

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM ACGR**

**ANNUAL CORPORATE GOVERNANCE REPORT**

1. Report is Filed for the Year  
Dec 31, 2015
2. Exact Name of Registrant as Specified in its Charter  
GMA HOLDINGS, INC.
3. Address of principal office  
5D Tower One, One McKinley Place, new Global Bonifacio City, Fort Bonifacio, Taguig  
Postal Code  
1634
4. SEC Identification Number  
CS200602356
5. Industry Classification Code (SEC Use Only)
6. BIR Tax Identification No.  
244-658-896
7. Issuer's telephone number, including area code  
(632) 982-7777
8. Former name or former address, if changed from the last report  
-

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**GMA Holdings, Inc.**  
**GMAP**

**PSE Disclosure Form ACGR-1 - Annual Corporate Governance Report**  
***Reference: Revised Code of Corporate Governance of the***  
***Securities and Exchange Commission***

**Description of the Disclosure**

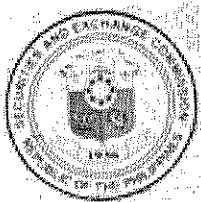
Consolidated changes in the ACGR for the year 2015

**Filed on behalf by:**

<b>Name</b>	AyahI Ari Augusto Chio
<b>Designation</b>	Alternate CIO



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**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines  
Tel: (632) 726-0931 to 39 Fax: (632) 725-5293 Email: mis@sec.gov.ph

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G M A H O L D I N G S I N C.  
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(Company's Full Name)

U n i t 5D T o w e r O n e  
O n e M c K i n l e y P l a c e  
N e w G l o b a l C i t y T a g u i g

Atty. Anna Teresa M. Gozon-Abrogar  
Contact Person

816-3716 to 19

### CONSOLIDATED CHANGES IN THE ANNUAL CORPORATE GOVERNANCE REPORT (ACGR)

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Month Day  
Fiscal Year

\_\_\_\_\_  
2016

\_\_\_\_\_  
Month Day  
Annual Meetings

\_\_\_\_\_  
Secondary License Type, If Applicable

\_\_\_\_\_  
Dept. Requiring this Doc.

\_\_\_\_\_  
Amended Articles Number/Section

\_\_\_\_\_  
Total No. of Stockholders

\_\_\_\_\_  
Domestic

\_\_\_\_\_  
Foreign

To be accomplished by SEC Personnel concerned

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM - ACGR

CONSOLIDATED CHANGES IN THE ANNUAL CORPORATE GOVERNANCE REPORT FOR  
THE YEAR 2015

1. Report is Filed for the Year 2015
2. Exact Name of Registrant as Specified in its Charter **GMA HOLDINGS, INC.**
3. Address of Principal Office  
**UNIT 5D TOWER ONE, ONE MCKINLEY PLACE, NEW BONIFACIO GLOBAL CITY,  
FORT BONIFACIO, TAGUIG CITY** Postal Code
4. SEC Identification Number **CS200602356**  
  
(SEC Use Only)  
Industry Classification Code
6. BIR Tax Identification Number **244-658-896-000**
7. Issuer's Telephone number, including area code  
**(632) 982 7777**
8. Former name or former address, if changed from the last report  
**NOT APPLICABLE**

## ANNUAL CORPORATE GOVERNANCE REPORT

### A. BOARD MATTERS

#### 1) Board of Directors

Number of Directors per Articles of Incorporation	5
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Actual number of Directors for the year	5
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#### (a) Composition of the Board

Complete the table with information on the Board of Directors

Directors Name	Type Executive (ED), Non-Executive (NED), or Independent Director (ID)	If Nominee, identify the principal	Nomination in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) <sup>1</sup>	Elected when (Annual / Special Meeting)	No. of Years served as director
Felipe L. Gozon	ED	N/A	Nominated by the Nomination Committee	2007	<u>2015</u>	Annual Meeting	<u>8</u>
Gilberto R. Duavit, Jr.	ED	N/A	Nominated by the Nomination Committee	2007	<u>2015</u>	Annual Meeting	<u>8</u>
Joel Marcelo G. Jimenez	NED	N/A	Nominated by the Nomination Committee	2007	<u>2015</u>	Annual Meeting	<u>8</u>
Artemio V. Panganiban	ID	N/A	Nominated by the Nomination Committee	2009	<u>2015</u>	Annual Meeting	<u>6</u>
Jaime C. Laya	ID	N/A	Nominated by the	2008	<u>2015</u>	Annual Meeting	<u>7</u>

<sup>1</sup> Reckoned from the election immediately following January 2, 2012.

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

**The Board of Directors and Management, 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 with the organization as soon as possible.**

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

**The Company has no formal/written vision and mission as it does not engage in any other business or purpose except in relation to the issuance of Philippine Deposit Receipts (PDRs) relating to the Common Shares of GMA Network, Inc. so long as the PDRs are outstanding, which includes maintaining the listing with the Philippine Stock Exchange.**

- (d) Directorship in Other Companies

- (i) Directorship in the Company's Group<sup>2</sup>

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

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
Felipe L. Gozon	GMA Marketing and Productions, Inc.	Chairman/Executive
	Alta Productions Group, Inc.	Chairman/Non-Executive
	Citynet Network and Marketing Productions, Inc.	Chairman/Non-Executive
	Mont-Aire Realty and Development Corporation	Chairman/Non-Executive
	Philippine Entertainment Portal, Inc.	Chairman/Non-Executive

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

	RGMA Network, Inc.	Chairman and Non-Executive
	GMA Kapuso Foundation, Inc.	Chairman of the Board of Trustees/Non-Executive
	GMA Network, Inc.	Chairman/Chief Executive Officer
Gilberto R. Duavit, Jr.	GMA Network Films, Inc.	Chairman/Non-Executive
	GMA Worldwide, Inc.	Chairman/Non-Executive
	GMA Marketing and Productions, Inc.	Vice-Chairman/Non-Executive
	Scenarios, Inc.	President and Chief Executive Officer
	RGMA Marketing and Productions, Inc.	Director/President and Chief Executive Officer
	MediaMerge Corp.	President and Director
	Alta Productions Group, Inc.	Director/Non-Executive
	Monte-Aire Realty and Development Corp.	Director/Non-Executive
	GMA Kapuso Foundation, Inc.	Trustee/President
	GMA Network, Inc.	Director/President
Joel Marcelo G. Jimenez	Alta Productions, Inc.	Director/Chief Executive Officer
	RGMA Network, Inc.	Director/Non-Executive
	GMA New Media, Inc.	Director/Non-Executive
	Scenarios, Inc.	Director/Non-Executive
	GMA Worldwide, Inc.	Director/Non-Executive
	GMA Holdings, Inc.	Director/Non-Executive



	GMA Kapuso Foundation, Inc.	Trustee
	GMA Network, Inc.	Director/Non-Executive
Dr. Jaime Laya	GMA Network, Inc.	Independent Director
Chief Justice Artemio V. Panganiban	GMA Network, Inc.	Independent Director

(ii) Directorship in Other Listed Companies

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

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
Dr. Jaime Laya	Philippine Trust Company (Philtrust Bank)	Director/Non-Executive
	GMA Network Inc.	Independent Director/Non-Executive
Chief Justice Artemio V. Panganiban	First Philippine Holdings Corporation	Independent Director/Non-Executive
	Metro Pacific Investments Corp.	Independent Director/Non-Executive
	Manila Electric Company	Independent Director/Non-Executive
	Robinsons Land Corp.	Independent Director/Non-Executive
	GMA Holdings, Inc.	Independent Director/Non-Executive
	Petron Corporation	Independent Director/Non-Executive
	Bank of the Philippine Islands	Independent Director/Non-Executive
	Asian Terminals	Independent Director/Non-Executive

	Jollibee Corporation	Foods	Independent Director/Non-Executive
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(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group: **Not Applicable**

Director's Name	Name of the Significant Shareholder	Description of the relationship
N/A	N/A	N/A

- (iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director of CEO may hold simultaneously? **NO**. In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

**No limit is imposed because all of the Company's directors have shown extraordinary competence in performing their duties as such, notwithstanding their directorship in other corporations. This is evidenced by their active participation, valuable inputs and almost complete attendance in the Board meetings as well as in their respective Committees' meetings.**

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	N/A	N/A
Non-Executive Director	N/A	N/A
CEO	N/A	N/A

(c) Shareholding in the Company

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

Name of Director	Number of Direct Shares	Number of Indirect Shares/ Through (name of record owner)	% of Capital Stock
Felipe L. Gozon	3,330	N/A	33.30%
Joel Marcelo G. Jimenez	3,330	N/A	33.30%
Gilberto R. Duavit, Jr.	3,330	N/A	33.30%
Artemio V. Panganiban	4	N/A	0.4%
Jaime C. Laya	1	N/A	.01%
Felipe S. Yalong	1	N/A	0.1%
<b>TOTAL</b>	<b>99,996</b>		<b>99.96%</b>

2) Chairman and CEO

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

YES ☒

NO ☐

Identify the Chair and CEO:

Chairman of the Board	Felipe L. Gozon
CEO/President	Gilberto R. Duavit, Jr.

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer
Role	Shall preside at all meetings of the Board of Directors	Execute on behalf of the Corporation contracts and agreements which the Corporation may enter into  Appoint employees below the level of Assistant Vice-President;  Exercise such other power and perform such other duties as the Board of Directors may from time to time fix or delegate
Accountabilities	Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;  Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the Management and the directors; and  Maintain qualitative and timely lines of communication and information between the Board and Management;	Sign, endorse and deliver, in conjunction with other officials whom the Board may designate, all checks, drafts, bills of exchange, promissory notes and orders of payments or sums of money in the name and on behalf of the corporation;
Deliverables	Reviews and approves the minutes of the meeting of the stockholders and the members of the Board of Directors	Submit an annual report of the Corporation to the Board of Directors and at such other times as the

		latter may request, and an annual report to the stockholders ;
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- 3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

**The Company's By-laws provides that immediately after their election, the Board of Directors shall formally organize by electing the Chairman, the President, one or more Vice-Presidents, the Treasurer, and the Secretary, at said meeting.**

**If any position of the officers becomes vacant by reason of death, resignation, disqualification or for any other cause, the Board of Directors, may elect a successor who shall hold office for the unexpired term.**

- 4) Other Executive, Non-Executive and Independent Directors

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

**Yes. The Nomination Committee in the Board of Directors ensures that all nominees to the Board of Directors are competent and qualified to be nominated as Director based on internal guidelines so that:**

1. There is a proper mix of competent directors that would continuously improve shareholder's value;
2. Directors will ensure a high standard of best practices for the Corporation and its stakeholders.

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

**Yes, the Nomination Committee recommends guidelines in the selection of nominees for directorships based on the perceived needs of the Board of Directors with respect to the nature of the business of the Company.**

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

	Executive	Non-Executive	Independent Director
Role	Determine the period, manner and conditions under which the Corporation shall engage in the kinds of business as stated in the primary and secondary purposes of the Articles of	Determine the period, manner and conditions under which the Corporation shall engage in the kinds of business as stated in the primary and secondary purposes of the Articles of	To be independent of management and be free from any business relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent

	<p>Incorporation.</p> <p>Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives</p> <p>Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice</p>	<p>Incorporation.</p> <p>Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives</p> <p>Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice</p>	<p>judgment in carrying out his responsibilities as a director in any covered company.</p> <p>Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives</p> <p>Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice</p>
Accountabilities	<p>Determine the declaration of dividends out of profits or surplus</p> <p>Institute, maintain, defend, compromise or drop any litigation in which the Corporation or its officers may be interested as plaintiff or defendant, in connection with the business of the Corporation.</p> <p>Adopt a system of internal checks and balances</p> <p>Identify key risk areas and key performance indicators and monitor these factors with due diligence;</p>	<p>Determine the declaration of dividends out of profits or surplus</p> <p>Institute, maintain, defend, compromise or drop any litigation in which the Corporation or its officers may be interested as plaintiff or defendant, in connection with the business of the Corporation.</p> <p>Adopt a system of internal checks and balances</p> <p>Identify key risk areas and key performance indicators and monitor these factors with due diligence;</p>	<p>Determine the declaration of dividends out of profits or surplus</p> <p>Institute, maintain, defend, compromise or drop any litigation in which the Corporation or its officers may be interested as plaintiff or defendant, in connection with the business of the Corporation.</p> <p>Adopt a system of internal checks and balances</p> <p>Identify key risk areas and key performance indicators and monitor these factors with due diligence;</p>

	Properly discharge Board functions by meeting regularly	Properly discharge Board functions by meeting regularly	Properly discharge Board functions by meeting regularly
Deliverables	<p>Submit annually to the regular general meeting of the stockholders the Balance Sheet, Profit and Loss Statement, and Annual Report to the Condition of the Corporation</p> <p>Provide sound strategic policies and guidelines to the corporation on major capital expenditures.</p> <p>Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance;</p> <p>Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint ventures, subsidiaries, associates,</p>	<p>Submit annually to the regular general meeting of the stockholders the Balance Sheet, Profit and Loss Statement, and Annual Report to the Condition of the Corporation</p> <p>Provide sound strategic policies and guidelines to the corporation on major capital expenditures.</p> <p>Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance;</p> <p>Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint ventures, subsidiaries, associates, affiliates,</p>	<p>Submit annually to the regular general meeting of the stockholders the Balance Sheet, Profit and Loss Statement, and Annual Report to the Condition of the Corporation</p> <p>Provide sound strategic policies and guidelines to the corporation on major capital expenditures.</p> <p>Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance;</p> <p>Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint ventures, subsidiaries,</p>

	affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.	major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.	associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.
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Provide the company's definition of "independence" and describe the company's compliance to the definition.

**"Independence" means not having a relationship with the corporation, which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.**

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

The Company does not have a policy providing for a limit in the term of its independent directors. However, the Company adopts the qualifications and standards on the nomination and appointment/election of independent directors prescribed under the Securities Regulation Code. The said qualifications and standards are also expressly contained in the Company's Manual on Corporate Governance. Other than the foregoing, no limitation or restriction is imposed on the appointment/election of independent directors in order to give primacy to the right of the stockholders to elect the director of their choice granted them under the Company's By-laws as well as the Corporation Code.

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

- (a) Resignation/Death/Removal  
Indicate any changes in the composition of the Board of Directors that happened during the period: **NOT APPLICABLE**

Name	Position	Date of Cessation	Reason
N/A	N/A	N/A	N/A

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

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

Procedure	Process Adopted	Criteria
a.		
Selection/Appointment		
(i) Executive Directors	<p>The Nomination Committee, in determining the qualified nominees to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be appointed possesses the Qualifications as set by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed possesses none of the permanent disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p> <p>(3) That the</p>	<p>(1) Holder of at least one (1) share of stock of the Corporation;</p> <p>(2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;</p> <p>(3) He shall be at least twenty five (25) years old;</p> <p>(4) He shall have proven to possess integrity and probity; and</p> <p>(5) He shall be assiduous;</p>



	<p>director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p>	
(ii) Non-Executive Directors	<p>The Nomination Committee, in determining the qualified nominees to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be appointed possesses the Qualifications as set by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed</p>	<p>(1) Holder of at least one (1) share of stock of the Corporation;</p> <p>(2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;</p> <p>(3) He shall be at least twenty five (25) years old;</p> <p>(4) He shall have proven to possess integrity and probity; and</p> <p>(5) He shall be assiduous;</p>

	<p>possesses none the permanent disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p> <p>(3) That the director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p>	
(iii) Independent Directors	<p>The Nomination Committee, in determining the qualified nominees to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be appointed possesses the Qualifications as set</p>	<p>(1) Is independent of Management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in the Company and includes any person who:</p> <ol style="list-style-type: none"> <li>1. Is not a director or officer of the covered company or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;</li> <li>2. Does not more than two percent (2%) of the shares of the covered company and/or its related companies or any of its</li> </ol>

	<p>by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed possesses none of the permanent disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p> <p>(3) That the director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p>	<p>substantial shareholders;</p> <p>3. Is not related to the director, officer or substantial shareholder of the covered company, and of its related companies or any of its substantial shareholders.</p> <p>4. Is not acting as a nominee or representative of any director or substantial shareholder of the covered company, and/or any of its related companies and/or of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;</p> <p>5. Is not acting as a nominee or representative of any director or substantial shareholder of the covered company, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;</p> <p>6. Has not been employed in any executive capacity by the covered company, any of its related companies and/or with any of its substantial shareholders within the last five (5) years;</p> <p>7. Is not retained, either personally or through his firm or any similar entity, as professional adviser, by that covered company, any of its related companies and/or any of its substantial shareholders, within the last five (5) years; or</p> <p>8. Has not engaged and does not engage in any transaction with the covered company and/or with any of its related companies and/or with any of its substantial</p>
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		shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial.
<b>b. Re-appointment</b>		
(i) Executive Directors	<p>The Nomination Committee, in determining the qualified nominees to be re-appointed to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be re-appointed maintains the Qualifications as set by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed possesses none of the permanent disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p>	<p>(1) Holder of at least one (1) share of stock of the Corporation;</p> <p>(2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;</p> <p>(3) He shall be at least twenty five (25) years old;</p> <p>(4) He shall have proven to possess integrity and probity; and</p> <p>(5) He shall be assiduous;</p>

	(3) That the director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.	
(ii) Non-Executive Directors	<p>The Nomination Committee, in determining the qualified nominees to be re-appointed to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be re-appointed maintains the Qualifications as set by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed possesses none of the permanent disqualifications set by the</p>	<p>(1) Holder of at least one (1) share of stock of the Corporation;</p> <p>(2) He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;</p> <p>(3) He shall be at least twenty five (25) years old;</p> <p>(4) He shall have proven to possess integrity and probity; and</p> <p>(5) He shall be assiduous;</p>

	<p>Company's Manual on Corporate Governance, the law and the rules.</p> <p>(3) That the director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules</p>	
(iii) Independent Directors	<p>The Nomination Committee, in determining the qualified nominees to be re-appointed to the Board of Directors, shall consider the following in addition to the relevant provision of the Articles of Incorporation and the By-laws of the Corporation:</p> <p>(1) That the director to be re-appointed maintains the Qualifications as set by the Company's By-laws, Manual on Corporate Governance, the law and the rules.</p> <p>(2) That the director to be appointed</p>	<p>(1) Is independent of Management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in the Company and includes any person who:</p> <ol style="list-style-type: none"> <li>1. Is not a director or officer of the covered company or of its related companies or any of its substantial shareholders except when the same shall be an independent director of any of the foregoing;</li> <li>2. Does not more than two percent (2%) of the shares of the covered company and/or its related companies or any of its substantial shareholders;</li> <li>3. Is not related to the director, officer or substantial shareholder of the covered company, and of its related companies or any of its substantial</li> </ol>

	<p>possesses none of the permanent disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p> <p>(3) That the director to be appointed possesses none of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.</p>	<p>shareholders.</p> <p>4. Is not acting as a nominee or representative of any director or substantial shareholder of the covered company, and/or any of its related companies and/or of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;</p> <p>5. Is not acting as a nominee or representative of any director or substantial shareholder of the covered company, and/or any of its related companies and/or any of its substantial shareholders, pursuant to a Deed of Trust or under any contract or arrangement;</p> <p>6. Has not been employed in any executive capacity by the covered company, any of its related companies and/or with any of its substantial shareholders within the last five (5) years;</p> <p>7. Is not retained, either personally or through his firm or any similar entity, as professional adviser, by that covered company, any of its related companies and/or any of its substantial shareholders, within the last five (5) years; or</p> <p>8. Has not engaged and does not engage in any transaction with the</p>
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		covered company and/or with any of its related companies and/or with any of its substantial shareholders, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms length and are immaterial
<b>c. Permanent Disqualification</b>		
(i) Executive Directors	In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office	<p>a. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;</p> <p>b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank,</p>



		<p>quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;</p> <p>The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.</p> <p>c. Any person convicted by final judgment or order by court or competent administrative body of an offense involving moral turpitude or fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;</p> <p>d. Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the</p>
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		<p>Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;</p> <p>e. Any person judicially declared to be insolvent;</p> <p>f. Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;</p> <p>g. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment; and,</p> <p>h. Any person engaged in or connected with any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged or connected:</p> <p>i. If he is an officer, manager, director, consultant, controlling person of, or the owner (either of record or beneficially) of 5% or more of any outstanding class of shares of, any other corporation or entity engaged in a business which the Board, by a majority vote, determines to be competitive or antagonistic to that of the Corporation;</p> <p>ii. If the Board, in the exercise of its judgment in good faith, determines by a majority vote that he is the nominee of any person set forth in the</p>
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		immediately preceding sub-paragraph (i).
(ii) Non-Executive Directors	In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office	<p>a. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;</p> <p>b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;</p> <p>The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit</p>

		<p>issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.</p> <p>c. Any person convicted by final judgment or order by court or competent administrative body of an offense involving moral turpitude or fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;</p> <p>d. Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;</p> <p>e. Any person judicially declared to be insolvent;</p> <p>f. Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed</p>
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		<p>in the foregoing paragraphs;</p> <p>g. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment; and,</p> <p>h. Any person engaged in or connected with any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged or connected:</p> <p>i. If he is an officer, manager, director, consultant, controlling person of, or the owner (either of record or beneficially) of 5% or more of any outstanding class of shares of, any other corporation or entity engaged in a business which the Board, by a majority vote, determines to be competitive or antagonistic to that of the Corporation;</p> <p>ii. If the Board, in the exercise of its judgment in good faith, determines by a majority vote that he is the nominee of any person set forth in the immediately preceding subparagraph (i).</p>
(iii) Independent Directors	In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a	<p>a. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or</p>

	<p>regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office</p>	<p>floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;</p> <p>b. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Commission or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;</p> <p>The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the Commission or BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation</p>
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		<p>or association with a member or participant of the organization.</p> <p>c. Any person convicted by final judgment or order by court or competent administrative body of an offense involving moral turpitude or fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;</p> <p>d. Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or Bangko Sentral ng Pilipinas, or any rule, regulation or order of the Commission or Bangko Sentral ng Pilipinas;</p> <p>e. Any person judicially declared to be insolvent;</p> <p>f. Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs;</p> <p>g. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment; and,</p> <p>h. Any person engaged in or connected with any business which competes with or is antagonistic to that of the Corporation. Without limiting</p>
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		<p>the generality of the foregoing, a person shall be deemed to be so engaged or connected:</p> <p>i. If he is an officer, manager, director, consultant, controlling person of, or the owner (either of record or beneficially) of 5% or more of any outstanding class of shares of, any other corporation or entity engaged in a business which the Board, by a majority vote, determines to be competitive or antagonistic to that of the Corporation;</p> <p>ii. If the Board, in the exercise of its judgment in good faith, determines by a majority vote that he is the nominee of any person set forth in the immediately preceding subparagraph</p>
<p><b>d. Temporary Disqualification</b></p>		
<p>(i) Executive Directors</p>	<p>In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office</p>	<p>a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;</p> <p>b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;</p> <p>c. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect</p>



		<p>until he has cleared himself of any involvement in the alleged irregularity;</p> <p>d. Being under preventive suspension by the Corporation;</p> <p>e. If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director; and,</p> <p>f. Conviction that has not yet become final referred to in the grounds for the disqualification of directors.</p>
(ii) Non-Executive Directors	<p>In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office</p>	<p>a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;</p> <p>b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;</p> <p>c. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;</p> <p>d. Being under preventive suspension by the Corporation;</p> <p>e. If the independent director becomes an officer or</p>

		<p>employee of the same corporation he shall be automatically disqualified from being an independent director; and,</p> <p>f. Conviction that has not yet become final referred to in the grounds for the disqualification of directors.</p>
(iii) Independent Directors	<p>In case any vacancy shall occur among the Directors other than by removal by the stockholders or by expiration of term, may be filled by the remaining directors; if still constituting quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of the stockholders called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office.</p>	<p>a. Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;</p> <p>b. Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;</p> <p>c. Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;</p> <p>d. Being under preventive suspension by the Corporation;</p> <p>e. If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director; and,</p> <p>f. Conviction that has not yet become final referred to in the grounds for the disqualification</p>

		of directors.
<b>e. Removal</b>		
(i) Executive Directors	The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further notice, or at any regular or at special meeting of stockholders called for the purpose, after giving due notice as prescribed in these by-laws.	<p>The Company adopts the criteria set by the Philippine Corporation Code on the Removal of Directors. Under Section 28 of the said Code, removal of a Director may be with or without cause; however, removal without cause cannot be used to deprive minority or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code requiring cumulative voting.</p> <p>Any director may be removed from office by a vote of the stockholders holding or representing two-thirds (2/3) of the outstanding capital stock. When the removal is for cause, the two-thirds (2/3) vote is the minimum requirement to remove a director.</p> <p>When the removal is without cause, the two-thirds (2/3) vote is also enough to remove a director. The exception is that when the director is elected by the minority through cumulative voting, he may not be removed without cause even if there is two-thirds (2/3) vote.</p>
(ii) Non-Executive Directors	The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further notice, or at any regular or at special meeting of stockholders called for the purpose, after giving due notice as prescribed in these by-laws.	<p>The Company adopts the criteria set by the Philippine Corporation Code on the Removal of Directors. Under Section 28 of the said Code, removal of a Director may be with or without cause; however, removal without cause cannot be used to deprive minority or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code requiring cumulative voting.</p> <p>Any director may be removed from office by a vote of the stockholders holding or representing two-thirds (2/3) of the outstanding capital stock. When the removal is for cause, the two-thirds (2/3) vote is the minimum requirement to remove a director.</p> <p>When the removal is without cause, the two-thirds (2/3) vote is also enough to</p>

		remove a director. The exception is that when the director is elected by the minority through cumulative voting, he may not be removed without cause even if there is two-thirds (2/3) vote.
(iii) Independent Directors	The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filled by election at the same meeting of stockholders without further notice, or at any regular or at special meeting of stockholders called for the purpose, after giving due notice as prescribed in these by-laws.	<p>The Company adopts the criteria set by the Philippine Corporation Code on the Removal of Directors. Under Section 28 of the said Code, removal of a Director may be with or without cause; however, removal without cause cannot be used to deprive minority or members of the right of representation to which they may be entitled under Section 24 of the Corporation Code requiring cumulative voting.</p> <p>Any director may be removed from office by a vote of the stockholders holding or representing two-thirds (2/3) of the outstanding capital stock. When the removal is for cause, the two-thirds (2/3) vote is the minimum requirement to remove a director.</p> <p>When the removal is without cause, the two-thirds (2/3) vote is also enough to remove a director. The exception is that when the director is elected by the minority through cumulative voting, he may not be removed without cause even if there is two-thirds (2/3) vote.</p>

#### f. Re-instatement

Except as may be provided under the existing laws and rules, the Company has no specific policy on re-instatement of the Board of Directors.

(i) Executive Directors	N/A	N/A
(ii) Non-Executive Directors	N/A	N/A
(iii) Independent Directors	N/A	N/A

#### g. Suspension

Except as may be provided under the existing laws and rules, the Company has no specific policy on the suspension of the Board of Directors.

(i) Executive Directors	N/A	N/A
(ii) Non-Executive	N/A	N/A

Directors		
(iii) Independent Directors	N/A	N/A

Voting Result of the last Annual General Meeting

All the directors received the unanimous vote of all shareholders present and represented during the Annual Stockholders' Meeting constituting 99.96% of the Company's total issued and outstanding shares.

Name of Director	Votes Receive
Felipe L. Gozon	Unanimous
Joel Marcelo G. Jimenez	Unanimous
Gilberto R. Duavit, Jr.	Unanimous
Artemio V. Panganiban	Unanimous
Jaime C. Laya	Unanimous

6) Orientation and Education Program

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

**Not Applicable. The Company has not appointed new directors for several years, thus the need to create an orientation program for new directors has not arisen.**

- (b) State any in-house training and external courses attended by Directors and Senior Management<sup>3</sup> for the past three (3) years.

**Not Applicable. The Company does not provide in-house training and external courses as it does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.**

- (c) Continuing education program for directors; programs and seminar and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
Gilberto R. Duavit	December 11, 2014	Corporate Governance	Sycip Gorres and Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Felipe L. Gozon	2010 - Feb. 5, 6, 12 & 13	MCLE Compliance No. III	Center for Global Best Practices

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

	2013 – Jan. 24, 25, 31 and Feb. 1	MCLE Compliance No. IV	Asian Center for Legal Excellence, Inc.
	March 19, 2013	Private Business Luncheon	Bloomberg/Chairman Peter Grauer
	September 19, 2013	3 <sup>rd</sup> Integrity Summit (Panelist)	Integrity Summit Implemented by Makati Business Club and the European Chamber of Commerce of the Philippines
	December 11, 2014	Corporate Governance	Sycip Gorres and Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Felipe S. Yalong	March 1 and 2, 2010	Seminar for Corporate Governance	Unicapital, Inc.
	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres &amp; Velayo</u>
Anna Teresa M. Gozon-Abrogar	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres &amp; Velayo</u>
Joel Marcelo G. Jimenez	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres &amp; Velayo</u>
Dr. Jaime Laya	February 4, 2014	Corporate Governance & Risk Management Summit	The Institute of Corporate Directors

	<b>February 18, 2015</b>	<b>Orientation Course for Corporate Governance</b>	<b>The Institute of Corporate Directors</b>
Chief Justice Artemio V. Panganiban	December 14, 2010	Board of Directors Fiduciary Duties...	PLDT CG Education Program...
	December 8, 2011	Board Governance Responsibilities...	PLDT CG Education Program...
	November 19, 2012	Corporate Governance Forum...	First Pacific Leadership Academy...
	February 4, 2014	Corporate Governance & Risk Management Summit	Corporate Governance & Risk Management Summit
	<b>February 18, 2015</b>	<b>Orientation Course for Corporate Governance</b>	<b>The Institute of Corporate Directors</b>
Ronaldo P. Matrili	2013	Strategic Planning	GMA Network, Inc.
	2010-2011-2012	Performance Management Briefings	GMA Network Inc.
	2010-2011-2012	Budget Planning	GMA Network, Inc.
	2010-2011-2012		
	January 29, 2013	13 <sup>th</sup> Quarterly Executive Briefing (IFRS Executive Briefings)	SGV
	June 18, 2013	14 <sup>th</sup> Quarterly Executive Briefing	SGV
	September 17, 2013	Mid-year Philippine Economic Briefing	GRP
	December 11, 2014	<b>Corporate Governance</b>	<b>Sycip Gorres &amp; Velayo</b>

	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres &amp; Velayo</u>

## B. CODE OF BUSINESS CONDUCT & ETHICS

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

The Code of Conduct of GMA Network, Inc. is adopted by the Company as the latter does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument; Moreover, the Directors and Officers of the Company are also Directors and Officers of GMA Network, Inc.

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	<p>The Corporation adheres to the standards set under SEC Memorandum Circular No. 6 Series of 2009 (Revised Code of Corporate Governance) which states that a director should observe the conduct fair business transactions with the corporation, and ensure that his personal interest does not conflict with the interests of the corporation.</p> <p>The basic principle to be observed is that a director should not use his position to profit or gain some benefit or</p>	<p>There is full section – i.e., D. DISHONESTY AND CONFLICT OF INTEREST – under the Company's Code of Conduct. Offenses are punishable with penalties ranging from 30 days suspension to dismissal (depending on gravity).</p>	



	<p>advance for himself and/or his related interests. He should avoid situations that may compromise his impartiality. If an actual or potential conflict of interest may arise on the part of the director, he should fully disclose it and should not participate in their decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position.</p> <p>A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that the corporation, or stands to acquire or gain financial advantage at the expense of the corporation.</p>	
(b) Conduct of Business and Fair Dealings	Under the Company's Revised Manual on Corporate Governance, a director shall conduct fair business transactions with the Corporation, shall act judiciously and ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment.	Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument
(c) Receipt of gifts from third parties	There is Policy on "Solicitation/Acceptance of Gifts/Favors" issued to all in May 2009.	There is Policy on "Solicitation/Acceptance of Gifts/Favors" issued to all in May 2009.
(d) Compliance with Laws & Regulations	The Company's Compliance Officer, Corporate Secretary	The Company's Compliance Officer, Corporate Secretary and its internal and external counsels

	and its internal and external counsels regularly issue memoranda addressed to the directors in order to inform and remind them of existing laws and policies.	regularly issue memoranda addressed to the directors in order to inform and remind them of existing laws and policies.
(e) Respect for Trade Secrets/Use of Non-public Information	Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument	Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument
(f) Use of Company Funds, Assets & Information	<p>Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument. Moreover, the Company does not have Assets nor does it hold any confidential information.</p> <p>Any cash dividends distributed in respect of GMA Network, Inc. Common Shares underlying the PDRs received by the Company shall be applied towards its operating expenses then due for the preceding and current year. A further amount equal to the operating expenses in the preceding year shall be</p>	<p>Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument. Moreover, the Company does not have Assets nor does it hold any confidential information.</p> <p>Any cash dividends distributed in respect of GMA Network, Inc. Common Shares underlying the PDRs received by the Company shall be applied towards its operating expenses then due for the preceding and current year. A further amount equal to the operating expenses in the preceding year shall be set aside to meet operating or other expenses for the succeeding year. Amounts remaining in excess of such requirements shall be distributed pro rata amongst the outstanding</p>

	<p>set aside to meet operating or other expenses for the succeeding year. Amounts remaining in excess of such requirements shall be distributed pro rata amongst the outstanding PDRs.</p> <p>Whenever the Company shall receive or become entitled to receive from GMA Network, Inc. any distribution in respect of the Common shares which consists of a free distribution of Common Shares, the Company shall grant additional PDRs to holders in respect of such distributions.</p> <p>Whenever the Company shall receive or become entitled to receive from GMA Network, Inc. any distribution in securities (other than Common Shares) or in other property (other than cash) in respect of the Common shares subject of the PDRs, the Company shall forthwith procure delivery of such securities or property pro rata to PDR holders or otherwise to the order of PDR holder, subject to compliance with applicable laws and regulations in the Philippines.</p>	<p>PDRs.</p> <p>Whenever the Company shall receive or become entitled to receive from GMA Network, Inc. any distribution in respect of the Common shares which consists of a free distribution of Common Shares, the Company shall grant additional PDRs to holders in respect of such distributions.</p> <p>Whenever the Company shall receive or become entitled to receive from GMA Network, Inc. any distribution in securities (other than Common Shares) or in other property (other than cash) in respect of the Common shares subject of the PDRs, the Company shall forthwith procure delivery of such securities or property pro rata to PDR holders or otherwise to the order of PDR holder, subject to compliance with applicable laws and regulations in the Philippines.</p>
(g) Employment & Labor Laws & Policies	Not applicable. The Company's directors and officers, who are also directors and officers of GMA Network, Inc., render	Not applicable. The Company's directors and officers, who are also directors and officers of GMA Network, Inc., render their service pro bono.

	their service pro bono.	
(h) Disciplinary Action	<p>Under the Company's Revised Manual on Corporate Governance, in case of violation of its provisions, the following penalties shall be imposed, after notice and hearing, on the company's directors and officers:</p> <ol style="list-style-type: none"> <li>(1) In the case of first violation, the subject person shall be reprimanded;</li> <li>(2) Suspension from shall be imposed in case of second violation. The duration of the suspension shall depend on the gravity of the violation as determined by the Board.</li> <li>(3) For third violation, the maximum penalty of removal from office may be imposed.</li> </ol> <p>The commission of a third violation of this Revised Manual by any member of the board of the Company or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.</p>	<p>Under the Company's Revised Manual on Corporate Governance, in case of violation of its provisions, the following penalties shall be imposed, after notice and hearing, on the company's directors and officers:</p> <ol style="list-style-type: none"> <li>(1) In the case of first violation, the subject person shall be reprimanded;</li> <li>(2) Suspension from shall be imposed in case of second violation. The duration of the suspension shall depend on the gravity of the violation as determined by the Board.</li> <li>(3) For third violation, the maximum penalty of removal from office may be imposed.</li> </ol> <p>The commission of a third violation of this Revised Manual by any member of the board of the Company or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.</p>
(i) Whistle Blower	<p>The Company has no formal 'whistleblower policy' as it does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold</p>	<p>The Company has no formal 'whistleblower policy' as it does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the</p>

	and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument. Moreover, the Company does not have Assets nor does it hold any confidential information.	terms of the PDR instrument. Moreover, the Company does not have Assets nor does it hold any confidential information.
(j) Conflict Resolution	<p>The Company has no express policy on resolving conflict or disputes between and among directors. Nonetheless, pursuant to the Company's Revised Manual on Corporate Governance, the Directors are expected to act in a manner characterized by transparency, accountability and fairness.</p> <p>If all else fails, conflict may be resolved either through voluntary or compulsory arbitration.</p>	There is no express policy in place. The officers of this Company, however, are guided by the policies enshrined in the Revised Manual of Corporate Governance.

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

The Company adopts the Code of Conduct of GMA Network, Inc. as it does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument. Moreover, the Directors and Officers of the Company are also Directors and Officers of GMA Network, Inc.

The Code of Conduct of GMA Network, Inc. had been distributed to all directors, senior management and employees of the Company.

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

The Company does not have employees owing to its nature and purpose, nonetheless, the Company's Directors and Senior Management oversee their co-directors and co-officers' and ensure mutual compliance with the Code and Manual

#### 4) Related Party Transactions

##### (a) Policies and Procedures

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

**All material information, i.e., anything that could potentially affect share/PDR price, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, board changes, related party transactions, shareholdings of directors and changes to ownership.**

Related Party Transactions	Policies and Procedures
(1) Parent Company	The Corporation believes that the essence of corporate governance is transparency. It is the Company's policy that all material information, such as related party transactions shall be disclosed.
(2) Joint Venture	
(3) Subsidiaries	
(4) Entities Under Common Control	
(5) Substantial Stockholders	
(6) Officers including spouse/ children/ siblings/ parents	
(7) Directors including spouse/ children/ siblings/parents	
(8) Interlocking director relationship of Board of Directors	

##### (b) Conflict of Interest

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

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved. **NOT APPLICABLE**

	Details of Conflict of Interest (Actual or Probable)
Name of Directors/	N/A
Name of Officer/s	N/A
Name of Significant Shareholders	N/A

###### (ii) Mechanism

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

	Directors/Officers/Significant Shareholders
Company	Not applicable, as the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of

	the PDR instrument; Moreover, the Directors and Officers of the Company are also Directors and Officers of GMA Network, Inc. Thus, the mechanism laid down by GMA Network, Inc. is also applicable to the Company.
Group	<p>Under the GMA Network, Inc.'s By-laws, no person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in or connected with any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged or connected:</p> <p>(a) If he is an officer, manager, director, consultant, controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any other corporation or entity engaged in a business which the Board, by a majority vote, determines to be antagonistic to that of the Corporation; or</p> <p>If the Board, in the exercise of its judgment in good faith, determining whether or not a person set forth in determining whether or not a person is a controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business and family relationship.</p>

(5) Family, Commercial and Contractual Relations

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

Name of Related Significant Shareholders	Type of Relationship	Brief Description
Felipe L. Gozon and Joel Marcelo G. Jimenez	Familial	Felipe L. Gozon's sister, Carolina L. Gozon-Jimenez, is the mother of Joel Marcelo G. Jimenez.

- (b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company: **NOT APPLICABLE**

<sup>4</sup> Family relationship up to the fourth civil degree either by consanguinity or affinity.

Name of Related Significant Shareholders	Type of Relationship	Brief Description
N/A	N/A	N/A

- (c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company: **NOT APPLICABLE**

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

(6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and the third parties, including regulatory authorities.

Alternative Dispute Resolution System	
Corporation & Stockholders	The Company has not had any disputes with its Stockholders, Third Parties and Regulatory Authorities, thus there has been no need for the application of a dispute resolution process.
Corporation & Third Parties	
Corporation & Regulatory Authorities	

**C. BOARD MEETINGS & ATTENDANCE**

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

**At the beginning of the year.**

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Felipe L. Gozon	2015	4	4	100%
Member	Gilberto R. Duavit, Jr.	2015	4	4	100%
Member	Joel Marcelo G. Jimenez	2015	3	4	75%
Independent	Artemio V. Panganiban	2015	4	4	100%
Independent	Jaime C. Laya	2015	4	4	100%

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

**No.**



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

**No. A majority of the number of directors as fixed in the Company's Amended Articles of Incorporation shall constitute quorum for the transaction of corporate business, and every decision of at least a majority of the directors present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of a majority of all the members of the Board. However, the Company adopts the provisions of the law and the rules for matters which require 2/3 votes of the board members.**

- 5) Access to information.

- (a) How many days in advance are board papers<sup>5</sup> for board of directors meetings provided to the board?

**Two days to One week before the meeting.**

- (c) Do Board members have independent access to Management and the Corporate Secretary?

**Yes.**

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

**Yes, the Company's Corporate Secretary is a lawyer and member of the Philippine Bar.**

- (e) Committee Procedures

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

YES

☒

NO

☐

Committee	Details of the Procedure
Executive	Management provides the members of the committees complete, adequate and timely information about the matters to be taken in their meetings.
Audit	
Nomination	
Remuneration	
Others (specific)	

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

	<p>Moreover, the members of the Committees are given independent access to the Management and the Corporate Secretary as well as the Corporate records.</p> <p>Finally, the members of the Board, either individually or as a Board, and in furtherance of their duties and responsibilities, have access to the Company's external counsel to seek independent professional advice at the corporation's expense.</p>
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6) External Advice

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

Procedures	Details
The members of the Board of Directors, may via telephone call, email or a written letter/memorandum, seek advice from the Company's external counsel.	In furtherance of their duties and responsibilities, the members of the Board of Directors may seek independent professional advice at the Corporation's expense.

7) Change/s in existing policies

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

**NOT APPLICABLE**

Existing Policies	Changes	Reason
N/A	N/A	N/A

**D. REMUNERATION MATTERS**

1) Remuneration Process

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

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	No director or officer receives or has received compensation for their services. The By-laws of the Company, however, provides that each director is entitled to reasonable per diem allowance for attendance at each meeting of the Board of Directors. The By-laws further	
(2) Variable remuneration		
(3) Per diem allowance		
(4) Bonus		
(5) Stock Options and other		

financial instruments	provide that the Board may receive and allocate an amount of not more than 10% of the net income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of the stockholders representing at least a majority of the stockholders.  The Company has no other arrangement with regard to the remuneration of its existing directors and officers aside from the compensation received as herein stated.
(6) Others (specify)	

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

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

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Please refer to answer in D (1) above		
Non-Executive Directors			

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

The By-laws further provide that the Board may receive and allocate an amount of not more than 10% of the net income after tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of the stockholders representing at least a majority of the stockholders.

Remuneration Scheme	Date of Stockholders' Approval
Not applicable. For the past three years no director or officer has received any compensation for their services and have rendered the same pro bono.	Not Applicable

## 3) Aggregate Remuneration

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

Remuneration item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	Not applicable. For the past three years no director or officer has received any compensation for their services		
(b) Variable Remuneration			

(c) Per Diem Allowance	and have rendered the same pro bono.
(d) Bonuses	
(e) Stock Options and/or other financial instruments	
(f) Others (specify)	
<b>TOTAL</b>	

Other Benefits	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
1) Advances	Not applicable. For the past three years no director or officer has received any compensation for their services and have rendered the same pro bono.		
2) Credit granted			
3) Pension Plan/s Contribution			
4) Pension Plans, Obligations incurred			
5) Life Insurance Premium			
6) Hospitalization Plan			
7) Car Plan			
8) Others (specify)			

#### 4) Stock Rights, Options and Warrants

##### (a) Board of Directors

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

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

##### (b) Amendments of Incentive Programs

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

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

#### 5) Remuneration of Management

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

Name of Officer/Position	Total Remuneration
Felipe S. Yalong	Not applicable. For the past three years no officer has received compensation for their services and has rendered the same pro bono.
Anna Teresa Gozon-Abrogar	
Ronaldo Mastrili	
Roberto O. Parel	

## E. BOARD COMMITTEES

### 1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Power
	Executive Director (ED)	Non-Executive Director (NED)	Independent Director (ID)			
Executive	N/A	N/A	N/A	N/A	N/A	N/A
Audit	1	1	2	Audit Committee Charter	<p>a. Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;</p> <p>b. Provide oversight over Management's activities in managing credit, market, liquidity, operational,</p>	The Audit Committee shall assist the Board of Directors in its fiduciary responsibility for the over-all effectiveness of risk management systems and both the internal and external audit functions of the Corporation.

					<p>legal and other risks of the corporation. This function shall include regular receipt from Management of information on risk exposures and risk management activities;</p> <p>c. Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;</p> <p>d. Review the reports submitted by the internal and external auditors;</p>	
Nomination	2	1	1	Revised	The purpose of	The powers of the Nomination

				Manual on Corporate Governance (currently in the process of fixing its own rules of the procedure)	the Nomination committee is to assist the Board of Directors in its responsibility in ensuring that all nominees to the Board of Directors are competent and qualified to be nominated as Director based on internal guidelines.	<p>Committee include:</p> <p>a. Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with pertinent provisions of the Articles of Incorporation and By-laws of the corporation, as well as established guidelines on qualifications and disqualifications.</p> <p>b. Recommend guidelines in the selection of nominees for directorships which may include the following based on the perceived needs of the Board of Directors at a certain point in time:</p> <ul style="list-style-type: none"> <li>i. The nature of the business of the corporations of which his is a director;</li> <li>ii. Age of the director;</li> <li>iii. Number of directorship/active memberships and officerships in other corporations or organizations, and</li> <li>iv. Possible conflicts of interest.</li> </ul> <p>c. Recommend guidelines in the determination of the optimum number of directorships/active memberships and officerships in other corporations allowable for members of the Board of Directors.</p> <p>The capacity of directors to serve with diligence shall not be compromised.</p> <p>Recommend to the Board of Directors regarding the size and composition of the Board in view of long-term business plans, and the needed approximate skills and characteristics of the Board</p>
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Compensation and Remuneration				Revised Manual on Corporate Governance (currently in the process of fixing its own rules of the procedure)	To recommend a formal and transparent remuneration and compensation system for the Directors and key executives and to provide assurance that this system is properly functioning.	members. The Nomination Committee shall report directly to the Board of Directors in performing its mission to provide the shareholders with an independent and objective evaluation and assurance that the membership of the Board of Directors is competent and will foster the long-term success of the Corporation and secure its sustained competitiveness.
Others (specify)	N/A	N/A	N/A	N/A	N/A	N/A

## 2) Committee Members

### (a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	<b>Not Applicable. The Company has no Executive Committee due to the fact that it does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.</b>					
Member (ED)						
Member (NED)						
Member (ID)						
Member						

### (b) Audit Committee (NB: Matters relevant to the Company's Audit Committee are also passed upon/discussed during the meetings of the Audit and Risk Management Committee of GMA Network, Inc.)

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Jaime C. Laya	<u>2015</u>	<u>1</u>	<u>1</u>	<u>100%</u>	<u>7</u>
Member (ED)	Gilberto R. Duavit, Jr.	<u>2015</u>	<u>1</u>	<u>1</u>	<u>100%</u>	<u>8</u>
Member (NED)	N/A	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Member (ID)	Chief Justice Artemio V. Panganiban	<u>2015</u>	<u>1</u>	<u>1</u>	<u>100%</u>	<u>6</u>
Member	Felipe S.	<u>2015</u>	<u>1</u>	<u>1</u>	<u>100%</u>	<u>8</u>



(CFO/ Corporate Treasurer)	Yalong					
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Disclose the profile or qualifications of the Audit Committee members.

**Dr. Jaime C. Laya**, Filipino, 75 years old, has been an independent Director of GMA Network, Inc. since 2007. He is the Chairman and President of Philippine Trust Company (Philtrust Bank), Director of Ayala Land, Inc., Philippine AXA Life Insurance Company, Inc., Philippine Ratings Services Corporation, and Bankers Association of the Philippines. He also serves as Chairman of Don Norberto Ty Foundation, Inc. and Escuela Taller de Filipinas Foundation, Inc.; Trustee of St. Paul University - Quezon City, Cultural Center of the Philippines, Metropolitan Museum of Manila, Yuchengco Museum, Fundación Santiago, Inc., Ayala Foundation, Inc., and other foundations. He writes a weekly column for the *Manila Bulletin*.

He was Minister of Budget, 1975-1981; Minister of Education, Culture and Sports, 1984-86; Chairman of the Monetary Board and Governor, Central Bank of the Philippines, 1981-1984; Chairman, National Commission for Culture and the Arts, 1996-2001. He was faculty member of the University of the Philippines, 1957-1978 and Dean of the College of Business Administration, 1969-1974. In 1986, he founded J.C. Laya & Co., Ltd. (Certified Public Accountants and Management Consultants) later the Philippine member firm of KPMG International; he served as the firm's Chairman until his retirement in 2004.

He earned his BSBA, magna cum laude, University of the Philippines, 1957; M.S. in Industrial Management, Georgia Institute of Technology, 1960; Ph.D. in Financial Management, Stanford University, 1966. He is a Certified Public Accountant.

**Gilberto R. Duavit, Jr.**, Filipino, 50 years old, is the President and Chief Operating Officer of the Network. He has been a Director of the Company since 1999 and is currently the Chairman of the Network's Executive Committee. Aside from GMA Network, Inc., he is the Chairman of the Board of GMA Network Films, Inc. and GMA Worldwide, Inc. and a member of the Board of GMA Marketing and Productions, Inc. He also serves as President and CEO of GMA Holdings, Inc., RGMA Marketing and Productions, Inc., Film Experts, Inc., and Dual Scenarios, Inc.; President and Director of Group Management and Development, Inc.; President and Director of MediaMerge Corp., Citynet Network Marketing and Productions, Inc.; Director of RGMA Network, Inc., GMA New Media, Inc., Alta Productions Group, Inc., Optima Digital, Inc., and Monte-Aire Realty and Development Corp. He also serves as the President and a Trustee of GMA Kapuso Foundation, Inc., President of Guronasyon Foundation, Inc. and is a Trustee of the HERO Foundation.

Mr. Duavit holds a Bachelor's Degree in Philosophy from the University of the Philippines.

**Chief Justice Artemio V. Panganiban**, Filipino, 77 years old, has been an Independent Director of the Company since 2007. In 1995, he was named a Justice of the Supreme Court and in 2005, he was appointed Chief Justice of the Philippines — a position he held until December 2006. At present, he is also an Independent Director of these listed firms: First Philippine Holdings Corp., Metro Pacific Investments Corp., Manila Electric Company, Robinsons Land Corp., GMA Holdings, Inc., Philippine Long Distance Telephone Co., Petron Corporation, Bank of the Philippine Islands, Asian Terminals, and a regular Director of Jollibee Foods Corporation. He is also a Senior Adviser of Metropolitan Bank, Chairman, Board of Advisers of Metrobank Foundation, Chairman of the Board of the Foundation for Liberty and Prosperity, President of the

Manila Cathedral Basilica Foundation, Chairman Emeritus of Philippine Dispute Resolution Center, Inc., and Member, Advisory Board of the World Bank (Philippines) and of the Asian Institute of Management Corporate Governance Council. He also is a column writer of The Philippine Daily Inquirer.

Upon his retirement, he was unanimously conferred a Plaque of Acclamation by the Associate Justices of the Supreme Court as the "Renaissance Jurist of the 21st Century;" and an Award of Honor by the Philippine Bar Association. In recognition of his role as a jurist, lawyer, civic leader, Catholic lay worker, business entrepreneur and youth leader, he had been the recipient of over 250 other awards from various governments, civic clubs, consumer associations, bar groups, religious movements and other non-government organizations, both local and international.

He obtained his Associate in Arts, "With Highest Honors" and later his Bachelor of Laws, with cum laude and "Most Outstanding Student" honors from the Far Eastern University. He placed sixth among more than 4,200 candidates who took the 1960 Bar examinations. He is likewise the recipient of several honorary doctoral degrees from various universities.

**Felipe S. Yalong**, Filipino, 57 years old, is the Executive Vice President and Chief Financial Officer of GMA Network, Inc. He is also the Head of the Corporate Services Group of the Network. He has been a Director of the Company since 2002. Aside from GMA Network, Inc., he also serves as Director and Corporate Treasurer of GMA Holdings, Inc., Scenarios, Inc., and GMA Network Films, Inc.; Director of Unicapital, Inc., Majalco Finance and Investments, Inc., and GMA Marketing and Productions, Inc.; Corporate Treasurer of RGMA Network, Inc., MediaMerge Corp.; Executive Vice President of RGMA Marketing and Productions, Inc.; and Corporate Treasurer of the Board of Trustees of GMA Kapuso Foundation, Inc.

Yalong was named CFO of the Year by ING FINEX in 2013. He obtained a Bachelor of Science degree in Business Administration Major in Accounting from the Philippine School of Business Administration and completed the Management Development Program at the Asian Institute of Management. He is a Certified Public Accountant.

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

**The Audit Committee's responsibilities relative to the external auditor are as follows:**

- (1) Pre-approve all audit plans, scope and frequency one (1) month before the conduct of external audit;
- (2) Perform direct interface functions with the internal and external auditors;
- (3) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of audit;
- (4) Evaluate and approve the Annual Audit Plans, programs, scope and frequency submitted by the External Auditor.
- (5) Evaluate and determine the non-audit work, if any, of the external auditor and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the corporation's overall consultancy expenses.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Felipe L. Gozon	<u>2015</u>	1	1	100%	<u>8</u>
Member (ED)	Gilberto R. Duavit, Jr.	<u>2015</u>	1	1	100%	<u>8</u>
Member (NED)	Joel Marcelo G. Jimenez	<u>2015</u>	1	1	100%	<u>8</u>
Member (ID)	Jaime C. Laya	<u>2015</u>	1	1	100%	<u>8</u>
Member						

(d) Compensation and Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held <sup>6</sup>	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Gilberto R. Duavit, Jr.	<u>2015</u>	0	N/A	N/A	<u>8</u>
Member (ED)						
Member (NED)	Joel Marcelo J. Jimenez	<u>2015</u>	0	N/A	N/A	<u>8</u>
Member (ID)	Chief Justice Artemio V. Panganiban	<u>2015</u>	0	N/A	N/A	<u>7</u>
Member/Corporate Treasurer/Chief Financial Officer	Felipe S. Yalong	<u>2015</u>	0	N/A	N/A	<u>8</u>

(e) Others (specify)

Provide the same information on all other committees constituted by the Board of Directors: **NOT APPLICABLE**

<sup>6</sup> For the past three years no director or officer has received compensation for their services and have rendered the same pro bono.

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

### 3) Changes in the Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the change: **NOT APPLICABLE**

Name of Committee	Name	Reason
Executive	N/A	N/A
Audit	N/A	N/A
Nomination	N/A	N/A
Remuneration	N/A	N/A
Others (Specify)	N/A	N/A

### 4) Work Done and Issues Addressed

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

Name of Committee	Work Done	Issues Addressed
Executive		
Audit	(1) Creation of the Audit Committee Charter and the Committee Charter (2) Review and recommended the approval of the 2012 Consolidated Financial Statements as prepared by the external auditors.	No significant issues encountered and addressed
Nomination	Appointment of the Directors for the forthcoming year	No significant issues encountered and addressed
Remuneration	Not Applicable. For the past three years no director or officer has any received compensation for their services and have rendered the same pro bono.	No significant issues encountered and addressed
Others (Specify)	N/A	N/A

5) Committee Program

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

Name of Committee	Planned Programs	Issues to be Addressed
Executive	No planned programs nor specific issues yet to be addressed due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	
Audit		
Nomination		
Remuneration		
Others (Specify)		

F. RISK MANAGEMENT SYSTEM

The Company does not have a risk management system due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.

1) Disclose the following:

(a) Overall risk management philosophy of the company;

**Not applicable.**

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

**Not applicable.**

(c) Period covered by the review;

**Not applicable.**

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

**Not applicable.**

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

**Not applicable. The Company does not have a risk management system due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.**

## 2) Risk Policy

### (a) Company

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk: **Not Applicable**

Risk Exposure	Risk Management Policy	Objective
N/A	N/A	N/A

### (b) Group

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

The Board of Directors of GMA Network, Inc. has not yet conducted a review of its risk management system (which shall cover other entities within the Group). However, during the March 4, 2013 regular meeting of the Board of Directors, the Chairman of the Audit and Risk Management Committee raised the need of conducting a formal risk study on GMA Network, Inc. and its Group by a third person or entity, as its Audit Committee is not qualified to do an exhaustive study on the risks faced by the Group. The Audit Committee has discussed that, with the recommendation of the Board, it will obtain the opinion or suggestion of the external auditor, Sycip Gorres and Velayo, on the matter. Thus, the Board of Directors of GMA Network, Inc. authorized the Audit and Risk Management Committee to determine, along with the Management, the best proposal for the conduct of an exhaustive study on the risk management of the Company and its Group. Upon submission to the formal study on the risk management system of the Company, the GMA Network, Inc. Board of Directors shall review the same and report the result thereof to this Commission.

Risk Exposure	Risk Management Policy	Objective
Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable. The Company does not have a risk management system due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable.

### (c) Minority Shareholders

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

<b>Risk to Minority Shareholders</b>
Not Applicable. The Company does not actually have minority shareholders, the major shareholders own 99.96% of the Company's equity, and the rest of the shareholders only own nominal shares.

### 3) Control System Set Up

#### (a) Company

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

<b>Risk Exposure</b>	<b>Risk Assessment (Monitoring and measurement Process)</b>	<b>Risk Management and Control (Structures, Procedures, Actions Taken)</b>
Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable. The Company does not have a risk management system due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable.

#### (b) Group

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

<b>Risk Exposure</b>	<b>Risk Assessment (Monitoring and Measurement Process)</b>	<b>Risk Management and Control (Structures, Procedures, Actions Taken)</b>
Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable. The Company does not have a risk management system due to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	Not Applicable.

(c) Committee

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

Committee/ Unit	Control Mechanism	Details of its Functions
Audit Committee	Recommends improvements in risk management systems and improvement on policies and procedures.	Perform oversight functions on any possible risk to the corporation, and crisis management.

## G. INTERNAL AUDIT CONTROL

**Note:** The Internal Auditor of GMA Network, Inc. also acts as the internal auditor of the Company owing to the fact that the Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.

### INTERNAL AUDIT CONTROL

1) Internal Control System

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

- (a) Explain how the internal control system is defined for the company; **Internal control as a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: a.) effectiveness and efficiency of operations; b.) reliability of financial reporting; and c.) compliance with laws and regulations.**
- (b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate-One of the duties and responsibilities of a Director is to ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment. Further, the Audit Committee assists the Board in the oversight of the company's risk management, ensures that it has proper controls in place, identifies and evaluates significant risk exposures and contributes to the improvement of risk management and control systems.
- (c) Period covered by the review; **-Year 2015**
- (d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and-The Audit Committee reviews the effectiveness and adequacy of internal control system annually based on the results of the audits and assessment of the Internal and External Audit.
- (e) Where no review was conducted during the year, an explanation why not. **-not applicable**

2) Internal Audit

(a) Role, Scope and Internal Audit Function

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



Role	Scope	Indicate whether in-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/ Auditing Firm	Reporting process
To provide an independent objective assurance and consulting services designed to add value and improve the organization's operations. It assists the organization achieve its objectives by bringing systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.	<p>Purpose and Scope of Work:</p> <p>The purpose of Internal Audit is to examine and evaluate whether the Corporation's risk management, controls and processes, as designed by management are adequate, efficient, and functioning in a manner to ensure that:</p> <ol style="list-style-type: none"> <li>1. Programs, plans, goals and objectives are achieved.</li> <li>2. Employee's actions are in compliance with policies, code of conduct, standards, procedures, and applicable laws and regulations.</li> <li>3. Authorities and responsibilities are clear, properly assigned and documented.</li> <li>4. Risks are appropriately identified, evaluated, and managed.</li> </ol>	In-house Internal Audit Function	Atty. Eduardo P. Santos-VP for Internal Audit	Reporting functionally to the Audit Committee and administratively to the President/CEO. Its activities are guided and performed in accordance with the revised "Standards for the Professional Practice of Internal Auditing" and "Code of Ethics" developed by the Institute of Internal Auditors (IIA) and/or any other auditing standards as may be developed by the Internal Audit.

	<p>5. Changes in functions, services, processes, and operations are properly evaluated.</p> <p>6. Significant legislative or regulatory issues impacting the Corporation are recognized and addressed appropriately.</p> <p>7. Control activities are integral part of daily operations. The minimum internal control mechanisms for management's operational responsibility shall center on the Chief Executive Officer, being ultimately accountable for the corporation's organizational and procedural controls.</p> <p>8. Adequate controls are incorporated into information technology systems.</p> <p>9. Assets or resources are acquired economically, used efficiently, and adequately protected or safeguarded.</p> <p>10. Financial management and operating</p>			
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	<p>information are reliable, timely, relevant, accurate, accessible, and provided in a consistent format.</p> <p>11. Channels of communication are effective to ensure that interaction with business units, corporate centers, or divisions occurs as needed.</p> <p>Continuous quality improvement is fostered in the business unit and corporate center's control processes:</p>			
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- (b) Do the appointment and/or removal of the Internal Auditor or the accounting/auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee? **Yes, one of the responsibilities of the Audit Committee is to organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal.**
- (c) Discuss the internal auditor's reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel? **The Internal Auditor has direct and unfettered access to the board of directors, audit committee and to all records, properties and personnel. The Internal Auditor is reporting directly to the Audit Committee and to the Chairman/CEO of GMA Network, Inc. Further, the Internal Auditor is invited to attend the Board of Directors and Audit Committee meetings. The Internal Audit Department also has full access to any of the Company's records, physical properties, and personnel relevant to the performance of audit procedures.**
- (d) Resignation, Re-assignment and Reasons

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

Name of Audit Staff	Reason
Not applicable, no internal audit staff has resigned nor re-assigned to date.	

(e) Progress against Plans, issues, Findings and Examination Trends

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

Progress Against Plans	The progress of Annual Internal Audit Plan vs. Actual is being monitored on a semi-annual basis and is reported to Audit Committee and Management.
Issues <sup>[1]</sup>	Audit issues noted during the examination are discussed with the process owners/auditee. After discussion, an audit report is issued containing the identified audit issues or findings as well as the corresponding recommendations to rectify or at least mitigate it. We also perform progress audit to ascertain that all audit recommendations were actually implemented.
Findings <sup>[2]</sup>	Findings are reported to the Management through the Internal Audit Report, and to the Audit Committee through the Internal Audit Updates during the Audit Committee meetings.
Examination Trends	The examination is done using the risk based approach.

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

- 1) Preparation of an audit plan inclusive of a timeline and milestones;

The Internal Audit Process includes Managing the Internal Audit Activities, part of which is the preparation of the Annual Internal Audit Plan.

Planning and managing the internal audit activity  
 1.1 Understanding the business and control environment  
 1.2 Risk Assessment  
 1.3 Managing the internal audit activity

- 1.3.1 Planning work schedules
- 1.3.2 Staffing and budgets
- 1.3.3 Approval by Board (Audit Committee) and Senior Management

The Annual Internal Audit Plan is being submitted to the Audit Committee for approval.

- 2) Conduct of examination based on the plan;

The process of conducting the examination based on the plan is also part of the Internal Audit Process under "Internal audit engagement". It includes the following:

[1] "Issues" are compliance matters that arise from adopting different interpretations.

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

- 2.1 Engagement planning**
- 2.1.1** Familiarization, preliminary survey/research and setting of initial objectives and scope
  - 2.1.2** Opening conference with auditee
  - 2.1.3** Preparation of audit engagement work program and allocation of audit resources

- 2.2 Performing the Engagement**
- 2.2.1** Identifying, gathering data
  - 2.2.2** Analyzing/Evaluating data/Information
  - 2.2.3** Documenting/recording data/information

- 2.3 Communicating Results**
- 2.3.1** Draft audit report
  - 2.3.2** Review of draft audit report
  - 2.3.3** Exit conference with auditee
  - 2.3.4** Preparation of final audit report
  - 2.3.5** Disseminate approved audit report

- 2.4 Follow-up and monitoring**
- 2.4.1** Audit follow-up
  - 2.4.2** Disseminate approved report

- 3) Evaluation of the progress in the implementation of the plan;

The progress in the implementation of the plan is being monitored on a regular basis and the result of the annual internal audit performance vs. the annual internal audit plan is submitted to the Audit Committee and to the Management.

- 4) Documentation of issues and findings as a result of the examination;

Documentation of the audit engagement (including issues and findings) is done thru the auditor's work papers. There is a duly approved process and procedures for the proper preparation of audit's work papers. Portion of the approved work paper preparation process/procedures are shown below:

#### **Work paper preparation**

The work paper file documents the work the auditor has done. The work papers serve as the connecting link between the audit assignment, the auditor's fieldwork and the final report. Work papers contain the records of planning and preliminary surveys, the audit program, audit procedures, fieldwork and other documents relating to the audit. Most importantly, the work papers document the auditor's conclusions and the reasons those conclusions were reached. The disposition of each audit finding identified during the audit and its related corrective action should be documented.

In the preparation of the audit work papers, the following should be observed:

- Work papers should be completed throughout the audit;
- The work papers should provide a basis for evaluating the Internal Audit's quality assurance program and demonstrate compliance with the Standards for the Professional Practice of Internal Auditing (SPPIA);
- Work papers should be economical to prepare and not difficult to review.
- Work papers should be complete but concise-a usable record of work performed. Auditors should include in their work papers only what is essential; and, they should ensure that each work paper included serves a

purpose that relates to an audit procedure. Work papers that are created and later determined to be unnecessary should be deleted.

Also, the findings, issues and other relevant information in the audit engagement are further documented in the minutes of the closing meeting, and the final internal audit engagement report.

- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;

Through the follow-up and monitoring process, the status of the audit findings and issues are tracked as to the Auditee's committed implementation plans.

- 6) Conduct of the foregoing procedures on a regular basis.

(f) Audit Control Policies and Procedures

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

Policies and Procedures	Implementation
Purchasing Policy	Implemented
Accreditation of Suppliers Policy	Implemented
Program Related Policy & Procedures on Food Entitlement & Requirement	Implemented
Policy on Engagement of Catering Service Providers	Implemented
Policy on Disposal of Vehicles	Implemented
Employees' Accountability on Company Assets Policy	Implemented
Disbursement Policy	Implemented
Policy on Advances Subject to Liquidation-Trade	Implemented
Cash Advance-Miscellaneous Expenses and Production Fund (News and Public Affairs) Policy	Implemented
Cash Advance Miscellaneous Expenses Production Fund (Entertainment TV and QTV)	Implemented
Scheduling, Airing, and Billing of Spots	Implemented
Policy on Political Ads	Implemented
Company Vehicle Utilization-Trip Ticket Policy	Implemented
Vehicle Rental Policy	Implemented
Vehicle Use Policy	Implemented
Policy on the Issuance, Utilization, Archiving and Borrowing of Tapes	Implemented
Information Security Policy	Implemented
Efficient Use/Deployment of Engineering Technical Facilities, Equipment & Manpower Policy	Implemented
Policy on Timekeeping and Attendance	Implemented
Solicitation/Acceptance of Gifts/Favors	Implemented

Policy	
Policy on Employee Discipline	Implemented
Policy on Dealing with Employee Relatives	Implemented
Policy on Local Travel	Implemented
Policy on Foreign Travel	Implemented
Policy on the Use of Car/Public Transport for Official Business	Implemented
Policy on Recruitment, Selection and Hiring	Implemented
Policy on Employees' Promotion	Implemented

**(g) Mechanism and Safeguards**

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

Auditors (Internal and External)	Financial Analyst	Investment Banks	Rating Agencies
<p>The following are the mechanisms established by the company to safeguard the independence of external and internal auditors:</p> <p>a. The Audit Committee:</p> <ul style="list-style-type: none"> <li>Ensures that the other non-audit work provided by the External Auditor is not in conflict with his functions as External Auditor. The External Auditor shall not at the same time provide the services of internal auditor of the</li> </ul>			

<p>Company.</p> <ul style="list-style-type: none"> <li>• Organize an internal audit department and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal.</li> <li>• Evaluate and determine the non-audit work, if any, of the external auditor and review periodically the non-audit fees paid to the external auditor and to the corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's annual report.</li> <li>• Establish and identify the reporting line of the Internal Auditor to</li> </ul>			
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enable him to properly fulfill his duties and responsibilities. He shall functionally report directly to the Audit Committee.			
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- (h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

The Company's Compliance Officer and President annually submits a certification (SEC Form MCG-2002) to this Honorable Commission stating that the Company substantially adhered to and complied with the provisions of its Revised Manual on Corporate Governance, as prescribed by SEC Memorandum Circular No. 6, Series of 2009. In 2013, in lieu of the filing of a Certificate of Compliance with the Manual of Corporate Governance, the Company submitted the Annual Corporate Governance Report which was signed by its Chairman and Chief Executive Officer, Compliance Officer and Independent Directors. In 2014, the Company submitted its Consolidated Annual Corporate Governance Report for the year similarly covering the Commission's requirements relating to the Company's compliance with its Revised Manual on Corporate Governance.

## H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customer's Welfare	Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.	
Supplier/contractor selection practice		
Environmentally friendly value-chain		
Community interaction		
Anti-corruption programmes and procedures?		
Safeguarding creditor's rights		

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

**None.** The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR Instrument.

- 3) Performance-enhancing mechanisms for employee participation.

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

**Not Applicable. The Company does not have employees, except for the Senior Management who all serve pro bono.**

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

**Not Applicable. The Company does not have employees, except for the Senior Management who all serve pro bono.**

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

**Not Applicable. The Company does not have employees, except for the Senior Management who all serve pro bono.**

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

**Not Applicable. The Company does not have employees, except for the Senior Management who all serve pro bono.**

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

**Not Applicable. The Company does not have employees, except for the Senior Management who all serve pro bono.**

## **I. DISCLOSURE AND TRANSPARENCY**

### **1) Ownership Structure**

- (a) Holding 5% shareholding or more

<b>Shareholder</b>	<b>Number of Shares</b>	<b>Percent</b>	<b>Beneficial Owner</b>
Felipe L. Gozon	3,330	33.30%	The record owner is the beneficial owner
Gilberto R. Duavit, Jr.	3,330	33.30%	The record owner is the beneficial owner
Joel Marcelo G. Jimenez	3,330	33.30%	The record owner is the beneficial owner

Name of Senior Management	Number of Direct Shares	Number of Indirect Shares/Through (name of record owner)	% of Capital Stock
Gilberto R. Duavit, Jr.	3,330	N/A	33.30%
Felipe S. Yalong	1	N/A	.01%

2) Does the Annual Report disclose the following:

<b>Key Risks</b>	Not applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.
<b>Corporate objectives</b>	Yes.
<b>Financial performance indicators</b>	Yes.
<b>Non-financial performance indicators</b>	Yes.
<b>Dividend policy</b>	Yes.
<b>Details of whistle-blowing policy</b>	No. The Company does not have employees except the senior management who all serve pro bono.
<b>Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners</b>	Yes
<b>Training and/or continuing education programme attended by each director/commissioner</b>	No.
<b>Number of board of directors/commissioner's meetings held during the year</b>	Yes.
<b>Attendance details of each director/commissioner in respect of meetings held</b>	Yes.
<b>Details of remuneration of the CEO and each member of the board of directors/commissioners</b>	Not Applicable. The Company's CEO and Directors serve pro bono.

3) External Auditor's Fee

Name of Auditor	Audit Fee	Non-Audit Fee
SyCip Gorres Velayo & Co.	₱75,000 per year	Not Applicable.

4) Medium of Communication

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

**External**

1. Online (Websites)
2. Annual Report

**Internal**

1. Intranet
2. Email blast
3. Internal memos

5) Date of release of audited financial report:

**March 30, 2015**

6) Company Website

Does the company have website disclosing up-to-date information about the following? Yes, the Company utilizes the website of GMA Network, Inc.

<b>Business Operations</b>	Yes
<b>Financial Statements/Reports (current and prior years)</b>	Yes
<b>Materials provided in briefing to analysts and media</b>	Yes
<b>Shareholding structure</b>	Yes
<b>Group corporate structure</b>	Yes
<b>Downloadable annual report</b>	Yes
<b>Notice of AGM and/or EGM</b>	Yes
<b>Company's constitution (company's by-laws, memorandum and articles of association)</b>	Yes

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

7) Disclosure of RPT

RPT	Relationship	Nature	Value
Belo Gozon Elma Parel Asuncion and Lucila Law Offices	Atty. Felipe L. Gozon is a Senior Partner of Belo Gozon Elma Parel Asuncion and Lucila Law Offices	The Company engaged Belo Gozon Elma Parel Asuncion and Lucila Law Offices as its legal counsel.	The Company and BGEPAL are currently negotiating the fees in relation to the services provided, ensuring that the same is done on an arm's length basis.

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

In order to safeguard the interest of the Company especially the minority shareholders, all material information that could potentially affect share price, such as related party transactions, are publicly disclosed. Moreover, the Company ensures compliance with existing laws, rules and regulations, pertaining to such transactions.

J. RIGHTS OF STOCKHOLDERS

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

(a) Quorum

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

<b>Quorum Required</b>	Unless otherwise provided by law, in all regular or special meeting of stockholders, a majority of the outstanding capital stock must be present or represented in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until the requisite amount of stock shall be present.
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(b) Systems Used to Approve Corporate Acts

Explain the system used to approve corporate acts

<b>System Used</b>	Voting
<b>Description</b>	At all meetings of the stockholders, a

	stockholder may vote in person or by proxy executed in writing by the stockholder or its duly authorized attorney-in-fact.
--	--

(c) Stockholders' Rights

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

Existing laws and rules are deemed incorporated and form part of the Company's policy on the rights of its stockholders. Thus, no rights of the stockholders differ from those laid down in the Corporation Code.

Stockholders' rights under the Corporation Code	Stockholders' rights <u>not</u> in the Corporation Code
Voting Right	The Corporation adopts the same rights found in the Corporation Code
Pre-emptive Right	The Corporation adopts the same rights found in the Corporation Code
Power of Inspection	The Corporation adopts the same rights found in the Corporation Code
Right to Information	The Corporation adopts the same rights found in the Corporation Code
Right to Dividends	The Corporation adopts the same rights found in the Corporation Code
Appraisal Right	The Corporation adopts the same rights found in the Corporation Code

Dividends

Declaration Date	Record Date	Payment Date
Declaration of Cash Dividends by GMA Network Inc. on March 28, 2012 (in favor of PDR holders)	April 16, 2012	Received by GMA Holdings on May 8, 2012;  Distributed to the PDR Holders on May 9, 2012
Declaration of Cash Dividends by GMA Network Inc. on August 1, 2012 (in favor of PDR holders)	August 22, 2012	September 13, 2012  Distributed to the PDR Holders on September 14, 2012
Declaration of Cash Dividends by GMA Network, Inc. on March 21, 2013 (in favor of PDR holders)	March 21, 2013	Received by GMA Holdings on April 17, 2013;  Distributed to the PDR Holders on May 15, 2013
Declaration of Cash	April 29, 2015	May 20, 2015

Dividends by GMA Network, Inc. on March 30, 2015 (in favor of PDR holders)		
--	--	--

**NB: On March 30, 2015 cash dividends of Php 500,000 was declared in favor of the holders of GMA Holdings, Inc.'s ("GHI") non-listed common shares from GHI's retained earnings as of December 31, 2014.**

(d) Stockholders' Participation

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

The Company's Corporate Secretary files with the Securities and Exchange Commission and the Philippine Stock Exchange a Notice of the Annual Stockholders' Meeting and distributes the same to the stockholders upon approval of the SEC but not later than 15 business days before the said meeting. The agenda for the meeting is also included in the Notice. Moreover, during the Stockholders' Meeting, the Chairman elicits questions or points of clarification from the stockholders present and represented for which the Company provides microphones at the floor during the open forum.

2. Measures Adopted	3. Communication Procedure
See answer in (1)	See answer in (1)

8. State the company policy of asking shareholders to actively participate in corporate decisions regarding:

a. Amendments to the company's constitution

The Company adopts the provisions of the Corporation Code on amendments to and revisions of the Articles of Incorporation which provides that any provision or matter stated in the articles of incorporation may be amended by a majority vote of the Board of Directors or Trustees and the vote or written consent of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock.

b. Authorization of additional share

The Company adopts the requirements of the laws, as well as the rules and regulations of this Commission and of the Philippine Stock Exchange on the issuance/authorization of additional shares.

- c. Transfer of all or substantially all assets, which in effect results in the sale of the company

**The Company adopts the requirements of the laws, as well as the rules and regulations of this Commission and of the Philippine Stock Exchange on the transfer of all or substantially all assets.**

9. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?  
**Yes.**

- a. Date of sending out notices: **Preliminary SEC Form 20-IS filed on April 23, 2015 and uploaded on the Philippine Stock Exchange Website on even date;**

**Amended Definitive 20-IS filed on July 14, 2015, uploaded on the Philippine Exchange Website and distributed to the stockholders on even date;**

**NB: The Annual Stockholder's Meeting which was originally scheduled on May 29, 2015 was postponed to August 13, 2015.**

- b. Date of the Annual/Special Stockholders' Meeting:

**August 13, 2015**

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

**No questions were raised during the 2015 Annual Stockholders' Meeting.**

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

**All matters were unanimously approved.**

12. Resolution	13. Approving	14. Dissenting	15. Abstaining
16.	17.	18.	19.
20.	21.	22.	23.

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

**May 29, 2015**

- (e) Modifications

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

**NOT APPLICABLE**



Modifications	Reason for Modification
NOT APPLICABLE	NOT APPLICABLE

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	<u>Gilberto R. Duavit, Jr.</u> <u>Dr. Jaime C. Laya</u> <u>Felipe L. Gozon</u> <u>Chief Justice Artemio V. Panganiban</u>	<u>May 29, 2015</u>	<u>Show of hands</u>	<u>66.66%</u>		<u>66.66%</u>
Special	N/A	N/A	N/A	N/A	N/A	N/A

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

The Company's external auditor, Sycip, Gorres and Velayo, attends the meeting.

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

Yes.

(g) Proxy Voting Policies

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

Company's Policies
Execution and acceptance of proxies
The proxy shall be executed in writing by the stockholder or his duly authorized attorney-in-fact. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to

	the secretary.
Notary	The proxy is not required to be notarized
Submission of Proxy	All proxies must be in the hands of the secretary, before the time set by the meeting.
Several Proxies	The Company does not have a policy on several proxies.
Validity of Proxy	Unless otherwise provided in the proxy, the Proxy shall be valid only for the meeting at which it has been presented to the secretary.
Proxies executed abroad	Since the proxy is not required to be notarized, it may be executed abroad
Invalidated Proxy	A proxy form is deemed valid so long as it is duly signed by the stockholder
Validation of Proxy	A proxy form is deemed valid so long as it is duly signed by the stockholder
Violation of Proxy	A proxy form is deemed valid so long as it is duly signed by the stockholder who is represented by the person authorized thereby.

(h) Sending of Notices

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

Policies	Procedure
The Company adopts the rules and regulations as prescribed by the law, the Securities and Exchange Commission and the Philippine Stock Exchange.	The Company's Corporate Secretary files with the Securities and Exchange Commission and the Philippine Stock Exchange a Notice of the Annual Stockholders' Meeting at least 25 business days before the meeting and distributes the same to the stockholders upon approval of SEC but not later than 15 business days before the said meeting.

(i) Definitive Information Statements and Management Report

<b><u>Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials</u></b>	<b><u>7</u></b>
<b><u>Date of Actual Distribution of Definitive Information Statement and Management Report held by market participants/certain beneficial owners</u></b>	<b><u>July 23, 2015</u></b>
<b><u>Date of Actual Distribution of Definitive Information Statement and Management Report and other Materials held by</u></b>	<b><u>July 23, 2015</u></b>

<b><u>stockholders</u></b>	
State whether CD format or hard copies were distributed	Yes
If yes, indicate whether requesting stockholders were provided hard copies	The stockholders were provided hard copies

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

Each Resolution to be taken up deals with only one item	Yes
Profile of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/ re-election	Yes
The auditors to be appointed or re-appointed	Yes
An explanation of the dividend policy, if any dividend is to be declared	Yes
The amount payable for final dividends	Yes
Documents required for proxy vote	Yes

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

## 2) Treatment of Minority Stockholders

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

<b>Policies</b>	<b>Implementation</b>
Voting Right	Cumulative Voting shall be used in the election of directors.
Pre-emptive Right	All stockholders shall have pre-emptive rights, unless the same is denied in the articles of incorporation.
Power of Inspection	All shareholders shall be allowed to inspect the corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions.
Right to Information	The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in

	the agenda of the meeting, provided the items are for legitimate business purpose.
Right to Dividends	Shareholders shall have the right to receive dividends subject to the discretion of the Board.
Appraisal Right	The shareholder shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided under Section 82 of the Corporate Code, under certain circumstances.

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

No.

#### K. INVESTORS RELATIONS PROGRAM

- 1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committees with this responsibility, if it has been assigned to a committee.

The Company's external and internal communications are being handled by its external counsel, Belo Gozon Elma Parel Asuncion and Lucila Law Offices, as well as by its Corporate Secretary. Moreover, GMA Network, Inc.'s Investor Relations Office submit reports and disclosures to the Philippine Stock Exchange for the Company.

- 2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders and the public in general. Disclose the contact details (e.g., telephone, fax and email) of the officer responsible for investor relations.

The Company proactively discloses information that may have been a result of an interview with an Officer during a corporate event, socials or even ambush interviews.

During the GMA Network, Inc.'s Annual Stockholders Meeting, Philippine Deposit Receipt (PDR) Holders (which by structure are not considered shareholders of the Company) are still allowed to attend as guests.

The Head of GMA Network Inc.'s Investor Relations regularly answers queries that are sent via email or telephone call regarding the Company's PDRs, regardless of the caller's investment size and of whether or not it is an existing investor.

	Details
(1) Objectives	To provide the investing public as much information possible that would allow them to make the best decision possible on whether to invest in the company or not.
(2) Principles	To provide equal access (for information or

	meetings) to anybody interested in the Company.
(3) Modes of Communications	The Company's Investor Relations can be reached through email (through the IR website), telephone and once the technical issues are resolved, through twitter.
(4) Investors Relations Officer	Ayahl Ari Augusto P. Chio 10/F GMA Network Center 982-7777 ext 8042

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

The Company adopts the requirements of the laws as well as the rules and regulations of the Securities and Exchange Commission and the Philippine Stock Exchange relating to the acquisition of corporate control in the capital markets, and extraordinary transactions such as sale or merger. Moreover, the Company's PDR Instrument provides specific restrictions for such extraordinary transactions.

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

With respect to the transaction price, it is the practice for the buyer and the seller to engage the services of a financial adviser to determine the same.

#### L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

Not Applicable. The Company does not engage in any other business or purpose except to issue PDRs over GMA Network, Inc. common shares and for such purpose to hold and own such common shares underlying the PDRs and to perform its obligation under the terms of the PDR instrument.

Initiative	Beneficiary
Not Applicable	Not Applicable

#### M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

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

	Process	Criteria
Board of Directors	In assessing the performance of its Directors, Committees, CEO and President, the Company is guided by the criteria found in its Manual on Corporate Governance, as well as the requirements of existing laws and the rules and regulations of this Commission.	
Board Committees		
Individual Directors		
CEO/President		

#### N. INTERNAL BREACHES AND SACTIONS

Discuss the internal policies on sanctions imposed for any violation nor breach of the corporate governance manual involving directors, officers, management and employees.

Violations	Sanctions
First Violation	Subject person shall be reprimanded
Second Violation	Suspension from office be imposed. The duration of the suspension shall depend on the gravity of the violation as determined by the Board
Third Violation	Maximum penalty of removal from office may be imposed

NB: All of the information/data herein provided, are based on the Company's available records as of December 31, 2015, and not necessarily from the personal knowledge of the affiants.



January 8, 2016

**SECURITIES AND EXCHANGE COMMISSION**  
SEC Building, EDSA, Greenhills  
Mandaluyong City

*Attention: Ms. Justina F. Callangan*  
*Director*  
*Corporate Governance & Finance Department*

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*Re : Notice of Compliance*

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Gentlemen:

In line with the Commission's requirement for directors and key officers to attend a Corporate Governance seminar, we attach the attendance sheet for the directors and officers present during the seminar held on September 17, 2015 from 10:00 a.m. to 2:00 p.m. at 16<sup>th</sup> Floor, GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City.

Attached also are the certificates of attendance issued by the service provider SGV & Co.

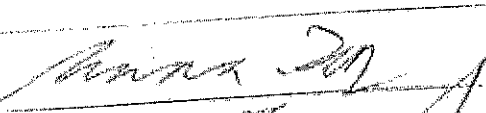
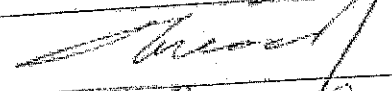
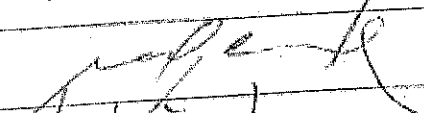
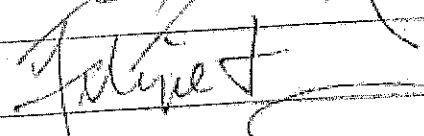






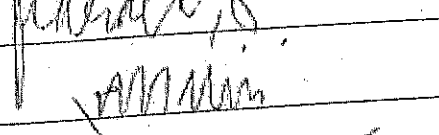
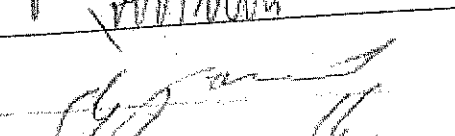
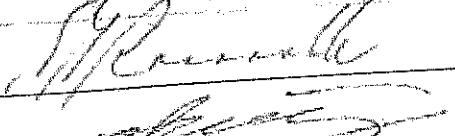

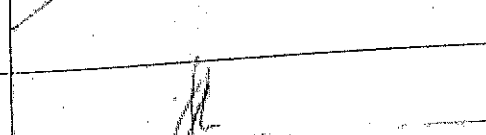

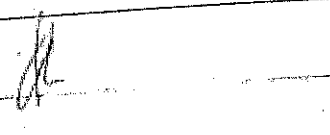
Of the listed director Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya have already undergone the required Corporate Governance seminar for which we attach their respective certificates of attendance.

Thank you.

Very truly yours,

  
**ANNA TERESA M. GOZON-ABROGAR**  
*Corporate Secretary*

GMA Network, Inc.  
Corporate Governance Seminar  
17 September 2015  
10:00 a.m. to 2:00 p.m.

No.	Participant's Name	Signature
1	Ms. Anna-Teresa M. Gozon-Abrogar	
2	Mr. Gilberto R. Duavit, Jr.	
3	Mr. Michael John R. Duavit	
4	Mr. Felipe L. Gozon	
5	Mr. Joel Marcelo G. Jimenez	
6	Ms. Laura J. Westfall	
7	Mr. Felipe S. Yalong	
8	Mr. Elvis B. Ancheta	
9	Ms. Marlissa L. Flores	
10	Ms. Maria Estelita B. Arles-Gozon	
11	Ms. Lizelle Maralag	
12	Mr. Ronaldo P. Mastrilli	
13	Mr. Roberto O. Parel	
14	Ms. Lilybeth G. Rasonable	
15	Mr. Eduardo P. Santos	
16	Mr. Jaime C. Laya	
17	Mr. Ayahí Ari Augusto P. Chlo	





SGV & Co.  
1000 10th Avenue, Suite 1000  
Manila, Philippines 1000

# Corporate Governance

This

## Certificate of Attendance

Is presented to

**Gilberto R. Duavit, Jr.**

For having completed the seminar on

## Corporate Governance

17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,  
EDSA corner Timog Avenue,  
Diliman, Quezon City

A handwritten signature in black ink, appearing to read "Leonardo J. Matignás, Jr.", is written over a horizontal line.

Leonardo J. Matignás, Jr.,  
Partner, SGV & Co.

# Corporate Governance



This

## Certificate of Attendance

is presented to

**Felipe L. Gozon**

For having completed the seminar on

## Corporate Governance

17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,

EDSA corner Timog Avenue,

Diliman, Quezon City



Leonardo J. Matignas, Jr.  
Partner, SGV & Co.

# Corporate Governance



This

## Certificate of Attendance

Is presented to

**Joel Marcelo G. Jimenez**

For having completed the seminar on

## Corporate Governance


17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,

EDSA corner Timog Avenue,

Diliman, Quezon City



Leonardo J. Matignas, Jr.  
Partner, SGV & Co.

# Corporate Governance

This

## Certificate of Attendance

is presented to

**Felipe S. Yalong**

For having completed the seminar on

## Corporate Governance

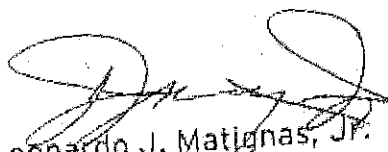
17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,

EDSA corner Timog Avenue,

Diliman, Quezon City



Leonardo J. Matigas, Jr.  
Partner, SGV & Co.

# Corporate Governance



This

## Certificate of Attendance

is presented to

**Anna-Teresa M. Gozon-  
Abrogar**


For having completed the seminar on

## Corporate Governance

17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,  
EDSA corner Timog Avenue,  
Diliman, Quezon City



Leonardo J. Matigas, Jr.  
Partner, SGV & Co.

# Corporate Governance

This

## Certificate of Attendance

is presented to

**Ronaldo P. Mastrili**

For having completed the seminar on

## Corporate Governance

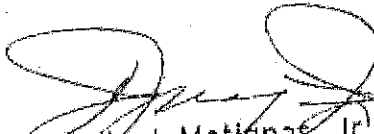
17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,

EDSA corner Timog Avenue,

Diliman, Quezon City



Leonardo J. Matigas, Jr.  
Partner, SGV & Co.

**Corporate  
Governance**

This

**Certificate of Attendance**

is presented to

**Roberto O. Parel**

For having completed the seminar on

**Corporate Governance**

17 September 2015

10:00 a.m. to 2:00 p.m.

16th Floor Board Room, GMA Network Center,

EDSA corner Timog Avenue,

Dilliman, Quezon City



Leonardo J. Matignas, Jr.  
Partner, SGV & Co.



THE INSTITUTE OF CORPORATE DIRECTORS

*presents this*

# *Certificate of Attendance*

*to*

**Artemio V. Panganiban**

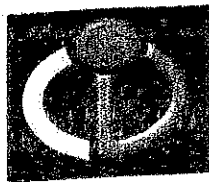
Bank of the Philippine Islands

*for having completed the Orientation Course for Corporate  
Governance held on February 18, 2015  
at The Fairmont Hotel, Makati City, Philippines*

*Given this 18<sup>th</sup> day of February 2015.*

*Ricardo Nicanor N. Jacinto*  
**President & CEO**





THE INSTITUTE OF CORPORATE DIRECTORS

*presents this*

# *Certificate of Attendance*

to

**Jaime C. Laya**

Ayala Land, Inc.

*for having completed the Orientation Course for Corporate  
Governance held on February 18, 2015  
at The Fairmont Hotel, Makati City, Philippines*

*Given this 18<sup>th</sup> day of February 2015.*

*Ricardo Nicanor N. Jacinto*  
**President & CEO**

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) S.S.

**SECRETARY'S CERTIFICATE**

I, **ANNA TERESA M. GOZON-ABROGAR**, Filipino, of legal age, with office address at 15<sup>th</sup> Floor, Sagittarius Condominium, H.V. dela Costa Street, Salcedo Village, Makati City, after having been duly sworn in accordance with law, hereby certify that:

1. I am the Corporate Secretary of **GMA HOLDINGS, INC.**, (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines with principal office address at Unit 5D Tower One, One McKinley Place, New Bonifacio Global City, Fort Bonifacio, Taguig City.

2. As Corporate Secretary, I have custody and access to the corporate records of the Corporation.

3. According to the said corporate records, the Stockholders, Board of Directors of the Corporation held meetings on the following dates and passed the following resolutions:

**A. Regular Meeting of the Board of Directors:**

August 13, 2015	<p><b>Appointment of the members of the Special Committees</b></p> <p>After some discussion, the following were unanimously appointed as members of the following Committees:</p> <p><b>Nomination Committee</b> Felipe L. Gozon Gilberto R. Duavit, Jr. Joel Marcelo G. Jimenez Dr. Jaime C. Laya</p> <p><b>Compensation and Remuneration Committee</b> Gilberto R. Duavit, Jr. Joel Marcelo G. Jimenez Dr. Jaime C. Laya Chief Justice Artemio V. Panganiban Felipe S. Yalong</p>
-----------------	---

**Audit Committee**

Dr. Jaime C. Laya  
Gilberto R. Duavit, Jr.  
Chief Justice Artemio V. Panganiban  
Felipe S. Yalong (Corporate Treasurer)

The members of the respective committees conferred briefly and elected the following as their respective officers:

**Nomination Committee**

Felipe L. Gozon (Chairman)

**Compensation and Remuneration Committee**

Gilberto R. Duavit, Jr. (Chairman)

**Audit Committee**

Dr. Jaime C. Laya (Chairman)

**Election of Officers**

"RESOLVED, That the following officers are hereby elected or appointed to the positions indicated opposite their names:

Felipe L. Gozon - Chairman

Gilberto R. Duavit, Jr. - President &  
Chief Executive Officer

Felipe S. Yalong - Treasurer/COO/CFO  
Anna Teresa M. Gozon-Abrogar -  
Corporate Secretary

Ronaldo P. Mastrili - Comptroller

Roberto O. Parel - Compliance Officer

	<p><b>Appointment of External Counsel</b></p> <ul style="list-style-type: none"> <li>- "RESOLVED, that the law firm of BELO GOZON ELMA PAREL ASUNCION &amp; LUCILA be retained as the Corporation's external legal counsel."</li> </ul>
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**B. Special Meeting of the Board of Directors**

March 30, 2015	<p><b>Approval and release of the Financial Statements for the Year Ended December 31, 201</b></p> <ul style="list-style-type: none"> <li>- "RESOLVED, as it is hereby resolved, that the Corporation be, as it is hereby, authorized to issue/release the Corporation's Audited Financial Statements as of December 31, 2014."</li> </ul>
March 30, 2015	<p><b>Setting of Record Date for the Annual Stockholders' Meeting</b></p> <ul style="list-style-type: none"> <li>- "RESOLVED, as it is hereby resolved that the Corporation be authorized to set the record date on April 29, 2015 for the purpose of determining stockholders' entitled to notice of, and to vote at the Corporation's annual stockholders meeting on May 29, 2015."</li> </ul>
March 30, 2015	<p><b>Declaration of dividends to stockholders of GMA Holdings, Inc.'s non-publicly listed common shares</b></p> <ul style="list-style-type: none"> <li>- "RESOLVED, That the Corporation is hereby authorized to declare Five Hundred Thousand Pesos (Php500,000.00) cash dividends to stockholders of record from the retained earnings of the Corporation as of December 31, 2014."</li> </ul>

April 17, 2015	<b>Approval of Cash Distributions to the PDR Holders from GMA Network, Inc.'s Cash Dividend Declaration</b> <ul style="list-style-type: none"> <li>- "RESOLVED, That the Company hereby approves the computed cash distribution in the amount of P0.25 per PDR, to PDR Holders as of April 29, 2015 to be paid out on May 20, 2015."</li> </ul>
July 8, 2015	<b>Resetting of the date of the Annual Stockholders' Meeting to August 13, 2015</b> <ul style="list-style-type: none"> <li>- "RESOLVED, as it is hereby resolved, that the Corporation be authorized to reset the Corporation's annual stockholders meeting to August 13, 2015."</li> </ul>

### C. Annual Stockholders Meeting


August 13, 2015	<b>Election of Directors</b> <ul style="list-style-type: none"> <li>- After motions made and seconded, the following were unanimously declared elected as members of the Board of Directors for the ensuing year until their successors shall have been duly elected:   FELIPE L. GOZON  GILBERTO R. DUAVIT, JR.  JOEL MARCELO G. JIMENEZ  DR. JAIME C. LAYA (<i>Independent Director</i>)  CHIEF JUSTICE ARTEMIO V. PANGANIBAN (<i>Independent Director</i>) </li> </ul> <b>Election of the External Auditor</b> <ul style="list-style-type: none"> <li>- "RESOLVED, That the SYCIP GORRES VELAYO &amp; CO. is elected as external auditor of the Company"</li> </ul>
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IN WITNESS WHEREOF, I have hereunto affixed my signature this JAN 11 2016  
day of January 2016 at Makati City.

  
ANNA TERESA M. GOZON-ABROGAR.  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this JAN 11 2016 day of January 2016 at  
Makati City, affiant exhibiting to me his Social Security System (SSS) ID No. 33-  
2709000-4.

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NOTARY PUBLIC ROL BATALLA  
NOTARY PUBLIC FOR MAKATI CITY  
APPL. NO. MS2  
UNTIL DEC. 31, 2016  
ROLL OF ATTY. NO. 46343  
MCLE COMPLIANCE NO. IV-4006355 4/10/13  
ISP No. 706761, EFFECTIVE PERIOD VR.2009  
PTR No. SS2-5501 JUL 04, 2016  
EXECUTIVE BLDG. CENTER  
MAKATI AVE. COR., JUPITER ST., MAKATI CITY