

COVER SHEET

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S.E.C. Registration Number

[illegible]

(Company's Full Name)

[illegible]

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

ELIZABETH T. MORALES

Contact Person

527 - 8121

Company Telephone Number

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Month Day
Fiscal Year

SEC FORM

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FORM TYPE

Page 10 of 10

Month Day
Annual Meeting

Secondary License Type. If Applicable

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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

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

STAMPS

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2015
2. SEC Identification Number 15923 3. BIR Tax Identification No. 000-746-558
4. Exact name of issuer as specified in its charter Manila Bulletin Publishing Corporation
5. Philippines
Province, country or other jurisdiction of
Incorporation or organization
6. _____ (SEC Use Only)
Industry Classification Code
7. Manila Bulletin Building, Muralla corner Recoletos Sts., Intramuros, Manila 0900
Address of principal office Postal Code
8. (632) 527-8121
Issuer's telephone number, including area code
9. none
Former name, former address, and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 & 12 of the SRC or Sec.4 & 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding And Fully Paid
<u>Common Stock</u>	<u>3,365,183,565 shares</u>
11. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes (☒)
No (☐)

If yes, state the name of such Stock Exchange and the classes of securities listed therein:

Philippine Stock Exchange
Common Stock
12. Check whether the issuer:
 - a. has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes (☒)
No (☐)
 - b. has been subject to such filing requirements for the past ninety (90) days

Yes (☒)
No (☐)

BUSINESS AND GENERAL INFORMATION

A. DESCRIPTION OF BUSINESS

1. Form and Year of Organization

The Corporation was founded as the Daily Bulletin on February 2, 1900 for the purpose of engaging in the publishing business. It was incorporated on June 12, 1912 as Bulletin Publishing Company and re-incorporated on September 25, 1959 as Bulletin Publishing Corporation for a term of 50 years extendable in accordance with law. On June 22, 1989 the corporate name was amended to Manila Bulletin Publishing Corporation.

On April 18, 1990 it became a public corporation.

Having begun operations on February 2, 1900, Manila Bulletin is now the oldest newspaper published in the country and the second oldest English newspaper in the Far East.

When it started publication, the contents of the newspaper mainly centered on the commercial and economic conditions in Panay and Negros. Its issues, focused on business and industry, soon caught the attention of the world. From then on it grew to become a national newspaper.

2. Business of Issuer

The Manila Bulletin through its 115 years of service to the country faithfully came to record the country's and the world's most important events, presenting and interpreting the news with utmost concern for accuracy, impartiality and fairness. As exponent of Philippine progress, it continues to publish constructive news on national development that all may work for the success of business and industry to give jobs to the jobless.

The Manila Bulletin provides quality news and entertainment to the public. It is published seven days a week with Philippine Panorama Magazine on Sunday, the New York Times section now on Monday, Style Weekend Magazine on Friday, and the Digital Generation Magazine once every quarter. Also published daily are tabloid newspapers, Tempo in English and Balita in Filipino.

The Manila Bulletin publishes monthly magazines in full color, of special interest catering to various sectors of the reading public.

Agriculture Magazine is the leader in promoting trends in farming, fishing, crop propagation, livestock raising and of many topics for professionals and hobbyists who are enticed by improving innovations. Also published are pointers for aspiring small scale farmers and other entrepreneurs. The magazine is the premier source of ground breaking developments, also of products that would be exportable, a new source of foreign exchange for the country. Most interesting are entrepreneurial successes of people who had ventured of many of the above endeavors.

Cruising Magazine promotes local tourism travel. Places in the country are featured wheretofores have not be known to tourists, hotels with complete amenities or for those seeking the best places for enjoying their time with limited budgets; the breaking of sunrise, the sweet grandeur of sunset, explore the caves and rivers or swim among the beaches. The magazine also publishes stories of places to visits, fiestas to be celebrated, restaurants, lodging, cultural sites, food specialties and handicrafts or souvenirs for pasalubong. All these promote trade in the areas to be visited, enhancing tourism and generate income in the far flung localities as well as preserve the culture of the different regions. "There is really more fun in the Philippines."

The perfect companion for animal lovers and breeders, Animal Scene Magazine gives readers breeding information, addresses veterinary concerns and give advice on care. It features very interesting best seller stories on animals, heartwarming anecdotes from fellow enthusiasts and on less-known animals and colorful pictures to the magazine readers of all ages.

The Manila Bulletin Sports Digest reports on the most popular sporting events here and abroad. Packed with game highlights, statistics and an arena's worth of sports trivia. The magazine has dream line up of sports activities. Other than the many years that basketball has been the center of attraction of sports enthusiasts, Sports Digest has drawn attention of many to football, women's volleyball, swimming competitions and lately to ice skating. Physical activities and healthy lifestyle beneficial to the youth are also featured to avoid obesity, reduce cardiac disorders and susceptibility to other diseases.

To encourage provincial literary talents, preserve the cultures and dialects of the countries various regions, the Manila Bulletin publishes the weekly vernacular magazines, "Liwayway" in Tagalog, "Bisaya" in Cebuano, "Bannawag" in Ilocano and "Hiligaynon" in Ilonggo. These magazines which highlight cultural development and stories from the different provinces as well as national news of regional concerns are widely read throughout the Philippines and abroad.

On its anniversary on February 2, every year, the Manila Bulletin publishes the Manila Bulletin Yearbook which provides valuable information on government officials, civic organizations and notable institutions in the Philippines. It is distributed with the Manila Bulletin issue for the day.

The Manila Bulletin Publishing Corporation has a broad owner of 2,768 stockholders as of December 31, 2015. We continue to ensure that the corporate profits are being distributed to investors who share our confidence in the operations and potential earnings of the Manila Bulletin.

Sales of our newspapers and magazines are done through agents, dealers, retailers, subscriptions and direct sales. For advertising services, in addition to our main office which is located in Intramuros, Manila, we have 14 branches where our advertisers can go to namely: Manila Bulletin - Makati Avenue, Manila Bulletin – Ortigas, Manila Bulletin – Cubao, Manila Bulletin – West Avenue, Manila Bulletin – Grace Park, Manila Bulletin – Alabang Madrigal Business Park, Manila Bulletin – Cebu, Manila Bulletin – Davao, Manila Bulletin – Naga, Manila Bulletin – Cagayan de Oro, Manila Bulletin – Ilo-ilo, Manila Bulletin – Dumaguete, Manila Bulletin – Santiago and Manila Bulletin – Baguio.

Competition

Principal competitors of the Manila Bulletin are the Philippine Daily Inquirer and the Philippine Star. Manila Bulletin can effectively compete with these publications because of its balanced, responsible, accurate and comprehensive reporting and its policy to publish constructive reports that encourage economic growth to gain prosperity in the country.

As per BusinessWorld Top 1000 Corporations in the Philippines Volume 29; 2015 issue, for the year 2014, Manila Bulletin ranked 669 based on revenues while Philippine Daily Inquirer and Philippine Star, ranked 831 and 823 respectively.

Being in the business for 115 years and for its continuous search for excellence, Manila Bulletin has maintained its leadership in the newspaper industry with its advertisements, circulation and clientele.

The Registrant is the first in the newspaper industry in the Philippines to go public. Likewise, it is the first among the major broadsheets in the Philippines to put up a website. It was also the first to offer WAP service, mobile access, online classified ads section, 3D pictures and advertisements. And finally, Manila Bulletin is the first to offer online booking

and payment of classified ads wherein advertisers can place and pay their ads through the internet. Innovations are undertaken to have easy access to our customers as well as our readers.

Sources and availability of Raw Materials and names of principal suppliers

Main suppliers of the Registrant are Trust Paper Corporation, UPM - Kymmene Asia Pacific, Samsung CNT Corporation and Hanwha Corporation for newsprint, Heritage Inks International Corporation and Toyo Ink Corporation for ink and Aboitiz for power. Because of the volume of newsprint, ink, etc. and the quality required, Manila Bulletin buys only from big reliable suppliers that can deliver the volume and quality of materials required. The Company does not have an exclusive or major contract with any of our principal suppliers.

Disclose how dependent the business is upon a single customer

The Corporation derives its income from thousands of its advertisers and sells its newspapers and magazines to the public nationwide.

The Company does not have any transaction with or dependence on related parties.

The Registrant fully complies with environmental laws as evidenced by the permit secured from the Department of Environment and Natural Resources, which will expire on September 3, 2016. There is no material cost involved to comply with the DENR requirement.

Government Approval of Principal Products or Services

As of date of this report, no government approval is needed for any of our principal products or services. Likewise, there are no known probable governmental regulations, which will have direct effect on the business of the Registrant.

Amount spent for development activities

Advertising and promotion expenses amounts and percentage to total revenues for the last three years were as follows:

YEAR	ADS & PROMO EXPENSES	PERCENT TO TOTAL REVENUES
2015	85,915,342	2.90%
2014	89,212,888	3.16%
2013	95,601,490	3.30%

Manpower complement

As part of our cost reduction program, total number of officers and employees at year end totaled 467 lower by 41 from the previous year of 508. Twenty (20) officers and supervisors retired, fifty seven (57) rank and file employees resigned, one(1) employee terminated and another deceased.. Promotions to officer positions and supervisory assignments with lower manpower costs necessitated 38 new hires during the year.

TYPE OF EMPLOYEE	2015	2014
Officers & Supervisors	119	115
Regular employees	331	378
Probationary employees	17	15
Totals	467	508

Health coverage increased premiums as of November 16, 2015 for 304 rank and file personnel shouldered by the corporation amounted to P3.32 million while the premiums for 114 officers and other employees amounted to P2.11 million, a total of P5.43 million premium worth of health insurance coverage.

Management and the Bulletin Progressive Union signed a five year collective bargaining agreement for the period August 10, 2012 to August 2, 2017.

B. DESCRIPTION OF PROPERTY

Real estate properties owned and leased by the Corporation are as follows:

Real Estate Owned:

LOCATION	AREA	DESCRIPTION
Muralla corner Recoletos and Cabildo Streets, Intramuros, Manila	9,307.00 sqms.	Site of our main office & plant. Also houses 2 state-of-the art printing presses.
Cabildo corner San Jose Streets, Intramuros, Manila	671.10 sqms.	Presently used as newsprint warehouse and parking area
Recoletos corner Escuela Streets, Intramuros, Manila	588.70 sqms.	Manila Bulletin Car Park
Rizal Avenue Extension Corner 10 th Avenue, Kalookan City	403.50 sqms.	2 storey concrete building Grace Park Branch
Concepcion 1, Marikina City	20,000.00 sqms. & 393.00 sqms.	Warehouse
Neopolitan Business Park, Fairview, Quezon City	1,254.00 sqms.	Not Occupied
District of Sambag, Cebu City	2,750.00 sqms.	Purchased for intended branch site
28 West Avenue, Quezon City	1,170.00 sqms.	Purchased for intended branch site
Harvard St., Cubao, Quezon City	654.50 sqms.	Cubao branch
Nuvali Lakeside Ecozone South Phase 2, Block 1, Lot 3, Sta Rosa, Laguna	2,617.00 sqms.	Not occupied
141 Rizal Street corner C. Bangoy Street, Davao City	553.00 sqms.	Davao branch (Lot and Building)
Penafrancia Avenue corner Dimasalang, Naga City	879.00 sqms.	Naga branch (Lot and Building)
Lot 27, Block 9, Phase 1 Royal Tagaytay	800.00 sqms.	Not occupied
Lot 37, Block 40, Splendido, Taal Residential	299.00 sqms.	Not occupied
Maharlika Highway corner Abauag Street, Poblacion, Santiago City	224.50 sqms.	Santiago City branch (Lot and Building)
Siliman Avenue corner Real Street, Dumaguete City	200.00 sqms.	Dumaguete City branch(Lot and Building)
Lot 4, Phase 2, Block 13 IL Giardino Residences, Gen.Trias, Cavite	LA - 100sqms. FA - 70sqms.	Not occupied (House and Lot)

LOCATION	AREA	DESCRIPTION
Lot 22, Block 5, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 24, Block 5, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 28, Block 6, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 30, Block 9, Phase II Carmel Town Subdivision, Canlubang, Laguna	170 sqms.	Not occupied
Lot 33, Block 9, Phase II Carmel Town Subdivision, Canlubang, Laguna	170 sqms.	Not occupied
Lot 33, Block 11, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 35, Block 11, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 41, Block 11, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 7, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	189 sqms.	Not occupied
Lot 14, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 16, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 22, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 24, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 30, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied

LOCATION	AREA	DESCRIPTION
Lot 31, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 39, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 42, Block 12, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 10, Block 13, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 12, Block 13, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 18, Block 13, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied
Lot 20, Block 13, Phase II Carmel Town Subdivision, Canlubang, Laguna	150 sqms.	Not occupied

Condominiums Owned:

LOCATION	AREA	DESCRIPTION
Unit 107-A & Unit 106-B, Atrium of Makati Building, Makati avenue, Makati City	55.25 sqms.	Used as Manila Bulletin Makati Branch office
Condominium 104, South Center Tower- 2206 Market Street, Madrigal Business Park, Alabang, Muntinlupa City	138.82 sqms. plus 2 parking slots	Used as Manila Bulletin Alabang Branch Office
Robinsons East of Galleria Bldg., Unit 110, Topaz Street, Ortigas Center, Pasig City	110.72 sqms.	Used as Ortigas Branch Office

Leased Properties for Manila Bulletin Branches:

LOCATION	AREA	MONTHLY RENTAL	EXPIRY OF LEASE
West Avenue Branch, 106 Ground Floor, Delta Building, West Avenue, Quezon City	175.00 sqms.	P110,809.16	July 31, 2016

LOCATION	AREA	MONTHLY RENTAL	EXPIRY OF LEASE
Cebu City Branch, D. Jacosalem Street, near Espana Street, PARI-AN, Cebu City	489.00 sqms.	P 20,000.00	December 31, 2016
Iloilo Branch, Quezon corner Delgado Streets, Iloilo City	250.00 sqms.	P122,226.20	June 15, 2016
Cagayan de Oro Branch S. Osmena corner Ramonal Cogon, Cagayan de Oro City	66.76 sqms.	P 28,759.11	December 31, 2016
Baguio City Branch 102-AB, EGI Albergo di Feffoca Condominium No. 1 Villamor Drive, Brgy. Lualhati, Baguio City	106.67 sqms.	P 30,976.96	December 31, 2016

Major Machinery and Equipment Owned

TYPE OF MACHINE/ EQUIPMENT	LOCATION
Mitsubishi Tower Presses	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Goss Headliner Offset Machines	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Speed Master 5 Colors Offset Press	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Heidelberg Offset Machine	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Mailroom Equipment	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Strapping Machine	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Ferag Post Press System	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila
Coating Machine	Manila Bulletin Building, Muralla corner Recoletos Streets, Intramuros, Manila

Conditions of Major Machinery & Equipment Owned

All major machinery and equipment as listed above are in good running condition, properly maintained and currently utilized in printing our newspapers and magazines.

Plans of Major Acquisitions of Properties

The Company has no plan for major acquisitions of properties within the next twelve (12) months.

Known Trends or Uncertainties

At the year-end, the exchange rate of the peso to the dollar stood at P47.06. Any depreciation in the peso to the dollar will have an unfavorable impact on the Corporation's operations as this will increase the cost of imported materials such as newsprint, ink, spare parts, supplies and services of technical consultants for the imported machinery and equipment. Prices of newsprint and other items purchased locally will also go up as the higher cost of foreign exchange will make raw materials and labor more costly.

Patent, Trademarks, Etc.

1. Manila Bulletin has no registered patent rights, trademarks, copyrights, franchise, concession and royalty agreements.
2. Permit to operate Emission Source Installations from Department of Environment and Natural Resources- Expiry Date: September 3, 2016
3. Intramuros Administration Permit to operate generator sets, elevator, escalator- Expiry Date : November 12, 2016

C. LEGAL PROCEEDINGS

There is no material pending legal proceedings to which the Corporation is a party or of which any of its property is the subject.

D. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No special or regular Stockholders meeting were called during the fourth quarter of the calendar year 2015.

E. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

a. Market Information

The Company's shares of stocks is listed and traded at the Philippine Stock Exchange. High and low sales prices for each quarter in 2015 and 2014 are as follows:

QUARTER	HIGH		LOW	
	2015	2014	2015	2014
First	0.70	0.63	0.69	0.61
Second	0.68	1.10	0.67	1.02
Third	0.65	0.87	0.63	0.83
Fourth	0.59	0.76	0.58	0.73

As of the last trading date for the year 2015, high and low sales prices both registered at P0.54. For the first quarter of 2016, average sales prices of Manila Bulletin shares of stocks were at a high of P0.54 and a low of P0.53.

b. Holders

1. As of December 31, 2015, the total number of the Registrant's Shareholders is 2,768.
2. All of the Company's Shares of Stocks are common shares with equal voting rights and privileges.

The Top 20 Shareholders as of December 31, 2015 are as follows:

MANILA BULLETIN PUBLISHING CORPORATION
Top Twenty Stockholders
As of December 31, 2015

1	U S AUTOMOTIVE CO. INC.	1,828,871,947.00	54.197%
2	USAUTOCO INC.	787,597,990.00	23.340%
3	MENZI TRUST FUND INC.	284,109,289.00	8.419%
4	PCD NOMINEE CORPORATION	156,701,140.00	4.644%
5	EVERGREEN STOCKBROKERAGE & SEC., INC.	131,851,738.00	3.907%
6	YAP, LYDIA C.	12,447,487.00	0.369%
7	UY, WILLIAM CARLOS	8,824,385.00	0.262%
8	CHUNG BUNSIT	6,036,041.00	0.179%
9	MIRIAM C. CU	5,333,333.00	0.158%
10	ANITA S. REGALADO- DALAKOURAS	4,412,196.00	0.131%
	CHUA, FRANCISCO C.	4,412,196.00	0.131%
11	TAN, TEODORA D.	4,412,195.00	0.131%
12	CHING, RICHARD	3,229,448.62	0.096%
13	YAP, BASILIO C.	2,768,825.40	0.082%
14	YAP, BENJAMIN C.	2,489,497.40	0.074%
	YAP-GAW, ROSALINDA C.	2,489,497.40	0.074%
15	MAKATI SUPERMARKET CORPORATION	2,206,098.00	0.065%
	UNIMART INC.	2,206,098.00	0.065%
16	CARLOS UY CORPORATION	1,764,880.00	0.052%
	PAN MALAYAN MANAGEMENT & INVESTMENT CORP	1,764,880.00	0.052%
	LEE, EDWARD A.	1,764,880.00	0.052%
	SY, JIMMY	1,764,880.00	0.052%
17	MICHAEL ANGELO P & /OR BIENVENIDO U. LIM	1,749,540.00	0.052%
18	JOHNNY K. CHOA	1,287,910.00	0.038%
19	YAP, JR., ENRIQUE Y.	1,244,748.70	0.037%
	YAP, MICHAEL VINCENT Y.	1,244,748.70	0.037%
20	O LEDESMA & CO., INC.	1,160,738.00	0.034%

3. Security Ownership of Certain Record and Beneficial Owners of more than 5 % of Registrant's voting securities

TITLE OF CLASS	NAME & ADDRESS OF OWNER	CITIZEN SHIP	NO. OF SHARES	PERCENT
Common Stocks	U.S.Automotive Co. Inc. 100 United Nations Avenue, Manila Authorized Representative: Mr. Basilio C. Yap Relationship to Registrant: Chairman of the Board of the Registrant	Filipino	1,828,871,947.00	54.197%
Common Stocks	USAUTOOCO INC. United Nations Avenue corner San Marcelino St., Manila Authorized Representative: Mr. Basilio C. Yap Relationship to Registrant: Chairman of the Board of the Registrant	Filipino	787,597,990.00	23.340%
Common Stocks	MENZI TRUST FUND, INC. 20F, Security Bank Centre Ayala Avenue, Makati, Metro Manila Authorized Representative: Mr. Teodoro C. Fuerte Relationship to Registrant: None	Filipino	284,109,289.00	8.419%

4. The list of Board of Directors as well as their shareholdings as of December 31, 2015 are as follows:

NAME	POSITION	NUMBER OF SHARES	OWNER SHIP	%
Mr. Basilio C. Yap	Chairman of the Board	2,768,825.40	B	.08220%
Atty. Hermogenes P. Pobre	Vice Chairman/ President	11,697.00	B	.00035%
Chief Justice Hilario G. Davide, Jr.	Vice Chairman/ Independent Director	11,139.00	B	.00033%
Secretary Alberto G. Romulo	Vice Chairman/ Independent Director	11,139.00	B	.00033%
Dr. Emilio C. Yap III	Vice Chairman	918,083.47	B	.02721%
Dr. Enrique Y. Yap Jr.	Director	1,325,770.70	B	.03929%
Atty. Francis Y. Gaw	Director	13,400.00	B	.00040%
Mrs. Paciencia M. Pineda	Director	203,066.97	B	.00602%
Dr. Esperanza I. Cabral	Independent Director	11,139.00	B	.00033%
Dr. Crispulo J. Icbán, Jr.	Director	70,599.00	B	.00210%

c. Dividends

On July 9, 2015, the Board of Directors declared a stock dividend of 3 % or 98,015,055 shares based on 3,267,168,510 shares, payable on September 2, 2015 to Stockholders of record as of August 7, 2015, utilizing for this purpose P98,015,055 out of accumulated unrestricted surplus profits of the Corporation as of December 31, 2014 making a total of issued and outstanding capital stock of 3,365,183,565 shares or a total of P3,365,183,565.

Total stock and cash dividends distributed to stockholders of record to date amount to 832.0779% of par value since Manila Bulletin went public on April 18, 1990.

As of December 31, 2015, out of its authorized capital of 6 billion shares, 3,365,183,565 shares are issued and outstanding and 9,324,650 shares are treasury stock, a total of 3,374,508,215 shares.

d. Recent Sales of Unregistered Securities

Manila Bulletin Publishing Corporation has not sold any unregistered security.

F. FINANCIAL INFORMATION

a. MANAGEMENT DISCUSSION AND ANALYSIS

Calendar Year 2015 Compared to Calendar Year 2014

Manila Bulletin's gross revenue from advertising and circulation amounted to P2,805,961,573, higher by P66,274,062 or 2.42% over 2014. Total gross revenues and other income reached P2,913,182,272 which was P89,066,801, 3.15% higher than last year.

Cost and expenses totaled P2,831,551,242 higher by P119,245,906 or 4.40% over last year. Total cost and expenses represents 97.20% of gross revenues. Cost of printing and materials used accounted for 64.57% of total expenses, higher than 63.57% in 2014.

Provision for income tax for the year amounted to P21,500,636 lower by P3,970,535 or 15.59% from the previous year.

Net income before Comprehensive Income (Loss) of the Corporation amounted to P60,130,394. This represents 2.06% of total revenues for the year. Earnings per share for 2015 was computed at P0.02 as compared to P0.03 in 2014 and P0.04 in 2013. Percentage of Net Income before Comprehensive Income (Loss) to Stockholders' equity was 1.72% in 2015 and 2.52% in 2014.

As of December 31, 2015, Current Assets to Current Liabilities ratio were 1.5098 : 1 as compared to 1.3180:1 for the same period last year.

There is no significant element of income or loss that did not arise from the issuer's continuing operations.

Total assets of the Company went down by P42,400,903 or 0.64% as of December 31, 2015 as compared last year.

As of December 31, 2015, the Registrant's Total Asset to Equity Ratio was computed at 1.8867: 1 while in 2014 of the same period it was computed at 1.9332:1.

The net worth of the Corporation as of yearend of 2015 is P3,487,281,053 with paid up capital of P3,374,508,215 and retained earnings of P129,120,815 less P16,347,977 cost of treasury stock.

The Company came up with various ratios, which the Company considers to be key performance indicators and these are as follows:

KEY PERFORMANCE INDICATORS	Year End 2015	Year End 2014
Current Ratio Current Assets / Current Liabilities (Liquidity Ratio – Ability to meet short term obligations)	1.5098:1	1.3180:1
Return on Assets Net Income/ Total assets (Effectiveness in the use of assets to generate profits)	0.0094	0.0111
Return on Equity Net Income/ Stockholders' Equity (Measures the profits earned for each peso invested in the Company's stocks)	0.0178	0.0215
Gross Profit Margin Gross Profit / Sales (Measures gross profit earned on sales)	0.3464	0.3707
Debt Ratio Total Assets / Total Liabilities (Indicator of Long Term Solvency of the Company)	2.1278:1	2.0716:1

Current or Liquidity Ratio

This is an indicator of the Company's readiness to meet its obligations. The Company's exposure relates to its debt obligations to banks, suppliers of printing materials and services and to government regulating and taxing authorities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company focuses on cash sales transactions and effective collection of receivables so as to meet its cash flow requirements. Likewise, it optimizes cash returns on investments, specifically on the Registrant's modern machinery. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains credit lines with certain local banks.

As of December 31, 2015, total current assets amounted to P3,543,611,839 while total current liabilities was computed at P2,347,057,682.

Return on assets

Return on Assets is an indicator of effectiveness in the management or use of the Company's Assets to generate profit. For the calendar year 2015, net income registered at P62,051,327 while total assets used to generate such income totaled to P6,579,338,735.

Return on Equity

Return on Equity measures the profit earned for each peso invested in the Company's stocks. For the year 2015, net income generated was at P62,051,327 while total equity was at P 3,487,281,053.

Gross Profit Margin

Gross Profit earned amounted to P971,972,510. This represents 34.64% of the Company's Gross Revenue of P2,805,961,573.

Debt Ratio

Total assets of the Registrant amounted to P6,579,338,735 as against its total liabilities of P3,092,057,682 or 2.1278: 1 Debt Ratio. This is an indication of the long term solvency of the Company.

The increase in Trade and other receivables of .03% represents more ad placements towards the last quarter of 2015 which were generally on a 60 day term. Likewise, more provincial dealers were opened, although these were all covered by post-dated checks.

Inventories went up by 8.74% as compared with that in 2014. There was a buildup of Inventory of printing materials towards the last quarter of the year, in anticipation of more campaign ads due to the 2016 national and local elections.

Trust receipts payable account decreased by 4.48% this year as compared to last year's balance. This account is usually payable in 180 days.

The Company did not enter into any contracts of merger, consolidation of joint venture, contract management, licensing, marketing, distributorship, technical assistance or similar agreements.

The Company did not offer rights or grant Stock Options and corresponding plans therefore.

The Company does not know of any information, event or happening that may affect the market price of its security.

There was no transferring of assets made except in normal course of business.

There are no known trends, demands, commitments, events or uncertainties known to management that would have an impact on the Company's liquidity.

The Registrant does not know of any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reported period.

Likewise, The Company does not know of any material commitments for capital expenditures, known trends, events or uncertainties that have had or that are reasonably expected to have a material impact whether favorable or unfavorable impact on net sales/ revenues/ income from continuing operations.

And lastly, the Registrant has no knowledge of any seasonal aspects that had a material effect on the financial condition or results of operations.

Prospects for year 2016

The Philippine economy is expected to flourish this year with increased business from infrastructure spending under the Private- Public partnership, focus on agriculture and agri-business development, increase in exports and manufacturing which will create more jobs for the people and enable the families to send their children to school. With the education of the youth, this will uplift the families' standard of living and reduce poverty. This inclusive growth will promote peace and prosperity in the country.

With the forthcoming national and local elections this year, the Company is optimistic that there will be more campaign ad placements in our newspapers, more supplements and higher demand in printing of campaign materials and other collaterals.

With the encouraging approved projects that started in 2015 and for those in the long term, the economy will continue to grow. As more jobs will be generated, public consumption will

increase. Expansion of business in areas outside Metro Manila should encourage reverse migration and hopefully reduce unhealthy living of many poor and sidewalk vending.

For Manila Bulletin, opening of more provincial branches will encourage people to read, with the newspapers and magazines giving detailed information to the reading public. The Company has invested in digital marketing, putting up electronic billboards in strategic places in Metro Manila for exposure of Manila Bulletin products, instant or immediate display of news and vital information to the public as well as billboard advertising of many of our valued clients.

Calendar Year 2014 Compared to Calendar Year 2013

Manila Bulletin's gross revenue from advertising and circulation amounted to P2,739,687,511, lower by P159,730,980 or 5.51% over 2013. Total gross revenues and other income reached P2,824,115,471 which was P164,762,308, 5.51% lower than last year.

Cost and expenses totaled P2,712,305,336 lower by P99,208,815 or 3.53% last year. Total cost and expenses represents 96.04% of gross revenues. Cost of printing and materials used accounted for 63.57% of total expenses, lower than 64.36% in 2013.

Provision for income tax for the year amounted to P25,471,171 lower by P26,562,516 or 51.05% from the previous year.

Net income before Comprehensive Income(Loss) of the Corporation amounted to P86,338,964. This represents 3.06% of total revenues for the year. Earnings per share for 2014 and 2013 are P0.03 and P0.04 respectively. Percentage of Net Income before Comprehensive Income (Loss) to Stockholders' equity was 2.52% in 2014 and 3.74% in 2013.

As of December 31, 2014, Current Assets to Current Liabilities ratio were 1.3180:1 as compared to 1.2478:1 for the same period last year.

There is no significant element of income or loss that did not arise from the issuer's continuing operations.

Total assets of the Company went down by P30,097,391 or 0.45% as of December 31, 2014 as compared last year.

As of December 31, 2014, the Registrant's Total Asset to Equity Ratio was computed at 1.9332:1 while in 2013 of the same period it was computed at 1.9847:1.

The net worth of the Corporation as of yearend of 2014 is P3,425,229,726 with paid up capital of P3,276,493,160 and retained earnings of P165,084,543 less P16,347,977 cost of treasury stock.

The Company came up with various ratios, which the Company considers to be key performance indicators and these are as follows:

KEY PERFORMANCE INDICATORS	Year End 2014	Year End 2013
Current Ratio Current Assets / Current Liabilities (Liquidity Ratio – Ability to meet short term obligations)	1.3180:1	1.2478:1
Return on Assets Net Income/ Total assets (Effectiveness in the use of assets to generate profits)	0.0111	0.0171

KEY PERFORMANCE INDICATORS	Year End 2014	Year End 2013
Return on Equity Net Income/ Stockholders' Equity (Measures the profits earned for each peso invested in the Company's stocks)	0.0215	0.0340
Gross Profit Margin Gross Profit / Sales (Measures gross profit earned on sales)	0.3707	0.3759
Debt Ratio Total Assets / Total Liabilities (Indicator of Long Term Solvency of the Company)	2.0716:1	2.0156:1

Current or Liquidity Ratio

This is an indicator of the Company's readiness to meet its obligations. The Company's exposure relates to its debt obligations to banks, suppliers of printing materials and services and to government regulating and taxing authorities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company focuses on cash sales transactions and effective collection of receivables so as to meet its cash flow requirements. Likewise, it optimizes cash returns on investments, specifically on the Registrant's modern machinery. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains credit lines with certain local banks.

As of December 31, 2014, total current assets amounted to P3,567,965,357 while total current liabilities was computed at P2,707,009,912.

Return on assets

Return on Assets is an indicator of effectiveness in the management or use of the Company's Assets to generate profit. For the calendar year 2014, net income registered at P73,646,209 while total assets used to generate such income totaled to P6,621,739,638.

Return on Equity

Return on Equity measures the profit earned for each peso invested in the Company's stocks. For the year 2014, net income generated was at P73,646,209 while total equity was at P 3,425,229,726.

Gross Profit Margin

Gross Profit earned amounted to P1,015,470,887. This represents 37.07% of the Company's Gross Revenue of P2,739,687,511.

Debt Ratio

Total assets of the Registrant amounted to P6,621,739,638 as against its total liabilities of P3,196,509,912 or 2.0716: 1 Debt Ratio. This is an indication of the long term solvency of the Company.

The increase in Trade and other receivables of 6.85% represents more ad placements towards the last quarter of 2014 which were generally on a 60 day term. Likewise, more provincial dealers were opened, although these were all covered by post-dated checks.

Inventories went down by 7.29% as compared with that in 2013. Inventory buildup in 2013 materially composed the materials and supplies used in printing our newspapers and magazines for the year 2014.

Trust receipts payable account decreased by 16.46% this year as compared to last year's balance. This account is usually payable in 180 days.

The Company did not enter into any contracts of merger, consolidation of joint venture, contract management, licensing, marketing, distributorship, technical assistance or similar agreements.

The Company did not offer rights or grant Stock Options and corresponding plans therefore.

The Company does not know of any information, event or happening that may affect the market price of its security.

There was no transferring of assets made except in normal course of business.

There are no known trends, demands, commitments, events or uncertainties known to management that would have an impact on the Company's liquidity.

The Registrant does not know of any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reported period.

Likewise, The Company does not know of any material commitments for capital expenditures, known trends, events or uncertainties that have had or that are reasonably expected to have a material impact whether favorable or unfavorable impact on net sales/ revenues/ income from continuing operations.

And lastly, the Registrant has no knowledge of any seasonal aspects that had a material effect on the financial condition or results of operations.

Calendar Year 2013 Compared to Calendar Year 2012

Manila Bulletin's gross revenue from advertising and circulation amounted to P2,899,418,491, lower by P106,475,156 or 3.54% over 2012. Total gross revenues and other income reached P2,988,877,779 which was P115,658,146, 3.73% lower.

Cost and expenses totaled P2,811,514,151 lower by P60,215,947 or 2.10% last year. Total cost and expenses represents 96.97% of gross revenues. Cost of printing and materials used accounted for 64.36% of total expenses, higher than 62.03% in 2012.

Provision for income tax for the year amounted to P52,033,687 lower by P11,265,025 or 17.80% from the previous year.

Net income of the Corporation amounted to P125,329,941. This represents 4.32% of total revenues for the year. Earnings per share for 2013 and 2012 are P0.04 and P0.06 respectively. Percentage of net profit to Stockholders' equity was 3.56% in 2013 and 5.14% in 2012.

As of December 31, 2013, Current Assets to Current Liabilities ratio were 1.2478:1 as compared to 1.1981:1 for the same period last year.

There is no significant element of income or loss that did not arise from the issuer's continuing operations.

Total assets of the Company went down by P12,123,660 as of December 31, 2013 as compared last year. As of December 31, 2013, the Registrant's Total Asset to Equity Ratio was computed at 1.9847:1 while in 2012 of the same period it was computed at 2.0583:1.

The net worth of the Corporation as of yearend of 2013 is P3,351,583,517 with paid up capital of P3,181,332,912 and retained earnings of P186,598,582 less P16,347,977 cost of treasury stock.

The Company came up with various ratios, which the Company considers to be key performance indicators and these are as follows:

KEY PERFORMANCE INDICATORS	Year End 2013	Year End 2012
Current Ratio Current Assets / Current Liabilities (Liquidity Ratio – Ability to meet short term obligations)	1.2478:1	1.2051:1
Return on Assets Net Income/ Total assets (Effectiveness in the use of assets to generate profits)	0.0171	0.0250
Return on Equity Net Income/ Stockholders' Equity (Measures the profits earned for each peso invested in the Company's stocks)	0.0340	0.0514
Gross Profit Margin Gross Profit / Sales (Measures gross profit earned on sales)	0.3759	0.4074
Debt Ratio Total Assets / Total Liabilities (Indicator of Long Term Solvency of the Company)	2.0156:1	1.9449:1

Liquidity Ratio

This is an indicator of the Company's readiness to meet its obligations. The Company's exposure relates to its debt obligations to banks, suppliers of printing materials and services and to government regulating and taxing authorities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company focuses on its cash sales transactions, which assists it in monitoring cash flow requirements and optimizing its cash returns on investments, specifically on modern machinery. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company maintains the lines of credit with certain local banks.

As of December 31, 2013, total current assets amounted to P3,550,224,005 while total current liabilities was computed at P2,845,253,512.

Return on assets

Return on Assets is an indicator of effectiveness in the management or use of the Company's Assets to generate profit. For the calendar year 2013, net income registered at P114,050,695 while total assets used to generate such income totaled to P6,651,837,029.

Return on Equity

Return on Equity measures the profit earned for each peso invested in the Company's stocks. For the year 2013, net income generated was at P114,050,695 while total equity was at P 3,351,583,517.

Gross Profit Margin

Gross Profit earned amounted to P1,090,017,384. This represents 37.59% of the Company's Gross Revenue of P2,899,418,491.

Debt Ratio

Total assets of the Registrant amounted to P6,651,837,029 as against its total liabilities of P3,300,253,512 or 2.0156: 1 Debt Ratio. This is an indication of the long term solvency of the Company.

The decrease in Trade and other receivables of 0.15% represents the result of good collection policy of the company regarding its receivables. Trade receivables are non-interest bearing and generally on a 60-day credit term. All provincial circulations are covered by post-dated checks.

Inventories went up by 7.75% as compared with that in 2012. Inventories of printing materials such as newsprint, ink and other press supplies were increased in anticipation of higher prices of printing materials due to rising fuel prices.

Trust receipts payable account decreased by 39.63% this year as compared to last year's balance. This account is usually payable in 180 days.

The Company did not enter into any contracts of merger, consolidation of joint venture, contract management, licensing, marketing, distributorship, technical assistance or similar agreements.

The Company did not offer rights or grant Stock Options and corresponding plans therefore.

The Company does not know of any information, event or happening that may affect the market price of its security.

There was no transferring of assets made except in normal course of business.

There are no known trends, demands, commitments, events or uncertainties known to management that would have an impact on the Company's liquidity.

The Registrant does not know of any event that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reported period.

Likewise, The Company does not know of any material commitments for capital expenditures, known trends, events or uncertainties that have had or that are reasonably expected

to have a material impact whether favorable or unfavorable impact on net sales/ revenues/ income from continuing operations.

And lastly, the Registrant has no knowledge of any seasonal aspects that had a material effect on the financial condition or results of operations

- b. The Corporation does not anticipate having any cash flow or liquidity problem within the next 12 months.
- c. All trade payables have been paid within stated terms.
- d. The Corporation's sources of liquidity are revenues derived from sale of newspapers, magazines, advertisements, commercial printing and collection of receivables.
- e. The Registrant does not know of any event that will trigger direct or contingent financial obligation that is material to the Company.
- f. There are no material off – balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.
- g. Audit and Audit Related Fees

In compliance with SRC Rule 68 and 68.1 No. 4 bl; b II (1) as amended, on Qualifications of Independent Auditors, upon the recommendation of the Audit Committee, Teodoro, Santamaria, Canlas & Co. was elected as the Registrant's External auditor in the Registrant's Annual Stockholders' meeting on July 9, 2015. Teodoro, Santamaria, Canlas & Co. has a SEC Accreditation No. 0308-F valid until April 15, 2018. The signing partner is Mr. Noel Antonio E. Canlas with SEC Accreditation No. 1060-Ar-1 valid until February 5, 2017. The Company has no disagreements with the said firm or auditor with regards to accounting and financial disclosures for the year 2015.

Audit fee of our external auditor for the year 2015 amounted to P500,000.00. The said fee covered audit work, preparation of year - end audited financial statements and Income Tax Return for the period ended, December 31, 2015.

G. FINANCIAL STATEMENTS

Financial Statements and notes to the Financial Statements are incorporated in the auditor's report herein attached.

Likewise, attached are supplementary schedules as required by SRC Rule 68.

H. DIRECTORS and EXECUTIVE OFFICERS

Directors and Executive Officers

The following are the incumbent directors and executive officers of the Registrant:

NAME / POSITION	YEARS OF SERVICE	AGE	TERM OF OFFICE	CITIZENSHIP
Mr. Basilio C. Yap <i>Chairman of the Board</i>	Less than 5 years	66	2014 to present	FILIPINO
Atty. Hermogenes P. Pobre <i>Vice Chairman / President</i>	More than 5 years	85	2007 to present	FILIPINO
Dr. Emilio C. Yap III <i>Vice Chairman/ Executive Vice President</i>	More than 5 years	44	2002 to present	FILIPINO
Chief Justice Hilario G. Davide, Jr. <i>Vice Chairman / Independent Director</i>	Less than 5 years	80	2011 to present	FILIPINO
Secretary Alberto G. Romulo <i>Vice Chairman/ Independent Director</i>	Less than 5 years	82	2011 to present	FILIPINO
Dr. Esperanza I. Cabral <i>Independent Director</i>	Less than 5 years	72	2010 to present	FILIPINO
Atty. Francis Y. Gaw <i>Director / Corporate Secretary</i>	Less than 5 years	68	2014 to present	FILIPINO
Mrs. Paciencia M. Pineda <i>Director/ Executive Vice President</i>	More than 5 years	90	1988 to present	FILIPINO
Dr. Enrique Y. Yap, Jr. <i>Director/ Vice President- Business Development Department</i>	Less than 5 years	41	2013 to present	FILIPINO
Dr. Crispulo J. Icban, Jr. <i>Director / Editor – In – Chief</i>	More than 5 years	80	2009 to present	FILIPINO
Mrs. Aurora Capellan- Tan <i>Asst. Corporate Secretary/ Vice – President- Executive Office</i>	More than 5 years	60	1984 to present	FILIPINO
Atty. Dylan I. Felicidadario <i>Asst. Corporate Secretary/ Asst. Compliance Officer/ Legal Officer</i>	More than 5 years	44	2002 to present	FILIPINO
Atty. Fe B. Barin <i>Executive Vice President</i>	Less than 5 years	82	2012 to present	FILIPINO
Gen. Hermogenes C. Esperon, Jr. (Ret.) <i>Executive Vice President- Security Department</i>	Less than 5 years	64	2011 to present	FILIPINO
Mrs. Carmen S. Suva <i>Vice President – Public Relations</i>	More than 5 years	74	2006 to present	FILIPINO

Mr. Melito S. Salazar <i>Vice President- Advertising Dept./ Compliance Officer</i>	More than 5 years	66	2006 to present	FILIPINO
Mr. Arsenio Emmanuel O. Cabrera <i>Vice President- Advertising Dept.</i>	Less than 5 years	54	April 27, 2015 to present	FILIPINO
Mr. Dante M. Simangan <i>Vice President- Circulation Dept.</i>	More than 5 years	56	2005 to present	FILIPINO
Mrs. Elizabeth T. Morales <i>Asst. Vice President – Finance/ Asst. Compliance Officer</i>	More than 5 years	54	1988 to present	FILIPINO
Mr. Johnny L. Lugay <i>Asst. Vice President- Information & Communications Technology</i>	More than 5 years	48	1990 to present	FILIPINO
Mr. Alvin P. Mendigoria <i>Asst. Vice President- Engineering Dept.</i>	More than 5 years	49	1993 to present	FILIPINO
Mr. Geronimo S. Montalban <i>Asst. Vice President- Classified Ads</i>	More than 5 years	57	1987 to present	FILIPINO
Mr. Ramon C. Ting <i>Asst. Vice President – Metro Manila Branches</i>	More than 5 years	61	1978 to present	FILIPINO

BASILIO C. YAP
Chairman of the Board

Mr. Basilio C. Yap, Filipino, 66, is the Chairman of the Board of Manila Bulletin Publishing Corporation. He graduated from De La Salle University in 1972 with the degree of Bachelor of Science in Commerce major in Accounting, Cum Laude. He is a Certified Public Accountant and earned the degree of Masters in Business Management from Asian Institute of Management in 1977. He worked in Bank of America as an Assistant Vice President up to 1985. He is currently the Chairman of the Board and President of U.S. Automotive Co., Inc., USAUTOCO, Inc., Philtrust Realty Corporation, Manila Prince Hotel, Cocusphil Development Corporation, U.N. Properties Development Corporation and Seebreeze Enterprises, Inc. Also, Mr. Yap is concurrently the Chairman of the Board of Centro Escolar University, Vice Chairman of Philtrust Bank, Director of Manila Hotel Corporation and Euro - Med Laboratories Philippines, Inc.

EMILIO C. YAP III
Vice Chairman/ Executive Vice President

Dr. Emilio C. Yap III, Filipino, 44, is Vice Chairman of the Board and Executive Vice President of Manila Bulletin Publishing Corporation. He graduated from De La Salle University in 1994 with a degree of Bachelor of Science in Accountancy. He was conferred with the Degree of Doctor of Philosophy in Journalism, Honoris Causa by Angeles University Foundation on May 1, 2009 and the degree of Doctor of Business Administration, Honoris Causa by Pamantasan ng Lungsod ng Maynila on April 16, 2012. He was awarded Outstanding Manilan last June 24, 2011. At present, Dr. Yap is the Vice Chairman of Manila Hotel Corporation and Philtrust Bank, Director of Centro Escolar University, Euro- Med Laboratories Phil., Inc. and Cocusphil Development Corporation. Likewise, he is the Chairman of the Board of Manila Prime Land Holdings, Inc., Director and Vice President of U.S. Automotive Co., Inc., Director, Assistant Treasurer and Assistant Corporate Secretary of Usautoco Inc. and Director and Vice President of Philtrust Realty Corporation.

HERMOGENES P. POBRE
Vice Chairman/ President

Atty. Hermogenes P. Pobre, Filipino, 85, is Vice Chairman and President of Manila Bulletin Publishing Corporation. He joined the Company on February 1, 2007 as Publisher and on July 9, 2009 was elected Vice Chairman and President of Manila Bulletin. He is a Certified Public Accountant and a Lawyer. Atty. Pobre served as Assistant Secretary of the Department of Justice, Chairman of the Board of Accountancy and Chairman of the Professional Regulation Commission. He had received several commendation and recognition awards including Presidential Commendation Award for his exemplary service as Chairman of the Professional Regulation Commission, Hall of Fame awardee of the Philippine Institute of Certified Public Accountants and the Government Association of Certified Public Accountants. He was a multi- awarded leader and public servant and was named Ulirang Ama in Government Service in 1999. He authored "Government accounting - a Self - Instructional Approach" and "Vision and Mission for Professional Excellence", a collection of writings on the reforms in professional regulation, education and governance.

HILARIO G. DAVIDE, JR.
Vice Chairman/ Independent Director

Former Supreme Court Chief Justice Hilario G. Davide, Jr., Filipino, 80, was elected as Vice Chairman and Independent Director of Manila Bulletin Publishing Corporation on March 31, 2011. He was the 20th Supreme Court Chief Justice of the Philippines and Head of the Judicial Branch of the government from November, 1988 to December, 2005 and former Philippine Permanent Representative to the United Nations in New York from February 2007 to March 2010. Former Chief Justice Davide is concurrently Chairman of the Board of Trustees of the Knights of Columbus, Fraternal Association of the Philippines and a member of the Council of Elders of the Knights of Rizal.

ALBERTO G. ROMULO
Vice Chairman / Independent Director

Former Secretary Alberto G. Romulo, Filipino, 82, was elected as Vice Chairman and Independent Director of Manila Bulletin Publishing Corporation on July 14, 2011. He was the Minister of Budget of President Corazon Aquino, elected Senator from 1987 to 1998, during which time he served as Majority Leader for 5 years. Likewise, he became Finance Secretary in 2001 and was later appointed by President Gloria Macapagal- Arroyo as Executive Secretary and in 2004 as Foreign Affairs Secretary until 2011 under President Benigno C. Aquino III. He served as Chairman of the Association of Southeast Asian Nations or ASEAN in 2007.

FRANCIS Y. GAW
Director/ Corporate Secretary

Atty. Francis Y. Gaw, 68, graduated from University of Santo Tomas with the degree of BS in Commerce major in Accounting in 1967 and became a CPA in the same year. He earned his degree of Bachelor of Laws, salutatorian from the Ateneo de Manila University in 1972, placed 5th in the Bar Exam. He had his MBA (with thesis) at International Academy of Management and Economics in 2009 and Ph.D. (with dissertation) in 2011. Atty. Gaw was a former Director of Bank of Communications and Filipinas Manufacturers' Bank . at present, he is the Chairman and President of Goldclass, Inc. and Royal Bay Terrace Condominium Association, Inc.; Director of Manila Hotel Corporation, Euro-Med Laboratories, Philippines, Inc.; U.N. Properties Development Co., Inc. He is the principal/ sole practitioner of Gaw Law Office.

PACIENCIA M. PINEDA
Director/ Executive Vice President – Finance / Treasurer

Mrs. Paciencia M. Pineda, Filipino, 90, is a Director, Executive Vice President – Finance Department and Treasurer of Manila Bulletin Publishing Corporation. She graduated from University of the Philippines with a degree of Bachelor of Science in Business Administration, major in Accounting and is a CPA. She has been a banker for over 37 years and occupied the position of Senior Vice President before her transfer to Manila Bulletin Publishing Corporation in 1988.

At the bank, she was granted a special fellowship to observe operations in the correspondent banks in the United States and Europe. She has held positions of director, Treasurer and Chairperson of the Board of the Advertising Board of the Philippines for over 10 years and President of Print Media Organization (PRIMO) and United Print Media Group (UPMG) for 14 years. At present, she is Chairman Emeritus of United Print Media Group (UPMG) and member of the Board of Trustees of the Advertising Foundation of the Philippines.

ESPERANZA I. CABRAL
Independent Director

Dr. Esperanza I. Cabral, Filipino, 72, was elected as an Independent Director of Manila Bulletin Publishing Corporation on July 8, 2010. She is a cardiologist and clinical pharmacologist. She served both as a Director of the Philippine Heart Center and Chief of Cardiology of Asian Hospital and Medical Center. She was the Secretary of the Department of Health from January to June 30, 2010. Before her appointment as Secretary of Health, she was the Secretary of the Department of Social Welfare and Development.

CRISPULO J. ICBAN JR.
Director / Editor - in- Chief

Dr. Crispulo J. Icban Jr., Filipino, 80, is a Director and at present, the Editor- In – Chief of Manila Bulletin Publishing Corporation. He served as the Press Secretary of President Gloria Macapagal Arroyo from January 21, 2010 to May 31, 2010. Prior to his appointment as Press Secretary, Dr. Icban was then the Editor – in – Chief of Manila Bulletin. He graduated from the University of the Philippines with a Bachelor of Arts in English, magna cum laude and master's degree in journalism, under Fulbright and Smith Mundt Grant, at Syracuse University in New York. He was one of 12 American and 6 international newsmen in the annual Nieman Fellowship

program at Harvard University in Massachusetts. Dr. Icban has received numerous awards in over half a century of service as journalist. He was named Outstanding Kapampangan by the Pampanga Provincial Government, 1988; and Distinguished Tarlaquenos by the Tarlac Provincial Government, 2003. He was conferred a Doctor of Philosophy degree in Management, honoris causa, by the Pampanga Agricultural College on April 12, 2006.

ENRIQUE Y. YAP JR.
Director / Vice President

Dr. Enrique Y. Yap, Jr., Filipino, 41, is a Director and Vice President of the Business Development Department of Manila Bulletin. Likewise, he is currently the Executive Vice President and Director of Manila Hotel. He is one of the recipient of Ten Outstanding Manilans conferred by the Hon. Alfredo S. Lim (Former Mayor of the City of Manila) and is likewise a member of the Rotary Club of Manila. He holds a Doctorate degree in Business Administration (Honoris Causa) from the Polytechnic University of the Philippines, and studied at Cornell- Nanyang Technological University in Singapore and De La Salle University in Manila.

AURORA CAPELLAN TAN
Assistant Corporate Secretary/ Vice President / Assistant Treasurer

Mrs. Aurora Capellan Tan, Filipino, 60, is the Assistant Corporate Secretary, Vice President and Assistant Treasurer of Manila Bulletin Publishing Corporation. She studied at the University Of Santo Tomas College Of Law for her degree of Bachelor of Laws, and Bachelor of Science in Psychology.

DYLAN I. FELICIDARIO
Corporate Secretary/ Assistant Compliance Officer

Atty. Dylan I. Felicidadario, Filipino, 44, is a Lawyer-CPA by profession. He is the Assistant Corporate Secretary, Assistant Compliance Officer and Legal Counsel of the Manila Bulletin Publishing Corporation. He earned his Bachelors Degree in Law at the Saint Louis University in Baguio City where he graduated Cum Laude in March 1997. He obtained his Bachelors Degree in Commerce - Major in Accounting at Laguna College, San Pablo City, where he graduated Magna Cum Laude in March, 1992. Before joining Manila Bulletin, he served as a Lawyer of Philippine Trust Company (Philtrust Bank) from 2000 to 2002; as an Associate Lawyer of Cases & Associates Law Offices from 1998 to 1999; and as a college instructor of Business Law and Taxation at Laguna College, San Pablo City from 1997 to 1998.

FE B. BARIN
Executive Vice President

Atty. Fe B. Barin, Filipino, 82, is the Executive Vice President of the Company. She served as the Chairperson of the Securities and Exchange Commission and as a member of the Anti-Money Laundering Council from Sept. 1, 2004 to May 4, 2011. She was an ex-officio Chairperson of the Central Credit Information Corporation from 2009 to May, 2011. Prior to her appointment to the SEC she served a member of the Monetary Board of the Bangko Sentral ng Pilipinas (BSP) from October 1, 2002 to August 31, 2004. She also served as the first Chairperson of the Energy Regulatory Commission in August, 2001 until September, 2002. She holds a Bachelor of Laws degree from the University of the Philippines, a member of the Philippine Bar and the Integrated Bar of the Philippines, Women Lawyers' Circle (WILOCI) and the Women Lawyers' Association of the Philippines (WLAP). Presently, she is a member of the Board of Trustees and the Institute of Corporate Directors.

HERMOGENES C. ESPERON, JR.
Executive Vice President – Security Department

General Hermogenes C. Esperon Jr., Filipino, 64, a retired general and a former Chief of Staff of the Armed Forces of the Philippines is the Executive Vice President- Security Department of the Registrant. He graduated from the Philippine Military Academy in 1974. After retiring from AFP and before joining Manila Bulletin, he was appointed by former President Gloria Macapagal Arroyo as the Presidential Adviser on Peace Process and later on as Cabinet Secretary, Presidential Management Staff (PMS).

CARMEN S. SUVA
Vice President – Public Relations Department

Mrs. Carmen S. Suva, Filipino, 75, is the Vice President- Public Relations of Manila Bulletin Publishing Corporation. She served as a career person in government service (Malacañang) from 1962 to 2004 under six Presidents and under 20 Press Secretaries. She retired as Undersecretary for Media Relations, Office of the Press Secretary, Malacañang, in 2004. She received a Loyalty Award from the Civil Service Commission in 1973, Outstanding Employee of the Department of Public Information in 1980 and Outstanding Woman employee of the Office of the Press Secretary, Malacañang in 1989. She is the granddaughter of Epifanio delos Santos, a Filipino patriot, scholar and historian for whom the 54 kilometer avenue popularly referred to as EDSA was named.

MELITO S. SALAZAR JR.
Vice President – Advertising Department/ Compliance Officer

Mr. Melito S. Salazar Jr., Filipino, 66, is the Vice President for Advertising and Compliance Officer of Manila Bulletin Publishing Corporation. Likewise, he is the Dean of the College of Accountancy and Management of Centro Escolar University. He served as Associate Professor of the College of Business Administration, Director of the Institute of Small- Scale Industries and the Resource Generation Staff of the University of the Philippines, Undersecretary of Trade and Industry for Investments of the Department of Trade and Industry; Managing Head and Vice Chairman of Board of Investments and Member of the Monetary Board of the Bangko Sentral ng Pilipinas. In the private sector, Mr. Salazar is the President of the Chamber of Commerce of the Philippines Foundation, Inc.; Chairman of the Financial Executives Institute of the Philippines (FINEX) Foundation and Adjutant- General of Vanguard, Inc. He was previously President of FINEX, the UP MBA Society, Inc. and the Small Enterprises Research and Development Foundation Inc.(SERDEF). He is a Past District Governor of Rotary International District 3780, Quezon City. He graduated with a BSBA and MBA degrees from the University of the Philippines and attended executive training programs in the Massachusetts Institute of Technology Sloan School of Management, the Harvard Business School, the New York Institute of Finance, and the Studienzentrum Gerzensee in Switzerland. He is the first Filipino to receive the Special Honor Award from the World Association of Small and Medium Enterprises (WASME).

ARSENIO EMMANUEL O. CABRERA
Vice President- Advertising Department

Mr. Arsenio Emmanuel O. Cabrera, Filipino, 54, is Vice President- Advertising Department of the Registrant. He graduated cum laude with a degree of Bachelor of Arts in Development Communication from Xavier University – Ateneo de Cagayan. He finished his Masteral degree in English and Literature at the Ateneo de Manila University. He completed the required academic units for his Doctorate degree in English and Literature in the same University.

DANTE M. SIMANGAN

Vice President – Circulation Department

Mr. Dante M. Simangan, Filipino, 56, is Vice – President- Circulation Department of the Registrant effective June 10, 2014. Prior to his appointment as VP, he was Asst.- Vice President for Provincial Branches of Manila Bulletin. He joined the Company in 2005. He graduated with a degree of AB – Political Science from Mindanao State University in 1980.

ELIZABETH T. MORALES

Assistant Vice President – Finance Department/Chief Accountant/Asst. Compliance Officer

Mrs. Elizabeth T. Morales, Filipino, 54, is the Assistant Vice President - Finance / Chief Accountant and Assistant Compliance Officer of the Company. Before her appointment as Assistant Vice President, she served as the Assistant Treasurer of the Registrant. Prior to joining Manila Bulletin Publishing Corporation, she worked with Carlos J. Valdes & Co., as an auditor and with Abenson, Inc., as an Accounting Manager. She graduated with a degree of Bachelor of Science in Commerce major in Accounting from Far Eastern University in 1979 and took her MBA units at Ateneo Graduate School of Business in 1989. She passed the CPA board exam in 1980.

JOHHNY L. LUGAY

Assistant Vice President – Information and Communications Technology Department

Mr. Johnny L. Lugay, Filipino, 48, is the Assistant Vice President- Information and Communications Technology Department of the Company. He graduated from the University of Santo Tomas with a degree of Bachelor of Science in Mathematics major in Computer Science in 1990.

ALVIN P. MENDIGORIA

Assistant Vice President

Mr. Alvin P. Mendigoria, Filipino, 49, is the Assistant Vice President - Engineering Department of the Registrant. He graduated with a degree of Bachelor of Science In Mechanical Engineering from Adamson University. He passed the Mechanical Board Exam in 1989 and joined the Company in 1993.

GERONIMO S. MONTALBAN

Assistant Vice President

Mr. Geronimo S. Montalban, Filipino, 57, is the Assistant Vice President – Classified Advertising of Manila Bulletin. He graduated with a degree of Bachelor of Arts in Management from the University of the East. He joined the Company in 1987.

RAMON C. TING

Assistant Vice President

Mr. Ramon C. Ting, Filipino, 61, is the Assistant Vice President – Metro Manila Branches of the Company. He joined the Company in 1978. He graduated with a degree of Bachelor of Science in Commerce, major in Management from the Far Eastern University in 1976.

2. Significant Employee

There is no person who is not an executive officer who is expected to make a significant contribution to the business of the Corporation.

3. Family Relationship

Mr. Basilio C. Yap, the Chairman of the Board is the uncle of Dr. Emilio C. Yap III, Vice Chairman and Executive Vice President of the Registrant and Dr. Enrique Y. Yap Jr., Director and Vice President of Manila Bulletin Publishing Corporation. Atty. Francis Y. Gaw, Director and Corporate Secretary is the brother in – law of Chairman Basilio C. Yap.

4. Involvement in Certain Legal Proceedings

The Registrant has no knowledge of any material pending legal proceedings to which any of the directors and executive officers of the Registrant is a party or of which any of their property is the subject. Likewise, the Company has no knowledge of any pending legal proceedings against any nominee or director or executive officer such as follows:

- a. There is no bankruptcy petition filed by or against any business of which any of our directors or executive officer is subject.
- b. None of our directors or executive officers is convicted by final judgment in a criminal proceeding.
- c. None of our directors or executives is a subject of judgment or decree permanently or temporarily limiting or suspending their involvement in any type of business, securities, and commodities or banking activities.
- d. None of our directors or executive officers has been found to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended or vacated.

II. EXECUTIVE COMPENSATION

NAME/ PRINCIPAL POSITION	YEAR	SALARY	BONUS	OTHER ANNUAL COMPENSATIO/ DIRECTORS' FEE
Atty. Hermogenes P. Pobre <i>Vice Chairman of the Board/ President</i>				
Dr. Emilio C. Yap III <i>Vice Chairman/Executive Vice President</i>				
Mrs. Paciencia M. Pineda <i>Director/Executive Vice President- Finance Department/ Treasurer</i>				
Gen. Hermogenes C. Esperon, Jr.(Ret) <i>Executive Vice President- SecurityDept.</i>				
Atty. Fe B. Barin <i>Executive Vice President</i>				
Dr. Enrique Y.Yap, Jr. <i>Director/ Vice President- Business Development Department</i>				
Mrs. Aurora Capellan – Tan <i>Vice President- Executive Office/ Asst. Treasurer/ Asst. Corporate Secretary</i>				
Mrs. Carmen S. Suva <i>Vice President- Public Relations</i>				

NAME/ PRINCIPAL POSITION	YEAR	SALARY	BONUS	OTHER ANNUAL COMPENSATIO/ DIRECTORS' FEE
Mr. Melito S. Salazar <i>Vice President- Advertising Dept/ Compliance Officer</i>				
Mr. Arsenio Emmanuel O. Cabrera <i>Vice President- Advertising Dept.</i>				
Mr. Dante M. Simangan <i>Vice President- Circulation Dept.</i>				
Mrs. Elizabeth T. Morales <i>Asst. Vice President- Finance/ Asst. Compliance Officer</i>				
Mr. Johnny L. Lugay <i>Asst. Vice President- Information & Communications Technology</i>				
Mr. Alvin P. Mendigoria <i>Asst. Vice President - Engineering Department</i>				
Mr. Geronimo S. Montalban <i>Asst. Vice President - Classified Advertising</i>				
Mr. Ramon C. Ting <i>Asst. Vice President- Metro Manila Branches</i>				
All above named directors & officers as a group	2016*** 2015 2014	15,432,502 14,879,331 13,549,383	1,999,309 1,624,910 9,094,842	2,800,000 1,966,826 2,558,043
All other officers & directors as a group unnamed	2016*** 2015 2014	53,096,693 50,803,493 48,221,133	8,784,829 6,491,629 31,380,963	1,000,000 631,531 1,961,609

*** *Estimated Compensation*

Compensation of the directors stipulated in the By Laws of The Corporation:
3% of the yearly net profits before payment of income tax are distributed among them in proportion to the number of regular / special meetings of the Board actually attended by each.

The Company maintains Retirement plan for our employees. Retirement computations are the same both for executives and rank and file employees.

There are no outstanding warrants or options held by the Registrant's CEO, the named executive officers, and all officers and directors as a group.

The Company has neither voting trust agreements nor material contracts involving the same or any of its directors, executive officers or stockholders owning ten percent(10 %) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

J. SECURITY OWNERSHIP OF MANAGEMENT

The security ownership of management as of December 31, 2015 are as follows:

TITLE OF CLASS	NAME OF BENEFICIAL OWNER/ POSITION	AMOUNT & NATURE OF BENEFICIAL OWNERSHIP	CITIZEN SHIP	%TAGE
Common	Mr. Basilio C. Yap <i>Chairman of the Board</i>	2,768,825.40(B)	Filipino	<0.01%
Common	Atty. Hermogenes P. Pobre <i>Vice Chairman/ President</i>	11,697.00(B)	Filipino	<0.01%
Common	Dr. Emilio C. Yap III <i>Vice Chairman/ Executive Vice President</i>	918,083.47(B)	Filipino	<0.01%
Common	Chief Justice Hilario G. Davide, Jr. <i>Vice Chairman/ Independent Director</i>	11,139.00(B)	Filipino	<0.01%
Common	Atty. Alberto G. Romulo <i>Vice Chairman/ Independent Director</i>	11,139.00(B)	Filipino	<0.01%
Common	Dr. Esperanza I. Cabral <i>Independent Director</i>	11,139.00(B)	Filipino	<0.01%
Common	Dr. Enrique Y. Yap Jr. <i>Director/ Vice President</i>	1,325,770.70(B)	Filipino	<0.01%
Common	Atty. Francis Y. Gaw <i>Director/ Corporate Secretary</i>	13,400.00(B)	Filipino	<0.01%
Common	Mrs. Paciencia M. Pineda <i>Director/ Executive Vice President/ Treasurer</i>	203,066.97(B)	Filipino	<0.01%
Common	Dr. Crispulo J. Icbán, Jr <i>Director/ Editor- In – Chief</i>	70,599.00(B)	Filipino	<0.01%
	Atty. Fe B. Barin <i>Executive Vice President</i>	0.00	Filipino	0.00%
	Gen. Hermogenes C. Esperon, Jr. <i>Executive Vice Pres.- Security Dept.</i>	0.00	Filipino	0.00%
Common	Mrs. Aurora Capellan- Tan <i>Vice President- Executive Office/ Asst. Corporate Sec/ Asst. Treasurer</i>	176,496.00(B)	Filipino	<0.01%
Common	Mrs. Carmen S. Suva <i>Vice President- Public Relations</i>	11,697.00(B)	Filipino	<0.01%
	Mr. Melito S. Salazar <i>Vice President- Advertising Dept./Compliance Officer</i>	0.00	Filipino	0.00%

TITLE OF CLASS	NAME OF BENEFICIAL OWNER/ POSITION	AMOUNT & NATURE OF BENEFICIAL OWNERSHIP	CITIZEN SHIP	%TAGE
	Mr. Arsenio Emmanuel O. Cabrera <i>Vice President – Advertising Dept.</i>	0.00	Filipino	0.00%
	Atty. Dylan I. Felicidadario <i>Asst. Corporate Secretary/ Asst. Compliance Officer</i>	0.00	Filipino	0.00%
	Mrs. Elizabeth T. Morales <i>Asst. Vice President- Finance/ Chief Accountant/ Asst. Compliance Officer</i>	0.00	Filipino	0.00%
	Mr. Geronimo S. Montalban <i>Asst. Vice President- Classified Advertising</i>	0.00	Filipino	0.00%
	Engr. Alvin P. Mendigoria <i>Asst. Vice President-Engineering Dept.</i>	0.00	Filipino	0.00%
	Mr. Ramon C. Ting <i>Assistant Vice President- Metro Manila Branches</i>	0.00	Filipino	0.00%
	Mr. Johnny L. Lugay <i>Asst. Vice President- ICT</i>	0.00	Filipino	0.00%

No change of control in the Corporation has occurred since January 1, 2015.

K. COMPLIANCE WITH CORPORATE GOVERNANCE

Please refer to attached ACGR for 2015.

L. EXHIBITS AND SCHEDULES

1. Ratification and confirmation by stockholders at the annual meeting on July 9, 2015 are as follows:

- a. Stock dividend of 3.00% per share based on the subscribed and outstanding capital stock of 3,267,168,510 shares payable to stockholders of record as of August 7, 2015.
- b. Election and appointment of the Company Board of Directors of the ten (10) Member Board of Directors as follows:

Mr. Basilio C. Yap
Atty. Hermogenes P. Pobre
Dr. Emilio C. Yap III
Dr. Enrique Y. Yap Jr.
Atty. Francis Y. Gaw
Mrs. Paciencia M. Pineda
Dr. Crispulo J. Icban Jr.
Secretary Alberto G. Romulo (Ret.)- Independent Director
Chief Justice Hilario G. Davide, Jr. (Ret.)- Independent Director
Dr. Esperanza I. Cabral- Independent Director

2. Election and appointment of the Company Board of Directors and officers during the Board Meeting on July 9, 2015 and July 30, 2015.

NAME	POSITION
Mr. Basilio C. Yap	Chairman of the Board
Chief Justice Hilario G. Davide, Jr. (Ret.)	Vice Chairman of the Board/ Independent Director
Secretary Alberto G. Romulo (Ret.)	Vice Chairman of the Board/ Independent Director
Atty. Hermogenes P. Pobre	Vice Chairman/ President/ Publisher
Dr. Emilio C. Yap III	Vice Chairman/ Executive Vice President
Mrs. Paciencia M. Pineda	Executive Vice President- Finance/ Treasurer/ Director
Atty. Fe B. Barin	Executive Vice President
Gen. Hermogenes C. Esperon, Jr.(Ret.)	Executive Vice President – Security Department
Atty. Francis Y. Gaw	Corporate Secretary/ Corporate Counsel/ Director
Dr. Enrique Y. Yap, Jr.	Vice President- Business Development Dept./Director
Mr. Melito S. Salazar, Jr.	Vice President- Advertising Department/ Compliance Officer
Mr. Arsenio Emmanuel O. Cabrera	Vice President – Advertising Department
Mrs. Carmen S. Suva	Vice President- Public Relations Department
Mrs. Aurora Capellan – Tan	Vice President- Executive Department/ Assistant Corporate Secretary/ Assistant Treasurer
Mr. Dante M. Simangan	Vice President – Circulation Department
Atty. Dylan I. Felicidadario	Assistant Corporate Secretary/ Assistant Compliance Officer
Mrs. Elizabeth T. Morales	Assistant Vice President – Finance Department/ Assistant Compliance Officer
Mr. Johnny L. Lugay	Assistant Vice President- Information and Communication Technology Department
Mr. Alvin P. Mendigoria	Assistant Vice President – Engineering Dept.
Mr. Ramon C. Ting	Assistant Vice President- Metro Manila Branches
Mr. Geronimo S. Montalban	Assistant Vice President – Classified Advertising Department

Elected directors to handle the required Committees are as follows:

a. Nomination Committee

NAME	POSITION
Atty. Hermogenes P. Pobre	Chairman
Secretary Alberto G. Romulo*	Member
Dr. Enrique Y. Yap, Jr.	Member

b. Compensation and Remuneration Committee:

NAME	POSITION
Mrs. Paciencia M. Pineda	Chairperson
Atty. Hermogenes P. Pobre	Member
Dr. Esperanza I. Cabral*	Member

c. Audit Committee

NAME	POSITION
Chief Justice Hilario G. Davide, Jr.*	Chairman
Dr. Esperanza I. Cabral*	Member
Atty. Hermogenes P. Pobre	Member

- Chief Justice Hilario G. Davide, Jr., Secretary Alberto G. Romulo and Dr. Esperanza I. Cabral were elected as Independent Directors during the Annual Stockholders' meeting held on July 9, 2015.

3. The 2014 Annual Report to Security Holders were given to the stockholders before the annual stockholders' meeting on July 9, 2015, including SEC Form 20-IS (Definitive Information Statement).

The following reports were filed during the last six- month period covered by this report:

TYPE OF REPORTS FILED

1. Preliminary Information Statement under SEC Form 20 – IS
2. Definitive Information Statement under Sec Form 20 – IS
3. Current Report under Section 11 of the Revised Securities Act (RSA) and RSA Rule 11 (a)-1 (b)(3) hereunder- SEC Form 17 C on the following:
 - a. Declaration of Stock Dividend
 - b. Elected Board Of Directors in the Annual meeting held
 - c. Appointment of External Auditors
 - d. Elected officers of the Company/ Organizational meeting
 - e. Board Attendance for the year 2015
 - f. Amended Manual of Corporate Governance
4. Second Quarter Reports under SEC Form 17 Q
5. Third Quarter Reports under Sec Form 17 Q
6. General Information Sheet
7. SEC Form 23 A
8. Certification of Independent Directors
9. SEC Form 10-1
10. Amended Articles of Incorporation

SIGNATURES

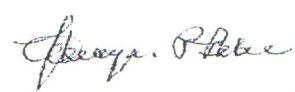
Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 141 of the Corporation Code of the Philippines, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized, in the City of Manila on April 11, 2016.


PACIENCIA M. PINEDA


Executive Vice President- Finance/Treasurer

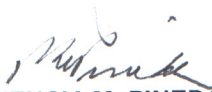
Pursuant to the requirements of the Securities Regulation Code, this annual report has been signed by the following persons in the capacities and on the dates indicated.

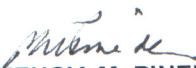
By:

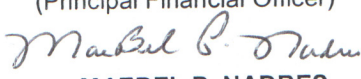

Atty. HERMOGENES P. POBRE
Vice Chairman/ President
(Principal Executive Officer)


AURORA CAPELLAN - TAN
Assistant Corporate Secretary


ELIZABETH T. MORALES
Asst. Vice President/ Chief Accountant
(Principal Accounting Officer)


PACIENCIA M. PINEDA
Principal Operating Officer


PACIENCIA M. PINEDA
Executive Vice President- Finance/ Treasurer
(Principal Financial Officer)


MAEBEL P. NADRES
Assistant Treasurer

SUBSCRIBED AND SWORN to before me this 11th day of April, 2016 affiant,
PACIENCIA M. PINEDA exhibiting to me her SSS ID with No. 03-0095093-01.



DYLAN I. FELICIDARIO

Notary Public Until December 31, 2017
Notarial Commission No. 2016-009 Roll No. 43016
PTR No. 4930631/01-07-16/ Manila
MCLE Compliance No. V-0014949
IBP No. 1010673(2016-2017)/11-04-15/ Laguna
Manila Bulletin Bldg., Intramuros, Manila

Doc. No. 229
Page No. 47
Book No. 132
Series of 2016

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

GENERAL INSTRUCTIONS

(A) Use of Form ACGR

This SEC Form shall be used to meet the requirements of the Revised Code of Corporate Governance.

(B) Preparation of Report

These general instructions are not to be filed with the report. The instructions to the various captions of the form shall not be omitted from the report as filed. The report shall contain the numbers and captions of all items. If any item is inapplicable or the answer thereto is in the *negative*, an appropriate statement to that effect shall be made. Provide an explanation on why the item does not apply to the company or on how the company's practice differs from the Code.

(C) Signature and Filing of the Report

- A. Three (3) complete sets of the report shall be filed with the Main Office of the Commission.
- B. At least one complete copy of the report filed with the Commission shall be **manually** signed.
- C. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.
- D. This report is required to be filed annually together with the company's annual report.

(D) Filing an Amendment

Any material change in the facts set forth in the report occurring within the year shall be reported through SEC Form 17-C. The cover page for the SEC Form 17-C shall indicate "Amendment to the ACGR".

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT


1. Report is Filed for the Year 2015
2. Exact Name of Registrant as Specified in its Charter MANILA BULLETIN PUBLISHING CORPORATION
3. Manila Bulletin Building, Muralla corner Recoletos Sts., Intramuros, Manila 1002
Address of Principal Office Postal Code

4. SEC Identification Number 15923
5. (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number 000-746-558-000
7. (02) 527-8121
Issuer's Telephone number, including area code
8. None
Former name or former address, if changed from the last report

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Ten (10)
---	----------

Actual number of Directors for the year	Ten (10)
---	----------

(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
Basilio C. Yap	NED	N/A	Bartolome L. Atienza	4/24/2014	7/9/2015	Annual Stockholders Meeting	2
Atty. Hermogenes P. Pobre	ED	N/A	Bartolome L. Atienza	2007	7/9/2015	Annual Stockholders Meeting	8
Dr. Emilio C. Yap III	ED	N/A	Bartolome L. Atienza	2003	7/9/2015	Annual Stockholders Meeting	12
Dr. Enrique Y. Yap, Jr.	ED	N/A	Bartolome L. Atienza	3/21/2013	7/9/2015	Annual Stockholders Meeting	3
Paciencia M. Pineda	ED	N/A	Bartolome L. Atienza	1990	7/9/2015	Annual Stockholders Meeting	25
Dr. Crispulo J. Icban Jr.	ED	N/A	Bartolome L. Atienza	7/9/2009	7/9/2015	Annual Stockholders Meeting	6
Atty. Francis Y. Gaw	ED	N/A	Bartolome L. Atienza	6/26/2014	7/9/2015	Annual Stockholders Meeting	2
Sec. Alberto G. Romulo (Ret.)	ID	N/A	Bartolome L. Atienza (No relationship)	7/14/2011	7/9/2015 Four (4) years	Annual Stockholders Meeting	4
Chief Justice Hilario G. Davide Jr. (Ret.)	ID	N/A	Bartolome L. Atienza (No Relationship)	3/31/2011	7/9/2015 Four (4) years	Annual Stockholders Meeting	4
Dr. Esperanza I. Cabral	ID	N/A	Bartolome L. Atienza (No Relationship)	7/8/2010	7/9/2015 Four (4) years	Annual Stockholders Meeting	4

- (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 of Directors (the "Board") is primarily responsible for the governance of the Corporation. Corollary to setting the policies for the accomplishment of the corporate objectives, it provides an

¹ Reckoned from January 2, 2012, as per SEC Memorandum Circular No. 9, Series of 2011.

independent check on Management.

It is the Board's responsibility 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 best interests of its stockholders.

The Board formulates the Corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

The Company's Board of Directors has adopted the principle of "one share, one vote" policy to ensure that all shareholders are treated equally with respect to voting rights, subscription rights and transfer rights. By having 3 independent directors elected during the annual stockholders' meeting the Board of Directors has established an effective shareholder voting mechanisms such as "majority of minority" to protect minority shareholders against actions of controlling shareholders. The Company provides all shareholders with the notice and agenda of the annual general meeting (AGM) at least 21 working days prior to the meeting so as to allow shareholders to call a special shareholders' meeting and submit a proposal for consideration at the AGM or the special meeting. During the annual shareholders' meeting, the Board ensures the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.

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

The Board of Directors of Manila Bulletin Publishing Corporation reviews and approves the vision and mission of the Company annually during the annual organizational meeting.

(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.
Basilio C. Yap	Philippine Trust Company (Philtrust Bank)	NED
	Manila Hotel Corp.	NED
	Euro-Med Laboratories Phil., Inc.	NED
	Centro Escolar University	NED/Chairman
	Philtrust Realty Corporation	ED/Chairman
	U.S. Automotive Co., Inc.	ED/Chairman
	USAUTOCO, inc.	ED/Chairman
	Seabreeze Ent. Inc.	ED/Chairman
	Manila Prince Hotel Corp.	ED/Chairman
	Cocusphil Development Corp.	ED/Chairman
	U.N. Properties Development Corp.	ED/Chairman
Chief Justice Hilario G. Davide, Jr. (Ret.)	Philippine Trust Company (Philtrust Bank)	ID
Dr. Emilio C. Yap III	Philippine Trust Company (Philtrust Bank)	NED
	Centro Escolar University	NED
	Manila Hotel Corp.	NED

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

	Euro-Med Laboratories Phil., Inc.	NED
	Cocusphil Development Corp.	NED
	Philtrust Realty Corporation	ED
	U.S. Automotive Co., Inc.	ED
	USAUTOOCO, inc.	ED
	Manila Prime Holdings, Inc.	ED/Chairman

(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.
None	Not Applicable	Not Applicable

(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
Dr. Emilio C. Yap III	Basilio C. Yap	Nephew
Atty. Francis Y. Gaw	Basilio C. Yap	Brother-in-Law

(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:

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations. The optimum number should take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities.	No limit has yet been set on the maximum number of executive directorship in other companies. However, for listed companies the maximum number of executive directorship is five (5) board seats.
Non-Executive Director	Non-executive directors, who, at the same time, serve as full-time executives in other corporations, may be covered by a lower indicative limit of membership in other boards. In any case, the capacity of the directors to diligently and efficiently perform their duties and responsibilities should not be compromised.	No limit has yet been set on the maximum number of non-executive directorship in other companies. However, for listed companies the maximum number of directorship is five (5) board seats.
CEO	The Chief Executive Officer may be covered by a lower indicative limit of membership in other boards. In any case, the capacity of the directors to diligently and efficiently perform their duties and responsibilities should not be compromised.	No limit has yet been set on the maximum number of CEO posts in other companies. However, for listed companies the maximum number of executive officers is five (5) board seats.

(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
Basilio C. Yap	279,328.00	0.00	0.00830%
Atty. Hermogenes P. Pobre	11,697.00	0.00	0.00035%
Dr. Emilio C. Yap III	88,251.00	0.00	0.00262%
Atty. Francis Y. Gaw	13,400.00	0.00	0.00040%
Dr. Enrique Y. Yap, Jr.	81,022.00	0.00	0.00241%
Paciencia M. Pineda	203,066.97	0.00	0.00603%
Dr. Crispulo J. Icban Jr.	70,599.00	0.00	0.00210%
Chief Justice Hilario G. Davide Jr. (Ret.)	11,139.00	0.00	0.00033%
Secretary Alberto G. Romulo (Ret.)	11,139.00	0.00	0.00033%
Dr. Esperanza I. Cabral	11,139.00	0.00	0.00033%
TOTAL	780,780.97	0.00	0.02320%

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	Basilio C. Yap
CEO/President	Atty. Hermogenes P. Pobre

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer
Role	Maintain qualitative and timely lines of communication and information between the Board and Management.	Exercise general supervision of the business, affairs and properties of the Corporation, and over its several officers and employees.
Accountabilities	<p>Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary.</p> <p>Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the CEO, Management and the Directors</p>	<p>Act as temporary Chairman at and call to order all meetings of the stockholders of the Corporation.</p> <p>See that all orders and resolutions of the Board are carried into effect.</p> <p>Perform such other duties as from time to time may be assigned by the Board.</p>
Deliverables	Attendance in regular and special board meetings, ensuring the presence of a quorum for transaction of corporate business.	Submit to the Board as soon as possible after the close of each fiscal year and to the stockholders at each annual meeting, a complete report

		<p>of the operations of the Corporation for the preceding year, and the state of corporate affairs.</p> <p>Report to the Board all matters within his knowledge which the interests of the Corporation may require to be brought to their notice.</p>
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- 3) Explain how the board of directors plans for the succession of the CEO/Managing Director/President and the top key management positions.

Executive officers of the Corporation are elected by each new Board at the first meeting after its election. Every officer shall be subject to removal at any time by the Board, but all officers, unless removed, shall hold office until their successors are appointed. If any vacancy shall occur among the officers of the Corporation, such vacancy shall be filled by the Board. Since the CEO/Managing Director/President, as well as the other top key management officials, is part of the Board they are exposed to and aware of the policies set by the Board and its implementation. The Non-Executive Directors and Independent Directors can observe and assess their performance closely. This also prepares them for any of the top key management position in the event there is a vacancy.

- 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.

Yes. The experience and background of would-be Board members are considered in the selection of the members of the Board. This is evidenced by the current composition of Manila Bulletin's Board of Directors.

The membership of the Board, who have diversified experience and background, is a combination of executive and non-executive directors (which include independent directors).

Each of the three (3) independent directors, who constitute 30% of the total membership of the Board, possesses varied educational background and experience.

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

Yes. The Corporation's non-executive directors possess such relevant qualifications and stature that would enable them to effectively participate in the deliberations of the Board.

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

	Executive	Non-Executive	Independent Director
Role	To design, develop and implement strategic plans for the Company in a cost-effective and time-efficient manner.	To constructively challenge and contribute to the development of business strategies. To scrutinize the performance of management in meeting agreed goals and objectives, as well as monitoring and succession planning.	The role of independent directors is to provide an outside perspective, supporting the chair in leading the board and to assist the board in the development of policy-making and planning.

Accountabilities	Responsible for the day-to-day operations of the organization, including managing committees and staff, and developing business plans in collaboration with the board for the future of the organization.	Not involved in the day-to-day running of business but monitors the executive activity and contributes to the development of business strategies.	Evaluate management's performance and making sure that financial information provided to shareholders is accurate and complete. Independent directors should also ensure that a robust risk-management system is in place.
Deliverables	Accountable to the Chairman of the Board and reports to the board on a regular basis. The board may offer suggestions and ideas about how to improve the Company, but the Executive Director decides whether or not, and how, to implement these ideas.	Non-executive directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible. Non-executive directors are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing senior management, and in succession planning.	There must be at least one independent director in the Nomination, Audit and Remuneration Committees. The independent director shall perform his duties in accordance with the respective committee charters.

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

Independence for the Company is an essential part of professionalism and professional behavior. It refers to the avoidance of being unduly influenced by a vested interest and to being free from any constraints that would prevent a correct course of action from being taken. It is an ability to 'stand apart' from inappropriate influences to be able to make the correct and uncontaminated decision.

Manila Bulletin, in its continuous commitment to the information needs of our people and our democratic institutions, maintains its independence by being a vehicle of fidelity and impartiality, while upholding its dedication of bringing good news to the public.

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.

The Company, in compliance with SEC Memorandum Circular No. 9 Series of 2011, has a term limit for its independent directors of five (5) consecutive years. After completion of the five (5) year service period, an independent director shall be ineligible for election as such in the Company until he has undergone a "cooling off" period of two (2) years. An independent director re-elected after the "cooling off" period can serve for another five (5) consecutive years, provided that, after serving as independent director for a total of ten (10) years, the independent director shall no longer be considered and elected as such in the Company.

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
None	Not Applicable	Not Applicable	There were no changes in the

			composition of the Board during the applicable period.
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(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	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the Corporation. c. Membership in good standing in relevant industry, business or professional organization. d. Previous business experience.
(ii) Non-Executive Directors	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the corporation. c. Membership in good standing in relevant industry, business or professional organization. d. Previous business experience.
(iii) Independent Directors	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the corporation. c. Membership in good standing in relevant industry, business or professional organization. d. Previous business experience.
b. Re-appointment		
(i) Executive Directors	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the corporation. c. Membership in good standing in relevant industry, business or professional organization. d. Previous business experience. e. Quality of performance
(ii) Non-Executive Directors	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the corporation. c. Membership in good standing in relevant industry, business or professional organization. d. Previous business experience.
(iii) Independent Directors	Evaluation by the Board on the recommendation of the Nomination Committee, ratified at Annual Stockholder's Meeting.	a. College education or equivalent academic degree. b. Practical understanding of the business of the corporation.

		<p>c. Membership in good standing in relevant industry, business or professional organization.</p> <p>d. Previous business experience.</p>
c. Permanent Disqualification		
(i) Executive Directors	No director has been disqualified in accordance with the criteria.	<p>1. Conviction by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined under the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them.</p> <p>2. Any person who, by reason of his misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or wilfully violating the laws that govern securities and banking activities.</p> <p>3. Any person who is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective</p>

		<p>order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.</p> <p>4. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts.</p> <p>5. Any person who has been adjudged by final judgment or order of the Commission, court or competent administrative body to have wilfully aided, abetted, counselled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code, or any other law administered by the Commission or SSP, or any of its rule, regulation or order.</p> <p>6. Any person judicially declared as insolvent.</p> <p>7. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs (1) to (5) above.</p> <p>8. Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.</p>
(ii) Non-Executive Directors	No director has been disqualified in accordance with the criteria.	<p>1. Conviction by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined under the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated</p>

		<p>person of any of them.</p> <p>2. Any person who, by reason of his misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or wilfully violating the laws that govern securities and banking activities.</p> <p>3. Any person who is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.</p> <p>4. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts.</p> <p>5. Any person who has been adjudged by final judgment or order of the Commission, court or competent administrative body to have wilfully aided, abetted, counselled, induced or procured the violation of any provision of the Corporation Code, Securities</p>
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		<p>Regulation Code, or any other law administered by the Commission or SSP, or any of its rule, regulation or order.</p> <p>6. Any person judicially declared as insolvent.</p> <p>7. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs (1) to (5) above.</p> <p>8. Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.</p>
(iii) Independent Directors	No director has been disqualified in accordance with the criteria.	<p>1. Conviction by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined under the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them.</p> <p>2. Any person who, by reason of his misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from : (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or wilfully violating the</p>

		<p>laws that govern securities and banking activities.</p> <p>3. Any person who is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.</p> <p>4. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts.</p> <p>5. Any person who has been adjudged by final judgment or order of the Commission, court or competent administrative body to have wilfully aided, abetted, counselled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code, or any other law administered by the Commission or SSP, or any of its rule, regulation or order.</p> <p>6. Any person earlier elected as independent director who becomes an officer, employee or consultant of the same corporation.</p> <p>7. Any person judicially declared as insolvent.</p> <p>8. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in sub-paragraphs (1) to (5) above.</p> <p>9. Conviction by final judgment of an offense punishable by imprisonment for more than six (6) years, or</p>
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		violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.
d. Temporary Disqualification		
(i) Executive Directors	No director has been temporarily disqualified in accordance with the criteria.	<p>1. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.</p> <p>2. Absence in more than fifty (5) percent of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during his incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election.</p> <p>3. Dismissal or termination for cause as director of any corporation covered by this Code. This disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.</p> <p>4. If any of the judgments or orders cited in the grounds of disqualification has not become final.</p> <p>A temporary disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.</p>
(ii) Non-Executive Directors	No director has been temporarily disqualified in accordance with the criteria.	<p>1. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.</p> <p>2. Absence in more than fifty (5) percent of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during his incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding</p>

		<p>election.</p> <p>3. Dismissal or termination for cause as director of any corporation covered by this Code. This disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.</p> <p>4. If any of the judgments or orders cited in the grounds of disqualification has not become final.</p> <p>A temporary disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.</p>
(iii) Independent Directors	No director has been temporarily disqualified in accordance with the criteria.	<p>1. Refusal to comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. The disqualification shall be in effect as long as the refusal persists.</p> <p>2. Absence in more than fifty (5) percent of all regular and special meetings of the Board during his incumbency, or any twelve (12) month period during his incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification shall apply for purposes of the succeeding election.</p> <p>3. Dismissal or termination for cause as director of any corporation covered by this Code. This disqualification shall be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal or termination.</p> <p>4. If the beneficial equity ownership of an independent director in the corporation or its subsidiaries and affiliates exceeds two percent of its subscribed capital stock. This disqualification shall be lifted if the limit is later complied with.</p> <p>5. If any of the judgments or orders cited in the grounds of disqualification has not become final.</p> <p>A temporary disqualified director shall, within sixty (60) business days</p>

		from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent.
e. Removal		
(i) Executive Directors	No director has been removed in accordance with the criteria.	Any of the above instances for permanent disqualification.
(ii) Non-Executive Directors	No director has been removed in accordance with the criteria.	Any of the above instances for permanent disqualification.
(iii) Independent Directors	No director has been removed in accordance with the criteria.	Any of the above instances for permanent disqualification.
f. Re-instatement		
(i) Executive Directors	No director has been re-instated in accordance with the criteria.	Any person who is permanently disqualified as a director shall not be eligible for reinstatement.
(ii) Non-Executive Directors	No director has been re-instated in accordance with the criteria.	Any person who is permanently disqualified as a director shall not be eligible for reinstatement.
(iii) Independent Directors	No director has been re-instated in accordance with the criteria.	Any person who is permanently disqualified as a director shall not be eligible for reinstatement.
g. Suspension		
(i) Executive Directors	No director has been suspended in accordance with the criteria.	Any of the above instances for temporary disqualification.
(ii) Non-Executive Directors	No director has been suspended in accordance with the criteria.	Any of the above instances for temporary disqualification.
(iii) Independent Directors	No director has been suspended in accordance with the criteria.	Any of the above instances for temporary disqualification.

Voting Result of the last Annual General Meeting:

Name of Director	Votes Received
Basilio C. Yap	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Atty. Hermogenes P. Pobre	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Dr. Emilio C. Yap III	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Atty. Francis Y. Gaw	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Dr. Enrique Y. Yap, Jr.	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Mrs. Paciencia M. Pineda	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Dr. Crispulo J. Icbán Jr.	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Secretary Alberto G. Romulo (Ret.)	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Chief Justice Hilario G. Davide Jr. (Ret.)	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.
Dr. Esperanza I. Cabral	Unanimous vote of all stockholders present and represented during the annual stockholders meeting.

6) Orientation and Education Program

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

Orientation of new directors is undertaken by the executive directors wherein a copy of the corporate governance manual is furnished to them.

- (b) State any in-house training and external courses attended by Directors and Senior Management³ for the past three (3) years:

Attendance in PSE and SEC accredited seminars.

- (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
Basilio C. Yap	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Atty. Hermogenes P. Pobre	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Dr. Emilio C. Yap III	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Atty. Francis Y. Gaw	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Dr. Enrique Y. Yap, Jr.	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Mrs. Paciencia M. Pineda	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Dr. Crispulo J. Icban Jr.	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Chief Justice Hilario G. Davide Jr. (Ret.)	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Dr. Esperanza I. Cabral	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Atty. Dylan I. Felicidadario	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate Directors
Elizabeth T. Morales	October 17 , 2015	Corporate Governance Training Program	The Institute of Corporate 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	The Company requires disclosing any circumstance or situation that may later give rise to conflict of interest.	The Company requires disclosing any circumstance or situation that may later give rise to conflict of interest.	The Company requires disclosing any circumstance or situation that may later give rise to conflict of interest.

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	The Company adheres to the principle of fairness in the conduct of its business and dealings.	The Company adheres to the principle of fairness in the conduct of its business and dealings.	The Company adheres to the principle of fairness in the conduct of its business and dealings.
(c) Receipt of gifts from third parties	The Company requires disclosure and regulates the receipt of gifts from third parties.	The Company requires disclosure and regulates the receipt of gifts from third parties.	The Company requires disclosure and regulates the receipt of gifts from third parties.
(d) Compliance with Laws & Regulations	The Company requires compliance with applicable laws and regulations.	The Company requires compliance with applicable laws and regulations.	The Company requires compliance with applicable laws and regulations.
(e) Respect for Trade Secrets/Use of Non-public Information	The Company treats as confidential trade secrets and regulates use of non-public information.	The Company treats as confidential trade secrets and regulates use of non-public information.	The Company treats as confidential trade secrets and regulates use of non-public information.
(f) Use of Company Funds, Assets and Information	The Company only allows the authorized use of its funds, assets and information.	The Company only allows the authorized use of its funds, assets and information.	The Company only allows the authorized use of its funds, assets and information.
(g) Employment & Labor Laws & Policies	The Company requires compliance with laws, rules and policies on employment and labor.	The Company requires compliance with laws, rules and policies on employment and labor.	The Company requires compliance with laws, rules and policies on employment and labor.
(h) Disciplinary action	The Company enforces its rules and regulations.	The Company enforces its rules and regulations.	The Company enforces its rules and regulations.
(i) Whistle Blower	No whistle blower policy is in place.	No whistle blower policy is in place.	No whistle blower policy is in place.
(j) Conflict Resolution	Undertaken by the Board of Directors.	Undertaken by the Administration Department.	Undertaken by the Administration Department.

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

Yes, the Company's code of conduct, which is embodied in the Company Rules and Regulations, is furnished to all directors, senior management, officers and employees.

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

Each new director, officer and employee is personally furnished a copy of the Company Rules and Regulations. The Company acts immediately on all complaints for alleged violations of the Company Rules and Regulations, and imposes the corresponding penalty after observance of due process.

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	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to

	the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(2) Joint Ventures	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(3) Subsidiaries	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(4) Entities Under Common Control	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(5) Substantial Stockholders	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(6) Officers including spouse/children/siblings/parents	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(7) Directors including spouse/children/siblings/parents	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.
(8) Interlocking director relationship of Board of Directors	The Company regulates related party transactions. Prompt notice of related party transactions is required to be given to the Board, which in turn reviews and decides whether to approve, ratify, disapprove or reject the same.

(b) Conflict of Interest

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

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

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	None (There are no actual or probable conflicts of interest involving any director.)
Name of Officer/s	None (There are no actual or probable conflicts of interest involving any officer.)
Name of Significant Shareholders	None (There are no actual or probable conflicts of interest involving any shareholder owning 5% or more.)

(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	It is the responsibility of each director and senior manager

	<p>to promptly notify the Board, through the Company's Corporate Secretary, of any actual or potential conflict of interest as soon as they become aware of it. It is the responsibility of a director or senior manager who has an actual or potential conflict of interest with the Company to inform the Board, through the Company's Corporate Secretary, and obtain approval prior to entering into the transaction.</p> <p>A transaction characterized by an actual or potential conflict of interest should be brought before the Board's Audit Committee, which will determine if such transaction will benefit the Company. The Board's Audit Committee shall then present the matter to the Board for discussion.</p> <p>The conflicted board member shall not participate in the discussions of the transaction in which he/she is a conflicted party and shall also abstain from voting on such issues. The directors, excluding the conflicted director, should constitute a quorum in order to proceed with such meeting.</p>
Group	<p>There are no Interlocking Directors in the group. There are "Interlocking Directors" where a member of the Company's board of directors also serves on another company's board where he owns shares exceeding twenty percent (20%) of the latter's outstanding capital stock.</p> <p>In deciding transactions between companies with Interlocking Directors, the directors shall be guided by the rule that approval of transactions are subject to the following condition:</p> <ol style="list-style-type: none"> 1. The presence of the director in the board meeting in which the contract was approved is not necessary to constitute a quorum for such meeting; 2. The vote of such director is not necessary for approval of the contract; 3. The contract is fair and reasonable under the circumstances; and 4. In the case of an officer, the contract with the officer has to be previously authorized by the board of directors.

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
None (There are no known family, commercial, contractual or business relations between any holder of significant equity)	Not applicable	Not applicable

- (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:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
U.S. Automotive, Inc.	Lessor-Lessee	Contract of Lease (Warehouse)

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

- (c) Indicate any shareholder agreements 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
None (There are no known shareholder agreements that may impact on the control, ownership and strategic direction of the Company)	Not applicable	Not applicable

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.

Alternative Dispute Resolution System	
Corporation & Stockholders	The Company prefers to amicably resolve disputes involving stockholders.
Corporation & Third Parties	The Company prefers to amicably resolve disputes involving third parties.
Corporation & Regulatory Authorities	The Company prefers to amicably resolve disputes involving regulatory authorities. Resort to higher authority should only be made after the dispute has not been resolved within a reasonable time.

C. BOARD MEETINGS & ATTENDANCE

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

The Board of Directors' meetings are scheduled before the beginning of the year.

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Basilio C. Yap	7/9/2015	14	14	100%
Vice Chairman	Atty. Hermogenes P. Pobre	7/9/2015	14	13	93%
Vice Chairman	Dr. Emilio C. Yap III	7/9/2015	14	14	100%
Vice Chairman & Independent Director	Chief Justice Hilario G. Davide Jr. (Ret.)	7/9/2015	14	10	71%
Vice Chairman & Independent Director	Secretary Alberto G. Romulo (Ret.)	7/9/2015	14	13	93%
Member	Atty. Francis Y. Gaw	7/9/2015	14	14	100%
Member	Dr. Enrique Y. Yap, Jr.	7/9/2015	14	13	93%
Member	Paciencia M. Pineda	7/9/2015	14	14	100%
Member	Dr. Crispulo J. Icbán Jr.	7/9/2015	14	14	100%
Independent Director	Dr. Esperanza I. Cabral	7/9/2015	14	12	86%

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

yes, how many times?

No, non- executive directors did not have a meeting without the presence of any executive directors.

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

No, the requirement stated in the Amended By-Laws of the Company is majority of the Board members.

- 5) Access to Information

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

Board papers are given three (3) days in advance for the board of directors meetings.

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

Yes, board members have independent access to Management and the Corporate Secretary.

- (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 Roles of the Corporate Secretary are:

- Be responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the Corporation;
- Be loyal to the mission, vision and objectives of the Corporation;
- Works fairly and objectively with the Board, Management and stockholders;
- Possesses appropriate administrative and interpersonal skills;
- If he is not at the same time the corporation's legal counsel, be aware of the laws, rules and regulations necessary in the performance of his duties and responsibilities;
- Have a working knowledge of the operations of the Corporation;
- Informs the members of the Board, in accordance with the by-laws, of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- Attends all Board meetings, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent him from doing so;
- Ensures that all Board procedures, rules and regulations are strictly followed by the members;
- If he is also the Compliance Officer, performs all duties and responsibilities of the said officer as provided in the Revised Manual of Corporate Governance.

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

Yes, the Corporate Secretary is well trained in legal, accountancy and corporate secretarial policies. He is a CPA-Lawyer by profession.

- (e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary

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.

to be able to prepare in advance for the meetings of different committees:

Yes

☒

No

☐

Committee	Details of the procedures
Executive	Members of the executive committee will be given notice and agenda of the monthly board meetings by the executive secretary five (5) days in advance of the set meetings.
Audit	Members of the audit committee will be given notice and agenda of the quarterly board meetings by the internal audit head five (5) days in advance of the set meetings.
Nomination	Members of the nomination committee will be given notice and agenda of the annual board meeting by the chairman of the committee five (5) days in advance of the set meeting.
Remuneration	Members of the remuneration committee will be given notice and agenda of the semi-annual board meetings by the chairman of the committee five (5) days in advance of the set meeting.

6) External Advice

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

Procedures	Details
No procedure exists.	So far there is no felt need for external advice.

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
Engaged solely on publishing newspapers and magazines.	Introduced also digital media to printing of newspaper and magazines.	<p>To acquaint and update Manila Bulletin readers on the effectiveness of the internet to immediately disseminate news and product innovations.</p> <p>To give more involvement for Manila Bulletin and achieve wider brand exposure in schools and cultural events.</p> <p>To give financial and media values support to noteworthy NGOs and other organizations.</p>

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
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(1) Fixed remuneration	Monthly Salary and Allowances	Monthly Salary and Allowances
(2) Variable remuneration	Not Applicable	Not Applicable
(3) Per diem allowance	Not Applicable	Not Applicable
(4) Bonus	Midyear and Christmas Bonuses	Midyear and Christmas Bonuses
(5) Stock Options and other financial instruments	Not Applicable	Not Applicable
(6) Others (specify)	Director's Fee	Director's Fee

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 Remuneration, Bonuses and Fees	Monthly Salary and Allowances, Bonuses and Directors' Fee.	Based on the established company salary structure.
Non-Executive Directors	Fees	Directors' Fee	Covered by the amended by-laws which are equivalent to 3% of the yearly net profits of the Corporation before payment of income taxes which shall be distributed among them in proportion to the number of regular and special meetings of the Board actually attended by each of them.

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
Directors' Fee	Directors' Fee had been provided in the By-laws of the corporation stipulating that 3% of the yearly net profits of the corporation before payment of income taxes shall be distributed among them in proportion to the number of regular and special meetings of the Board actually attended by each of them.

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year (2012):

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	4,273,880.00	-	-
(b) Variable Remuneration	2,337,697.00	-	-
(c) Per diem Allowance	-	-	-
(d) Bonuses	712,452.00	-	-
(e) Stock Options and/or other financial instruments	-	-	-
(f) Others (Specify)	1,541,860.00	923,274.00	1,105,556.00
Total	8,865,889.00	923,274.00	1,105,556.00

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	None	None	None
2) Credit granted	None	None	None
3) Pension Plan/s Contributions	None	None	None
(d) Pension Plans, Obligations incurred	None	None	None
(e) Life Insurance Premium	None	None	None
(f) Hospitalization Plan	None	None	None
(g) Car Plan	None	None	None
(h) Others (Specify)	None	None	None
Total	-	-	-

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:

Director's Name	Number of Direct Option/Rights/Warrants	Number of Indirect Option/Rights/Warrants	Number of Equivalent Shares	Total % from Capital Stock
No member of the Board of Directors owns or is entitled to stock rights, options or warrants over the Company's shares.	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(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:

Incentive Program	Amendments	Date of Stockholders' Approval
No incentive program exists for the Board of Directors, etc.	Not Applicable	Not Applicable

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
Gen. Hermogenes C. Esperon, Jr. (AFP Ret.) Executive Vice President- Security Dept.	P4,914,708.0
Atty. Fe B. Barin Executive Vice President	
Aurora C. Tan (Vice President- Executive Department/ Assistant Corporate Secretary/ Assistant Treasurer)	
Carmen S. Suva (Vice President for Public Relations Dept.)	
Melito S. Salazar Jr. (Vice President for Advertising/Compliance Officer)	

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	3	-	-	The role and responsibilities of the Executive Committee are established by the Board of Directors. The Executive Committee constitutes the Company's top management.	The Executive Committee is to act on behalf of the Board during intervals between meetings of the Board in order to provide a degree of flexibility and ability to respond to time sensitive business and legal matters.	The Executive Committee shall have, and may exercise, all the powers of the Board in the management of the business and affairs of the Company between meetings of the Board, except: (a) as limited by the Company's Articles of Incorporation or By-laws, each as amended, or applicable laws or	Subject to applicable rules, procedures, restrictions, resolutions, and requirements of the Board or of the Articles of Incorporation and By-laws, the Executive Committee (i) acts on the Board's behalf between Board meetings and (ii) by vote of two-thirds of its entire voting membership, after seeking advice

						regulations; and (b) with respect to matters that are specifically reserved for another committee of the Board.	from all of the Board's voting members, may adopt or modify the company's policy. The Board, at its next meeting, shall review the Executive Committee minutes and may modify, reject or ratify any Executive Committee action.
Audit	1	-	2	The Audit Committee Charter sets out the policies, responsibilities and authority of the Company's Audit Committee and the procedures that shall guide the function of the Committee, including the rules governing the Committee.	Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.	The Committee shall provide assistance to the Board of Directors in fulfilling their oversight responsibility to the shareholders relating to the integrity of the Company's financial statements and the financial reporting processes.	To deal with, and where applicable resolve, determine finally and approve, all matters falling within the scope of its purpose, functions and duties as set out in its Charter and all other matters that may be delegated by the Board to the Committee from time to time.
Nomination	2	-	1	The Nomination Committee supports and advises the Board in relation to the selection and appointment of Directors who are able to meet the needs of the Company and the ongoing evaluation and review of the performance of the Board and the Directors.	To review and evaluate the qualifications of all persons nominated to the Board and other appointments that require board approval.	To assess the effectiveness of the Boards' processes and procedure in the election or replacement of directors.	To recommend to the Board of Directors nominees to fill vacancies in membership of the Board of Directors as they occur and, prior to each Annual Meeting of Stockholders, recommend a slate of nominees for election as directors at such meeting.
Remuneration	2	-	1	The Remuneration Committee assists the Board to fulfill its responsibilities to shareholders and regulators in relation to the remuneration within the company.	To establish a formal and transparent procedure for developing a policy on remuneration of directors and officers.	To ensure that compensation of directors and officers is consistent with the corporation's culture, strategy and the business environment in which it operates.	The Committee is authorized to appoint independent remuneration experts to advise them on specific remuneration issues, and seek any information it requires from any employee, who

							must cooperate with any request made by the Committee.
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2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Basilio C. Yap	July 30, 2015	6	6	100%	1 yr.
Member (ED)	Atty. Hermogenes P. Pobre	July 30, 2015	6	6	100%	6 yrs.
Member (ED)	Dr. Emilio C. Yap III	July 30, 2015	6	6	100%	6 yrs.
Member (ED)	Paciencia M. Pineda	July 30, 2015	6	6	100%	6 yrs.
Member (ED)	Atty. Francis Y. Gaw	July 30, 2015	6	6	100%	1 yr.

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Chief Justice Hilario G. Davide, Jr. (Ret.)	July 30, 2015	2	2	100%	4 yrs.
Member (ED)	Atty. Hermogenes P. Pobre	July 30, 2015	2	2	100%	4 yrs.
Member (ID)	Dr. Esperanza I. Cabral	July 30, 2015	2	2	100%	4yrs.

Disclose the profile or qualifications of the Audit Committee members.

Chairman (ID): Chief Justice Hilario G. Davide, Jr. (Ret.)

Former Supreme Court Chief Justice Hilario G. Davide, Jr., Filipino, 80, was elected as Vice Chairman and Independent Director of Manila Bulletin Publishing Corporation on March 31, 2011. He was the 20th Supreme Court Chief Justice of the Philippines and Head of the Judicial Branch of the government from November, 1988 to December, 2005 and former Philippine Permanent Representative to the United Nations in New York from February 2007 to March 2010. Former Chief Justice Davide is concurrently an Independent Director of Philtrust Bank, Vice Chairman of the Board of Trustees of the Knights of Columbus Fraternal Association of the Philippines, and a member of the Council of Elders of the Knights of Rizal.

Member (ED): Atty. Hemogenes P. Pobre

Atty. Hermogenes P. Pobre, Filipino, 85, is the Vice Chairman and President of Manila Bulletin Publishing Corporation. He joined the Company on February 1, 2007 as Publisher and on July 9, 2009 was elected Vice Chairman and President of Manila Bulletin. He is a Certified Public Accountant and a lawyer. Atty. Pobre served as Assistant Secretary of the Department of Justice, Chairman of the Board of Accountancy and Chairman of the Professional Regulation Commission. He had received several commendation and recognition awards including Presidential Commendation Award for his exemplary service as Chairman of the Professional Regulation Commission, Hall of Fame awardee of the Philippine Institute of Certified Public Accountants and the Government Association of Certified Public Accountants. He was a multi-awarded leader and public servant and was named "Ulirang Ama in Government Service" in 1999. He authored "Government Accounting - A Self-Instructional Approach" and "Vision and Mission for Professional Excellence", a collection of writings on the reforms in professional regulation, education and governance.

Member (ID): Dr. Esperanza I. Cabral

Dr. Esperanza I. Cabral, Filipino, 72, was elected as an independent director of Manila Bulletin Publishing Corporation on July 8, 2010. She is a cardiologist and clinical pharmacologist. She served both as a Director of the Philippine Heart Center and Chief of Cardiology of Asian Hospital and Medical Center. She was the Secretary of the Department of Health from January to June 30, 2010. Before her appointment as Secretary of Health, she was the Secretary of the Department of Social Welfare and Development.

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

The Audit Committee is responsible for reviewing the performance and recommending the appointment, retention or discharge of the independent auditors. It shall ensure that the independent auditors are ultimately accountable to the Board of Directors and shareholders of the Company and it shall determine specific policies and procedures to ensure that the independence of the external auditors is maintained.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Atty. Hermogenes P. Pobre	July 30, 2015	1	1	100%	4 yrs.
Member (ED)	Dr. Enrique Y. Yap, Jr.	July 30, 2015	1	1	100%	3 yrs.
Member (ID)	Sec. Alberto G. Romulo (Ret.)	July 30, 2015	1	1	100%	4 yrs.

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Paciencia M. Pineda	July 30, 2015	2	2	100%	8 yrs.
Member (ED)	Atty. Hermogenes P. Pobre	July 30, 2015	2	2	100%	8 yrs.
Member (ID)	Dr. Esperanza I. Cabral	July 30, 2015	2	2	100%	5 yrs.

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
None	None	No Changes

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	Recommended resolutions for approval of the Board.	Approval of signing authorities for the company.

Audit	Reviewed the performance and recommended the appointment of the external auditor. Ensured that the external auditor is accountable to the Board of Directors and shareholders. Determined specific policies and procedures to ensure the independence of the external auditor.	Compliance with SEC Regulations.
Nomination	Screened candidates for Board Directorship.	Determination of qualifications and disqualifications.
Remuneration	Reviewed the provisions of the Collective Bargaining Agreement, as well as, ensured compliance with labor laws, rules and regulation.	Evaluation of the financial economic cost to the company.

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	Branch expansion. Projection of Company revenue and net income to determine the effectiveness of the organization set up of the company.	Market accessibility and return on investment. To increase productivity and efficiency.
Audit	Training of audit personnel.	Increase proficiency in audit.
Nomination	Evaluation of existing directors.	For re-election in the annual stockholder's meeting.
Remuneration	Review performance and effectiveness of company officers.	Promotions/Merit increase.

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company;

- It is the Company's policy to avoid exposure to risks. Importation of materials and services for the Company involving foreign exchange are always backed-up in local currencies covered by arrangements of credit accommodation of local banks, such credit facilities have been approved by the Board of Directors.
- Provision for doubtful accounts, collectability of receivables has been established for many years now and is considered adequate.
- Assets of the Company such as plant, buildings, and inventory are insured against fire, earthquake, flood, etc.
- The Company upholds an advocacy of fair and truthful news reporting, not placing its reputation to risk.

(b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;

The Board of Directors of Manila Bulletin Publishing Corporation understands the importance of risk management. In like manner, the Board has reviewed the risks that may challenge the Company and is certain that the risk management system is effective and adequate.

(c) Period covered by the review:

January 1 to December 31, 2015.

(d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness;

The Board regularly conducts review of risks on the basis of the report of management at least once a year or as maybe necessary. Whenever there is a prescribed risk, management immediately reports to the executive directors and to the Board.

To assess the effectiveness of risk management system the directors must:

1. Ensure that an overall risk management structure, policies and procedures are being observed by the Company.
2. Review the adequacy of the Company's enterprise risk management process.
3. Review the results of the annual risk assessment done by the Chief Risk Officer (CRO) designated by the executive committee. The report should include the material financial and non-financial risks that may have an impact on the Company and the corresponding measures in addressing the said risks.
4. Evaluate the risk management report submitted by the CRO on a quarterly basis.
5. Monitor the risk management activities of the company and evaluate the effectiveness of the risk mitigation and action plans, with the assistance of the internal auditors.

(e) Where no review was conducted during the year, an explanation why not.

Not Applicable

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:

The Board of Directors is responsible for the identification of key risk areas and performance indicators and monitoring of these factors with due diligence to enable the corporation to anticipate and prepare for possible threats to its operational and financial viability.

Risk Exposure	Risk Management Policy	Objective
Credit Risk	The Credit Committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and conditions are offered.	Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.
Liquidity Risk	Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing	To be able to meet Company's financial obligations as they fall due.

	of financial obligation; this excludes the potential impact of extreme circumstances that cannot reasonably predicted, such as natural disasters.	
Market Risk	The Company's exposure to market risk for changes in interest rates relates primarily to the Company's short-term and long-term debt obligations. The Company's policy is to manage its interest costs using a mix of fixed and variable rate debts.	To manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

(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
Not Applicable	Not Applicable	Not Applicable

(c) Minority Shareholders

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

Risk to Minority Shareholders
The Company's Board of Directors has adopted the principle of "one share, one vote" policy to ensure that all shareholders are treated equally with respect to voting rights, subscription rights and transfer rights. By having 3 independent directors elected during the annual stockholders' meeting the Board of Directors has established effective shareholder voting mechanisms such as "majority of minority" to protect minority shareholders against actions of controlling shareholders. The Company provides all shareholders with the notice and agenda of the annual general meeting (AGM) at least 21 working days prior to the meeting so as to allow shareholders to call a special shareholders' meeting and submit a proposal for consideration at the AGM or the special meeting. During the annual shareholders' meeting, the Board ensures the attendance of the external auditors and other relevant individuals to answer shareholder questions in such meetings.

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)
Credit Risk	Submission of monthly reports of credit sales and payments.	Establish credit limits and compliance for each customer.
Liquidity Risk	Preparation of daily cash position.	Purchase of foreign exchange for importation of materials and supplies covered by peso credit facilities from banks and with insurance coverage.
Market Risk	Regular monitoring of interest	Management of interest costs as

	rates and range as established by the Banko Sentral ng Pilipinas.	determined by the prevailing bank rates.
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(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)
Not Applicable	Not Applicable	Not Applicable

(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
Executive Committee	Compliance with established checks and controls.	Ensures compliance.
Audit Committee	Submits reports on compliance or deviations.	Ensures compliance.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

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

(a) Explain how the internal control system is defined for the company;

Internal controls are integral parts of the Company's financial and business policies and procedures. Internal controls consist of all the measures taken by the Company for the purpose of; (1) protecting its resources against waste, fraud, and inefficiency; (2) ensuring accuracy and reliability in accounting and operating data; (3) securing compliance with the policies of the organization; and (4) evaluating the level of performance in all organizational units of the organization. Internal controls are ways of the Company to implement good business practices.

(b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;

The Board of Directors has reviewed and considered that the internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements are effective and adequate.

(c) Period covered by the review;

January 1 to December 31, 2015.

(d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system;

Review of Internal controls are done regularly, it is embedded in the business operations of the Company. When a need for attention arises the management brings it up to the board meetings for discussions and evaluations for timely solutions as possible.

Generally, the determination of the effectiveness of the internal control is really based on the Board of Directors' judgment resulting from an assessment of these five components; (1) Control Environment, which provides discipline and structure; (2) Risk Assessment and its impact on internal controls; (3) Control activities, which are the policies and procedures that help ensure management that directives are carried out; (4) Information and communication, which are in a form and time frame that will enable people to carry out their responsibilities and (5) Monitoring, a process that assesses the quality of the system's performance over time.

(e) Where no review was conducted during the year, an explanation why not.

Not applicable. The Company conducted a review during the year.

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
It helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.	<ul style="list-style-type: none"> Organization's governance Risk management Management controls over: efficiency/effectiveness of operations (including safeguarding of assets) The reliability of financial and management reporting Compliance with laws and regulations 	In-house Internal Audit Function	John D. Yap	The Internal audit process is composed of planning, fieldwork, and reporting. Fieldwork results are compiled, presented and discussed with the management. A final summary report then goes to Senior Management and the Audit Committee for review.

(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?

Yes. The Audit Committee is responsible for the appointment and performance of the internal auditor, likewise the appointment and/or removal of the internal auditor or the accounting/auditing firm to which the internal audit function is outsourced requires the 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?

The work of internal auditor is reviewed and approved by the Audit Committee. The Audit Committee ensures that the internal auditor has free and full access to all Company records, properties and personnel relevant to and required by its functions, and that the internal audit committee shall be free from interference in determining its scope, performing its work and communicating its results.

(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.

There has been no resignation/s or re-assignment of the internal audit staff. The Company does not employ internal audit staff from third party auditing firm.

(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	Conforms to expected progress.
Issues⁶	Issues have been resolved satisfactorily.
Findings⁷	No material findings.
Examination Trends	Conduct appropriate audit procedures on a regular basis.

[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
All cash and check receipts are deposited to the bank the following day. Deposits to bank accounts are verified the following banking day. Cash counts are being done from time to time. Reconciliation of bank accounts.	Full compliance
Payments to the suppliers or for services rendered to the Company are paid by check or petty cash vouchers supported by invoices, etc. and duly approved by the authorized senior officer.	Full compliance
Credit accommodations and limits are established and verified by	Full compliance

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.

authorized officers.	
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(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
Reports only to the chairman or members of the Audit Committee. Report of external auditor is approved by the Audit Committee and Board of Directors.	Credit accommodations are established by the Executive Vice President for Finance/Treasurer.	The Company has no dealings with investment banks.	The Company has no dealings with rating agencies.

(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 Chairman and President of Manila Bulletin Publishing Corporation attest to the Company's full compliance with the SEC Code of Corporate Governance. The Board of Directors, Management and employees of the Company have been given proper instruction on their respective duties as mandated by the Code, and internal mechanisms are in place to ensure compliance.

H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare	Uphold customers' rights and interests.	Publication of news items, upholding customers' welfare.
Supplier/contractor selection practice	Because of the volume of newsprint, ink, etc. and the quality required, Manila Bulletin buys only from big reliable suppliers that can deliver the volume and quality of materials required. The Company does not have an exclusive or major contract with any of its principal suppliers.	Main suppliers of the Registrant are UPM - Kymmene Asia Pacific and Paper Corea Inc. for newsprint, Heritage Inks International Corporation and Toyo Ink Corporation for ink and Meralco for power.
Environmentally friendly value-chain	<ul style="list-style-type: none"> Continuous commitment to the compliance with environmental laws and regulations. Strives for continuous improvement of our environmental performance. Used oil degreasers and soya based inks are disposed 	<ul style="list-style-type: none"> The Company uses soya based inks for the production of newspapers. The Company reduces its impact on the environment by recycling newsprint used. The Company organizes annual Christmas tree making

	through approved DENR licensed disposal agents.	contest where families can transform their old newspapers into artistic Christmas trees. The purpose was to encourage families to recycle while having the spirit of fun.
Community interaction	Involvement of the community in the Company's advocacy projects.	The Company's participation in various community projects.
Anti-corruption programs and procedures?	No "Envelop mental Journalism".	Adoption of code of conduct and ethics for journalists and the Company's code of conduct.
Safeguarding creditors' rights	Right to receive payments.	Issuance of checks and vouchers for payments to creditors.

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

Yes, the Company has a separate corporate social responsibility section. Its purpose is to achieve continuous human development by contributing and giving back to the society. The corporate social responsibility section promotes reading awareness and organizes fund drives for calamity victims.

3) Performance-enhancing mechanisms for employee participation.

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

In compliance with the health, industrial safety and welfare provision of the Labor Code, the Company takes steps to protect and maintain the health and welfare of the employees and workers.

The Company, jointly with and upon the request of the union, undertakes periodic inspections of the printing plant and other departments to check on the working conditions therein, for the purpose of taking corrective measures, if such are needed.

The Company also provides health care services in form of medicard coverage, annual checkups, and free eyeglasses for regular employees.

Employees and workers are entitled to sixteen (16) working vacation leave with pay for every year of continuous service and fifteen (15) days sick leave convertible to cash, and are members of the Social Security System, Philhealth and Pag-ibig.

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

The Company provides for the maintenance and cleanliness of the whole company premises. Employees are not allowed to smoke within the office and publication compound.

Health insurance premiums as of November 16, 2015 for 304 rank and file employees shouldered by the Corporation amounted to P3.32 million, while the premiums for 114 officers and other employees amounted to P2.1 million, a total of P5.43 million worth of coverage.

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

The Company conducts team-building workshops, sponsors attendance in print-media conventions abroad, and encourages participation in DOLE, SEC and PSE accredited seminars.

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

Management and the Bulletin Progressive Union signed a five year collective bargaining agreement for the period August 10, 2012 to August 2, 2017.

The collective bargaining provides an estimated package of P407 million, which among other benefits, includes monthly salary increases totaling P6,500 during the 5-year term and the 5-month salary signing bonus covering 600 employees.

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

The Company adheres to the due process requirement in administrative cases. The employees concerned are always entitled to the opportunity to be heard prior to the imposition of any disciplinary penalty in accordance with the Company Rules and Regulations and the Labor Code of the Philippines. Retaliation constitutes misconduct, which can be investigated and penalized accordingly.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

- (a) Shareholders holding 5% or more

Shareholder	Number of Shares	Percent	Beneficial Owner
U.S. Automotive Co. Inc	1,828,871,947.00	54.3469%	U.S. Automotive Co. Inc
USAUTOCO Inc.	787,597,990.00	23.4043%	USAUTOCO Inc.
Menzi Trust Fund, Inc.	284,109.289.00	8.4426%	Menzi Trust Fund, Inc.

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Basilio C. Yap Chairman of the Board	279,328.00	0.00	0.00830%
Atty. Hermogenes P. Pobre President/ Vice Chairman of the Board	11,697.00	0.00	0.00035%
Chief Justice Hilario G. Davide, Jr. (Ret.) Vice Chairman/ Independent Director	11,139.00	0.00	0.00033%
Secretary Alberto G. Romulo (Ret.) Vice Chairman/ Independent Director	11,139.00	0.00	0.00033%
Emilio C. Yap III Director/ Executive Vice President	88,251.00	0.00	0.00262%
Dr. Enrique Y. Yap, Jr. Director/ Vice President - Business Development Dept.	81,022.00	0.00	0.00241%
Atty. Francis Y. Gaw Director/Corporate Secretary	13,400.00	0.00	0.00040%
Paciencia M. Pineda Director/ Executive Vice President/ Treasurer	203,066.97	0.00	0.00603%
Dr. Esperanza I. Cabral Independent Director	11,139.00	0.00	0.00033%
Dr. Crispulo J. Icbán, Jr	70,599.00	0.00	0.00210%

Director/ Editor-In-Chief			
Atty. Fe B. Barin Executive Vice President	0.00	0.00	0.00000%
Gen. Hermogenes C. Esperon, Jr. Executive Vice President- Security Dept.	0.00	0.00	0.00000%
Aurora Capellan- Tan Vice President- Exec Office/ Asst. Corp. Secretary/Asst.Treasurer	176,496.00	0.00	0.00524%
Purificacion M. Cipriano Asst. Corporate Secretary	264,735.00	0.00	0.00787%
Melito S. Salazar Vice President- Advertising Department/ Compliance Officer	0.00	0.00	0.00000%
Carmen S. Suva Vice President- Public Relations	11,697.00	0.00	0.00035%
Dante M. Simangan Vice President-Circulation Dept.	0.00	0.00	0.00000%
Arsenio Emmanuel O. Cabrera Vice President-Advertising Dept.	0.00	0.00	0.00000%
Atty. Dylan I. Felicidadario Asst. Corporate Secretary/ Asst. Compliance Officer/Legal Counsel	0.00	0.00	0.00000%
Elizabeth T. Morales Asst. Vice President- Finance/ Chief Accountant/ Asst. Compliance Officer	0.00	0.00	0.00000%
Geronimo S. Montalban Asst. Vice President- Classified Advertising	0.00	0.00	0.00000%
Johnny L. Lugay Asst. Vice President- ICT	0.00	0.00	0.00000%
Engr. Alvin P. Mendigoria Asst. Vice President- Engineering Dept.	0.00	0.00	0.00000%
Martin V. Isidro, Jr. Asst. Vice President-Product Distribution	97,070.00	0.00	0.00288%
Ramon C. Ting Assistant Vice President- Metro Manila Branches	0.00	0.00	0.00000%
Sandy U. Cotoco Asst. Vice President-Credit and Collection Dept.	0.00	0.00	0.00000%

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
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	Yes

Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
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.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
Teodoro Santamaria Canlas & Co.	P500,000.00	Does not apply.

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.

- Through company website
- E-mail
- Telephone/Fax
- Posting/ mail
- News Releases

5) Date of release of audited financial report: April 15, 2015, filed with income tax return to the BIR.

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	Yes
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)	Yes

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

7) Disclosure of RPT

RPT	Relationship	Nature	Value
US Automotive Co., Inc.	Parent Company Interlocking directorship	Operating Lease	P9.10 Million
Philtrust Bank	Interlocking directorship	Advertising Services	119.95 Million

(Philippine Trust Company)		Operating Lease Loans Cash in Bank	1.70 Million 745.14 Million 30.82 Million
Philtrust Realty Corporation	Interlocking directorship	Advertising Services	32.58 Million
Euro-Med Laboratories Phil, Inc.	Interlocking directorship	Advertising Services	12.67 Million
Manila Hotel	Interlocking directorship	Advertising Services	76.55 Million
Centro Escolar University	Interlocking directorship	Advertising Services	13.66 Million
Café France, Inc.	Interlocking directorship	Advertising Services	0.39 Million

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?

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its stockholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Transactions between related parties are based on terms similar to those offered to non-related parties. Under the Company policy, shareholders are prohibited to obtain loans and advances from/to the Company.

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	Per Amended By-Laws, at any meeting of stockholders, the holders of record for the time being of a majority of the stock of the Company then issued and outstanding and entitled to vote, represented in person or by proxy, shall constitute a quorum for the transaction of business.
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Ratification of approved corporate acts.
Description	Corporate acts approved by the Board are ratified by the stockholders during the Annual Stockholders' Meeting.

(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 <u>not</u> in The Corporation Code
Voting Right	None
Pre-emptive Right	None
Power of Inspection	None
Right to Information	None
Right to Dividends	None
Appraisal Rights	None

Dividends

Declaration Date	Record Date	Payment Date
July 9, 2015	August 7, 2015	September 2, 2015

(d) Stockholders' Participation

1. 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
Sending of Notice of Annual Stockholders' Meeting, together with the Agenda, Annual Report and Proxy.	Per Amended By-Laws, notice of the time and place of holding any annual meeting, or any special meeting of the stockholders, shall be given either by posting the same enclosed in a postage prepaid envelope, addressed to each stockholder of record entitled to vote, or by delivering the same to him in person. The Company observes a minimum of 21 business days for giving out of notices to the Annual Stockholders' Meeting.
Agenda for the Annual Stockholders' Meeting allots a period for stockholders' questions and suggestions.	During the Annual Stockholders' Meeting, questions and/or suggestions from the floor for the continuing improvement of operations of the Company may be given by the stockholders, and these are noted by the management and taken under advisement.

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

In all the above instances, the corporate decisions approved by the majority of the Board are presented to the stockholders during the Annual/Special Stockholders' Meeting for the written assent of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

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?

Yes, the Company observes a minimum of 21 business days for giving out notices to the AGM.

a. Date of sending out notices: June 9, 2015 (Notice, Agenda, Proxy Form and Definitive Information Statement sent to stockholders of record)

b. Date of the Annual/Special Stockholders' Meeting: July 9, 2015

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

No questions were raised during the Annual Stockholders' Meeting last July 9, 2015.

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

Resolution	Approving	Dissenting	Abstaining
Cash Dividend Declaration	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting.	None	None
Appointment of External Auditor	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting.	None	None
Ratification of Approved Corporate Acts	Unanimous vote of all stockholders present and represented during the Annual Stockholders' Meeting.	None	None

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

The Company does not publish the results of the votes taken during the AGM.

(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
None (No modifications were made in the regulations for the July 9, 2015 Annual Stockholders' Meeting.)	Not Applicable (No modifications were 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	Basilio C. Yap Atty. Hermogenes P. Pobre Emilio C. Yap III Chief Justice Hilario G. Davide, Jr. (Ret.) Sec. Alberto G. Romulo (Ret.)	July 9, 2015	Viva voce (If cannot be determined by this method, casting of ballots will be done)			

	Atty. Francis Y. Gaw Enrique Y. Yap, Jr. Paciencia M. Pineda Dr. Esperanza I. Cabral Dr. Crispulo J. Icbán, Jr. Gen. Hermogenes C. Esperon Jr. (AFP Ret.) Carmen S. Suva Melito S. Salazar Aurora C. Tan Elizabeth T. Morales Atty. Dylan I. Felicidadario					
Special	Basilio C. Yap Atty. Hermogenes P. Pobre Emilio C. Yap III Chief Justice Hilario G. Davide, Jr. (Ret.) Sec. Alberto G. Romulo (Ret.) Atty. Francis Y. Gaw Enrique Y. Yap, Jr. Dr. Esperanza I. Cabral Paciencia M. Pineda Dr. Crispulo J. Icbán, Jr. Aurora C. Tan Atty. Dylan I. Felicidadario	July 9, 2015	Viva voce (If cannot be determined by this method, casting of ballots will be done)			

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

The stockholders entitled to vote may, at any stockholders' meeting, appoint two persons (who need not be stockholders) to act as inspector of election at all meetings of the stockholders until the close of the next annual meeting. If any inspector shall refuse to serve, or neglect to attend, at any meeting of the stockholders, or his office shall become vacant, the meeting may appoint an inspector in his place.

- (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.

Yes, at every meeting of the stockholders of the Corporation, every stockholder entitled to vote shall be entitled to one vote for each share of stock standing in his name on the books of the Corporation; Provided, however, that in case of the election of the ten (10) members of the Board of Directors, every stockholder entitled to vote shall be entitled to accumulate his votes in accordance with the provision of law in such case made and provided.

(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	The proxy shall have been appointed in writing by the stockholder himself, or by his duly authorized attorney.
Notary	The Company does not require notarization of the proxies.
Submission of Proxy	The instrument authorizing the proxy to act shall be

	exhibited to the Secretary and to the inspectors of election, and shall be lodged with the Secretary if he shall so request.
Several Proxies	The Company allows one (1) proxy per shareholder.
Validity of Proxy	The proxies are valid only for the Annual Stockholders' Meeting for which it was issued by the stockholders.
Proxies executed abroad	No proxies executed abroad were received during the Annual Stockholders' Meeting.
Invalidated Proxy	No proxies were invalidated during the Annual Stockholders' Meeting.
Validation of Proxy	Proxies are validated by comparing the same with the Master List of Stockholders.
Violation of Proxy	No proxy violation has been recorded.

(h) Sending of Notices

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

Policies	Procedure
To send notices of annual/special stockholder's meetings according to the by-laws and other applicable rules and regulations	<p>Notices are given at least 21 working days before the date set for such meeting.</p> <p>Notices of Annual/Special Meeting are electronically filed with PSE and posted in their website.</p>

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	2,768 shareholders
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	June 9, 2015
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	June 9, 2015
State whether CD format or hard copies were distributed	Hard copies were distributed.
If yes, indicate whether requesting stockholders were provided hard copies	Yes, all stockholders were provided with hard copies.

(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.	Yes

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.

2) Treatment of Minority Stockholders

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

Policies	Implementation
The Board should be transparent and fair in the conduct of the annual and special stockholders' meetings of the corporation.	The stockholders are encouraged to personally attend such meetings. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the bylaws, the exercise of that right is not unduly restricted and any doubt about the validity of a proxy is resolved in the stockholders favor.
It is the duty of the Board to promote the rights of stockholders, remove impediments to the exercise of those rights and provide an adequate avenue for them to seek timely redress for breach of their rights.	The Board takes the appropriate steps to remove excessive or unnecessary costs and other administrative impediments to the stockholders' meaningful participation in meetings, whether in person or by proxy.
Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.	Although all stockholders are treated equally or without discrimination, the Board gives minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation.

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

Yes, minority stockholders have a right to nominate candidates for board of directors.

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.

The Company adheres to applicable disclosure rules and procedures prescribed by its regulators and PSE. Major company announcements are reviewed and approved by the Board as the need arises, and the disclosures thereof are undertaken by the Compliance Officer in coordination with the Executive Committee.

- 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	Full disclosure and transparency in all company's investor relations program in accordance with SEC and PSE rules and regulations.
(2) Principles	Timely and factual information to stockholders and the public in general.
(3) Modes of Communications	Telephone, fax, email and news releases.
(4) Investors Relations Officer	Company Treasurer or Corporate Secretary.

- 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?

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

No mergers have ever been discussed nor sales of substantial assets.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

Initiative	Beneficiary
Readership awareness program	Students in public schools of depressed areas.
Scholarship Grants	Underprivileged but deserving students.
Bahay Kalinga Program	Homeless families and Informal settlers.
Financial Assistance to victims of natural disasters.	Victims of natural disasters.

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	Attendance and participation in the deliberations during board meetings.	Attendance to constitute a quorum.
Board Committees	Attendance and participation in the deliberations during board meetings.	Attendance to constitute a quorum.
Individual Directors	Contribution to the development of business strategies, evaluation of strategic plans submitted for business development.	Developed business strategies are aligned to the vision and mission of the Company.
CEO/President	Implementation of development plan approved by the Board.	Effectiveness of the implementation of the approved project.

N. INTERNAL BREACHES AND SANCTIONS

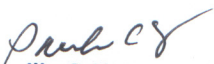
Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

Violations	Sanctions
Breach of the Corporate Governance Manual	The sanctions range from warning, reprimand, suspension, forfeiture of benefits and/or termination from the service depending on the gravity of the offense.

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 Manila on


11 APR 2016

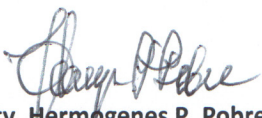
SIGNATURES

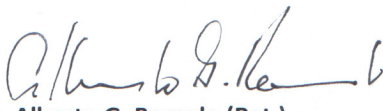

Basilio C. Yap

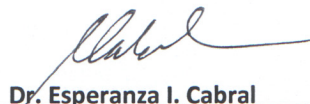
Chairman of the Board


Chief Justice Hilario G. Davide, Jr. (Ret.)
Independent Director


Melito S. Salazar, Jr.
Compliance Officer


Atty. Hermogenes P. Pobre
Chief Executive Officer


Sec. Alberto G. Romulo (Ret.)
Independent Director


Dr. Esperanza I. Cabral
Independent Director

SUBSCRIBED AND SWORN to before me this 11 day of APR 2016, affiant(s) exhibiting to me their respective competent proofs of identity, as follows:

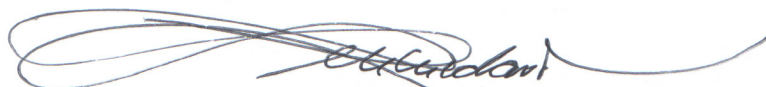
Name

Competent Proof of Identity

Basilio C. Yap
Atty. Hermogenes P. Pobre
Chief Justice Hilario G. Davide, Jr. (Ret.)
Sec. Alberto G. Romulo
Dr. Esperanza I. Cabral
Melito S. Salazar, Jr.

TIN: 132-309-833
SSS ID with No. 03-0222530-5
TIN: 118-014-622
TIN: 113-426-495
TIN: 109-856-007
SSS ID with No. 07-0993997-7

NOTARY PUBLIC



DYLAN I. FELICIDARIO

Notary Public Until December 31, 2017

Notarial Commission No. 2016-09

Roll No. 43016

PTR No. 4930631/01-07-16/Manila

MCLE Compliance No. IV-0017043

IBP No. 1010673 (2016-2017)/11-04-15/Laguna

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