

SECURITIES AND EXCHANGE COMMISSION

SEC FORM - I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended
Dec 31, 2017
2. SEC Identification Number
A200115151
3. BIR Tax Identification Number
219045668
4. Exact name of issuer as specified in its charter
Ferronoux Holdings, Inc.
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
Unit 2205A East PSE Centre, Exchange Road, Ortigas Center, Pasig Clty
Postal Code
1605
8. Issuer's telephone number, including area code
687-1195
9. Former name, former address, and former fiscal year, if changed since last report
AG Finance, Incorporated

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Ferronoux Holdings, Inc.**FERRO**

PSE Disclosure Form I-ACGR - Integrated Annual Corporate Governance Report
Reference: SEC Code of Corporate Governance for Publicly-Listed Companies, PSE
Corporate Governance Guidelines, and ASEAN Corporate Governance Scorecard

Description of the Disclosure

Please see attached Integrated Annual Corporate Governance Report (I-ACGR) for the year 2017.

Filed on behalf by:

Name	Manuel Gonzalez
Designation	Corporate Secretary

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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

GWYNETH S. ONG

Contact Person

687-1195

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

SEC FORM - ACGR

FORM TYPE

Any day in June

Annual Meeting

Secondary License Type, If Applicable

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Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

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File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year **2017**
2. Exact Name of Registrant as Specified in its Charter **FERRONOUX HOLDINGS, INC.**
3. **2205A East PSE Centre, Exchange Road, Ortigas Center, Pasig City** **1600**
Address of principal office Postal Code
4. SEC Identification Number **A200115151** 5. (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number **219-045-668**
7. **(632) 687-1195**
Issuer's Telephone number, including area code
8. **AG FINANCE INCORPORATED**
Former name or former address, if changed from the last report

GENERAL NOTE:

On November 27, 2017, ISOC Holdings Inc. entered into an agreement with RYM for the purchase of RYM's 175,422,081 common shares in the Company equivalent to 67% interest at PhP2.1662 per share or a total amount of approximately PhP 380.0M. A mandatory tender offer was conducted for the benefit of the minority shareholders and the same was completed on January 3, 2018. Thus, the shares were crossed via the Philippine Stock Exchange on January 4, 2018. Pursuant to ISOC Holdings Inc.'s purchase of RYM's 175,422,081 common shares in the Company equivalent to 67%, new directors were elected on January 10, 2018.

In view of the foregoing and insofar as this Integrated Annual Corporate Governance Report ("i-ACGR") pertains to policies that are already existing and in effect for the year 2017, please note that the responses contained in this i-ACGR are certified by the undersigned directors and officers on the basis of the records that are available to them and does not necessarily attest to their participation to the matters covered.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of the directors are found on <u>pages 16 to 20</u> of the Company's Annual Report for the Fiscal Year ended. Please see	
2. Board has an appropriate mix of competence and expertise.	Compliant		

3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	http://www.agfinance.ph/?ddownload=852 The Qualification standards for directors for selection of potential nominees are found on Section 1.2 of Part I (page 6) and on Section 2.6 of Part I (page 13-14) of the Company's Revised Manual of Good Corporate Governance. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	See information identifying the directors and the type of their directorships on <u>page 17</u> of the Company's Annual Report for the Fiscal Year ended 31 December 2017. http://www.agfinance.ph/?ddownload=852	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Non-Compliant	The Company does not have a Board Charter. Information relating to Company's policy on training of directors is provided in <u>Section 1.3 of Part I (page 6)</u> of the Company's Revised Manual on Corporate Governance.	Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
1. Company has an orientation program for first time directors.	Compliant	See information containing the Company's policy on the orientation program in <u>Section 1.3 of Part I (page 6)</u> of the Company's Revised Manual on Corporate Governance.	
2. Company has relevant annual continuing training for all directors.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs See information containing information on the trainings of directors for the previous year, including topics covered on the Certificate of Attendance on Corporate Governance dated October 26, 2017. Please see http://www.agfinance.ph/?ddownload=780	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The information on the Company's policy on board diversity can be found on page 6-7 of the Company's Revised Manual on Corporate Governance. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	

		<p>The membership of the Board is a combination of executive and non-executive directors (which include independent directors) in order that no director or small group of directors can dominate the decision-making process. The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.</p> <table><tr><th>Board</th><th>Female</th><th>Male</th></tr><tr><td>Executive</td><td>0</td><td>1</td></tr><tr><td>Non-Executive</td><td>1</td><td>3</td></tr><tr><td>Independent</td><td>0</td><td>2</td></tr></table>	Board	Female	Male	Executive	0	1	Non-Executive	1	3	Independent	0	2	
Board	Female	Male													
Executive	0	1													
Non-Executive	1	3													
Independent	0	2													
Optional: Recommendation 1.4															
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		Provide information on or link/reference to a document containing the company's policy and measureable objectives for implementing board diversity.													

		Provide link or reference to a progress report in achieving its objectives.	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	The Corporation's Corporate Secretary for 2017 was Atty. Diane Madelyn Ching. Her qualifications are provided on <u>page 21</u> of the Company's Annual Report for the Fiscal Year ended. Please see http://www.agfinance.ph/?ddownload=852 . Her duties and functions are provided in <u>Section 1.5 of Part I (page 7)</u> of the Company's Revised Manual on Corporate Governance. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.7OL2f5HD.dpbs	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		
4. Corporate Secretary attends training/s on corporate governance.	Compliant	See information containing information on the trainings attended by the Corporate Secretary for the previous year, including topics covered on the Certificate of Attendance on Corporate Governance dated October 26, 2017. Please see http://www.agfinance.ph/?ddownload=780	

Optional: Recommendation 1.5

1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	
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Recommendation 1.6

1. Board is assisted by a Compliance Officer.	Compliant	The Corporation's Compliance Officer for 2017 was Joanna Manzano . Her duties and functions are provided in <u>Section 1.6 of Part I (page 7)</u> of the Company's Revised Manual on Corporate Governance.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
3. Compliance Officer is not a member of the board.	Compliant		
4. Compliance Officer attends training/s on corporate governance.	Non-Compliant		Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.

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

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.

Compliant

The Board members performed their duties pursuant to the duties and responsibilities as stated in Sections 2.1 and 2.2 of Part I (pages 9-11) of the Company's Revised Manual on Corporate Governance.

http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs

Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.

Non-Compliant

The previous Board for 2017 did not conduct regular and special meetings during which the company's performance can be reviewed against forecast and prior periods to determine the Corporation's performance.

Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or

			remedy any finding of deficiency or non-compliance.
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Non-Compliant		Please refer to response above.
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Non-Compliant		<p>Considering the intended change in the primary purpose of the Company which was approved by the SEC last February 6, 2018, the vision, mission and core values of the Company has not been updated by the previous Board. The vision, mission and core values is now being reviewed by the new directors of the Company.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Non-Compliant		Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Recommendation 2.3			

1. Board is headed by a competent and qualified Chairperson.	Compliant	The Corporation's Chairman for 2017 was Isidro C. Alcantara, Jr. Mr. Alcantara's qualifications are found in Item 9 Directors and Executive Officers of the Issuer (pp. 18 to 19) of the Company's Annual Report for the Fiscal Year ended December 31, 2017. Please see http://www.agfinance.ph/?ddownload=852	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	The Board ensures that a succession plan for directors, key officers and management positions is in place. See Section 2.2(b) (page 10) and Section 2.4 (page 12) of Part I of the Company's Revised Manual on Corporate Governance.	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs Page 8, Notes to Financial Statements, Attached to the 2017 Annual Report (17-A), Please see http://www.agfinance.ph/?ddownload=852	
Recommendation 2.5			

1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Information on the Company's remuneration policy and its implementation, including the relationship between remuneration and performance can be found on Section 2.2(d) (page 10) and Section 2.5 (page 13) of Part I of the Company's Revised Manual on Corporate Governance.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	Item 10, Executive Compensation, 2017 Annual Report (17-A), pp. 22-23. Please see http://www.agfinance.ph/?ddownload=852	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.		Provide proof of board approval	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term		Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.	

interest, such as claw back provision and deferred bonuses.			
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Section 2.6 of Part I, Board Nomination Policy and Election Policy, Revised Manual on Corporate Governance, pp. 13-17.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	Article II, Section 9, <u>Nomination Period</u> and Article III, Section 10, <u>Nomination Committee</u> , Amended By laws. Please see:	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	http://www.agfinance.ph/?ddownload=839	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant		

6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant		
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.		Identify the professional search firm used or other external sources of candidates	
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Section 2.7 of Part I, Related Party Transactions, Revised Manual on Corporate Governance, p. 17. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	Item 10, Certain Relationships and Related Transactions, 2017 Annual Report (17-A), pp. 25. Please see http://www.agfinance.ph/?ddownload=852	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		

Supplement to Recommendations 2.7

1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	<p>Section 3.5 of Part I, Related Party Transaction Committee, Revised Manual on Corporate Governance, p. 23-25.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>The materiality threshold of the Company for Related Party Transaction is One Hundred Million Pesos (P100,000,000.00)</p>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	<p>Section 3.5 of Part I, Related Party Transaction Committee, Revised Manual on Corporate Governance, p. 23-25.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>All Board-approved material RPTs may be subject to ratification by a vote of the majority of the minority shareholders.</p>	

Recommendation 2.8

1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Section 2.8 of Part I, Management Committees and Section 2.9 of Part I, Management Framework, Revised Manual on Corporate Governance, p. 17.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>The Composition of the Management team is found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?download=852</p>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Section 2.2 of Part I, Duties and Responsibilities of the Board, Revised Manual on Corporate Governance, p. 10.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p>	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	<p>Section 2.2 of Part I, Duties and Responsibilities of the Board, Revised Manual on Corporate Governance, p. 10-11.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p>	

2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	Section 2.2 of Part I, Duties and Responsibilities of the Board, Revised Manual on Corporate Governance, p. 11. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	Section 2.10 of Part I, Internal Control System/Audit Committee and Section 2.11 of Part I, The Board Risk Oversight Committee, Revised Manual on Corporate Governance, p. 17. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
3. Board approves the Internal Audit Charter.	Non-Compliant		The Company has no Internal Audit Charter. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement

			or remedy any finding of deficiency or non-compliance.
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Section 3.4 of Part I, The Board Risk Oversight Committee, Revised Manual on Corporate Governance, p. 17. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Non-Compliant		The Company has no Board Charter Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-Compliant		Please see response above

3. Board Charter is publicly available and posted on the company's website.	Non-Compliant		Please see response above
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Non-Compliant		Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.	
2. Company discloses the types of decision requiring board of directors' approval.		Indicate the types of decision requiring board of directors' approval and where there are disclosed.	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			

Recommendation 3.1

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>The Company has four Board Committees namely: Executive Committee, Audit, Risk Oversight and Related Party Transaction Committee, and Nomination and Corporate Governance Committee.</p> <p>See information on all the board committees established by the company in this link: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs</p>	
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Recommendation 3.2

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Section 3.2 of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 17.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>The Audit Committee recommends to the Board the appointment, reappointment, removal and fees of the External Auditor.</p>	<p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-Compliant	<p>Information on the members of the Audit, Risk Oversight and Related Party Transaction Committee can be found in this link: http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p>	<p>The majority of the Audit, Risk Oversight and Related Party Transaction Committee is not composed of independent directors.</p> <p>Please note that the new directors of the Company are currently in the process of</p>

		.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs Their qualifications and type of directorship can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	See Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. for the information on the background, knowledge, skills, and/or experience of the members of the Audit, Risk Oversight and Related Party Transaction Committee. Please see http://www.agfinance.ph/?ddownload=852	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Non-Compliant	See link for the information on the Chairman of the Audit, Risk Oversight and Related Party Transaction Committee http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs His qualifications and type of directorship can be found in Item 9, Directors and	The Audit Committee is only part of Audit, Risk Oversight and Related Party Transaction Committee. Thus, the Chairman for the Audit Committee is also the Chairman for Risk Oversight and Related Party Transaction Committee. Please note that the new directors of the Company are currently in the process of

		Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Section 3.2 (h) of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 20-21. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	The Company's external Auditor provide exclusive audit services only.
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Non-Compliant		Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.		Indicate the number of Audit Committee meetings during the year and provide proof	

2. Audit Committee approves the appointment and removal of the internal auditor.		Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	Section 3.3 of Part I, The Corporate Governance Committee, Revised Manual on Corporate Governance, p. 21. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	Information on the members of the Nomination and Corporate Governance Committee can be found in this link: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs Their qualifications and type of directorship can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	See link for the information on the Chairman of the Nomination and Corporate Governance Committee	

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs His qualifications and type of directorship can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.		Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Complaint	Section 3.4 of Part I, The Board Risk Oversight Committee, Revised Manual on Corporate Governance, p. 22. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. BROC is composed of at least three members, the majority of whom should be	Non-Compliant	Information on the members of the Audit, Risk Oversight and Related Party Transaction Committee can be found in this link:	The majority of the Audit, Risk Oversight and Related Party Transaction Committee is not composed of independent directors.

independent directors, including the Chairman.		http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs Their qualifications and type of directorship can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-Compliant	See Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. for the information on the background, knowledge, skills, and/or experience of the members of the Audit, Risk Oversight and Related Party Transaction Committee. Please see http://www.agfinance.ph/?ddownload=852	The BROC is only part of Audit, Risk Oversight and Related Party Transaction Committee. Thus, the Chairman for the BROC is also the Chairman for Audit and Related Party Transaction Committee. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	See Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. for the information on the background, knowledge, skills, and/or experience of the members of the Audit,	

		Risk Oversight and Related Party Transaction Committee. Please see http://www.agfinance.ph/?ddownload=852	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Section 3.5 of Part I, The Related Party Transactions Committee, Revised Manual on Corporate Governance, p. 22. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Non-Compliant	Information on the members of the Audit, Risk Oversight and Related Party Transaction Committee can be found in this link: http://edge.pse.com.ph/openDiscViewer.do?edge_no=ff6f02b5ddcafa133318251c9257320d#sthash.MURBNo6x.dpbs Their qualifications and type of directorship can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16. Please see http://www.agfinance.ph/?ddownload=852	The majority of the Audit, Risk Oversight and Related Party Transaction Committee is not composed of independent directors. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.

Recommendation 3.6

1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Non-Compliant		<p>The charters of the other committees are yet to be put in place. The same will be implemented when the business needs of the Company require so. In the meantime, the Revised Manual on Corporate Governance of the Company provides sufficient standards for the various committees.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Committee Charters provide standards for evaluating the performance of the Committees.	Non-Compliant		<p>The charters of the other committees are yet to be put in place. The same will be implemented when the business needs of the Company require so. In the meantime, the Revised Manual on Corporate Governance of the Company provides sufficient standards for the various committees.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement</p>

			or remedy any finding of deficiency or non-compliance.
3. Committee Charters were fully disclosed on the company's website.	Non-Compliant		<p>The charters of the other committees are yet to be put in place. The same will be implemented when the business needs of the Company require so. In the meantime, the Revised Manual on Corporate Governance of the Company provides sufficient standards for the various committees.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

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

Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>Section 2.4 of Part I, Meetings of the Board, Revised Manual on Corporate Governance, p. 12.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.7OL2f5HD.dpbs</p>	
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		Directors attend regular and special board meetings in person. Board members take part in active discussions during Board meetings.	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	<p>Section 2.4 of Part I, Meetings of the Board, Revised Manual on Corporate Governance, p. 12.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>Section 2.4 of Part I, Meetings of the Board, Revised Manual on Corporate Governance, p. 12.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>The directors have the freedom to express their opinions or seek clarifications and explanations during board meetings.</p>	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	<p>Section 4.2 of Part I, Multiple Board Seats, Revised Manual on Corporate Governance, p. 26.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p>	

		Information on the directorships of the company's directors in both listed and non-listed companies can be found in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 18-19. Please see http://www.agfinance.ph/?ddownload=852	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	No such notice was submitted to the Company's Board in 2017.	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.			
2. Company schedules board of directors' meetings before the start of the financial year.			
3.			
4. Board of directors meet at least six times during the year.		Indicate the number of board meetings during the year and provide proof	
5. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions	

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

Recommendation 5.1

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Non-Compliant	See list of Board of Directors in in Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16-22. Please see http://www.agfinance.ph/?ddownload=852	The Company currently has 2 independent directors. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
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Recommendation 5.2

1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	Please see Certifications of Independent Directors: http://edge.pse.com.ph/openDiscViewer.do?edge_no=b1cef96c3400be683318251c9257320d#sthash.8Z4qVpi0.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=2d406c8013f88e933318251c9257320d#sthash.yfJB0HV6.dpbs	
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Supplement to Recommendation 5.2

1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant		
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Recommendation 5.3

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<table><tr><th>Independent Director</th><th>Term</th></tr><tr><td>Ge Lin (aka Gery Lam)</td><td>2015-2017</td></tr><tr><td>Mathew-John Almogino</td><td>2017-Present</td></tr></table>	Independent Director	Term	Ge Lin (aka Gery Lam)	2015-2017	Mathew-John Almogino	2017-Present	
Independent Director	Term								
Ge Lin (aka Gery Lam)	2015-2017								
Mathew-John Almogino	2017-Present								
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Information on the company's policy on term limits for its independent director can be found on Section 5.3 of Part 1, Reinforcing Board Independence, Revised Manual on Corporate Governance, p. 26. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs							
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	The Company has no director serving more than 9 years on the Board.							

Recommendation 5.4

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	<table><tr><td>Chairman of the Board</td><td><i>Isidro C. Alcantara, Jr.</i></td></tr><tr><td>CEO/President</td><td><i>Arsenio K. Sebial Jr.</i> <i>(up to December 11, 2017)</i></td></tr></table>	Chairman of the Board	<i>Isidro C. Alcantara, Jr.</i>	CEO/President	<i>Arsenio K. Sebial Jr.</i> <i>(up to December 11, 2017)</i>	
Chairman of the Board	<i>Isidro C. Alcantara, Jr.</i>						
CEO/President	<i>Arsenio K. Sebial Jr.</i> <i>(up to December 11, 2017)</i>						
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	<p>Information on the roles and responsibilities of:</p> <p>a. Chairman of the Board can be found in Section 2.3, Chairperson of the Board, Revised Manual on Corporate Governance, p. 11. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs</p> <p>b. Chief Executive Officer can be found in Section 5.4 of Part I, President, Revised Manual on Corporate Governance, p. 29 and Section 2, Article IV of the Company's Amended By-Laws: http://www.agfinance.ph/?ddownload=839</p>					
Recommendation 5.5							
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-Compliant		<p>The Company has not designated a lead director among the independent directors.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the</p>				

			Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	There were no transactions affecting the Company entered into with any member of the Board.	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, there were no meetings called among the non-executive directors (NEDs), external auditor and heads of the internal audit, compliance and risk functions, without any executive present.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

2. The meetings are chaired by the lead independent director.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, there were no meetings called among the non-executive directors (NEDs), external auditor and heads of the internal audit, compliance and risk functions, without any executive present.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
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Optional: Principle 5

1. None of the directors is a former CEO of the company in the past 2 years.		Provide name/s of company CEO for the past 2 years	
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Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Non-Compliant		<p>The Board under its Charter has a policy of self-assessment which it endeavors to implement.</p> <p>Please note that the new directors of the Company are currently in the process of</p>
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			<p>reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. The Chairman conducts a self-assessment of his performance.	Non-Compliant		<p>The Board under its Charter has a policy of self-assessment which it endeavors to implement.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
3. The individual members conduct a self-assessment of their performance.	Non-Compliant		<p>The Board under its Charter has a policy of self-assessment which it endeavors to implement.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
4. Each committee conducts a self-assessment of its performance.	Non-Compliant		<p>The Board under its Charter has a policy of self-assessment which it endeavors to implement.</p>

			Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant		<p>The Board under its Charter has a policy of self-assessment which it endeavors to implement.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	Sections 6.1 (Board Evaluation) and 6.2 (Minimum Criteria) of Part I, Revised Manual on Corporate Governance, p. 30. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. The system allows for a feedback mechanism from the shareholders.	Compliant		

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

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Non-Compliant		<p>The Company currently has not adopted a Code of Business Conduct.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. The Code is properly disseminated to the Board, senior management and employees.	Non-Compliant		Please see response above.
3. The Code is disclosed and made available to the public through the company website.	Non-Compliant		Please see response above.

Supplement to Recommendation 7.1

1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Non-Compliant		<p>While the general principle of providing a mechanism on curbing and penalizing company involvement in offering, paying and receiving bribes, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the</p>
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			Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Non-Compliant		<p>The Company currently has not adopted a Code of Business Conduct.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Non-Compliant		<p>The Company currently has not adopted a Code of Business Conduct.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

Disclosure and Transparency

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

Recommendation 8.1

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p>Compliant</p>	<p>Section 8 (Enhancing Company Disclosures and Procedures) of Part I, Revised Manual on Corporate Governance, p. 32-33. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.7OL2f5HD.dpbs</p> <p>Company's disclosure reports to PSE: http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=643</p> <p>Company's Stock Information: http://edge.pse.com.ph/companyPage/stockData.do?cmpy_id=643</p>	
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Supplement to Recommendations 8.1

<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Non-Compliant</p>	<p>The Annual Reports were filed with The SEC and the PSE on 30 April 2018 or 120 days from the end of the fiscal year after a request for extension of time to file the Annual Report was duly made on 13 April 2018.</p>	<p>The Company needed additional time to consolidate the information needed for the Annual Report considering that the new Board of Directors just took over early 2018.</p>
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		<div>The quarterly reports were filed with the SEC and PSE on the following dates:</div> <table><tr><td>2017</td><td>Date of Filing</td></tr><tr><td>First Quarter</td><td>May 19, 2017</td></tr><tr><td>2nd Quarter</td><td>August 15, 2017</td></tr><tr><td>3rd Quarter</td><td>October 23, 2017</td></tr></table>	2017	Date of Filing	First Quarter	May 19, 2017	2 nd Quarter	August 15, 2017	3 rd Quarter	October 23, 2017	For the Quarterly Reports, the Company likewise needed more time to finalize the relevant Quarterly Reports.
2017	Date of Filing										
First Quarter	May 19, 2017										
2 nd Quarter	August 15, 2017										
3 rd Quarter	October 23, 2017										
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	The Company's Annual Report for the year 2017 can be found in the Company's Website (http://www.agfinance.ph/?ddownload=852) and the PSE website.									
Recommendation 8.2											
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Changes in Beneficial Ownership reports are filed with the PSE. All such reports made by the Company are found in the PSE Website under Company Disclosures.									
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	(http://edge.pse.com.ph/companyInformation/form.do?cmpy_id=664)									
Supplement to Recommendation 8.2											
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes	Compliant	Changes in Beneficial Ownership reports are filed with the PSE. All such reports made by the Company are found in the PSE Website under Company Disclosures.									

the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).		(http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=643)	
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Recommendation 8.3

1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16-22. Please see http://www.agfinance.ph/?ddownload=852	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Item 9, Directors and Executive Officers of the Issuer, 2017 Annual Report (17-A), p. 16-22. Please see http://www.agfinance.ph/?ddownload=852	

Recommendation 8.4

1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	The Company's By-Laws provide that directors shall receive per diems for their attendance at each meeting of the Board by resolution of the Board of Directors. Any compensation other than per diems may be allowed subject to the approval of stockholders at a regular or special meeting for an amount of not more than	
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		<p>10% of the net income before income tax of the Company during the preceding year.</p> <p>http://www.agfinance.ph/?ddownload=839</p> <p>The Company's annual reports include disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers during the preceding fiscal year, which may be subject to objection or ratification of the stockholders. There were no issues on the compensation of directors and officers which was brought up in the last annual stockholders meeting.</p> <p>http://www.agfinance.ph/?ddownload=852</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p>The Company's By-Laws provide that directors shall receive per diems for their attendance at each meeting of the Board by resolution of the Board of Directors. Any compensation other than per diems may be allowed subject to the approval of stockholders at a regular or special meeting for an amount of not more than 10% of the net income before income tax of the Company during the preceding year.</p> <p>http://www.agfinance.ph/?ddownload=839</p>	

3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	Item 10, Executive Compensation, 2017 Annual Report (17-A), pp. 22-23. Please see http://www.agfinance.ph/?ddownload=852	
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Section 3.5 (Related Party Transaction Committee) of Part I, Revised Manual on Corporate Governance, p. 23-25. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Item 12, Certain Relationships and Related Transactions, 2017 Annual Report (17-A), pp. 25. Please see http://www.agfinance.ph/?ddownload=852	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Section 3.5 (Related Party Transaction Committee) of Part I, Revised Manual on Corporate Governance, p. 23-25.	

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.		Provide link or reference where this is disclosed, if any	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<p>The Company strictly adheres to required disclosures by both the PSE and SEC for acquisitions and dispositions of assets.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=a00266a60a19b7cd3318251c9257320d#sthash.UpCcs0rJ.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=9cd70da389684c9b3318251c9257320d#sthash.0zPMNQ02.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=1bc96d7cc0dcc4073318251c9257320d#sthash.kV5RE3t3.dpbs</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=96038b8cc19298e73318251c9257320d#sthash.twjKUKFf.dpbs</p>	

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=854356537b9322153318251c9257320d#sthash.SPvOiAtT.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=57049bfff6cf653318251c9257320d#sthash.8uLUyYOy.dpbs http://edge.pse.com.ph/openDiscViewer.do?edge_no=6dce1b46f7030fad43ca035510b6ec2b#sthash.r1QfhumG.dpbs	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	There was no instance in 2017 when this was required.	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	Details on shareholder agreements, voting trust agreements and such other agreements that impact on the control, ownership and strategic direction of the Company are all found in the Company's 2017 Annual Report submitted to the PSE and SEC.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Revised Manual on Corporate Governance	

		http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZOL2f5HD.dpbs	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	The Revised Manual of Corporate Governance was filed with the SEC on May 31, 2017 and disclosed with the PSE on June 1, 2017.	
3. Company's MCG is posted on its company website.	Non-Compliant		The Company is currently in the process of updating the company website. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		This year's Annual Report is submitted with this report. Please refer to the Annual Report on the PSE Website (http://www.agfinance.ph/?ddownload=852)	
a. Corporate Objectives	Compliant		

b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Non-Compliant		The Company's operations do not yet support a study of the non-financial indicators. When the business of the Company requires so, the same will be implemented.
d. Dividend Policy	Compliant		
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Non-Compliant		The Company does not state the directors' attendance in the Annual Report. Should it be required, the Company will comply.
g. Total remuneration of each member of the board of directors	Compliant		
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Non-Compliant		The Annual report indicates that the Company shall submit the ACGR for the year as required by the SEC and the PSE. Should a statement of compliance be required, the Company will comply.
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational,	Compliant	Item 5, Market for Issuer's Common Equity and Related Stockholder Matters, 2017 Annual Report (17-A), pp. 11-14. Please see	

financial and compliance controls) and risk management systems.		http://www.agfinance.ph/?ddownload=852	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	Item 5, Market for Issuer's Common Equity and Related Stockholder Matters, 2017 Annual Report (17-A), pp. 11-14. Please see http://www.agfinance.ph/?ddownload=852	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Item 5, Market for Issuer's Common Equity and Related Stockholder Matters, 2017 Annual Report (17-A), pp. 11-14. Please see http://www.agfinance.ph/?ddownload=852	

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

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Section 3.2 of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 19-20 http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs	
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		<p>Section 9.1 of Part II, External Auditor, Revised Manual on Corporate Governance, p. 33</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	Compliant	<p>Section 9.1 of Part II, External Auditor, Revised Manual on Corporate Governance, p. 33</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p> <p>Section 1, Article IV, External Auditor, Amended By-Laws.</p> <p>http://www.agfinance.ph/?ddownload=839</p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	Compliant	<p>Section 9.1 of Part II, External Auditor, Revised Manual on Corporate Governance, p. 33</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p>	
Supplement to Recommendation 9.1			

1. Company has a policy of rotating the lead audit partner every five years.	Non-Compliant		<p>The Company has not adopted a policy of rotating the lead audit partner every five years.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <p>i. assessing the integrity and independence of external auditors;</p> <p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>	Non-Compliant		<p>The Company has not adopted an Audit Committee Charter.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Non-Compliant		<p>The Company has not adopted an Audit Committee Charter.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p>Section 3.2 of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 19-20</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<p>Section 3.2 of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 19-20</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p>	

Recommendation 9.3

1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The External Auditor of the Company does not provide non-audit services to the Company.	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	Section 3.2 of Part I, The Audit Committee, Revised Manual on Corporate Governance, p. 19-20 http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs	

Supplement to Recommendation 9.3

1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	The fees paid for the audit for 2017 financial statements was P373,955.68	
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Additional Recommendation to Principle 9

1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	Reyes Tacandong & Co., Makati City, Metro Manila Belinda B. Fernando Partner CPA Certificate No. 81207 SEC Accreditation No. 1022-AR-2 Group A, valid until March 15, 2020 Tax Identification No. 102-086-538-000 BIR Accreditation No. 08-005144-004-2017 valid until January 13, 2020 PTR No. 6607958, January 3, 2018, Makati City	
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2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).			As per the representation of the Company's external auditor, it has not been subjected to SOAR.
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Non-Compliant		<p>The Company has not adopted a policy on disclosure of non-financial information.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-Compliant		<p>The Company has not adopted a globally recognized standard/framework in reporting sustainability and non-financial issues.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	Medium of Communication <ul style="list-style-type: none"> • Company disclosures filed with the Securities and Exchange Commission and the Philippine Stock Exchange • Print (e.g. broadsheets, brochures) • Written notices • Corporate website 	
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Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:	Compliant	See link for Company's website: http://www.agfinance.ph/	
a. Financial statements/reports (latest quarterly)	Compliant		
b. Materials provided in briefings to analysts and media	Compliant		There was no instance in 2017 when this was required.
c. Downloadable annual report	Compliant		

d. Notice of ASM and/or SSM	Non-Compliant		<p>The Company is currently in the process of updating the company website.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
e. Minutes of ASM and/or SSM	Non-Compliant		<p>The Company is currently in the process of updating the company website.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
f. Company's Articles of Incorporation and By-Laws	Compliant		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant		<p>The template of the website is in accordance with the SEC-prescribed template, however, the Company is currently in the process of updating the company website.</p>

			Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Section 12 of Part III, Strengthening the Internal Control System and Enterprise Risk Management Framework, Revised Manual on Corporate Governance, p. 34-35	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Section 12.4 of Part III, Enterprise Risk Management, Revised Manual on Corporate Governance, p. 36-37	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes	Non-Compliant		The Company has not adopted a formal comprehensive enterprise-wide compliance program due to the minimal operations and requirements of the

appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.			<p>Company. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.		Provide information on IT governance process	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, a framework for independent internal audit function is provided in the Company's Revised Manual on Corporate Governance, but the same is not yet implemented. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of</p>

			reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, no CAE has been appointed. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, no CAE has been appointed. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement</p>

			or remedy any finding of deficiency or non-compliance.
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, no CAE has been appointed. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, no separate risk management function is in place. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

Supplement to Recommendation 12.4

1. Company seeks external technical support in risk management when such competence is not available internally.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, there is no need for technical support risk management. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
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Recommendation 12.5

1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Non Compliant		<p>Due to the minimal operations and requirements of the Company, there is no need for technical support risk management. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-Compliant		<p>Due to the minimal operations and requirements of the Company, there is no need for technical support risk</p>

			<p>management. The same will be implemented when the need arises.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<p>Please refer to the certifications filed with the Annual Audited Financial Statement filed with the PSE.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=052fbb60ee5e5b2743ca035510b6ec2b#sthash.KKJeZfZk.dpbs</p>	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p>Section 12.4 of Part III, Promoting Shareholder Rights, Revised Manual on Corporate Governance, p. 37-44</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Non-Compliant		The Company is currently in the process of updating the company website.

			Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	The Company ensures compliance with the Corporation Code and recognizes that each common share has one vote for one share.	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The Company ensures compliance with the Corporation Code and recognizes that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	
3. Board has an effective, secure, and efficient voting system.	Compliant	The Company's Amended By Laws allows for voting by ballot, in person or by proxy. http://www.agfinance.ph/?ddownload=839	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	The Company observes the voting mechanisms found in The Corporation Code of the Philippines directed for the protection of minority shareholders.	

5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	The Company's shareholders has not requested for a special shareholders' meeting in the past year.	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	The Company respect the rights of the stockholders as provided in the Corporation Code, namely: (i)right to vote on all matters that require their consent or approval (ii)pre-emptive right to all stock issuances of the Corporation (iii)right to inspect corporate books and records (iv)right to information (v)right to dividends (vi)appraisal right (vii)right in the distribution of the remaining assets of the corporation after its dissolution and liquidation of its assets (viii) right to vote and be voted as director or office of the Corporation in accordance with the Corporation Code of the Philippines	
7. Company has a transparent and specific dividend policy.	Compliant	The Company has not declared dividends for the past year.	

Optional: Recommendation 13.1

1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.

Identify the independent party that counted/validated the votes at the ASM, if any.

Recommendation 13.2

1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.

Compliant

For 2017, the Company sent out SEC Form 20-IS on 10 November 2017 for the Annual Stockholder's Meeting held on December 11, 2017.

Supplemental to Recommendation 13.2

1. Company's Notice of Annual Stockholders' Meeting contains the following information:

See company's notice of Annual Shareholders' Meeting for 2017.
http://edge.pse.com.ph/openDiscViewer.do?edge_no=3bb68564f411807a3318251c9257320d#sthash.YMvWY4iH.dpbs

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)

Compliant

http://edge.pse.com.ph/openDiscViewer.do?edge_no=3bb68564f411807a3318251c9257320d#sthash.YMvWY4iH.dpbs

b. Auditors seeking appointment/re-appointment

Compliant

http://edge.pse.com.ph/openDiscViewer.do?edge_no=3bb68564f411807a3318251c9257320d#sthash.YMvWY4iH.dpbs

c. Proxy documents	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=3bb68564f411807a3318251c9257320d#sthash.YMvWY4iH.dpbs	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=3bb68564f411807a3318251c9257320d#sthash.YMvWY4iH.dpbs	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	http://edge.pse.com.ph/openDiscViewer.do?edge_no=ced9cdd86433a9843318251c9257320d#sthash.03V3G0sC.dpbs	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Non-Compliant		Only the results of the Meeting SEC Form 17- C were published and posted in the Company website
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	The Company's External Auditor attends the Annual Stockholders Meeting.	

Recommendation 13.4

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Non-Compliant	As of date, there are no disputes between the Company and any of its stockholders, third parties and regulatory authorities that would require adoption of an alternative dispute resolution system.	<p>The Company has no ADR in place. In the event of intra-corporate disputes, the Corporation will offer the shareholders alternative dispute mechanisms to amicable settle any disputes.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Non-Compliant		<p>The Company has no ADR in place. In the event of intra-corporate disputes, the Corporation will offer the shareholders alternative dispute mechanisms to amicable settle any disputes.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>

Recommendation 13.5

1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Non-Compliant		For 2017, no IRO was appointed. The Board will appoint an IRO when the need arises.
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			Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
2. IRO is present at every shareholder's meeting.	Non-Compliant		Please refer to response above.
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Non-Compliant		<p>Due to the minimal operations of the Company, an anti-takeover measure is not in place.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	Public float is at 32.99 as of March 31, 2018.	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with		Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	

the company beyond the Annual Stockholders' Meeting			
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	

Duties to Stakeholders

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

Recommendation 14.1

1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Non-Compliant		<p>Due to the Company's minimal operations, the stakeholders are limited to the shareholders.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
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Recommendation 14.2

1. Board establishes clear policies and programs to provide a mechanism on the	Non-Compliant		While the general principle of providing a mechanism on the fair treatment and protection of stakeholders is provided in the Revised Manual of Corporate
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fair treatment and protection of stakeholders.			<p>Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Non-Compliant		<p>While the general principle of providing a framework and process that allow stakeholders to redress any violation of their rights is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts	Non-Compliant		As of date, there are no disputes between the Company and any of its stockholders, third parties and regulatory authorities that

and differences with key stakeholders is settled in a fair and expeditious manner.			would require adoption of an alternative dispute resolution system. Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	The Company has not sought any requests for exemption from a law, rule or regulation relative to a corporate governance issue.	
2. Company respects intellectual property rights.	Compliant	It is the Company's policy to protect and vigorously defend its rights to intellectual property by regular monitoring and enforcement of its rights.	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare		Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	

2. Company discloses its policies and practices that address supplier/contractor selection procedures		Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Non-Compliant		<p>While the general principle of providing programs and procedures that encourage employees to actively participate in the realization of the company's goals is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
Supplement to Recommendation 15.1			

1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Non-Compliant		Please refer to the immediately preceding response.
2. Company has policies and practices on health, safety and welfare of its employees.	Non-Compliant		<p>While the general principle on health, safety and welfare of its employees is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
3. Company has policies and practices on training and development of its employees.	Non-Compliant		<p>While the general principle on training and development of employees is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement</p>

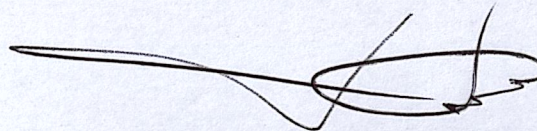
			or remedy any finding of deficiency or non-compliance.
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Non-Compliant		<p>While the general principle against corrupt practices by adopting an anti-corruption policy is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Non-Compliant		Please refer to response above.
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Non-Compliant		<p>While the general principle on handling whistleblowing concern is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of</p>

			reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Non-Compliant		<p>While the general principle on handling whistleblowing concern is provided in the Revised Manual of Corporate Governance, this has not been implemented due to the Company's minimal operations.</p> <p>Please note that the new directors of the Company are currently in the process of reviewing the existing policies of the Company and will accordingly set guidelines and procedures to implement or remedy any finding of deficiency or non-compliance.</p>
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Non-Compliant	The Company has a whistle blower policy that provides an avenue for employees to report misconduct of fellow employees, including their superiors, while protecting the employee's identity and welfare.	Please refer to response above.
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	There has been no incident report through the Company's Whistleblowing policy.	

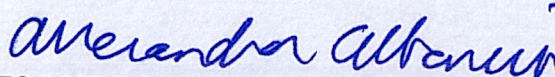
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	Section 16 of Part I, Encouraging Sustainability and Social Responsibility, Revised Manual of Corporate Governance, p. 41. http://edge.pse.com.ph/openDiscViewer.do?edge_no=7d5f4c133ec586523318251c9257320d#sthash.ZAEo5G9T.dpbs	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development		Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.	
2. Company exerts effort to interact positively with the communities in which it operates		Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.	

Pursuant to the requirement of the Security and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized in the Pasig City on MAY 30 2018.

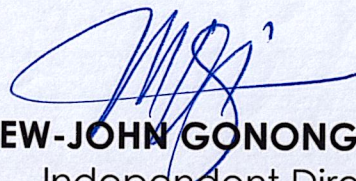
SIGNATURES



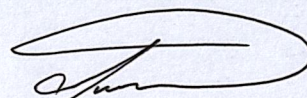
MICHAEL C. COSIQUIEN
Chairman & President



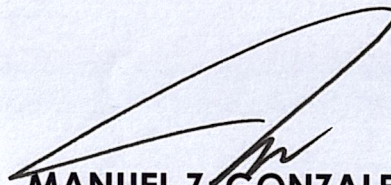
ALLESANDRA FAY V. ALBARICO
Compliance Officer



MATHEW-JOHN GONONG ALMOGINO
Independent Director



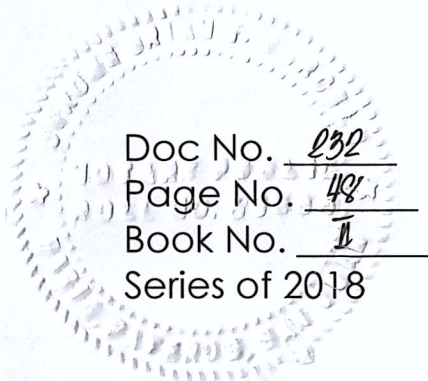
ALFRED JACINTO
Independent Director

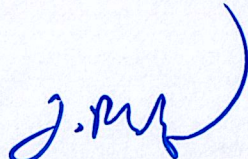


MANUEL Z. GONZALEZ
Corporate Secretary

Subscribed and sworn to before me this May 30, 2018, affiants exhibiting to me their competent identification as follows:

Name	ID	Valid Until
Michael C. Cosiquien	Passport No. EC 7875461/DFA Manila	May 31, 2021
Allesandra Fay V. Albarico	Philhealth No. 02-000239132-6	
Mathew-John Gonong Almogino	SSS ID No. 33-1263535-1	
Alfred Jacinto	Passport No. P4840290A/DFA Manila	October 25, 2022
Manuel Z. Gonzalez	Driver's License No. N11-33-030082	June 12, 2019




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Notary Public for Pasig City
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PTR OR No. 3859419; 01.04.18; Pasig City
IBP OR No. 021152; 01.04.18; RSM