

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/Town/Province)

CONCHITA P. JAMORA										841-5100									
Contact Person										Company Telephone Number									

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1	2	3	1	SEC FORM I-ACGR							
Month		Day		FORM TYPE				Month		Day	
Annual Meeting											

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Secondary License Type, If Applicable

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

File Number												LCU											
Document I. D.												Cashier											

STAMPS

Remarks = pls. use black ink for scanning purposes



**SEC FORM - I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **December 31, 2018**
2. SEC Identification Number **142312**
3. BIR Tax Identification No. **000-083-856-000**
4. Exact name of issuer as specified in its charter: **Ginebra San Miguel Inc.**
5. **Philippines**  
Province, Country or other jurisdiction  
of incorporation or organization
6.  (SEC Use Only)  
Industry Classification Code:
7. **3<sup>rd</sup> and 6<sup>th</sup> Floors, San Miguel Properties Centre**  
**St. Francis Street, Ortigas Center, Mandaluyong City**  
Address of principal office
- 1550**  
Postal Code
8. **(+632) 841-5100**  
Issuer's telephone number, including area code
9. **N/A**  
Former name, former address, and former fiscal year, if changed since last report.

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> 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.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	COMPLIANT	Information on this matter is found in the Company's SEC Form 17-A for 2018 ("SEC Form 17-A") through this link:	
2. Board has an appropriate mix of competence and expertise.	COMPLIANT	<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)	
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		
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	The Board is composed of two (2) executive directors and seven (7) non-executive directors. Information on this matter is found in this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)	

Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	<p>This is provided in the Company's New/Amended Manual on Corporate Governance ("Manual"), which is found in the link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 1, 2,8, 21 and 33)</p>	
2. Company has an orientation program for first time directors.	COMPLIANT	Proper orientation for first time directors is required in the Manual (Page 21). The Company has no first time directors in 2018.	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	<p>The 2018 directors of the Company all attended a Seminar on Corporate Governance conducted by SEC-accredited training providers. Information on this matter can be found in the attached Annex "A" and also in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 24)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.14%20re%20Certificates%20of%20Attendance%20in%20CG%20Seminar%20on%20Aug%208,%202018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.14%20re%20Certificates%20of%20Attendance%20in%20CG%20Seminar%20on%20Aug%208,%202018.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/company-disclosures/">http://ginebrasanmiguel.com/company-disclosures/</a></p>	

<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	COMPLIANT	<p>Information on board diversity is found in the Manual. Please see link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 5)</p> <p>With respect to the gender composition of the Board, there are three (3) females and six (6) males. Information on this matter can be found in the General Information Sheet (GIS) and SEC Form 17-A as shown in the following link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/general-information-sheet/GSMI%20GIS%20for%20the%20year%202018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/general-information-sheet/GSMI%20GIS%20for%20the%20year%202018.pdf</a> (Page 3)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		<p>Provide information on or link/reference to a document containing the company's policy and measureable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p>	

Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	<p>Information on this matter can be found in the Manual, SEC Form 17-A and SEC Form 17-C as shown in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 22 and 23)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 19-20)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a> (Page 2)</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	NON-COMPLIANT		<p>Taking into account the size and structure of the Company, as well as the nature of the functions of the Corporate Secretary and Compliance Officer, the Board deems it fit that these positions be held by one person with legal knowledge. The foregoing arrangement has proven to be effective, efficient and maximizes the resources of the Company.</p>

3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	<p>Information on this matter can be found in the Manual and SEC Form 17-A as shown in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 22 and 23)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web site).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web site).pdf</a> (Pages 19-20)</p>	
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	The Corporate Secretary attended a 4-hour Seminar on Corporate Governance on November 21, 2018. Information on this matter can be found in the attached Annex "A".	
<b>Optional: Recommendation 1.5</b>			
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.	

Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	Information on this matter can be found in Manual and SEC Form 17-A through the following links:	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	<a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 1)	
3. Compliance Officer is not a member of the board.	COMPLIANT	<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 19-20)	
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	The Corporate Secretary attended a 4-hour Seminar on Corporate Governance on November 21, 2018 Information on this matter can be found in the attached Annex "A".	
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 Corporate Secretary of the Company attests that the directors actively participate during Board and Board Committee meetings. They, among others, ask questions and seek clarifications on matters being discussed. They also give their respective comments and suggestions to ensure that the interest of the Company and its stakeholders are protected. The directors' participation in the meetings are documented in the minutes of the Board of Directors ("Board") meetings.	



Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	COMPLIANT	<p>The Corporate Secretary of the Company attests that the directors actively participate during Board and Board Committee meetings. They, among others, ask questions and seek clarifications on matters being discussed. They also give their respective comments and suggestions to ensure that interest of the Company and its stakeholders are protected.</p> <p>On March 14, 2018, the Board approved the 2018 Budget of the Company, particularly with respect to Liquor Volume, Revenues, Gross Contribution, Operating Income, EBITDA, Net Income and Capital Expenditure. Thereafter, in the subsequent Board meetings in 2018, Management apprised the Board on the quarterly financial results and position of the Company. Management also informed the Board about its sales and marketing programs.</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy	COMPLIANT		
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	COMPLIANT	<p>Information on this matter can be found at: <a href="http://ginebrasanmiguel.com/vision-mission-values/">http://ginebrasanmiguel.com/vision-mission-values/</a></p> <p>The Board as it deems necessary, reviews the Company's vision, mission and core values.</p> <p>On August 8, 2018, the Board approved the New Vision and Mission that will guide the Company in conducting its business. Information on this matter can be found in this link:</p>	

		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.08%20re%20Matters%20approved%20during%20BODMtg%20on%2008.08.2018%20(Dividend%20Policy,%20Charter%20of%20Group%20Audit,%20Vi.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.08%20re%20Matters%20approved%20during%20BODMtg%20on%2008.08.2018%20(Dividend%20Policy,%20Charter%20of%20Group%20Audit,%20Vi.pdf</a> (Page 2)	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	COMPLIANT	The Board is regularly apprised and updated by Management about the Company's operations and financial results and position during Board meetings, conducted at least four (4) times a year. During the said meetings the Board is able to monitor the performance of Management and gives its comments and suggestions as may be warranted based on the matters reported.	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>Information on this matter can be found in the Manual, SEC Form 17-A and SEC Form 17-C as shown in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 20-21))</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 17)</p>	

		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a> (Page 2)	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	NON-COMPLIANT		<p>Information on the succession planning program of key Officers and Management can be in this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 4 and 6)</p> <p>For the directors, they are elected by the stockholders and have a definite term. The Company currently does not have a succession planning program for prospective directors who may replace current directors. The objective of ensuring the availability of suitable nominees for directors is performed by the Corporate Governance Committee which ensures a mix of competent directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.</p>
2. Board adopts a policy on the retirement for directors and key officers.	NON-COMPLIANT		<p>Information on the retirement plan of key Officers and Management can be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 4)</p>

			For the directors, they are elected by the stockholders and have a definite term. The Company does not have a retirement policy for directors. The Company's Manual provides, however, a provision on the 9-year term rule for Independent Directors, which can be found in page 12 thereof.
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long- term interests of the company.	COMPLIANT	Information on this matter is found in the Company's Manual. Please refer to this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 4 and 14 to 16)	
2. Board adopts a policy specifying the relationship between remuneration and performance.	COMPLIANT		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	COMPLIANT		
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 interest, such as claw back provision and deferred bonuses.		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.	

Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	The Company's By-Laws provides in Section 4 thereof the procedure for Nominations of Directors and in Section 5 thereof the matter of Vacancies.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	COMPLIANT	In the Corporate Governance Committee portion of the Company's Manual, information on nomination and election can also be found.  In the Duties and Responsibilities portion of the Corporate Governance Committee found in its Charter, information on nomination and election of directors are also provided.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	COMPLIANT	Please refer to the following links:  <a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf</a> (Pages 8 to 9)	
4. Board nomination and election policy includes how the board shortlists candidates.	COMPLIANT	<a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 14)  <a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a> (Pages 3-4).	

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	Please refer to the answer in items 1 to 4 of Recommendation 2.6 above.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	Please refer to the answer in items 1 to 4 of Recommendation 2.6 above.	
<b>Optional: Recommendation to 2.6</b>			
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.	
<b>Recommendation 2.7</b>			
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	<p>The Company's Policy on Related Party transactions can be found in <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p> <p>The Company's Policy on Related Party transactions can be found in <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	COMPLIANT	Matters relating to RPT can also be found in the Manual: <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 5)	

<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>COMPLIANT</p>	<p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5, 16, 19-20 and 27-28)</p> <p>As to RPT transactions in 2018, they may be found in Note 25 (Related Party Disclosures) of the 2018 Audited Consolidated Financial Statements of the Company, which is Annex "D" of SEC Form 17-A. (Pages 5f to 56 of the said Financial Statements). Information on this matter can also be found in Annexes D-3 and D-4 of the said Financial Statements. Please see link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a></p>	
<p><b>Supplement to Recommendations 2.7</b></p>			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	<p>NON-COMPLIANT</p>		<p>While the Board does not establish threshold for disclosure and approval of RPTs, the Company is guided by the existing Policy on Related Party Transactions. All related party transactions are made in the ordinary course of business, on an arms-length basis and at market rates. An assessment is undertaken at each fiscal year by examining the financial position of the related party and the market in which the related party operates.</p> <p>Please also refer to the answer in item 3 above on RPT policy and transactions.</p>

<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p>NON-COMPLIANT</p>		<p>The voting system of the Company complies with the Company By-laws, Corporation Code of the Philippines and prevailing laws, rules and regulations of the Securities and Exchange Commission. With respect to RPTs, the Company complies with its policy wherein all related party transactions are made in the ordinary course of business, on an arms-length basis and at market rates.</p>
<p><b>Recommendation 2.8</b></p>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>COMPLIANT</p>	<p>Information on this matter maybe found in the following links:  <a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf</a> (Page 11)  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 3-4)  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></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).	NON-COMPLIANT		<p>The performance of the individual comprising the Company's Management Committee is directly being assessed by the Company's General Manager. As to the General Manager, he is directly being assessed by the President, with respect to his performance. In essence, however, Management's performance is also evaluated by the Board as the Board approves their promotion to the rank of Assistant Vice President and higher. As to the performance of the CEO, being also a director, the Board in essence evaluates his performance through the self-assessment form accomplished by all the directors. Information on such assessment is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20Statement%20(2019).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20Statement%20(2019).pdf</a> (Page 21)</p>
<b>Recommendation 2.9</b>			
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>Information on this matter maybe found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5-6)</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	Same as above	

Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	<p>Information on this matter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 3 to 6 and 16 to 18)</p> <p>The Company also abides by its's parent company's Corporate Policy on Internal Control of San Miguel Corporation (SMC). The said policy, provides among others, the Company's commitment to establish and maintain a system of Internal Control for the efficient and effective management of its business operations, and improve effectiveness of risk management, control and governance process. It also provides that every manger is responsible for ensuring compliance with all financial and operational controls in his area of operations and must implement internal control as part of the total system to achieve company goals. Information on this policy may be found on this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf</a></p>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		

3. Board approves the Internal Audit Charter.	COMPLIANT	<p>The Board during its regular meeting on March 26, 2016, approved the Charter of Ginebra San Miguel Group Audit ("Charter"), which is equivalent to an Internal Audit Charter. On August 8, 2018, the Board approved the amendments to the Charter, to include provisions of the new/amended Manual on Corporate Governance of the Company, among others.</p> <p>A copy of the Amended Charter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf</a></p>	
<b>Recommendation 2.11</b>			
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	<p>This is provided in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5 to 7)</p> <p>Management is guided by existing Company policies such as the Corporate Policy on Internal Control, which relates to risks. This may be found on this link: <a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf</a></p>	

		<p>As to how the Company managed its major risks in 2018, the same can be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 10 to 11)</p>	
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		
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	NON-COMPLIANT		<p>The Board has not adopted its own Charter. The provisions found in the Company's By-Laws and Manual, including the provisions of the Corporation Code of the Philippines are sufficient to guide the Board in performing its roles, responsibilities and accountabilities.</p> <p>The Company's By-Laws and Manual are posted in the Company's website.</p>
2. Board Charter serves as a guide to the directors in the performance of their functions.	NON-COMPLIANT		Same as above.
3. Board Charter is publicly available and posted on the company's website.	NON-COMPLIANT		Same as above.

Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	COMPLIANT	The Company has a Policy on Securities Dealing, which can be found in this link:  <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a>	
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.	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	COMPLIANT	This is provided in the Company's Manual, SEC Form 17-A and SEC Form 17-C as shown in the following links:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 4 - 5 and 13 - 20.	

		<p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 23-24)</p> <p>The existing Board Committees of the Company and their respective chairpersons and members can be found in the Company's SEC Form 17-C, as shown in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></p> <p>The existing Board Committees of the Company and their respective chairpersons and members can be found in the Company's SEC Form 17-C, as shown in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></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>The Board established an Audit and Risk Oversight Committee. Information on this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 16-20)</p> <p>A copy of the Audit and Risk Oversight Committee Charter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a></p>	
2. Audit Committee is composed of at least three appropriately qualified non- executive directors, the majority of whom, including the Chairman is independent.	COMPLIANT	<p>Information on this matter is provided in the Company's Manual, SEC Form 17-A and SEC Form 17-C as shown in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 16)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p>	

		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a>	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	COMPLIANT	<p>Information on this matter can be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	COMPLIANT	<p>Information on this matter can be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 16)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></p>	



<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	<p>This is specifically provided in the Company's Manual, as shown in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 17)</p> <p>The Audit and Risk Oversight Committee approved during its meeting on November 9, 2017, the engagement of R.G. Manabat &amp; Co. for Data Privacy Consultancy Services. Some aspects of the services were performed in 2018, while some are still ongoing.</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	NON-COMPLIANT		The Audit and Risk Oversight Committee can freely hold meetings and dialogues with the external audit team without anyone from Management present. However, in 2018, the Committee saw no need to hold such meeting or dialogue.
<b>Optional: Recommendation 3.2</b>			
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	<p>Information on this matter is found in the following link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (pages 14 to 15)</p> <p>A copy of the Corporate Governance Committee Charter may be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a></p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	NON-COMPLIANT		<p>The Company has two (2) Independent Directors, who are both members of the Corporate Governance Committee. The number of Independent Directors of the Company is in compliance with Section 38 of the Securities Regulation Code (SRC) and Article 3(A) of SEC Memorandum Circular No. 6, Series of 2009, which requires companies to have two (2) independent directors or such numbers of independent directors that constitutes twenty percent (20%) of the members of the board of directors.</p> <p>Information regarding the Company's Corporate Governance Committee may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 14)</p>

			<p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></p>
3. Chairman of the Corporate Governance Committee is an independent director.	COMPLIANT	<p>Information on this matter may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (page 14)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a></p>	

<b>Optional: Recommendation 3.3.</b>			
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.	
<b>Recommendation 3.4</b>			
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.	NON-COMPLIANT		<p>Taking into account the Company's size, risk profile and operations, the Board deemed it best to no longer establish a separate Board Risk Oversight committee and instead include the functions thereof in the Audit and Risk Oversight Committee.</p> <p>Information about the Audit and Risk Oversight Committee can be found in our answers to Recommendation 3.2 above.</p>
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	NON-COMPLIANT		Same as above
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	NON-COMPLIANT		Same as above
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	NON-COMPLIANT		<p>Taking into account the Company's size, risk profile and operations, the Board deemed it best to no longer establish a separate Related Party Transaction Committee and instead the functions of the said committee were included in the functions of the Audit and Risk Oversight Committee.</p> <p>Information about the Audit and Risk Oversight Committee can be found in our answers to Recommendation 3.2 above.</p>

1. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	NON-COMPLIANT		Same as above
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	COMPLIANT	<p>The respective charters of the Board Committees can be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Executive%20Compensation%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Executive%20Compensation%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Corporate%20Governance%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a></p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	<p><a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a></p> <p>On the standards for evaluating the performance of Committees, the same may be found in the following:</p>	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	<p>Page 5 of the Executive Compensation Committee Charter</p> <p>Page 5 of the Corporate Governance Committee Charter</p> <p>Page 9 of the Audit and Risk Oversight Committee Charter</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	The Corporate Secretary of the Company attests that the directors attend and actively participate during Board Committee meetings. They, among others, ask questions and seek clarifications on matters being discussed. They also give their respective comments and suggestions to ensure that the company and its stakeholders' interests are protected. They also attend and participate in the stockholders' meeting. The participation of the directors are documented through the minutes of the meetings of the Board and stockholders.	
2. The directors review meeting materials for all Board and Committee meetings.	NON-COMPLIANT		The Corporate Secretary of the Company attests that the materials for the Board and Committee meetings are prepared by Management and they are provided to the directors on or before the date of the scheduled meetings. During the meetings, directors actively participate and freely ask questions and express their comments on the matters being discussed. The directors review/evaluate the relevant documents and materials prior to arriving at a decision relative to matters requiring their approval or consent.

			<p>The Corporate Secretary of the Company attests that the materials for the Board and Committee meetings are prepared by Management and they are provided to the directors on or before the date of the scheduled meetings. During the meetings, directors actively participate and freely ask questions and express their comments on the matters being discussed.</p> <p>The directors review/evaluate the relevant documents and materials prior to arriving at a decision relative to matters requiring their approval or consent.</p>
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<p>3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.</p>	<p>COMPLIANT</p>	<p>The Corporate Secretary of the Company attests that the directors attend actively participate during Board Committee meetings. They, among others, ask questions and seek clarifications on matters being discussed. They also give their respective comments and suggestions to ensure that the company and its stakeholders' interests are protected. They also attend and participate in the stockholders' meeting. The participation of the directors are documented through the minutes of the meetings of the Board and stockholders.</p>	
<p><b>Recommendation 4.2</b></p>			
<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long- term strategy of the company.</p>	<p>COMPLIANT</p>	<p>Information on this matter is found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 13)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)</p>	



Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	COMPLIANT	<p>Information on this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 13)</p> <p>Before the issuance of SEC Memorandum Circular No. 19, Series of 2016 on the Code of Corporate Governance for Publicly-Listed Companies, and before the Company adopted a new Manual to take into account applicable provisions of the said circular, most of the Company's directors are already directors of other companies.</p>	
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. Board of directors meet at least six times during the year.		Indicate the number of board meetings during the year and provide proof.	
4. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions.	

<b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
<b>Recommendation 5.1</b>			
1. The Board has at least 3 independent or such number as to constitute one-third of the board, whichever is higher.	NON-COMPLIANT		The Company has two (2) Independent Directors. This is in compliance with Section 38 of the Securities Regulation Code (SRC) and Article 3(A) of SEC Memorandum Circular No. 6, Series of 2009, which requires companies to have two (2) independent directors or such numbers of independent directors that constitutes twenty percent (20%) of the members of the board of directors.
<b>Recommendation 5.2</b>			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	COMPLIANT	<p>The Corporate Secretary attests that the Corporate Governance Committee, during its meeting held on March 14, 2018, pre-screened and shortlisted all the nine (9) candidates nominated to become members of the Board, and determined that all the nominees have all the qualifications and none of the disqualifications set forth in the Company's Amended By-Laws, Manual and other applicable laws, circulars, rules and regulations, including the issuances of SEC and are qualified for election as directors during the 2018 Regular Stockholders' Meeting.</p> <p>Information regarding the Independent Directors of the Company is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf</a> (Pages 12-13)</p>	

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	The Corporate Secretary attests that the Company has no shareholder agreements, by-law provisions or other arrangements that constrain the directors' ability to vote independently. While the Manual does not expressly and specifically provide that the directors vote independently, the same is necessarily given taking into account the fiduciary roles and responsibilities of the directors as set forth in the Manual. Moreover, the Manual specifically requires directors to exercise objective and independent judgment on all corporate affairs. (Page 8 of the Manual).	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	COMPLIANT	<p>The policy of the Company relative to this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 12)</p> <p>The period for reckoning the 9-year period is 2012. Thus, none of the Independent Directors have served for the said period. Information about the Company's Independent Directors is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 19)</p>	

2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	<p>This is provided in Section 2.2.1.6.2 of the Manual, which may be accessed through this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 12)</p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	COMPLIANT	<p>Information on this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 12)</p> <p>None of the independent directors of the Company has reached the 9-year term limit.</p>	
<b>Recommendation 5.4</b>			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	NON-COMPLIANT		<p>The Company's Chairman of the Board and Chief Executive Officer (CEO) are held by one person as provided in the Company's By-Laws. His functions as a Chairman and as a CEO are clearly delineated in pages 20 to 21 of the Company's Manual.</p> <p>Consistent with the SEC Memorandum Circular No. 19, Series of 2016 (the "Circular") on the Code of Corporate Governance for Publicly-Listed Companies ("CG for PLCs"), the Manual of the Company includes a provision on the appointment of Lead Independent Director. During the Organizational meeting held on May 31, 2018, the Board appointed Ms. Minita V. Chico-Nazario as Lead Independent Director.</p>

2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	Information on this matter is found in this link: <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 20 - 21)	
<b>Recommendation 5.5</b>			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	COMPLIANT	The Chairman is not an Independent Director. Thus, in compliance with the Manual, the Company appointed a Lead Independent Director. Information on this matter may be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a> (Page 3)	
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	COMPLIANT	The Corporate Secretary attests that in 2018, the Company did not have any transaction wherein any of its directors has a material interest. Thus, there was no need for any director to abstain in taking part in the deliberations 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.	COMPLIANT	The Company's Manual provides or allows for such meetings. However, the NEDs did not see any need to do so in 2018. Please refer to this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 12 to 13)	
2. The meetings are chaired by the lead independent director.	COMPLIANT		
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.	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	<p>The Company's Manual provides for assessment as found in page 33 thereof.</p> <p>The Corporate Secretary attests that through a Memo dated November 7, 2018, he circulated to all the directors the Internal Self-Rating Form for the purpose of evaluating the Board's performance for 2018.</p> <p>All the directors accomplished the said form. Information on this matter is found in this link:</p>	
2. The Chairman conducts a self-assessment of his performance.			

3. The individual members conduct a self-assessment of their performance.		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20Statement%20(2019).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20Statement%20(2019).pdf</a> (Page 21).	
4. Each committee conducts a self-assessment of its performance.		In a separate Memo, also of the same date, the Corporate Secretary also distributed the Internal Self-Rating Form for the purpose of evaluating the Audit and Risk Oversight Committee's performance for 2018. The Committee members accomplished the said form.	
5. Every three years, the assessments are supported by an external facilitator.	COMPLIANT	<p>This is provided in the Company's Manual and will be implemented at the appropriate time. Please see link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%20202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%20202017.pdf</a> (Page 33)</p>	
<b>Recommendation 6.2</b>			
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	<p>Information on this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%20202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%20202017.pdf</a> (Page 33)</p>	
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.	COMPLIANT	The Company adopts the SMC Group-wide Code of Conduct and Ethics. Information on this matter is found in this link:  <a href="http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf">http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	The Code was disseminated to the Board during the Board meeting. The Code was cascaded to the different heads of the Companies, which in turn are cascaded by the relevant office/unit (i.e. Human Resources, Finance) to all employees either through email, online database or actual orientation.  Moreover, the summary of the Code is easily accessible to the Board, senior management and employees as the same is found in the Company's website.	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	Information on this matter is found in this link:  <a href="http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf">http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf</a>	



Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	<p>This is provided in the Company's Manual. The Company also adopts the SMC Group-wide Code of Conduct and Ethics and Policy on Solicitation and Acceptance of Gifts. Information on this matter is found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 4)</p> <p><a href="http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf">http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf</a></p>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	<p>This is provided in the Company's Manual. The Company also adopts the SMC Group-wide Code of Conduct and Ethics and Policy on Solicitation and Acceptance of Gifts. Information on this matter is found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 4)</p>	

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2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		

### 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

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.	COMPLIANT	<p>This is provided in the Company's Manual. The Company also uploads in its website SEC Forms 17-C, 17-Q, and 17-A, as well as notices and materials for the Investors' Briefing to apprise the stakeholders of the financial condition, results and business operations of the Company. Information on this matter may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 27)</p> <p><a href="http://ginebrasanmiguel.com/company-disclosures/">http://ginebrasanmiguel.com/company-disclosures/</a></p> <p><a href="http://ginebrasanmiguel.com/investors-briefing-notices/">http://ginebrasanmiguel.com/investors-briefing-notices/</a></p>	
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Supplement to Recommendations 8.1			
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.	NON-COMPLIANT		The Company complies with the Securities Regulations Code on the required submission dates for reportorial requirements. For the SEC Form 17-A, the same is filed within one hundred five (105) calendar days after the end of the fiscal year. For the SEC Form 17-Q, the same is filed within forty-five (45) calendar days after the end of each of the first three quarters of each fiscal year.
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 discloses to the public information about its existing stockholders, including among others, the percentage of their ownership in the Company. The disclosure is made through the filing of its SEC Form 17-A, SEC Form 20-IS and GIS. The same is also disclosed through its structured reports filed with The Philippine Stock Exchange, Inc. (PSE) such as the Public Ownership Report, Foreign Ownership Report, and Top 100 Stockholders. The conglomerate map of the Company, which is also attached to the SEC Form 17-A, shows the shareholdings of the Company in its subsidiaries as well as the shareholdings of other companies in the Company. As to the voting power or rights of stockholders, the same are provided in the Company's By-Laws, Manual and Information Statement. These documents sufficiently apprise the shareholders of the shareholding structure in the Company and their voting rights. All these reports provide sufficient information to the public on the shareholding structure of the Company.	

<b>Recommendation 8.2</b>			
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	<p>The Policy is provided in the Manual as well as in the Company's Policy on Securities Dealing. The same may be accessed through these links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 27)</p>	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	COMPLIANT	<p><a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p> <p>As to the officers, acquisition or disposition of shares in the Company are disclosed through the filing of SEC Form 23-A and 23-B, which may be found through this link:</p> <p><a href="http://ginebrasanmiguel.com/company-disclosures/">http://ginebrasanmiguel.com/company-disclosures/</a></p>	
<b>Supplement to Recommendation 8.2</b>			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	COMPLIANT	<p>The Company, compliant with applicable rules and regulations, disclose relevant information about the current shareholders of the Company and changes thereto, if any.</p> <p>In 2018, San Miguel Corporation, the Company's majority stockholder, sold all its common shares to San Miguel Food and Beverage, Inc. Disclosures relative to this transactions are found in the SEC Forms 17-C that were filed by the Company in 2018, which may be accessed through this link:</p>	

		<a href="http://ginebrasanmiguel.com/company-disclosures/">http://ginebrasanmiguel.com/company-disclosures/</a>  In 2018, the Company did not engage in share buy-back program.	
<b>Recommendation 8.3</b>			
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	<p>The Office of the Corporate Secretary, prior to the scheduled Corporate Governance Committee meeting scheduled yearly in March for the purpose of evaluating the qualifications of the nominees for election as directors of the Company, requests the nominees to submit an updated curriculum vitae. The said documents are evaluated by the said Committee and considered in determining if the nominees are qualified to be directors of the Company. The qualifications of the directors are also presented in the SEC Form 17-A.</p> <p>Such disclosure is also required of the directors as provided in the Manual.</p> <p>The Company's Policy on Securities Dealing also addresses potential conflict of interest matters.</p> <p>Information relating to the foregoing are found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a></p>	

		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 17-19)  <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	COMPLIANT	<p>Information on the key officers' academic qualifications, membership in other boards, other executive positions, professional experiences and expertise are presented in the SEC Form 17-A.</p> <p>The Company's Policy on Securities Dealing also addresses potential conflict of interest matters.</p> <p>Information relating to the foregoing are found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 19-20)</p> <p><a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p>	

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	Information on this matter is found in this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 27)	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	COMPLIANT		
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	COMPLIANT	<p>The Directors and CEO of the Company do not receive remuneration other than a per diem per attendance in Board and Board Committee meetings. Information on this matter may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 27)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 22)</p>	

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	<p>Information on this matter is found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5, and 19 - 20)</p> <p>There were no transactions in 2018 involving a director of the Company which would require a director to abstain from Board discussion on the said transaction.</p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	COMPLIANT	<p>As to Company's RPT transactions in 2018, they may be found in Note 25 (Related Party Disclosures) of the 2018 Audited Consolidated Financial Statements of the Company, which is Annex "D" of SEC Form 17-A. (Pages 5f to 56 of the said Financial Statements). Information on this matter can also be found in Annexes D-3 and D-4 of the said Financial Statements. Please see link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web%20site).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web%20site).pdf</a></p>	



<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	<p>The Company's By-laws expressly provides that "no person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation.</p> <p>Such requirement is also found in the Company's Manual and Policy on Securities Dealing.</p>	
<b>Optional: Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at		Provide link or reference where this is disclosed, if any.	
<b>Recommendation 8.6</b>			
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>Information on these matters may be found in page 27 of the Manual, accessible through this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> </p>	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.		In 2018, the Company did not acquire or dispose of significant assets.	

Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	COMPLIANT	<p>Information on this matter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 27 - 28)</p> <p>There are no material shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	<p>This can be found by accessing this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a></p>	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT	<p>The Manual was submitted with the SEC on May 31, 2017 and submitted with the PSE through PSE Edge on June 1, 2017 as shown in this link:</p> <p><a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=e53559438f06ad7c3318251c9257320d#sthash.Zlwk7NNW.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=e53559438f06ad7c3318251c9257320d#sthash.Zlwk7NNW.dpbs</a></p>	

3. Company's MCG is posted on its company website.	COMPLIANT	<p>Please refer to this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a></p>	
<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	COMPLIANT	<p>In 2017, the Board adopted a new/amended Manual to consider the provisions of the CG Manual of PLCs. Other than this, there was no further amendment to the Manual. Information on this matter can be found through these links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 34)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202017.05.25%20re%20Results%20of%20Regular%20Stockholders%20Meeting%20on%20May%2025%202017.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202017.05.25%20re%20Results%20of%20Regular%20Stockholders%20Meeting%20on%20May%2025%202017.pdf</a></p>	

Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:			
a. Corporate Objectives			
b. Financial performance indicators			
c. Non-financial performance indicators			
d. Dividend Policy			
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors			
f. Attendance details of each director in all directors' meetings held during the year			
g. Total remuneration of each member of the board of directors			
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.			

3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.			
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.			
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).			
<b>Principle 9:</b> 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.			
<b>Recommendation 9.1</b>			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT	Information on this matter is found in the Audit and Risk Oversight Committee Charter which may be accessed through this link: <a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a> (Page 4)	

<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>	<p>COMPLIANT</p>	<p>This matter is covered by the Company's Manual which may be accessed through this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 17)</p> <p>In 2018, the appointment of the External Auditor was recommended by the Audit and Risk Oversight Committee, approved by the Board and ratified by the shareholders. Moreover, all acts and proceedings of the Board are sought to be ratified and confirmed during the annual Regular Stockholders' Meeting.</p> <p>Information on the said appointment and fee in 2018 can be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.03.14%20BODMeeting-Apprd%20RSM%20SchedVenue&amp;AgendaExtlAuditor.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.03.14%20BODMeeting-Apprd%20RSM%20SchedVenue&amp;AgendaExtlAuditor.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 16-17)</p>	
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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.	COMPLIANT	<p>This matter is provided in the Company's Manual. In 2018, there has been no change in the Company's external auditor. Thus, no such disclosure was made. Information on this matter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 28).</p>	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	<p>Information on this matter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 24).</p>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	COMPLIANT	<p>Information on this matter may be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a> (Pages 4 – 6)</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.	COMPLIANT	Information on this matter may be found in this link: <a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a> (Page 4)	
<b>Supplement to Recommendations 9.2</b>			
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	Information on this matter may be found in this link: <a href="http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf">http://ginebrasanmiguel.com/pdf/04-board-committee-charter/Audit%20and%20Risk%20Oversight%20Committee%20Charter%20approved%20on%20Nov-9-2017.pdf</a> (Pages 4 – 6)	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT		
<b>Recommendation 9.3</b>			
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 Company discloses information about the services performed by its External Auditor in its SEC Form 17-A, including the fees paid therefor. The same information is also included in the Annual Report (Glossy) that will be distributed to the stockholders during the 2019 Regular Stockholders' Meeting that will be held on May 30, 2018, which report will also be uploaded in the Company's website. The said report shall contain a statement to this effect: "Fees for the services rendered by the External Auditor to the Company and its subsidiaries in connection with the Company's annual financial statements and other statutory and regulatory filings for 2018 amounted to almost Php7.669 million and for non-audit fees, the same amounted to Php0.855 million.	



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	There were no disagreements with the Company's External Auditor on any matter relating to accounting and financial disclosures. In the performance of data privacy consultancy services, a non-audit work that was duly approved by Audit and Risk Oversight Committee, the Company ensured that the same will not conflict with the functions of the External Auditor or pose a threat to its independence."	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	<p>The Company discloses information about the services performed by its External Auditor in its SEC Form 17-A, including the fees paid therefor, which form may be accessed through this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 17)</p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	<p>The Company discloses information about the services performed by its External Auditor in its SEC Form 17-A, including the fees paid therefor, which form may be accessed through this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Page 17)</p>	

		a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf (Page 17)	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	<p>The Company's external auditor is duly accredited by the SEC under Group A category. Details relative thereto are as follows:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner – Darwin P. Virocel</li> <li>2. Accreditation number – 1386-AR Group A</li> <li>3. Date Accredited – June 15, 2017</li> <li>4. Expiry date of accreditation – June 14, 2020</li> <li>5. Name, address, contact number of the audit firm – R.G Manabat &amp; Co. 9/F, 6787 Ayala Avenue, Makati City (632) 885-7000</li> </ol>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	COMPLIANT	As a Group A audit firm accredited by the Commission, R.G Manabat & Co. is required to, and shall comply with the requirements of the Commission in relation to the SOAR Inspection Program.	
<b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			

Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT	<p>This matter is provided in the Company's Manual. Particularly in Section 4.9. Please refer to the link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 28).</p>	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	NON-COMPLIANT		<p>The Company is in the process of establishing a Sustainability Report.</p> <p>Currently, the Company has been disclosing non-financial information through its Annual Report (Glossy) distributed to stockholders during the Stockholders' Meeting and uploaded in the Company's website.</p> <p><b>Note:</b> The Company's Annual Report (Glossy) for 2018, which will include the foregoing information, will be distributed to stockholders during the Stockholders' Meeting and uploaded in the Company's website on or immediately after the said meeting scheduled on May 30, 2019.</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	<p>The Company conducts quarterly Investors' Briefing in March, May, August and November. Notice and presentation materials for the said briefing are uploaded in the Company's website and submitted with the PSE through the PSE Edge System. As and when necessary, the Company files SEC Form 17-C to inform the shareholders of material information concerning the Company, other than the required reports such as SEC Forms 17-A and 17-Q as shown in the following links:</p> <p><a href="http://ginebrasanmiguel.com/investors-briefing-notices/">http://ginebrasanmiguel.com/investors-briefing-notices/</a>  <a href="http://ginebrasanmiguel.com/company-disclosures/">http://ginebrasanmiguel.com/company-disclosures/</a></p>	
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**Supplemental to Principle 11**

1. Company has a website disclosing up-to- date information on the following:	COMPLIANT	<p>The Company's website provides the following information as shown in the relevant links:</p> <p>a. Financial statements/reports (annual and quarterly)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web site).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20web site).pdf</a></p>	
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		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20-%20SEC%20Form%2017-Q%20-%201st%20Qtr%20of%202018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20-%20SEC%20Form%2017-Q%20-%201st%20Qtr%20of%202018.pdf</a>  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20SEC%20Form%2017-Q%20(2nd%20Qtr%20of%202018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20SEC%20Form%2017-Q%20(2nd%20Qtr%20of%202018).pdf</a>  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20SEC%20Form%2017-Q%20(3rd%20Qtr%20of%202018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-q/GSMI%20SEC%20Form%2017-Q%20(3rd%20Qtr%20of%202018).pdf</a>  b. Materials provided in briefings to analysts and media.	
		<a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=9e79e54f3b79cfd343ca035510b6ec2b#sthash.roTT2Rcj.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=9e79e54f3b79cfd343ca035510b6ec2b#sthash.roTT2Rcj.dpbs</a>  <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=d5f663f4bf96bb3e43ca035510b6ec2b#sthash.5CZvCEg9.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=d5f663f4bf96bb3e43ca035510b6ec2b#sthash.5CZvCEg9.dpbs</a>  <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=4ce6f1d2d9d7a56c43ca035510b6ec2b#sthash.iGgMpqTe.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=4ce6f1d2d9d7a56c43ca035510b6ec2b#sthash.iGgMpqTe.dpbs</a>	
a. Financial statements/reports (latest quarterly)			

b. Materials provided in briefings to analysts and media	COMPLIANT	c. Downloadable annual report	
c. Downloadable annual report		d. Notice of ASM and/or SSM	
d. Notice of ASM and/or SSM		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/notices/rsm-notices/Notice%20of%20Regular%20Stockholders%20Meeting%20for%202018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/notices/rsm-notices/Notice%20of%20Regular%20Stockholders%20Meeting%20for%202018.pdf</a>	
e. Minutes of ASM and/or SSM		e. Minutes of ASM and/or SSM	
f. Company's Articles of Incorporation and By-Laws		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a>  f. Company's Articles of Incorporation and By-Laws  <a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf</a>  <a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf</a>	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	Please see: <a href="http://ginebrasanmiguel.com/">http://ginebrasanmiguel.com/</a>	
Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			

**Recommendation 12.1**

1. Company has an adequate and effective internal control system in the conduct of its business	COMPLIANT	<p>The Company abides by the Corporate Policy on Internal Control of San Miguel Corporation (SMC), which is its parent company. The said policy, provides among others, the Company's commitment to establish and maintain a system of Internal Control for the efficient and effective management of its business operations, and improve effectiveness of risk management, control and governance process. The Ginebra san Miguel Group Audit, which is the Internal Audit group of the Company is guided by its Charter which sets forth its Scope of Work, responsibility and Authority and Independence. It also provides that the said group will conduct its activities in accordance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors.</p> <p>Documents relating to the foregoing may be found in the following links: <a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Corporate%20Policy%20on%20Internal%20Control.pdf</a> <a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf</a></p>	
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>Management is guided by the Manual and the existing Company policies (i.e. Corporate Policy on Internal Control) which relate to risks. As to how the Company managed its major risks in 2018, the same can be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-a/GSMI%20SEC%20Form%2017-A%20for%20the%20fiscal%20year%20ended%20Dec.%2031,%202018%20(for%20website).pdf</a> (Pages 10 to 11)</p>	
<p><b>Supplement to Recommendations 12.1</b></p>			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>COMPLIANT</p>	<p>The objective of the Company's Manual is to institutionalize the principles, policies, programs and procedures of good corporate governance in the entire organization. The Board of Directors, Management, Officers, employees and shareholders believe that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness thereof within the organization as soon as possible.</p> <p>The Company's Manual emphasizes on good corporate governance in the Company, which necessitates compliance with laws and relevant regulations.</p> <p>The foregoing information may be found in <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 1 and 26 - 27).</p>	



<b>Optional: Recommendation 12.1</b>			
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.	
<b>Recommendation 12.2</b>			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	COMPLIANT	Information on this matter may be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 25 - 26).	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	COMPLIANT	The Company has an Internal Audit Group, led by an Internal Audit Group Head, referred to as the "Group Audit Manager", which is the equivalent of Chief Audit Executive, which was appointed by the Board. Information in this matter is found in this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.05.31%20re%20Results%20of%20RSM%20&amp;%20Organizational%20Meeting%20of%20the%20BOD%20on%20May%2031.2018.pdf</a>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	COMPLIANT	The Internal Audit Group, headed by a qualified Chief Audit Executive or Internal Audit Group Head.  To ensure the independence of the personnel comprising the Internal Audit Group of the Company, they report to the Group Audit Manager.	

		<p>The foregoing details are provided in the Manual and in the Charter of Ginebra San Miguel Group Audit, which may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 25)</p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf</a></p>	
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.	NOT APPLICABLE		The internal audit activity of the Company is being performed by the Internal Audit Group. There are only some audit activities that are outsourced to third parties.
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	NON-COMPLIANT		<p>The Company, as of the moment, has no separate risk management function. The various units / departments / offices of the Company are in charge of foreseeing and managing the risks associated or related to their respective functions and are expected to take into account these risks when undertaking their day-to-day activities and in establishing the plans and programs.</p> <p>The Company's Corporate Policy on Internal Control specifically provides that "Every Manager is responsible for ensuring compliance with all</p>

			<p>financial and operational control in his area of operations and must implement internal control as part of the total system to achieve Company Goals. Manager should conduct a regular evaluation of existing policies, systems and procedures to ensure that these remain relevant and effective to the current operating environment. Further, Managers should give prompt and cooperative consideration to recommended improvement measures made by independent internal or external audit groups.”</p> <p>Aside from the foregoing, the Company has an Internal Audit Group and Audit and Risk Oversight Committee which all help in managing the risks that that Company are exposed to. The Company’s Manual, however, expressly recognizes that there might be a need for the Company to have a separate risk management function to be headed by a Chief Risk Officer.</p> <p>Information on the foregoing may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5 - 7).</p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Amended%20Charter%20of%20Ginebra%20San%20Miguel%20Group%20Audit.pdf</a></p>
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<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	<i>NOT APPLICABLE</i>		The Company, if and when necessary, will seek external technical support in risk management. However, in 2018, it did not see the need to avail of such support.
<b>Recommendation 12.5</b>			
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>The Company currently does not have a Chief Risk Officer (CRO). The Company's Manual, however, expressly recognizes that there might be a need for the Company to have a separate risk management function to be headed by a CRO. The functions of the CRO are also provided in the Manual.</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 5 - 7).</p>
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	<i>NOT APPLICABLE</i>		<p>As the Company currently has no CRO, this is not applicable. The Manual, however, categorically provides that the Company shall consider having a CRO, who will be the ultimate champion of Enterprise Risk Management and have adequate authority, stature, resources and support to fulfill his responsibilities. Please refer to this link: <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 7).</p>

<b>Additional Recommendation to Principle 12</b>			
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.	NON-COMPLIANT		There is no written document relative to this matter. However, seeing to it that a sound internal audit, control and compliance system are in place and working effectively are essentially part of the duties and responsibilities of the CEO and Internal Audit Head/Chief Audit Executive.
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	Information on this matter is provided in this link: <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 28 - 31)	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	COMPLIANT		
<b>Supplement to Recommendation 13.1</b>			
1. Company's common share has one vote for one share.	COMPLIANT	Information on this matter is provided in this link: <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20Statement%20(2019).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20State ment%20(2019).pdf</a> (Page 16)	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	COMPLIANT	All shareholders (owners of preferred or common shares) have the same voting and subscription rights. However, considering the nature of preferred shares, there is a restriction with respect to the transfer of preferred shares. Information on this matter may be found in the Company's Articles of Incorporation through this link: <a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf</a> (Pages 6-13)	

3. Board has an effective, secure, and efficient voting system.	COMPLIANT	<p>Please refer to the link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20State%20ment%20(2019).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Definitive%20Information%20State%20ment%20(2019).pdf</a> (Pages 16 to 17)</p>	
4. Board has an effective shareholder voting mechanism such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	NON-COMPLIANT		The Company complies with the Corporation Code, its Articles of Incorporation, By-laws and Manual, as well as prevailing rules and regulations of SEC in matters relating to voting rights. The provisions found in these documents provide sufficient protection to <u>minority shareholders</u> .
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	<p>As provided in the Company’s By-laws, special meetings of stockholders may be called by the (a) Board of Directors, at its own instance, or at the written request of stockholders representing a majority of the outstanding capital stock entitled to vote; or (b) the Chairman; or (c) the President. Moreover, included in the agenda of the said meeting is “Other Matters”, which is intentionally included to give opportunity for stockholders to propose to discuss and consider other relevant matters and concerns before the meeting adjourns. Please see the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20By-Laws%20dated%202014.07.07.pdf</a> (Page 1)</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/notices/rsm-notices/Notice%20of%20Regular%20Stockholders%20Meeting%20for%202018.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/notices/rsm-notices/Notice%20of%20Regular%20Stockholders%20Meeting%20for%202018.pdf</a></p>	

		<a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p>Please see link below:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 28 - 29).</p>	
7. Company has a transparent and specific dividend policy.	COMPLIANT	<p>This is provided in the Company's Articles of Incorporation.</p> <p>On August 8, 2018, the Board approved a Dividend Policy, which provides specific guidelines for the declaration of dividends by the Board.</p> <p>Information on the foregoing may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf">http://ginebrasanmiguel.com/pdf/01-articles-of-incorporation-and-by-laws/GSMI%20Amended%20Articles%20of%20Incorporation%20dated%202014.07.07.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.08%20re%20Matters%20approved%20during%20BODMt%20on%2008.08.2018%20(Dividend%20Policy,%20Charter%20of%20Group%20Audit,%20Vi.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/17-c/GSMI-SEC%20FORM%2017-C%20-%202018.08.08%20re%20Matters%20approved%20during%20BODMt%20on%2008.08.2018%20(Dividend%20Policy,%20Charter%20of%20Group%20Audit,%20Vi.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Dividend%20Policy.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Dividend%20Policy.pdf</a></p>	

<b>Optional: Recommendation 13.1</b>			
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 of ASM, if any.	
<b>Recommendation 13.2</b>			
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.	NON-COMPLIANT		The Company encourages active shareholder participation by sending the notice of meetings with sufficient relevant information. However, the said notice is sent to the stockholders at least (15) business days prior to the date of the stockholders' meeting. This, however, is in compliance with Section 20.3.3.4 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code.
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	Please see relevant information through this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf</a>	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	COMPLIANT	Please see pages 9 to 11 of the Information Statement for the 2018 Regular Stockholders' Meeting. Please see link above.	
b. Auditors seeking appointment/re-appointment	COMPLIANT	Please see pages 2 and 21 of the Information Statement for the 2018 Regular Stockholders' Meeting. Please see link above.	



c. Proxy documents	COMPLIANT	Please see page 3 of the Information Statement for the 2018 Regular Stockholders' Meeting. Please see link above.	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	COMPLIANT	Information on this matter may be found in this link: <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-IS%20Def.%20Information%20Statement%20(2018).pdf</a> (Page 2)	
<b>Recommendation 13.3</b>			
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	Information on this matter may be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a>	
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.	COMPLIANT	The Corporate Secretary attests that the draft of the Minutes of the 2018 Regular Stockholders' Meeting was uploaded in the Company website within five (5) business days from the said meeting. The draft Minutes may be accessed through this link:  <a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202017.05.25%20Minutes%20of%20RSM%20-%20Draft.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202017.05.25%20Minutes%20of%20RSM%20-%20Draft.pdf</a>	

<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	COMPLIANT	<p>Information on this matter may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a> (Page 1)</p>	
<b>Recommendation 13.4</b>			
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.	COMPLIANT	<p>Please refer to this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 31).</p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	<p>This is provided in the Manual which may be accessed through this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 31).</p>	

<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	<p>Details of the Company's IRO are provided hereunder:</p> <p>MS. REYNA-BETH D. DE GUZMAN Investor Relations Tel No. (632) 632-3752 Fax No. (632) 632-3313 Email: rdeguzman@sanmiguel.com.ph</p>	
2. IRO is present at every shareholder's meeting.	COMPLIANT	<p>The Investor Relations Officer of the Company attended the 2018 Regular Stockholders' Meeting. Please refer to this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/minutes/GSMI%20-%202018.05.31%20Minutes%20of%20Regular%20Stockholders%20Meeting%20(Draft).pdf</a></p>	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	COMPLIANT	<p>There are no antitakeover measures employed by the Company. There are also no shareholder agreements, voting trust agreements or other agreements that may impact the control, ownership, and strategic direction of the Company.</p> <p>Moreover, the existing shareholder voting mechanism of the Company respects the rights of shareholders and minority interests as set out in the Manual</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT		<p>The Company complies with the required Minimum Offering to the Public as mandated by Article III, Part D; Section 4 of the Revised Listing Rules dated June 9, 2004 issued by the PSE, as well as the SEC-approved Amended Rule on Minimum Public Ownership under Memorandum CN- No. 2012-0003 dated January 3, 2012, issued by the PSE.</p>

			<p>As of December 31, 2018, the Company's public ownership percentage is 20.58. This can be found through this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/others/public-ownership-report/GSMI-Public%20Ownership%20Report%20as%20of%202018.12.31.pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/others/public-ownership-report/GSMI-Public%20Ownership%20Report%20as%20of%202018.12.31.pdf</a></p>
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting		Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM.	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.			
<b>Duties to Stakeholders</b>			
<b>Principle 14:</b> 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.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	<p>Information on this matter can be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Pages 32-33).</p>	

<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Same as above	
<b>Recommendation 14.3</b>			
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.	COMPLIANT	Same as above	
<b>Supplement to Recommendation 14.3</b>			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	Information on this matter can be found in this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 5).	
<b>Additional Recommendations to Principle 14</b>			
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.	NON-COMPLIANT		The Company in 2018 requested SEC that it be allowed to circulate its Information Statement (IS) for its Regular Stockholders' Meeting (RSM) scheduled on May 31, 2018 without the SEC Form 17-Q for the first quarter of 2018 (the Report) since the Report will not yet be available in time for the required distribution of the IS which is 15 business days before the RSM. The request was granted by the SEC. The Company undertook to post the Report in the Company's website on or before May 15, 2018 and to provide a hard copy thereof upon request of the stockholder. This matter was disclosed in the IS that was uploaded in the Company's website.

Additional Recommendations to Principle 14			
			<p>Information relative to the foregoing can be found in this link</p> <p><a href="http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-1S%20Def.%20Information%20Statement%20(2018).pdf">http://ginebrasanmiguel.com/pdf/08-company-disclosures/sec-filings/20-is/GSMI%20SEC%20Form%2020-1S%20Def.%20Information%20Statement%20(2018).pdf</a></p>
2. Company respects intellectual property rights.	COMPLIANT	The Company adopts SMC's Computer Software Licensing Policy, which mandates, among others, that the Company use only properly licensed software. Likewise, it adopts the SMC Intellectual Property Policy, Procedures and Guidelines which mandates that its intellectual property marks (trade mark, service mark, etc.) be original and creative and will respect the equity of previously applied or world famous or registered marks. The Company has not been the subject of suit or controversy where it has been alleged to infringe on the intellectual property rights of third parties.	
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.			

<b>Recommendation 15.1</b>			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	COMPLIANT	<p>Please refer to these links:</p> <p><a href="http://ginebrasanmiguel.com/vision-mission-values/">http://ginebrasanmiguel.com/vision-mission-values/</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 32).</p>	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	COMPLIANT	<p>The Company has a performance management system to measure and evaluate the employees' performance. Such evaluation is conducted every year, the results thereof will determine the employees' entitlement to salary increase, as well as the amount thereof.</p> <p>The Company also has in place an Annual Incentive Plan for managers and Business Performance Program for rank and file employees, wherein incentives are provided to employees depending on the performance of the Company.</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	COMPLIANT	<p>Please refer to this link:</p> <p><a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p> <p>In 2018, the activities conducted by the Company relating to health, safety and welfare, among others, refer to the conduct of annual physical examinations and sports tournaments.</p>	

<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>Please refer to this link:  <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></p> <p>In 2018, the Company sent its employees to attend various training seminars and programs covering different topics. For managerial employees, relevant seminars and trainings were afforded to them such as the Ateneo Leadership and Management Development Program.</p> <p>Note: The Company's Annual Report (Glossy) for 2018, which will include the foregoing information, will be distributed to stockholders during the Stockholders' Meeting and uploaded in the Company's website on or immediately after the said meeting which is scheduled on May 30, 2019.</p>	
<p><b>Recommendation 15.2</b></p>			
<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	<p>COMPLIANT</p>	<p>The Company adopts the SMC Code of Conduct and Ethics (Code), which espouses the core values of fairness, transparency accountability and integrity in the conduct of its business. All directors, officers and employees are mandated to comply with the said Code.</p> <p>With respect to Integrity, the Code specifically requires the conduct of business in a manner which is ethical, fair and right, and in all reasonable</p>	



		<p>circumstances, above reproach and to exercise utmost discretion in accepting personal favors or gifts from persons seeking or doing business with the Company, and refuse to grant personal favors, or decline any gift or benefit, that may compromise the independence of the Company, create a sense of obligation on its part or potentially influence its business judgment.</p> <p>To specifically address matters of solicitation and gifts, SMC, also has a Policy on Solicitation and Acceptance of Gifts, which the Company adopts.</p> <p>Information on these matters may be found in the following links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf">http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf</a></p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	<p>SMC cascades policies which are intended to be implemented group-wide, meaning all its subsidiaries, which includes the Company. These policies are cascaded to the different heads of the Companies, which in turn are cascaded by the relevant office/unit (i.e. Human Resources, Finance) to all employees either through email, online database or actual orientation.</p>	

<b>Supplement to Recommendation 15.2</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	COMPLIANT	<p>The Policy on Solicitation and Acceptance of Gifts specifically provides that any employee who violates the Policy will be disciplined subject to the sanctions under the Company Rules and Regulations and/or labor code. This matter is also covered by the Company's Code of Ethics. Information on these policies may be found in these links:</p> <p><a href="http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf">http://ginebrasanmiguel.com/pdf/09-corporate-policies/Policy%20on%20Solicitation%20and%20Acceptance%20of%20Gifts.pdf</a></p> <p><a href="http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf">http://ginebrasanmiguel.com/pdf/10-code-of-business-conduct-and-ethics/Code%20of%20Conduct%20and%20Ethics.pdf</a></p> <p>In 2018, there was no reported incidence of violation of this policy.</p>	
<b>Recommendation 15.3</b>			
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	COMPLIANT	<p>Information on this matter can be found on this link:</p> <p><a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 32).</p> <p>The Company also adopts the SMC Group-wide Whistle Blowing Policy, which can be found in this link:</p> <p><a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a></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.	COMPLIANT	The Company adopts the SMC Group-wide Whistle Blowing Policy. Please refer to this link:  <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	The Company adopts the SMC Group-wide Whistle Blowing Policy. Please refer to this link:  <a href="http://ginebrasanmiguel.com/corporate-policies/">http://ginebrasanmiguel.com/corporate-policies/</a>  There has been no occasion in 2018 that necessitates the implementation of this policy.	
<b>Principle 16:</b> 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.			
<b>Recommendation 16.1</b>			
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	Please refer to this link:  <a href="http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf">http://ginebrasanmiguel.com/pdf/02-manual-on-corporate-governance/GSMI%20Amended%20Manual%20on%20Corporate%20Governance%20-%202017.pdf</a> (Page 33).	


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.	


## SIGNATURES

Pursuant to the requirement of the SEC Memorandum Circular No. 15, Series of 2017, this Integrated Annual Corporate Governance Report is signed under oath on behalf of Ginebra San Miguel Inc. by the undersigned, in the city of Mandaluyong on **28 MAY 2019**


By:

  
**EDUARDO M. COJUANGCO, JR.**  
Chairman and Chief Executive Officer

  
**RAMON S. ANG**  
President

  
**MINITA V. CHICO-NAZARIO**  
Lead Independent Director


  
**AURORA S. LAGMAN**  
Independent Director

  
**VIRGILIO S. JACINTO**  
Compliance Officer and Corporate Secretary

**28 MAY 2019**  
SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of May, 2019, affiants exhibiting to me their Passports, as follows:

NAME	PASSPORT NO.	DATE ISSUED	PLACE OF ISSUE
Eduardo M. Cojuangco, Jr.	P6769283A	April 13, 2018	DFA Manila
Ramon S. Ang	P4589066A	October 2, 2017	DFA Manila
Minita V. Chico-Nazario	P0931027B	March 6, 2019	DFA Manila
Aurora S. Lagman	P0010519A	August 20, 2016	DFA NCR Northeast
Virgilio S. Jacinto	EC3608156	March 6, 2015	DFA Manila

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Doc. No. **61**  
Book No. **1**  
Series of 2019.

  
**DAN DAVID VINCENT D. ANTONIO**  
Commission No. 0455-19  
Notary Public for Mandaluyong City  
Until December 31, 2020  
GSMI, 6th Floor, San Miguel  
Properties Centre, St. Francis Street  
Ortigas Center, Mandaluyong City  
Roll No. 56053  
\*TR No. 2830822; 01/08/19; Mandaluyong City  
IBP No. 064961; 01/10/2019; Laguna

### **Annex “A”**

#### Summary of Corporate Governance Seminars attended by GSMI Directors, Corporate Secretary and Compliance Officer (2018)

Directors	Seminar and Provider	Date
Mario K. Surio	Corporate Governance Orientation Program conducted by Institute of Corporate Directors	13 June 2018
Aurora T. Calderon Leo S. Alvez	Corporate Governance conducted by SGV & Co.	08 August 2018
Francisco S. Alejo III Minita V. Chico-Nazario Aurora S. Lagman	Corporate Governance conducted by SGV & Co.	21 September 2018
Gabriel S. Claudio	2018 Annual Seminar conducted by RCBC	27 October 2018
Eduardo M. Cojuangco, Jr. Virgilio S. Jacinto	Corporate Governance conducted by Risks, Opportunities, Assessment and Management (ROAM), Inc.	21 November 2018
Ramon S. Ang	Corporate Governance and Strategic Management conducted by Center for Global Best Practices	06 December 2018