



**THE PHILIPPINE STOCK
EXCHANGE, INC.**

**Corporate Governance Guidelines
for
Listed Companies
Disclosure Template**

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: Roxas Holdings, Inc.

Date: 16 March 2016

	COMPLY	EXPLAIN <i>(Please refer to the attached annexes)</i>
Guideline No. 1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY		
1.1 Have a clearly defined vision, mission and core values.	Yes	Revised Manual on Corporate Governance (Annex "A"); Company Website
1.2 Have a well developed business strategy.	Yes	Annual Report; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
1.3 Have a strategy execution process that facilitates effective performance management, and is attuned to the company's business environment, management style and culture.	Yes	Annual Report; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
1.4 Have its board continually engaged in discussions of strategic business issues.	Yes	Minutes of the company's quarterly Board of Directors' Meetings
Guideline No. 2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD		
2.1. Have a board composed of directors of proven competence and integrity.	Yes	Revised Manual on Corporate Governance (Annex "A"); Amended By-Laws (Annex "B")
2.2. Be lead by a chairman who shall ensure that the board functions in an effective and collegial manner.	Yes	Revised Manual on Corporate Governance (Annex "A"); Amended By-Laws (Annex "B")
2.3 Have at least three (3) of thirty percent (30%) of its directors as independent directors.	No	The company has two (2) independent directors who comprise 22.22% of all its directors. This is compliant with the requirements of Section 38 of the Philippine Securities Regulation Code and the company's Revised Manual on Corporate Governance (Annex "A").
2.4 Have in place written manuals, guidelines and issuances that outline procedures and processes.	Yes	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C"); Business Conduct Policy (Annex "D")
2.5 Have Audit, Risk, Governance and Nomination & Election Committees of the board.	Yes	Revised Manual on Corporate Governance (Annex "A"); Annual Report; Disclosures on the Result of Organizational Meeting (SEC Form 17-C, PSE Disclosure dated 10 March 2016)
2.6 Have its Chairman and CEO positions held separately by individuals who are not related to each other.	Yes	Amended By-Laws (Annex "B"); Revised Manual on Corporate Governance (Annex "A"); Annual



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	Report; Disclosures on the Result of Organizational Meeting (SEC Form 17-C, PSE Disclosure dated 10 March 2016) Amended By-Laws (Annex "B")		
2.7	Yes	Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.	
2.8	No	Have in place a formal board and director development program.	The company does not have a formal board and director development program. The company, however, requires its directors to attend a seminar on corporate governance in accordance with SEC Memo Circular No. 20, Series of 2013.
2.9	Yes	Have a corporate secretary.	Amended By-Laws (Annex "B")
2.10	Yes	Have no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.	Amended By-Laws (Annex "B")
<p>Guideline No. 3: MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM</p>			
3.1	Yes	Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.	Revised Manual on Corporate Governance (Annex "A")
3.2	Yes	Have a comprehensive enterprise-wide compliance program that is annually reviewed.	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C")
3.3	Yes	Institutionalize quality service programs for the internal audit function.	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C")
3.4	Yes	Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.	Business Conduct Policy (Annex "D")
3.5	Yes	Have the 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.	Annual Report; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
<p>Guideline No. 4: RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS</p>			
4.1	Yes	Have its board oversee the company's risk management function.	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C")
4.2	Yes	Have a formal risk management policy that guides the company's risk management and compliance processes and procedures.	Risk Management Policy as approved by the Board of Directors during its meeting held on 4 May 2011 (Annex "E")
4.3	Yes	Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not	Risk Management Policy as approved by the Board of Directors during its meeting held on 4



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	limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.		May 2011 (Annex "E")
4.4	Have a unit at the management level, headed by a Risk Management Officer (RMO).	Yes	The company has a Chief Risk Officer
4.5	Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.	Yes	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C")
4.6	Seek external technical support in risk management when such competence is not available internally.	Yes	
Guideline No. 5: ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING FUNCTION			
5.1	Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not outweigh the fees earned from the external audit.	Yes	Revised Manual on Corporate Governance (Annex "A"); Audit & Risk Committee Charter (Annex "C"); Minutes of Audit & Risk Committee Meetings
5.2	Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Yes	Revised Manual on Corporate Governance (Annex "A")
5.3	Ensure that the external auditor has adequate quality control procedures.	Yes	
5.4	Disclose relevant information on the external auditors.	Yes	
5.5	Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.	Yes	Revised Manual on Corporate Governance (Annex "A")
5.6	Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.	Yes	Revised Manual on Corporate Governance (Annex "A"); Minutes of Audit & Risk Committee Meetings
5.7	Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.	Yes	Annual Report; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
5.8	Have a policy of rotating the lead audit partner every five years.	Yes	
Guideline No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON-CONTROLLING GROUP			
6.1	Adopt the principle of "one share, one vote."	Yes	Amended By-Laws (Annex "B")
6.2	Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Yes	Amended Articles of Incorporation (Annex "F"); Amended By-Laws (Annex "B")
6.3	Have an effective, secure and efficient voting system.	Yes	Amended By-Laws (Annex "B")



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6.4	Have effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	No	The company does not have a special shareholding voting policy. However, the company complies with the minimum voting requirement for certain corporate acts as specified in the Philippine Corporate Code.
6.5	Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.	Yes	Amended By-Laws (Annex "B"); Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016)
6.6	Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.	Yes	Amended By-Laws (Annex "B"); Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016)
6.7	Ensure that all relevant questions during the AGM are answered.	Yes	Minutes of AGM
6.8	Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.	Yes	Revised Manual on Corporate Governance (Annex "A")
6.9	Avoid anti-takeover measures or similar devices that may entrench management or the existing controlling shareholder group.	Yes	Amended By-Laws (Annex "B"); Revised Manual on Corporate Governance (Annex "A")
6.10	Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.	Yes	Quarterly Disclosures on Top 100 Shareholders
6.11	Have a communications strategy to promote effective communication with shareholders.	Yes	Company Website; Media Interviews; Newspaper Publications; Creation of the Office of Investor Relations
6.12	Have at least thirty percent (30%) public float to increase liquidity in the market.	No	The company's public float is twenty percent (20%) which is over and above the minimum public ownership set by the Securities and Exchange Commission
6.13	Have a transparent dividend policy.	Yes	Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016)
Guideline No. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND TRANSPARENCY REGIME			
7.1	Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing	Yes	Revised Manual on Corporate Governance (Annex "A")



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laws and regulations.			
7.2 Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Yes		
7.3 Disclose its director and executive compensation policy.	Yes		Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016); Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
7.4 Disclose names of groups or individuals who hold 5% or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.	Yes		Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016); Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
7.5 Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within 90 days from the end of the financial year, while interim reports shall be published within 45 days from the end of the reporting period.	Yes		Annual Report; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015); SEC Form 17Q
7.6 Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.	Yes		Revised Manual on Corporate Governance (Annex "A")
7.7 Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.	Yes		Information Statement or SEC Form 20-IS (PSE Disclosure dated 14 January 2016)
7.8 Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy-back program).	Yes		SEC Form 23-A and 23-B (PSE Disclosure)
7.9 Disclose in its annual report the principal risks to minority shareholders 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.	Yes		Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)
Guideline No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS			
8.1 Establish and disclose a clear policy statement that articulates the company's recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers & customers, creditors, as well the community, environment and other key stakeholder groups.	Yes		Business Conduct Policy (Annex "D"); Revised Manual on Corporate Governance (Annex "A")

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		<p>The company provides training and development opportunities for its employees. For its management team, the company conducted a series of training programs on labor relations and leadership, among others. Aside from these, various technical and operational programs were conducted for its plant managers and personnel. These include courses on plant operations, safety, and quality, among others.</p>
<p>8.2 Have in place a workplace development program.</p>	<p>Yes</p>	<p>The company also has a cadetship program designed to develop the next generation leaders and technical experts. The company has cadets who are extensively trained and mentored in critical roles in the organization.</p> <p>Relative to this, a succession planning program was put in place to identify and develop potential understudies to key roles. The development of these corporate resources is very critical to the company's growth and expansion plans in the future.</p>
<p>8.3 Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</p>	<p>Yes</p>	<p>Employee Stock Option Plan I; Stock Option Plan II</p>
<p>8.4 Have in place a community involvement program.</p>	<p>Yes</p>	<p>The company has corporate social responsibility projects</p>
<p>8.5 Have in place an environment-related program.</p>	<p>Yes</p>	<p>Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)</p>
<p>8.6 Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.</p>	<p>Yes</p>	<p>Business Conduct Policy (Annex "D")</p>
<p>Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER TRADING</p>		
<p>9.1 Develop and disclose a policy governing the company's transactions with related parties.</p>	<p>Yes</p>	<p>Business Conduct Policy (Annex "D")</p>
<p>9.2 Clearly define the thresholds for disclosure and approval for RPTs and categorize</p>	<p>Yes</p>	<p>Annual Report to Shareholders; Annual Report on</p>



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<p>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 RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>		<p>SEC Form 17-A (PSE Disclosure dated 17 December 2015)</p>
<p>9.3 Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.</p>	<p>No</p>	<p>The company adequately discloses all its RPTs in its annual report to its shareholders for their approval during their annual meetings. It does not have a voting system whereby a majority of non-related party shareholders approve specific types of RPTs.</p>
<p>9.4 Have its independent directors or audit committee play an important role in reviewing significant RPTs.</p>	<p>Yes</p>	<p>Minutes of Audit & Risk Committee Meetings</p>
<p>9.5 Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.</p>	<p>Yes</p>	<p>Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)</p>
<p>9.6 Have a clear policy in dealing with material non-public information by company insiders.</p>	<p>Yes</p>	<p>Business Conduct Policy (Annex "D")</p>
<p>9.7 Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.</p>	<p>Yes</p>	<p>Annual Report to Shareholders; Annual Report on SEC Form 17-A (PSE Disclosure dated 17 December 2015)</p>
<p>Guideline No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, & ENFORCEMENT</p>		
<p>10.1 Formally adopt a code of ethics and proper conduct that guides individual behavior and decision making, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance (Annex "A"); Business Conduct Policy (Annex "D")</p>
<p>10.2 Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance (Annex "A"); Business Conduct Policy (Annex "D")</p>
<p>10.3 Not seek exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well as present the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Yes</p>	
<p>10.4 Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.</p>	<p>Yes</p>	<p>Business Conduct Policy (Annex "D")</p>
<p>10.5 Have a designated officer responsible for ensuring compliance with all relevant laws,</p>	<p>Yes</p>	<p>Revised Manual on Corporate Governance (Annex</p>



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		"A"	"A"
10.6	rules, and regulation, as well as all regulatory requirements. Respect intellectual property rights.	Yes	Business Conduct Policy (Annex "D")
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	Yes	

Note: Schedule of Annexes:

- Annex "A"- Revised Manual on Corporate Governance
- Annex "B"- Amended By-Laws
- Annex "C"- Audit & Risk Committee Charter
- Annex "D"- Business Conduct Policy
- Annex "E"- Minutes of the Board of Directors' Meeting on 4 May 2011 (Risk Management Policy)
- Annex "F"- Amended Articles of Incorporation

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this document is true, complete and correct.

Done this 4 April 2016 in Makati City.


DAVID L. BALANGUE

Independent director


HUBERT D. TUBIO

President, CEO, or Authorized Representative

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