in 2018.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter/Article IV. Section 4 page 4)</p>	
Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Compliant</p>	<p>In accordance with the IRR of the SRC Rules, SRC 68 as amended, the external auditor or the handling partner is being changed every five (5) years or earlier.</p> <p>Nelson J. Dinio, started as audit partner during the 2017 year-end audit.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter 4.3)</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	http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter)	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter)	
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>	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter)	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/Audit%20Committee%20Charter.pdf (Audit Committee Charter)	
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>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17-A Annual Report, Item 7.B (1.a)(2b) page 53)</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf (AMCG Article 5. B 1st par. page 25)</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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%202017.pdf (AMCG Article 3. lii c Page 20)</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>https://www.solidgroup.com.ph/sites/default/files/downloadables/2018%20SGI%20SEC%20Form%2017-A%20Annual%20Report.pdf (2018 SEC Form 17 A, page 53)</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>Information on company's external auditor are the following:</p> <table border="1"> <tr> <td data-bbox="926 342 1163 435"> <p>Audit Engagement Partner</p> </td> <td data-bbox="1163 342 1402 435"> <p>Nelson J. Dinio</p> </td> </tr> <tr> <td data-bbox="926 435 1163 740"> <p>SEC Group A Accreditation Number</p> </td> <td data-bbox="1163 435 1402 740"> </td> </tr> <tr> <td data-bbox="926 558 1163 597"> <p>Partner.....</p> </td> <td data-bbox="1163 558 1402 651"> <p>No. 1036-AR-2 (until Mar. 15, 2020)</p> </td> </tr> <tr> <td data-bbox="926 651 1163 690"> <p>Firm</p> </td> <td data-bbox="1163 651 1402 743"> <p>No. 0002-FR-5 (until Mar. 26, 2021)</p> </td> </tr> <tr> <td data-bbox="926 743 1163 836"> <p>BIR Accreditation Number</p> </td> <td data-bbox="1163 743 1402 836"> <p>AN 08-002511-32-2016 (until Oct. 3, 2019)</p> </td> </tr> <tr> <td data-bbox="926 836 1163 928"> <p>Firm's BOA/PRC Cert. of Registration</p> </td> <td data-bbox="1163 836 1402 928"> <p>No. 0002 (until Jul. 24, 2021)</p> </td> </tr> <tr> <td data-bbox="926 928 1163 1203"> <p>Name, address and contact number</p> </td> <td data-bbox="1163 928 1402 1203"> <p>P&A Grant Thornton 19th & 20th Floor, Tower1, The Enterprise Center, 6766 Ayala Ave., Makati City (02)988-2288</p> </td> </tr> </table>	<p>Audit Engagement Partner</p>	<p>Nelson J. Dinio</p>	<p>SEC Group A Accreditation Number</p>		<p>Partner.....</p>	<p>No. 1036-AR-2 (until Mar. 15, 2020)</p>	<p>Firm</p>	<p>No. 0002-FR-5 (until Mar. 26, 2021)</p>	<p>BIR Accreditation Number</p>	<p>AN 08-002511-32-2016 (until Oct. 3, 2019)</p>	<p>Firm's BOA/PRC Cert. of Registration</p>	<p>No. 0002 (until Jul. 24, 2021)</p>	<p>Name, address and contact number</p>	<p>P&A Grant Thornton 19th & 20th Floor, Tower1, The Enterprise Center, 6766 Ayala Ave., Makati City (02)988-2288</p>	
<p>Audit Engagement Partner</p>	<p>Nelson J. Dinio</p>																
<p>SEC Group A Accreditation Number</p>																	
<p>Partner.....</p>	<p>No. 1036-AR-2 (until Mar. 15, 2020)</p>																
<p>Firm</p>	<p>No. 0002-FR-5 (until Mar. 26, 2021)</p>																
<p>BIR Accreditation Number</p>	<p>AN 08-002511-32-2016 (until Oct. 3, 2019)</p>																
<p>Firm's BOA/PRC Cert. of Registration</p>	<p>No. 0002 (until Jul. 24, 2021)</p>																
<p>Name, address and contact number</p>	<p>P&A Grant Thornton 19th & 20th Floor, Tower1, The Enterprise Center, 6766 Ayala Ave., Makati City (02)988-2288</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).	Compliant	P&A Grant Thornton, the Company's external auditor, agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program, however, no inspection was conducted yet including the year 2018.	1.
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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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 8, 1 st par., page 27)	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 8, 1 st par., page 27)	

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	www.solidgroup.com.ph	
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Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:		www.solidgroup.com.ph	
a. Financial statements/reports (latest quarterly)	Compliant		
b. Materials provided in briefings to analysts and media	Compliant		
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant		

Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	Compliant	www.solidgroup.com.ph	
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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>The Company's Internal Audit performs review of internal control system annually.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG I iii Internal Control Responsibilities of the Board performance review of internal control system annually, page 13.)</p>	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Enterprise%20Risk%20Management%20Policy.pdf</p> <p>Enterprise Risk Management Policy</p>	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Enterprise%20Risk%20Management%20Policy.pdf</p> <p>Enterprise Risk Management Policy</p>	
Optional Recommendation 12.1			
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.			

Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	Internal audit is in-house	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Ericson B. Salvador is the Chief Audit Executive of the Company	
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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Internal Control Responsibilities of Board, Article 3 I iv, page 14)	
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	No outsourced internal audit activity for the year. https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209,%202017.pdf (AMCG Internal Control Responsibilities of Board, Article 3 I iii h, page 12)	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Internal Control Responsibilities of Board, Article 3 I v, page 14)	
Supplement to Recommendation 12.4			

1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The Company engages third party when expertise is required.	
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Recommendation 12.5

1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	Vincent S. Lim is the CRO of the Company. Please see Annexes A and B for profile. http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 Internal Control Responsibilities of the Board, page 3)	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	See above profile of Vincent S. Lim, our CRO.	

Additional Recommendation to Principle 12

1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	The CEO and CAE attested in writing that a sound internal audit control and compliance system is in place and working effectively. https://www.solidgroup.com.ph/sites/default/files/downloadables/Attestation%20of%20Internal%20Control%20and%20Compliance%20System.pdf	
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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	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 6, page 26)	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 6, page 26)	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf 2018 SEC Form 20-IS Definitive Information Statement	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf 2018 SEC Form 20-IS Definitive Information Statement	
3. Board has an effective, secure, and efficient voting system.	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf 2018 SEC Form 20-IS Definitive Information Statement	

4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf 2018 SEC Form 20-IS Definitive Information Statement							
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 6 vi Shareholder Rights and Protection of Minority Stockholders Interest, page 26.)							
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 6 vi Shareholder Rights and Protection of Minority Stockholders Interest, page 26.)							
7. Company has a transparent and specific dividend policy.	Non-compliant		The Company has no written dividend policy. The Company declared annual dividends since 2012. The Company declared dividends in 2018 as follow: <table border="1" data-bbox="1432 1138 1906 1252"> <thead> <tr> <th>Declaration date</th> <th>Record Date</th> <th>Payment Date</th> </tr> </thead> <tbody> <tr> <td>August 10, 2018</td> <td>August 31, 2018</td> <td>Sep. 24, 2018</td> </tr> </tbody> </table>	Declaration date	Record Date	Payment Date	August 10, 2018	August 31, 2018	Sep. 24, 2018
Declaration date	Record Date	Payment Date							
August 10, 2018	August 31, 2018	Sep. 24, 2018							

Optional: Recommendation 13.1

1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.			
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	<p>Amended Manual on Corporate Governance Article 6 Stockholders' rights and protection of minority shareholders' interest Sec B. 4th par. http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>Notice and agenda of the annual stockholders' meeting held on June 28, 2018 was sent to stockholders on June 5, 2018, 23 calendar days before the actual ASM. https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf (2018 SEC Form 20-IS, page 1)</p>	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	<p>The Company By-laws allows the execution and acceptance of proxy. https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-IS%20Information%20Statement%202018.pdf (2018 SEC Form 20-IS Pages 2, 3 & 4)</p>	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	The profiles of directors were included in the Definitive Information Statement sent to stockholders together with the Notice of Annual Stockholders' meeting. https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-18.pdf (2018 SEC Form 20-IS) pages 5 & 6	
b. Auditors seeking appointment/re-appointment	Compliant	https://www.solidgroup.com.ph/sites/default/files/downloadables/SEC%20Form%2020-18.pdf (2018 SEC Form 20-IS Pages 2, 3 & 4)	
c. Proxy documents	Non-compliant		The Company By-laws allow the execution and acceptance of proxy. The Company does not send out proxy form since Company is not asking for proxies. The shareholder may submit proxy if he wants to be represented. We believe that the overall recommendation is achieved.
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting			
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 6 Stockholders' rights and protection of minority shareholders' interest Sec B. 4 th par. page 26)	

<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.</p>	<p>Compliant</p>	<p>Approval of the minutes of annual stockholders' meeting held on June 28, 2018; ratification of the acts of the board of directors and officers; election of directors and appointment of external auditors, P&A Grant Thornton Philippines held on June 28, 2018 was unanimously approved by the stockholders holding at least 77.70% of the outstanding capital stock of the corporation, with no dissenting and abstaining votes. Management report was also duly noted and approved by the stockholders holding at least 77.70 % of the outstanding capital stock of the Corporation.</p> <p>A few questions were raised on the floor inquiring about the performance of MyHouse business, the effect to the Company of the trade war in China and the rising interest rate. These were all answered by the BOD. A stockholder also suggested to present in the next ASM a pie-chart form the share of each business segment. The President mentioned the page in the annual report where it is presented.</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Minutes%20of%20Annual%20Stockholders%27%20Meeting%202018%20%28Draft%29.pdf</p> <p>(Minutes of ASM Meeting held on June 28, 2018)</p>	
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Supplement to Recommendation 13.3			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>Compliant</p>	<p>Present during the ASM were Board of Directors, Key officers of the Company and the Managing Partner and COO, Audit Partner and Senior Audit Manager of P&A Grant Thornton Philippines.</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Minutes%20of%20Annual%20Stockholders%27%20Meeting%202018%20%28Draft%29.pdf</p> <p>(Minutes of Annual Stockholders' Meeting 2018)</p>	
Recommendation 13.4			
<p>1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Section G II,j Duties and Function, page 10)</p>	

<p>2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Section G II.j Duties and Function page 10)</p>	
Recommendation 13.5			
<p>1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.</p>	<p>Compliant</p>	<p>The Board established an IRO to ensure constant engagement with the shareholders.</p> <p>Josephine T. Santiago is the Investor Relations Officer of the company. Contact details are as follow: Telephone No.: (02) 843-1511 Fax Number : (02) 548-9219 Email address : josephine_s@solidgroup.com.ph</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 6 Stockholders' rights and protection of minority shareholders' interest Sec B. 4th par. page 26)</p>	

2. IRO is present at every shareholder's meeting.	Compliant	<p>The IRO (CIO) was present during the ASM.</p> <p>https://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Minutes%20of%20Annual%20Stockholders%27%20Meeting%202018%20%28Draft%29.pdf</p> <p>(Minutes of Annual Stockholders' Meeting 2018, page 1)</p>	
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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	The Company believes that it is not prone to anti-takeover bids since its majority shareholders controls more than 2/3 of the issued and outstanding stock.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-compliant		The company's public float as of December 31, 2018 is 21.24% which is more than compliant with SEC's minimum public float requirement of 10%.

Optional: Principle 13

1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting			
2. Company practices secure electronic voting in absentia at 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

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>Compliant</p>	<p>The stockholders are identified in the AMCG to include customers, creditors, employees, suppliers, investors, the government and community in which the Company operates.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 G (e) Responsibilities, Duties and Function of Board)</p>	
<p>Recommendation 14.2</p>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance SecG II.e Duties and Function, page 10)</p>	
<p>Recommendation 14.3</p>			
<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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Sec G II.e Duties and Function of the Board, page 10)</p>	
<p>Supplement to Recommendation 14.3</p>			

<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 Corporate Governance, Sec. G ii (j) Duties and Function of the Board, page 10)</p>	
<p>Additional Recommendations to Principle 14</p>			
<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>	<p>Compliant</p>	<p>The Company did not seek any exemption during the year.</p>	
<p>2. Company respects intellectual property rights.</p>	<p>Compliant</p>	<p>The Company was not involved in any IPR issues during the year.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf Code of Business Conduct VIII On Management's Responsibility D. Page 3</p>	
<p>Optional: Principle 14</p>			
<p>1. Company discloses its policies and practices that address customers' welfare</p>			

2. Company discloses its policies and practices that address supplier/contractor selection procedures			
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Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

Recommendation 15.1

1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf (AMCG Article 3 Corporate Governance SecG II.n Duties and Function page 11)	
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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	The Company rewards good performance. http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf (Code of Business Conduct II E)	
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<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Policy%20and%20Data%20Relating%20to%20Health%2C%20Safety%20and%20Welfare%20of%20Employees%2C%20Including%20Company%20Sponsored%20Trainings.pdf</p> <p>(Company website under Corporate Governance- Company Policies: Policy on health and data relating to health, safety and welfare of employees including company -sponsored trainings)</p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Policy%20and%20Data%20Relating%20to%20Health%2C%20Safety%20and%20Welfare%20of%20Employees%2C%20Including%20Company%20Sponsored%20Trainings.pdf</p> <p>(Company website: Corporate Governance - Company Policies: Policy on health and data relating to health, safety and welfare of employees including company - sponsored trainings)</p>	
<p>Recommendation 15.2</p>			

<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf</p> <p>(Code of Business Conduct, Section III. B On Relationship with Business Partners and Others</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>The board disseminated the policy and program to employees across the organization through the Audit department where it conducted a series of orientation seminar within the Group.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Sec G II. o Duties and Function, page 11)</p>	
<p>Supplement to Recommendation 15.2</p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Code%20of%20Business%20Conduct.pdf</p> <p>(Code of Business Conduct, Section IV. B and C On Internal Control, Grave Offenses and Non-Compliance Reporting)</p>	
<p>Recommendation 15.3</p>			

<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>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Section G II.p Duties and Function Page 11)</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Whistle%20Blowing%20Policy.pdf</p> <p>The Company has a group wide program dubbed as S.O.S Speak Out Safely. This enables all concerned to give information regarding fraud, abuse, waste and/or misconduct activities where anonymity is protected and all information confidential where reports can be given through email or letter, phone call or text and/or personal appointment. Administrators are the following:</p> <p>Ericson Salvador Chief Audit Executive 09228976714 ericson_s@solidgroup.com.ph</p> <p>Mellina T. Corpuz SVP & Chief Accounting Officer 09178667294 meline_c@solidgroup.com.ph</p>	
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<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.</p>	<p>Compliant</p>	<p>The Company has a Whistle blowing committee which oversees the operational implementation of the whistleblowing policy.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/Whistle%20Blowing%20Policy.pdf</p> <p>Whistle Blowing Policy IV Implementing Guidelines</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Section G II. p Duties and Function, page 11)</p>	
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>Compliant</p>	<p>The Company has whistleblowing policy which aid in the discovery of fraud and reinforcement of ethical behavior. The Whistleblowing Committee reports to the Board.</p> <p>http://www.solidgroup.com.ph/sites/default/files/downloadables/SGI%20Amended%20Manual%20on%20Corporate%20Governance%20as%20of%20June%209%2C%202017.pdf</p> <p>(AMCG Article 3 Corporate Governance Section G II. p Duties and Function, page 11)</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	The Company participated in CARITAS Manila Scholarship Program and sponsored 40 deserving students from the Visayas Region (Calbayog, Borongan and Dumaguete) to provide opportunities for better future. It conducted outreach programs in Malolos and Bustos in Bulacan for the elderly & street children. It also donated a two-storey MyHouse structure for medical services to the Makati Medical Foundation in support of its efforts toward the rehabilitation of Marawi.	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development			
2. Company exerts effort to interact positively with the communities in which it operates			

Pursuant to the requirements of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the City of Makati on MAY 21 2019, 2019.

SIGNATURES



Jason S. Lim
Chairman of the Board



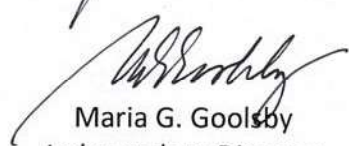
Quintin W. Chua
Independent Director



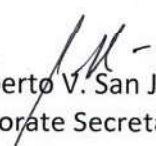
Mellina T. Corpuz
SVP & Chief Accounting Officer
SEC Compliance Officer



Susan L. Tan
President & Chief Executive Officer



Maria G. Goolsby
Independent Director




Roberto V. San Jose
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 21 2019 day of _____ 2019, affiants Exhibiting to me their passports/identification cards as follow:

Names	Passport/ID No.	Date/Place Issued
Jason S. Lim	EC1478590	June 26, 2014, Manila
Susan L. Tan	P5617366A	January 15, 2018, Manila
Quintin W. Chua	E4108507	July 5, 2013, Australia
Maria G. Goolsby	EC1374276	June 11, 2014, Manila
Mellina T. Corpuz	PRC ID 0073993	February 18, 2016, Manila
Roberto V. San Jose	P1329913A	December 20, 2016, NCR South

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Page No. 37 ;
Book No. 161 ;
Series of 2019


ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-239
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2020
NO. 15 J.P. RIZAL EXTN. COR. TANGUILE ST.
COMEMBO, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 071434/01-29-2019/ Pasig City
PTR NO MKT 7378446/01 24-2019/Makati City
MCLE Compliance No. 21-00000000-00-00-00

DIRECTORS and OFFICERS (Profile/Qualifications)

Director, Founding Chairman: Joseph Lim

Joseph Lim is the Founding Chairman of Solid Group of Companies and served as Chairman of the Board of the Company from 1996 until 2006. In the past five years to present, he has been Chairman of various manufacturing and trading companies in Hongkong and China among which are Solid Co. Ltd., Solid Trading Ltd. and Solid Industrial (Shenzhen) Co. Ltd. He is the Chairman of Phil-Nanning Consortium Inc. Mr. Lim is the incumbent Chairman of the China-Philippines Chamber of Commerce. Mr. Lim assumed position as Director in June 2010.

Director, Chairman Emeritus: Atty. Elena S. Lim

Elena S. Lim is Chairman Emeritus since May 2001. Prior to that, she was President/ Chief Executive Officer from 1996 to May 2001 and is a Director since 1996. She holds a Bachelor of Laws from the University of the East, Master of Arts in English from the University of Santo Tomas and a Bachelor of Science in Education from Quezon College in Manila. She authored several books, a sought-after inspirational speaker and founding member of Women for Women Foundation.

Director, Chairman: Jason S. Lim

Jason S. Lim is Chairman of the Board effective June 2016. He was Sr. Vice President and Chief Operating Officer from May 2002 to 2016. He is a Director since May 1996. He is Chairman of Green Sun Hotel Management Inc., MySolid Technologies and Devices Corporation, Solid Manila Corporation and SolidGroup Technologies Corporation. He is also currently President of Zen Towers Corporation, Kita Corporation, Solid Manila Finance Inc., Precos, Inc. and Casa Bocobo Hotel Inc. He has Bachelor of Arts – Social Sciences from the University of the Philippines in Diliman and also attended the Management Development Program at the Asian Institute of Management in 1982. He is a member of the Makati Business Club and a professional golfer holding numerous tournament championships.

Director, President & Chief Executive Officer: Susan L. Tan

Susan L. Tan is President and Chief Executive Officer in June 2016. She was Chairman of the Board from May 2001 to 2016. She was Vice President of the Company from April 1999 to April 2001 and is a Director since 1996. She was Chief Operating Officer of the Company since 1996 up to March 1999. She is Chairman of Kita Corporation, Solid Manila Finance Inc. and Precos, Inc., Omni Solid Services Inc., Solid Video Corporation, SolidService Electronics Corporation and Casa Bocobo Hotel, Inc. She is currently President of Green Sun Hotel Management, Inc. and Zen Towers Corporation. She is an Independent Director of Sony Philippines since 1997. She is a member of Makati Business Club. She has Bachelor of Science in Mathematics (Cum Laude) from the University of the Philippines in 1976 and also attended graduate school in Ateneo de Manila University. She was a lecturer of Mathematics in UP Manila.

Director, SVP & Chief Financial Officer: Vincent S. Lim

Vincent S. Lim is Sr. Vice President and Chief Financial Officer in September 2010 and was Sr. Vice President for Finance and Investments since June 2006 up to September 2010. He was Sr. VP and Chief Financial Officer from May 2002 up to June 2006. He is a director since 1996 and was VP/ Chief Financial Officer from 1996 up to May 2002. He is Treasurer for Omni Solid Services, Inc. and SolidService Electronics Corporation, Kita Corporation, Solid Video Corporation, Solid Manila Corporation, Green Sun Hotel Management, Inc., MySolid Technologies and Devices Corporation, Omni Solid Services, Inc., SolidGroup Technologies Corporation, Zen Towers Corporation, Casa Bocobo Hotel, Inc., Precos, Inc. and Solid Manila Finance Inc. He is also an Independent Director of Security Land Corporation effective June 2013. He holds a Bachelor of Science in Business Administration from the Philippine School of Business Administration.

Director, VP for Business Development: Beda T. Manalac

Beda T. Mañalac is Director and Vice President for Business Development since September 30, 2010. He is President of Solid Manila Corporation effective January 2012. He was Vice President for Business Development of MyPhone mobile phones under MySolid Technologies and Devices Corporation since 2007 to May 31, 2010. He has Bachelor of Science in Psychology from De La Salle University.

Director: Jonathan Joseph C. C. Lim

Jonathan Joseph C.C. Lim is a director in June 2017. He is the Data Protection Officer of the Company in August 2017. He is President of Solid Group Technologies Corporation (SGTC) since January 2015 and concurrently Vice President of Solid Manila Corporation since January 2018. In addition, he was Sales Manager of Solid Broadband Corporation since October 2009. He has Business degree from Ateneo de Manila University.

Director: Quintin W. Chua (Independent Director)

Quintin Chua is the Independent Director since March 25, 2003. He is the Chairman and Managing Director of QC Investments Pty. Ltd, Chairman and President of Nature's Harvest Corp. and Director of Hexagon Financing Corp. He has Bachelor of Science in Business Administration, major in Economics from Philippine School of Business Administration.

Director: Maria G. Goolsby (Independent Director)

Maria G. Goolsby is the Independent Director since June 25, 2015. She served as Executive Director for Corporate Philanthropy and Social Responsibility of Union Bank of the Philippines during the last five (5) years and since year 2003. She used to hold the position of Senior Vice President of Union Bank of the Philippines, Philippine Banking Corporation and Boston Bank of the Philippines. She has Bachelor of Arts from the University of Santo Tomas and has master's degree in Harvard University.

Senior Vice-President: David S. Lim

David S. Lim is Senior Vice President since June 2016. He was President and Chief Executive Officer in May 2001 to 2016. He is also Director since 1996 up to June 2017. He was Vice-President since 1996 up to April 2001. He is concurrently President of MySolid Technologies and Digital Devices Corporation, Interstar Holdings Company, Inc., Laguna International Industrial Park, Inc., Skyworld Corporation and Starworld Corporation. He is the founder of Destiny Cable, Inc. and Destiny, Inc. He spearheaded the establishment of first Filipino phone, Mylphone in the country in 2007. He holds a Bachelor of Science in Commerce from Linfiled College, USA.

Senior Vice-President and Chief Accounting Officer: Mellina T. Corpuz

Mellina T. Corpuz is the Company's SEC Compliance Officer. She holds the rank of a Senior Vice President. She is the Chief Accounting Officer effective June 2006. Prior to that, she was the Senior Accounting Manager since 2002 and was the Accounting Manager since 1996. She has Bachelor of Science in Commerce from University of San Carlos Cebu City and is a Certified Public Accountant.

Corporate Secretary: Roberto V. San Jose

Roberto V. San Jose is the Corporate Secretary of the Company and has held the office since 1996. He is Chairman of Mabuhay Holdings Corporation; a director of Interport Resources Corporation, Anglo-Philippine Holdings Corporation, and Vulcan Industrial and Mining Corporation; and Corporate Secretary of Alsons Consolidated Resources Inc., FMF Development Corporation, Premiere Horizon Alliance Corporation, and Marcventures Holdings, Inc. He is also either a director, corporate secretary, or an officer of various companies which are clients of the law firm of Castillo Laman Tan Pantaleon & San Jose, of which he is presently a Senior Consultant. He brought with him the distinction of having topped the bar examinations in 1966 and a reputation as a leading practitioner in the areas of securities, initial public offerings and other special corporate work in such fields as mining, real property, energy and telecommunications. He graduated summa cum laude, Bachelor of Arts from De La Salle University in 1962, and magna cum laude and valedictorian, Bachelor of Laws from University of the Philippines in 1966. He is a member of the Integrated Bar of the Philippines.

Assistant Corporate Secretary: Ana Maria Katigbak-Lim

Ana Maria A. Katigbak is the Assistant Corporate Secretary of the Company and has held the office since 1997. She is a partner in Castillo, Laman, Tan, Pantaleon & San Jose Law Offices. She also acts as director of Vulcan Industrial and Mining Corporation and Mabuhay Holdings Corporation, Corporate Secretary of IPM Holdings Inc., and Assistant Corporate Secretary of Energy Development Corporation, IRC Properties, Inc., Mabuhay Holdings, Inc., Marcventures Holdings, Inc., Paxys Inc., and Premiere Horizon Alliance Corporation. She graduated cum laude, Bachelor of Arts in Comparative Literature from University of the Philippines in 1990, and Bachelor of Laws in the same university in 1994. She is a member of the Integrated Bar of the Philippines. She also attended Cornell Law School – Universite Paris I Pantheon – Sorbonne (Summer Institute of International and Comparative Law in 1997).

Vice President-Treasurer: Lita L. Joaquin

Lita L. Joaquin is the VP & Treasurer of the Company and has held the office since May 2002. She was also a director from June 2006 to August 2007. She was Comptroller in 1996 to April 2002 and Director in May 1997 where held up to May 1998. She also became General Manager of Solid Manila Finance, Inc. in October 1999. She has Bachelor of Science in Industrial Management Engineering from De La Salle University in 1982.

Chief Information Officer: Josephine T. Santiago

Josephine T. Santiago is the Company's Chief Information Officer since 2012. She is concurrently the Corporate Secretary of SGI subsidiaries since 2004 and Executive Committee Secretary since 2002. She graduated Bachelor of Arts in Asian Studies from De La Salle University in 1988.

Chief Audit Executive: Ericson B. Salvador

Ericson B. Salvador is the Company's Chief Audit Executive since June 2017. He was the Senior Audit Manager since 2016 and was Audit Manager since 2010. He graduated Bachelor of Science in Commerce from the University of Santo Tomas in 1990 and a Certified Public Accountant. He garnered 16th place in May 1993 CPA Licensure Examination.

BOARD OF DIRECTORS:

1. Joseph Lim
2. Elena S. Lim
3. Susan L. Tan
4. Jason S. Lim
5. Vincent S. Lim
6. Beda T. Manalac
7. Jonathan Joseph C. C. Lim
8. Quintin W. Chua (Independent Director)
9. Maria G. Goolsby (Independent Director)

COMPANY OFFICERS:

Elena S. Lim	-	Chairman Emeritus
Jason S. Lim	-	Chairman
Susan L. Tan	-	President & Chief Executive Officer
David S. Lim	-	Senior Vice President
Vincent S. Lim	-	Senior Vice President & Chief Financial Officer
Roberto V. San Jose	-	Corporate Secretary
Ana Maria Katigbak-Lim	-	Assistant Corporate Secretary
Mellina T. Corpuz	-	Senior Vice President & Chief Accounting Officer/ SEC Compliance Officer
Lita L. Joaquin	-	Vice President & Treasurer
Beda T. Manalac	-	Vice President for Business Development
Josephine T. Santiago	-	Chief Information Officer
Ericson B. Salvador	-	Chief Audit Executive

COMMITTEES:

1. Audit Committee
2. Corporate Governance, Compensation & Nomination Committee
3. Risk Management & Related Party Transaction Committee

COMMITTEE MEMBERS:

AUDIT COMMITTEE

Quintin W. Chua	-	Chairman (Independent Director)
Vincent S. Lim	-	Vice Chairman
Susan L. Tan	-	Member
Jonathan Joseph CC Lim	-	Member
Maria G. Goolsby	-	Member (Independent Director)

CORPORATE GOVERNANCE, COMPENSATION & NOMINATION COMMITTEE

Maria G. Goolsby	-	Chairman (Independent Director)
Susan L. Tan	-	Vice Chairman
Vincent S. Lim	-	Member
Mellina T. Corpuz	-	Member
Quintin W. Chua	-	Member (Independent Director)

RISK MANAGEMENT & RELATED PARTY TRANSACTIONS COMMITTEE

Vincent S. Lim	-	Chairman
Jason S. Lim	-	Vice Chairman
Quintin W. Chua	-	Member (Independent Director)
Maria G. Goolsby	-	Member (Independent Director)
Beda T. Manalac	-	Member

Please refer to Annex A (Pages 1-4) for profile/qualifications