

COVER SHEET

SEC Registration Number: **CS200319138**

ALLIANCE SELECT FOODS INTERNATIONAL, INC.

Company's Full Name

Suite 1205, East Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City

Company's Address

Rajat Balain

Contact Person

635-5241 to 44

Telephone Number

31 December

Fiscal Year Ending

June 15

Annual Meeting

SEC Form - ACGR

Form Type

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

.....
To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

Remarks: Please use black ink for scanning purposes

17

SECURITIES AND EXCHANGE COMMISSION**SEC FORM – ACGR****ANNUAL CORPORATE GOVERNANCE REPORT**


1. **Report is Filed for the Year:** CY 2012
2. **Exact Name of Registrant as Specified in its Charter:** Alliance Select Foods International, Inc
3. Suite 1205, East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City,
Metro Manila
Address of Principal Office Postal Code
1605
4. **SEC Identification Number:** CS200319138
5.  (SEC Use Only)
Industry Classification Code
6. **BIR Tax Identification Number:** 227-409-243-000
7. (63-2) 6355241-44
Issuer's Telephone number, including area code
8. Alliance Tuna International, Inc. (same address as above)
Former name or former address, if changed from the last report

TABLE OF CONTENTS

A. BOARD MATTERS.....	4
1) BOARD OF DIRECTORS.....	
(a) Composition of the Board.....	4
(b) Corporate Governance Policy/ies.....	4
(c) Review and Approval of Vision and Vision.....	4
(d) Directorship in Other Companies.....	5
(e) Shareholding in the Company.....	6
2) CHAIRMAN AND CEO.....	6
3) PLAN FOR SUCCESSION OF CEO/MANAGING DIRECTOR/PRESIDENT AND TOP KEY POSITIONS...6	
4) OTHER EXECUTIVE, NON-EXECUTIVE AND INDEPENDENT DIRECTORS.....	7
5) CHANGES IN THE BOARD OF DIRECTORS.....	7
6) ORIENTATION AND EDUCATION PROGRAM.....	9
B. CODE OF BUSINESS CONDUCT & ETHICS.....	9
1) POLICIES.....	9
2) DISSEMINATION OF CODE.....	10
3) COMPLIANCE WITH CODE.....	10
4) RELATED PARTY TRANSACTIONS.....	10
(a) Policies and Procedures.....	10
(b) Conflict of Interest.....	11
5) FAMILY, COMMERCIAL AND CONTRACTUAL RELATIONS.....	11
6) ALTERNATIVE DISPUTE RESOLUTION.....	12
C. BOARD MEETINGS & ATTENDANCE.....	12
1) SCHEDULE OF MEETINGS.....	12
2) DETAILS OF ATTENDANCE OF DIRECTORS.....	12
3) SEPARATE MEETING OF NON-EXECUTIVE DIRECTORS.....	13
4) QUORUM REQUIREMENT.....	13
5) ACCESS TO INFORMATION.....	13
6) EXTERNAL ADVICE.....	14
7) CHANGES IN EXISTING POLICIES.....	14
D. REMUNERATION MATTERS.....	14
1) REMUNERATION PROCESS.....	14
2) REMUNERATION POLICY AND STRUCTURE FOR DIRECTORS.....	14
3) AGGREGATE REMUNERATION.....	15
4) STOCK RIGHTS, OPTIONS AND WARRANTS.....	16
5) REMUNERATION OF MANAGEMENT.....	16
E. BOARD COMMITTEES.....	17
1) NUMBER OF MEMBERS, FUNCTIONS AND RESPONSIBILITIES.....	17
2) COMMITTEE MEMBERS.....	17
3) CHANGES IN COMMITTEE MEMBERS.....	19
4) WORK DONE AND ISSUES ADDRESSED.....	19
5) COMMITTEE PROGRAM.....	19

F. RISK MANAGEMENT SYSTEM.....	19
1) STATEMENT ON EFFECTIVENESS OF RISK MANAGEMENT SYSTEM.....	19
2) RISK POLICY.....	20
3) CONTROL SYSTEM.....	20
G. INTERNAL AUDIT AND CONTROL.....	21
1) STATEMENT ON EFFECTIVENESS OF INTERNAL CONTROL SYSTEM.....	21
2) INTERNAL AUDIT	
(a) Role, Scope and Internal Audit Function.....	22
(b) Appointment/Removal of Internal Auditor.....	22
(c) Reporting Relationship with the Audit Committee.....	22
(d) Resignation, Re-assignment and Reasons.....	22
(e) Progress against Plans, Issues, Findings and Examination Trends.....	22
(f) Audit Control Policies and Procedures.....	23
(g) Mechanisms and Safeguards.....	23
H. ROLE OF STAKEHOLDERS.....	24
I. DISCLOSURE AND TRANSPARENCY.....	25
J. RIGHTS OF STOCKHOLDERS.....	26
1) RIGHT TO PARTICIPATE EFFECTIVELY IN STOCKHOLDERS' MEETINGS.....	26
2) TREATMENT OF MINORITY STOCKHOLDERS.....	30
K. INVESTORS RELATIONS PROGRAM.....	31
L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.....	31
M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL.....	31
N. INTERNAL BREACHES AND SANCTIONS.....	32

A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	7
---	---

Actual number of Directors for the year	7
---	---

(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
George E. Sycip	ID		S. Chandra Das - None	9/2003	7/2012 (9)	Annual	9
Alvin Y. Dee	NED	Mingjing Holdings	Mingjing Holdings	9/2003	7/2012	Annual	9
Albert Hong Hin Kay	NED	Harvest All	Harvest All	8/2011	7/2012	Annual	1
Hedy S. C. Yap-Chua	NED	Victory Fund	Victory Fund	6/2009	7/2012	Annual	3
Ibarra A. Malonzo	NED	SSS	SSS	7/2012	7/2012	Annual	
S. Chandra Das	ID		George Sycip - None	6/2011	7/2012 (1)	Annual	1
Jonathan Y. Dee	ED		Ex-officio	9/2003	7/2012	Annual	9

- (b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Board believes that corporate governance is a necessary component of what constitutes sound strategic business management and therefore undertakes every effort necessary to create awareness and promote best governance standards. The company has only one class of shares and each share carries one vote. Disclosure duties are assigned to the compliance officer to ensure adherence to corporate principles and best practices. The corporate powers, business and property of the corporation are exercised and controlled by the Board of Directors.

- (c) How often does the Board review and approve the vision and mission?

The Board gives the broad outlines of the vision and mission of the company but the Vision and the Mission of the company are not specifically discussed in the Board meetings.

¹ Reckoned from the election immediately following January 2, 2012.

(d) Directorship in Other Companies

(i) Directorship in the Company's Group²

Identify, as and if applicable, the members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
George E. Sycip	Spence & Co.	Independent
Hedy S. C. Yap-Chua	Spence & Co.	Non-Executive
Jonathan Y. Dee	Akaroa Salmon NZ Ltd; Big Glory Bay Salmon & Seafood, Inc; Prime Foods NZ Ltd; PT International Alliance Foods Indonesia; Spence & Co.	Non-Executive

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
George E. Sycip	MacroAsia Corporation	Independent
George E. Sycip	Paxys Corporation	Independent
S. Chandra Das	Yeo Hiap Seng Ltd.	Independent
S. Chandra Das	Ascott Residence Trust Management Ltd.	Independent
S. Chandra Das	Super Group Ltd.	Independent
S. Chandra Das	Embassy Property Development Ltd.	Independent

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Alvin Y. Dee	Mingjing Holdings	Sibling of Jonathan Y. Dee
Albert Hong Hin Kay	Harvest All	N.A
Hedy S. C. Yap-Chua	Victory Fund	N.A
Ibarra A. Malonzo	SSS	N.A
Jonathan Y. Dee	Mingjing Holdings	Sibling of Alvin Y. Dee

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

² The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	No Limits Placed	N.A
Non-Executive Director	No Limits Placed	N.A
CEO	No Limits Placed	N.A

(e) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Alvin Dee	56,509	112,168,596/ Mingjing Holdings	10.51
Albert Hong	39,071,537	177,261,165/ Harvest All	20.22
Hedy S. C Chua	1	138,474,015	12.95
Ibarra Malonzo	1	N.A	N.A
George Sycip	2,314,943	-0-	0.22
S. Chandra Das	2,604,761	-0-	0.24
Jonathan Dee	998,629	-0-	0.09
TOTAL	45,046,381	427,903,776	44.23

2) Chairman and CEO

- (a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes / No

Identify the Chair and CEO:

Chairman of the Board	George E. Sycip
CEO/President	Jonathan Y. Dee

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	Foster long-term growth	Manage company operations
Accountabilities	Formulation of policies and fiduciary duty towards all shareholders	Initiate & develop corporate objectives and implement policies
Deliverables	Comply with principles of good governance	Meet revenue and growth targets

- 3) Explain how the board of directors plans for the succession of the CEO/Managing Director/President and the top key management positions?

The Board looks for suitable candidates within the organization and has identified potential candidates who could fill positions that become vacant.

4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

The company strives to promote diversity within the Board too. The positions that are not taken up by the major shareholders are filled by members who have relevant experience and can bring new ideas and opinions to the group.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.

The company wants its independent directors to be well versed in corporate matters, specially in financial or industry matters. Moreover, it looks for the director to have an international outlook and industry experience or knowledge is preferred where possible.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

	Executive	Non-Executive	Independent Director
Role	Represent the management	Represent major shareholders' interests	Provide neutral observations
Accountabilities	Management of business affairs	Ensuring sustainable growth	Setting high standards for best practice
Deliverables	Meet corporate objectives	Monitor company progress	Safeguard interest of all shareholders

Provide the company's definition of "independence" and describe the company's compliance to the definition.

An independent director shall mean a person other than an officer or employee of the corporations, its parent or its subsidiaries, or any other individual having a relationship with the corporation as would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

No term limits.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
Edgar B. Solilapsi	Director	7/2012	SSS nominated a replacement

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	Nominated/Elected	Ex-officio – C.E.O.
(ii) Non-Executive Directors	Nominated/Elected	Major Shareholders
(iii) Independent Directors	Nominated/Elected	Knowledge, Experience in Industry/related industry
b. Re-appointment		
(i) Executive Directors	Election at Annual Stockholders Meeting	One vote for one share
(ii) Non-Executive Directors	Election at Annual Stockholders Meeting	One vote for one share
(iii) Independent Directors	Election at Annual Stockholders Meeting	One vote for one share
c. Permanent Disqualification – No Directors Permanently Disqualified		
(i) Executive Directors	N.A	N.A
(ii) Non-Executive Directors	N.A	N.A
(iii) Independent Directors	N.A	N.A
d. Temporary Disqualification – No Directors Temporarily Disqualified		
(i) Executive Directors	N.A	N.A
(ii) Non-Executive Directors	N.A	N.A
(iii) Independent Directors	N.A	N.A
e. Removal – No Directors removed from Office		
(i) Executive Directors	N.A	N.A
(ii) Non-Executive Directors	N.A	N.A
(iii) Independent Directors	N.A	N.A
f. Re-instatement – No Directors Removed from or Re-instated into the office		
(i) Executive Directors	N.A	N.A
(ii) Non-Executive Directors	N.A	N.A
(iii) Independent Directors	N.A	N.A
g. Suspension – No Directors Suspended		
(i) Executive Directors	N.A	N.A
(ii) Non-Executive Directors	N.A	N.A
(iii) Independent Directors	N.A	N.A

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
George E. Sycip	728,847,703 shares or 72.25%
Alvin Y. Dee	728,847,703 shares or 72.25%
Albert Hong Hin Kay	728,847,703 shares or 72.25%
Hedy S.C. Yap-Chua	728,847,703 shares or 72.25%
Ibarra A. Malonzo	728,847,703 shares or 72.25%
S. Chandra Das	728,847,703 shares or 72.25%
Jonathan Y. Dee	728,847,703 shares or 72.25%

6) Orientation and Education Program

- (a) Disclose details of the company's orientation program for new directors, if any.

No formal orientation program for new directors but each new incoming Board member is given a detailed briefing on the company's background by the CEO and/or other officers. Other Board members may also provide inputs about the company and various issues facing the firm.

- (b) State any in-house training and external courses attended by Directors and Senior Management
- ³
- for the past three (3) years:

No in-house training program or company sponsored external courses attended by Directors and senior management in the last three years.

- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Hedy S. C. Yap-Chua	January 11, 2012	Understanding the Regulatory Environment in Singapore	Singapore Institute of Directors
Hedy S. C. Yap-Chua	March 30, 2012	Long Term Capitalism	McKinsey & Co.
Hedy S. C. Yap-Chua	April 4, 2012	Nominating Company Essentials	AON Hewitt
Hedy S. C. Yap-Chua	April 17, 2012	Effective Board	Singapore Institute of Directors
Hedy S. C. Yap-Chua	May 30, 2012	Enterprise Risk Management	RSM Ethos
Hedy S. C. Yap-Chua	July 11, 2012	Audit Committee Essentials	PriceWaterhouse/Singapore Stock Exchange/Singapore Institute of Directors
Hedy S. C. Yap-Chua	August 1, 2012	Financial Literacy & Governance	KPMG
Hedy S. C. Yap-Chua	November 29, 2012	Remuneration Committee Essentials	AON Hewitt
S. Chandra Das	July 6, 2012	Chairing the Remuneration Committee	Singapore Institute of Directors

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	Do not vote on activities in which there is a conflict of interest	Are not allowed to be involved in the decision making process if conflict of interest is present	Are not allowed to be involved in the decision making process if conflict of interest is present

³ Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

(b) Conduct of Business and Fair Dealings	Should follow best practices and company policy, if such are in place	Should follow best practices and company policy, if such are in place	Should follow best practices and company policy, if such are in place
(c) Receipt of gifts from third parties	No formal company policy	No formal company policy	No formal company policy
(d) Compliance with Laws & Regulations	Monitored by the compliance officer & other officers	Monitored by the compliance officer & other officers	Monitored by the compliance officer & other officers
(e) Respect for Trade Secrets/Use of Non-public Information	Discouraged from using such information	Discouraged from using such information	Discouraged from using such information
(f) Use of Company Funds, Assets and Information	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance	Regulated through Manual on Corporate Governance
(g) Employment & Labor Laws & Policies	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities	Meet at least the minimum criteria set by the labor authorities
(h) Disciplinary action	Based on Manual of Corporate Governance	Based on Manual of Corporate Governance	Based on Manual of Corporate Governance
(i) Whistle Blower	No formal company policy	No formal company policy	No formal company policy
(j) Conflict Resolution	No formal company policy	No formal company policy	No formal company policy

- 2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

Rules and procedures have been disseminated to the management and employees.

- 3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.

Any infringement of the rules & policies are reported to senior management and suitable action is taken within the bounds of law.

- 4) Related Party Transactions

- (a) Policies and Procedures

Describe the company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party
(2) Joint Ventures	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party
(3) Subsidiaries	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party

(4) Entities Under Common Control	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party
(5) Substantial Stockholders	All related party transactions have to be on an arms-length basis if the company gets the most competitive product from a related party
(6) Officers including spouse/children/siblings/parents	No such related party transaction
(7) Directors including spouse/children/siblings/parents	No such related party transaction
(8) Interlocking director relationship of Board of Directors	The Board member has to have knowledge of industry if he/she serves on the board of subsidiary etc.

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s – Alvin Y. Dee	Shareholder in firm from which the company leases office space, land and buys some of its raw materials
Name of Officer/s – Jonathan Y. Dee	Shareholder in firm from which the company leases office space, land and buys some of its raw materials
Name of Significant Shareholders	N.A.

(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

	Directors/Officers/Significant Shareholders
Company	No formal mechanism in place currently
Group	No formal mechanism in place currently

5) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,⁴ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
No such relationships exist	N.A.	N.A.

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

⁴ Family relationship up to the fourth civil degree either by consanguinity or affinity.

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Mingjing Holdings Inc. (MHI)	Contractual	Company leases property, office space and procures tin cans from companies in which MHI holds shares though all these transactions are conducted on an arms-length basis

- (c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

No such shareholders agreements in place that may impact on the control, ownership and strategic direction of the company

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
N.A	N.A	N.A

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and third parties, including regulatory authorities. – The company has not had disputes in the last 3 years with the stockholders, regulatory authorities or third parties. Though there is no formal alternative dispute resolution in place the company will seek advice from independent parties to resolve the matters.

	Alternative Dispute Resolution System
Corporation & Stockholders	None in place
Corporation & Third Parties	None in place
Corporation & Regulatory Authorities	None in place

C. BOARD MEETINGS & ATTENDANCE

- 1) Are Board of Directors' meetings scheduled before or at the beginning of the year?

Board of Directors' meetings are held as needed, but at least once every quarter. The company generally decides on these meetings a few weeks in advance of the date these take place rather than pre-scheduling before or at the beginning of the year.

- 2) Attendance of Directors – all directors, except Ibarra A. Malonzo, were re-elected in July 2012. Atty. Malonzo was nominated as SSS representative to replace Edgar B. Solilapsi and was elected in July 2012

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	George E. Sycip – Independent Director	July 2012	7	7	100
Member	Alvin Y. Dee	July 2012	7	7	100
Member	Albert Hong Hin Kay	July 2012	7	7	100
Member	Hedy S.C Yap-Chua	July 2012	7	7	100
Member	Ibarra A. Malonzo	July 2012	3	3	100
Member	Jonathan Y. Dee	July 2012	7	7	100
Independent	S. Chandra Das	July 2012	7	6	86

- 3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?

The Board met three times without any executives present, except the Chief Operating Officer, who is an ex-officio member of the Board.

- 4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

Conformably with the Corporation's By-Laws, a majority of the number of directors constitutes a quorum for the transaction of corporate business and every decision of at least a majority of the directors present at the meeting at which there is a quorum is valid as a corporate act except for the election of officers which requires the vote of a majority of all the members of the Board.

- 5) Access to Information

- (a) How many days in advance are board papers⁵ for board of directors meetings provided to the board?

Generally, all the board papers are sent a week in advance of the meeting.

- (b) Do board members have independent access to Management and the Corporate Secretary?

Yes, they do (personally and via telephone/mobile, email and fax transmission).

- (c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

The Corporate Secretary is basically the individual who keeps the official records of the corporation, particularly the minutes and transactions of all meetings of the Directors and the Stockholders. Apart from this principal function, and as required by the Company's By-Laws, she is the custodian of record books showing the details required by law with respect to the stockholdings in the corporation; attends to the giving and serving of all notices of the corporation; certifies to corporate acts and countersigns corporate documents or certificates; and makes reports or statements as may be required by law or rules.

Yes, the functions of the Corporate Secretary include assisting in the preparation of the agenda of meetings. Being a lawyer, the Corporate Secretary also counsels and advises the Board on the proper steps and legal implications of taking certain corporate actions such as the disposition of corporate assets, share issuances, and other forms of exercise of corporate powers. She ensures that the Board and the members of senior management have the proper advice in the discharge of their duties to the corporation and the stockholders.

- (d) Is the company secretary trained in legal, accountancy or company secretarial practices? Please explain should the answer be in the negative.

The Corporate Secretary is an attorney. She has practiced law for over 25 years.

- (e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees:

Yes /

No

⁵ Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

Committee	Details of the procedures
Executive	No such committee
Audit	Copies of presentations provided by management
Nomination	Copies of presentations provided by management
Remuneration	Copies of presentations provided by management
Others (specify)	No other committees

6) External Advice

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details:

Procedures	Details
No formal procedure but members can ask for external advice	External advice not requested in the past

7) Change/s in existing policies

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the company and the reason/s for the change:

Existing Policies	Changes	Reason
N.A	No changes made	N.A

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Based on industry standards	Based on industry standards
(2) Variable remuneration	Not provided	Not provided
(3) Per diem allowance	Not provided	Not provided
(4) Bonus	Based on annual profitability	Based on annual profitability
(5) Stock Options and other financial instruments	Not provided	Not provided
(6) Others (specify)	Not provided	Not provided

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the company's policy on remuneration and the structure of its compensation package. Explain how the compensation of Executive and Non-Executive Directors is calculated.

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Fixed annual payment	Basic pay, performance bonus depending on company profitability	Based on industry standard
Non-Executive Directors	Fixed annual payment	Basic pay, performance bonus depending on company profitability, additional pay for heading Board committees	Based on industry standard

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
Not presented to stockholders	N.A

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year:

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	1,000,000	4,000,000	2,000,000
(b) Variable Remuneration	-0-	100,000	450,000
(c) Per diem Allowance	-0-	-0-	-0-
(d) Bonuses	-0-	-0-	-0-
(e) Stock Options and/or other financial instruments	-0-	-0-	-0-
(f) Others (Specify)	-0-	-0-	-0-
Total	1,000,000	4,100,000	2,450,000

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	No other benefits provided	No other benefits provided	No other benefits provided
2) Credit granted	No other benefits provided	No other benefits provided	No other benefits provided
3) Pension Plan/s Contributions	No other benefits provided	No other benefits provided	No other benefits provided
(d) Pension Plans, Obligations incurred	No other benefits provided	No other benefits provided	No other benefits provided
(e) Life Insurance Premium	No other benefits provided	No other benefits provided	No other benefits provided

(f) Hospitalization Plan	No other benefits provided	No other benefits provided	No other benefits provided
(g) Car Plan	No other benefits provided	No other benefits provided	No other benefits provided
(h) Others (Specify)	No other benefits provided	No other benefits provided	No other benefits provided
Total	N.A	N.A	N.A

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares

Stock rights, options, warrants not awarded to any member of the Board or management

Director's Name	Number of Direct Option/Rights/Warrants	Number of Indirect Option/Rights/Warrants	Number of Equivalent Shares	Total % from Capital Stock
N.A	N.A	N.A	N.A	N.A

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

No Amendments made

Incentive Program	Amendments	Date of Stockholders' Approval
N.A	N.A	N.A

5) Remuneration of Management

Identify the five (5) members of management who are not at the same time executive directors and indicate the total remuneration received during the financial year:

Name of Officer/Position	Total Remuneration
Teresita S. Ladanga	PHP 10,823,000
Joanna D. Laurel	
Rajat Balain	
Grace S. Dogillo	
Herminia B. Narciso	

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Audit	-0-	-2-	-1-	Develop a transparent financial management system	Check all financial reports against its compliance	Perform oversight financial management functions	Pre-approve all audit plans and scope of work
Nomination	-0-	-2-	-1-	Attract personnel that can act as guides to the company's expansionary prospects	Pre-screen & shortlist candidates	Define role, duties & responsibilities	Decide if candidates possess the right qualifications
Remuneration	-1-	-1-	-1-	Compensate competent personnel adequately to retain their services	Establish procedures to develop policy on executive remuneration	Provide oversight over remuneration of senior management & other key personnel	Designate amount of remuneration to attract and retain the right individuals
Others (specify)	N.A	N.A	N.A	N.A	N.A	N.A	N.A

2) Committee Members

(a) Executive Committee – Company does not have any Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	N.A	N.A	N.A	N.A	N.A	N.A
Member (ED)	N.A	N.A	N.A	N.A	N.A	N.A
Member (NED)	N.A	N.A	N.A	N.A	N.A	N.A
Member (ID)	N.A	N.A	N.A	N.A	N.A	N.A
Member	N.A	N.A	N.A	N.A	N.A	N.A

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	George E. Sycip - ID	July 2012	1	1	100	1
Member (NED)	Ibarra A. Malonzo	July 2012	1	1	100	1
Member (NED)	Hedy S.C. Yap-Chua	July 2012	1	1	100	1

Disclose the profile or qualifications of the Audit Committee members.

Mr. Sycip & Ms. Chua have extensive background in finance and accounting related issues. Ms. Chua has worked as an Analyst and Fund Manager at the Chemical Bank and sits on the boards of her family's investment and holding companies. Mr. Sycip serves on the Boards of several companies, including banks & consultancy firms, and institutions. His educational background includes an undergraduate degree in international relations/economics and an MBA. Both are conversant in financial management and pertinent accounting standards. Atty. Malonzo has served in the past on Boards of several organizations and companies and has knowledge regulatory requirements.

Describe the Audit Committee's responsibility relative to the external auditor.

To assist the Board of Directors in fulfilling its oversight responsibilities for the Company's corporate governance processes and analyze the efficacy of the company's internal and external auditors.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Albert Hong Hin Kay	July 2012	1	1	100	1
Member (NED)	Jonathan Y. Dee - ED	July 2012	1	1	100	1
Member (ID)	S. Chandra Das	July 2012	1	1	100	1

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	S. Chandra Das - ID	July 2012	2	2	100	1
Member (NED)	Alvin Y. Dee	July 2012	2	2	100	1
Member (ID)	George E. Sycip	July 2012	2	2	100	1

(e) Others (Specify) – No other committee

Provide the same information on all other committees constituted by the Board of Directors:

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	N.A	N.A	N.A	N.A	N.A	N.A
Member (ED)	N.A	N.A	N.A	N.A	N.A	N.A

Member (NED)	N.A	N.A	N.A	N.A	N.A	N.A
Member (ID)	N.A	N.A	N.A	N.A	N.A	N.A
Member	N.A	N.A	N.A	N.A	N.A	N.A

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

Name of Committee	Name	Reason
Executive		
Audit	Patrick L. Go, Edgar B. Solilapsi	No longer Board members
Nomination		
Remuneration	Patrick L. Go	No longer a Board member
Others (specify)		

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	N.A	N.A
Audit	Approval of audited financial statements	Looked at internal control issues at all subsidiaries
Nomination	Considered antecedents of people nominated for the positions	Nominate competent members only
Remuneration	Deliberated on industry remuneration standards and recommended benefits accordingly	Offer competitive benefits to retain and attract competent employees
Others (specify)	N.A	N.A

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	No Executive Committee	No Executive Committee
Audit	Regular updates on some operational activities	Firm up internal controls for new subsidiaries that will be operational soon
Nomination	Review & evaluate qualifications of all nominees	Continue to attract well qualified Board members
Remuneration	Establish a transparent procedure on compensation policies	Keep pace with industry standards on compensation
Others (specify)	No other committee	No other committee

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

- Overall risk management philosophy of the company – conservative approach to risk, decisions carefully assessed by multiple personnel before taking any material decision
- A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof – management gets all material decisions before committing funds vetted and approved by the Board
- Period covered by the review – CY 2012

- (d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and – as and when needed
- (e) Where no review was conducted during the year, an explanation why not.

2) Risk Policy

(a) Company

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Raw Material Procurement	RM purchase should be covered with confirmed orders	Minimize exposure to fluctuating RM prices
Environment protection	Purchase sustainably produced/sourced materials as much as possible	Ensure steady supply of raw materials in the future
Produce quality products	Use manufacturing processes that adhere to highest international standards	Eliminate selling sub-standard products as food is for human consumption
Contractual Agreements	Meet, and anticipate, customers needs	Clients have options to procure products from other suppliers

(b) Group

Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

Risk Exposure	Risk Management Policy	Objective
Raw Material Procurement	RM purchase should be covered with confirmed orders	Minimize exposure to fluctuating RM prices
Environment protection	Purchase sustainably produced/sourced materials as much as possible	Ensure steady supply of raw materials in the future
Produce quality products	Use manufacturing processes that adhere to highest international standards	Eliminate selling sub-standard products as food is for human consumption
Contractual Agreements	Meet, and anticipate, customer's needs	Clients have options to procure products from other suppliers

(c) Minority Shareholders

Indicate the principal risk of the exercise of controlling shareholders' voting power.

Risk to Minority Shareholders
All shareholders have one vote per share; so minority shareholders voting power is not truncated

3) Control System Set Up

(a) Company

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Inventory Management	Potential loss due to inventory obsolescence	Strict monitoring control of Inventory ageing and provide highlights report to the Management on Inventory Status updates
Integrity of Financial Information	Untimely detection of financial error	Continuous improvement of information system and security access.

(b) Group

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Inventory Management	Potential loss due to inventory obsolescence	Strict monitoring control of Inventory ageing and provide highlights report to the Management on Inventory Status updates
Integrity of Financial Information	Untimely detection of financial error	Continuous improvement of information system and security access.

(c) Committee

Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:

Committee/Unit	Control Mechanism	Details of its Functions
Audit Committee	Oversight control	1. Monitor integrity of financial information 2. Monitor and assess internal audit function 3. Overseeing IPT 4.compliance with legal and regulatory requirements 5. Review external auditor performance 6. Risk management

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the company:

- Explain how the internal control system is defined for the company - Internal Control System is a formalized system to promote company's efficiency, safeguard assets, compliance with the legal and regulatory requirements and integrity of financial information.
- A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate - The directors have hired a third party review on the efficiency and adequacy of the company's internal control.

- (c) Period covered by the review - CY 2012
 (d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and – when deemed necessary
 (e) Where no review was conducted during the year, an explanation why not.

2) Internal Audit

(a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
To provide independent, objective assurance and consulting services designed to add value and improve the organization's operation	Examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management process, system of internal control structure.	In-house internal audit function	Helen Herrera	Administratively to the CEO and functionally to the Audit Committee

- (b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?

Requires approval of the Audit Committee

- (c) Discuss the internal auditor's reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

A copy of each audit report and a summarization will be communicated to the Audit Committee. Yes, the Internal Auditor has a direct and unfettered access to the board and audit committee.

- (d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Name of Audit Staff	Reason
N.A	N.A

- (e) Progress against Plans, Issues, Findings and Examination Trends

State the internal audit's progress against plans, significant issues, significant findings and examination trends.

Progress Against Plans	Risk based audit plan
Issues⁶	Documentation
Findings⁷	Monitoring progress report
Examination Trends	Based on year to year results

[The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

- 1) Preparation of an audit plan inclusive of a timeline and milestones;
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;
- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.]

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column "Implementation."

Policies & Procedures	Implementation
Standard Financial Procedures on authorization, receipts and disbursements and safeguarding of assets and various operating procedures	Implemented
Standard Operating Policies and Procedures	Implemented

(g) Mechanisms and Safeguards

State the mechanism established by the company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the company's shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the company):

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
Report directly to the Board or its committees; IA reports only to the CEO	All requested information provided; company does not interfere in influencing analysts conclusions	All requested information provided; company does not interfere in influencing banks' conclusions	Have not hired any ratings agencies in the past

(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

The document will be signed by the two independent directors (one of whom is the Chairman of the Board), the Chief Executive Officer and the Compliance Officer.

⁶ "Issues" are compliance matters that arise from adopting different interpretations.

⁷ "Findings" are those with concrete basis under the company's policies and rules.

H. ROLE OF STAKEHOLDERS

1) Disclose the company's policy and activities relative to the following:

	Policy	Activities
Customers' welfare	Commit to producing high quality seafood	Strict processing standards that meet international regulations are followed
Supplier/contractor selection practice	Ability to deliver quality products in a timely manner at competitive costs	Major purchases are generally sent out for bids before decisions are made
Environmentally friendly value-chain	Meet standards set by clients and accreditation authorities	Procure only dolphin-safe tuna and environmentally sustainable quantities of raw materials
Community interaction	Involve local stakeholders where possible	CSR activities include feeding program in high school where children of a number of workers study
Anti-corruption programmes and procedures?	No specific or formal program in place	The company, as a rule, frowns on and does not indulge in corrupt practices
Safeguarding creditors' rights	Transparency in its financial dealings	Meet financial & other covenants set by creditors

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?

Yes, the Corporate Social Responsibility section was part of the Notes to the Financial Statements, which in turn was one of the major sections in the annual report.

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company's policy for its employees' safety, health, and welfare?

Alliance provides a broad and competitive range of benefits in order to promote the health and general well-being of its employees. In addition to comprehensive health and insurance plans, the Company offers other benefits. The Company's policies state that it should conduct its operations and maintain its facilities in a manner conducive to the creation of a healthy and safety work environment for all employees and the surrounding community. Health benefits include free medicines, hospitalization benefits, free annual medical and standard annual vacation benefits.

(b) Show data relating to health, safety and welfare of its employees.

The company spent \$181,066.86 on various employee health and insurance benefits.

(c) State the company's training and development programmes for its employees. Show the data.

The company has an orientation program for all new employees conducted by the Human Resources personnel. The company spent \$4,638.94 on various training programs and seminars.

(d) State the company's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures

The company's compensation policy is based on the firm's profitability.

4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behaviour? Explain how employees are protected from retaliation.

The company encourages employees to report any illegal behavior and practices to the supervisors as soon as they come to their notice. All justified complaints are handled with all seriousness and promptly investigated and acted upon.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
Harvest All	177,261,165	16.6%	Harvest All
Victory Fund	138,474,015	12.9%	Victory Fund
Mingjing Holdings	112,168,596	10.5%	Mingjing Holdings
Social Security System	103,147,769	9.9%	Social Security System

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Jonathan Y. Dee	998,629	-0-	0.09%
Joanna D. Laurel	1,545,858	-0-	0.14%
Teresita S. Ladanga	422,007	-0-	0.04%
Grace S. Dogillo	133,917	-0-	0.01%
Herminia B. Narciso	25,935	-0-	0.003%
Randolph H. Rodriguez	32,418	-0-	0.003%
TOTAL			

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	No
Dividend policy	No
Details of whistle-blowing policy	No
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	No
Number of board of directors/commissioners meetings held during the year	No
Attendance details of each director/commissioner in respect of meetings held	No
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure. – The details that are not part of the Form 17-A are included in other disclosures or company documents that are made public.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
Manabat Delgado Amper	PHP 840,000.00	PHP 100,800

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information. – Disclosures made to the PSE/SEC and disseminating information through the company website or news releases

5) Date of release of audited financial report: CY 2012 Form 17-A disclosed on April 29, 2013

6) Company Website

Does the company have a website disclosing up-to-date information about the following?

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Have not had media or analyst briefings
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	No

Should any of the foregoing information be not disclosed, please indicate the reason thereto. – the company will put the Constitution on the website shortly.

7) Disclosure of RPT

RPT	Relationship	Nature	Value
AMHI	Associate	Acquisition of property & equipment, refundable lease deposit and lease	US\$4,570,499
FDCP	Venturer	Purchase tin cans & grant advances	US\$4,593,363
Maranaw Canning Corp.	Subsidiary of Venturer	Lease Office Space	US\$41,815

When RPTs are involved, what processes are in place to address them in the manner that will safeguard the interest of the company and in particular of its minority shareholders and other stakeholders?

The transactions with related parties are undertaken on an arms-length basis; all purchases, leases etc. are based on market rates and are cross-referenced with transactions in which the company or its related parties are not involved.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	Majority of capital stock present or represented at meeting
------------------------	---

(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Giving of notice; Presentation of proposed corporate act and opportunity for discussion/Q&A
Description	Stockholders are apprised of corporate acts requiring stockholder approval in the Notice and Agenda of Meeting and Information Statement; During the meeting itself, proposed corporate acts on which stockholder approval is sought are presented and explained to the stockholders, and questions/comments are solicited, received and entertained

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights not in The Corporation Code
No difference between two codes	No difference between two codes

Dividends

Declaration Date	Record Date	Payment Date
December 16, 2011	January 5, 2012	January 26, 2012

(d) Stockholders' Participation

- State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

Measures Adopted	Communication Procedure
At stockholders meeting, time is set aside for the investors to question the Board and management	Part of the agenda

- State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - Amendments to the company's constitution
 - Authorization of additional shares
 - Transfer of all or substantially all assets, which in effect results in the sale of the company

All these crucial decisions are discussed and approved by the shareholders. During the AGM, agenda is sent out to the shareholders in advance so they can prepare to discuss these issues. If the management is proposing such changes, the investors have a right to vote with, or against, the management.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?
- Date of sending out notices: June 1, or before
 - Date of the Annual/Special Stockholders' Meeting: June 15
4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

There was a question pertaining to the company's operations which was answered by the Chief Executive Officer.

5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Approval of Management Report and the 2011 Audited Financial Statement	728,847,703 shares or 72.25%	No dissenting votes	No abstentions
Approval of Minutes of the August 1, 2011 Regular Stockholders' Meeting	728,847,703 shares or 72.25%	No dissenting votes	No abstentions
Confirmation and ratification of all acts and accomplishments of management and Board of Directors	728,847,703 shares or 72.25%	No dissenting votes	No abstentions
Election of 5 Regular Directors and 2 Independent Directors	728,847,703 shares or 72.25%	No dissenting votes	No abstentions
Re-Appointment of Manabat Delgado Amper & Co. (Formerly: C. L. Manabat & Co.) as External Auditor	728,847,703 shares or 72.25%	No dissenting votes	No abstentions

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:

Votes not published; will correct and start publishing from this year.

- (e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

Modifications	Reason for Modification
No modifications made	No modifications made

- (f) Stockholders' Attendance

- (i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	George E. Sycip, Alvin Y. Dee, Jonathan Y. Dee, Albert Hong Hin Kay,	July 3, 2012	Motion and Seconding; Solicitation of Objections	0.002%	72.25%	72.25%

	Hedy S.C. Yap-Chua, Ibarra A. Malonzo, S. Chandra Das/ Joanna Dee-Laurel, Teresita S. Ladanga, Ma. Erlinda R. Calangi, Grace S. Dogillo, Herminia B. Narciso, Randolph H. Rodriguez, Rajat Balain, Agustin S. Fazon					
Special	No meeting held	N.A	N.A	N.A	N.A	N.A

- (ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs?

Should there be a voting by ballot, the external auditors, who are expected to attend the ASMs and SSMs (as necessary), shall be authorized to count the votes.

- (iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares.

One vote carries one share

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	Conformably with By-Laws, stockholders who cannot attend ASM/SSMs but wish to send a representative are required to execute written proxies which must be in the hands of the Secretary before the time set for the meeting.
Notary	Proxies are not required to be notarized.
Submission of Proxy	Should be to the Corporate Secretary; must have been received by him/her before the time set for the meeting.
Several Proxies	No company policy
Validity of Proxy	No company policy
Proxies executed abroad	No company policy
Invalidated Proxy	No company policy
Validation of Proxy	No company policy
Violation of Proxy	No company policy

(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
Send notices two weeks prior to the meeting	Notices are sent by post to the last known postal address of the shareholder of record

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	All shareholders entitled to receive notices
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	At least two weeks prior to the AGM
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	At least two weeks prior to the AGM
State whether CD format or hard copies were distributed	Hard copies
If yes, indicate whether requesting stockholders were provided hard copies	N.A.

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Not included in the Notice
The amount payable for final dividends.	Yes
Documents required for proxy vote.	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

Dividend policy is not included in the Notice though the policy is stated in the Manual on Corporate Governance.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

Policies	Implementation
Recognize right of minority stockholders to influence Board composition by cumulative voting	Notice of Meeting/Information Statement expressly sets out procedure for cumulative voting.

Allow nominations to the Board of Directors to come from minority stockholders	All nominations for members of the Board of Directors are accepted for screening and selection.
Equal treatment of shareholders holding the same class of shares.	One share, one vote.

(b) Do minority stockholders have a right to nominate candidates for board of directors? Yes

K. INVESTORS RELATIONS PROGRAM

- 1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee. – No formal communication policies though the company disseminates all material information to its investors through disclosures.
- 2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	Timely disclosure of material information
(2) Principles	Enable investors to make appropriate investment decisions
(3) Modes of Communications	Disclose information to PSE/SEC, upload it on company website
(4) Investors Relations Officer	Rajat Balain

- 3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

All these major decisions have to be approved by the Board of Directors and the stockholders, as necessary.

Name of the independent party the board of directors of the company appointed to evaluate the fairness of the transaction price.

Not every merger or acquisition had an independent third party providing a fairness opinion. However, the company largest acquisition to date had a US investment banker propose a purchase price which was then approved by the Board.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the company.

Initiative	Beneficiary
Feeding Program	Banisil High School, Brgy. Tumbler, General Santos City

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

	Process	Criteria
Board of Directors	Periodic self-appraisal	Board discussions & participation
Board Committees	Periodic self-appraisal	Meeting targets set by the committees

Individual Directors	Periodic self-appraisal	Board discussions & participation
CEO/President	Periodic review of management & the CEO/President	Attainment of company objectives

N. INTERNAL BREACHES AND SANCTIONS


Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

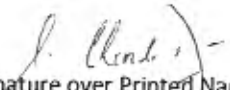
Violations	Sanctions
First Violation	Reprimand
Second Violation	Suspension
Third Violation	Removal from office

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Pasig on May 29, 2013.

SIGNATURES


 (Signature over Printed Name)
 Chairman of the Board – George E. Sycip


 (Signature over Printed Name)
 Chief Executive Officer – Jonathan Y. Dee


 (Signature over Printed Name)
 Independent Director – S. Chandra Das

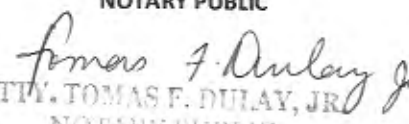

 (Signature over Printed Name)
 Independent Director – George E. Sycip


 (Signature over Printed Name)
 Compliance Officer – Rajat Balain

SUBSCRIBED AND SWORN to before me this MAY 29 2013 day of May, 2013, affiant(s) exhibiting to me their _____, as follows:

NAME	PASSPORT NO.	DATE OF ISSUE	PLACE OF ISSUE
George E. Sycip	American Passport No. 220464208	18 January 2007	U.S.A.
Jonathan Y. Dee	Philippine Passport No. EB0935413	11 September 2010	Manila
S. Chandra Das	Singaporean Passport No. E1882161A	08 June 2010	Singapore
Rajat Balain	Indian Passport No. Z2017174	05 October 2009	Manila

Doc No. 268;
 Page No. 54;
 Book No. 148;
 Series of 2013.

NOTARY PUBLIC

 ATTY. TOMAS F. DULAY, JR.
 NOTARY PUBLIC
 Not. No. 311, 2013
 ADM. MATR. NO. 009-061, 2013-2014
 PTR# 3113341-010713 Q.C.
 IBP# 3113341-010713 Q.C.
 ROL# 3113341-01071351
 TIN# 310-221-015
 MCLP# 3113341
 #92 Legaspi St., Proj. 4, Q.C.