

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 NETWORK, INC.
3. Address of principal office
GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City
Postal Code
1103
4. SEC Identification Number
5213
5. Industry Classification Code (SEC Use Only)
6. BIR Tax Identification No.
000-917-916
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 Network, Inc.
GMA7

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

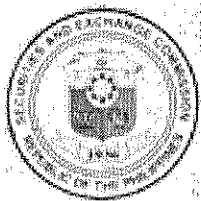
Updates in the ACGR for 2015

Filed on behalf by:

Name	Ayahl Ari Augusto Chio
Designation	Vice President



101112016001782

**SECURITIES AND EXCHANGE COMMISSION**

SEC Building, EDSA, Greenhills, Mandaluyong City, Metro Manila, Philippines
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COVER SHEET

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S.E.C. Registration Number

		G	M	A		N	E	T	W	O	R	K		I	N	C				

(Company's Full Name)

G	M	A		N	E	T	W	O	R	K		C	E	N	T	E	R					
E	D	S	A		D	I	L	I	M	A	N		Q	U	E	Z	O		C	I	T	Y

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

Atty. Roberto O. Parel
Contact Person

816-3716 to 19
Company Telephone Number

Dec.	31
Month	Day
Fiscal Year	

ACGR 2015		
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May	21
Month	Day
Annual Meetings	

FORM TYPE

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM - ACGR

UPDATES IN THE ANNUAL CORPORATE GOVERNANCE REPORT FOR 2015

1. Report is Filed for the Year 2015
2. Exact Name of Registrant as Specified in its Charter **GMA NETWORK, INC.**
3. Address of Principal Office
GMA NETWORK CENTER, EDSA CORNER TIMOG AVENUE DILIMAN, QUEZON CITY
Postal Code
4. SEC Identification Number **5213**
5.
(SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number **000-917-916-000**
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

CONSOLIDATED CHANGES IN THE ANNUAL CORPORATE GOVERNANCE REPORT FOR 2015

A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Nine (9)
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Actual number of Directors for the year	Nine (9)
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(a) Composition of the Board

Complete the table with information on the Board of Directors

Director's Name	Type Executive (ED), Non-Executive (NED), or Independent Director (ID)	If Nominee, identify the principal	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) ¹	Elected when (Annual/Special Meeting)	No. of Years served as director
Felipe L. Gozon	ED	FLG Management and Development Corporation	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	1975	<u>2015</u>	Annual Meeting	<u>40</u>
<u>Michael John R. Duavit</u>	NED	Group Management & Development Inc.	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	2015	<u>2015</u>	Annual Meeting	<u>1</u>

¹ Reckoned from the election immediately following July 31, 2014 (the date of filing of the latest ACGR).

Gilberto R. Duavit, Jr.	ED	Group Management & Development Inc.	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	1999	<u>2015</u>	Annual Meeting	<u>16</u>
Anna Teresa M. Gozon-Abrogar	ED	FLG Management and Development Corporation	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	2000	<u>2015</u>	Annual Meeting	<u>15</u>
Joel Marcelo G. Jimenez	NED	M.A. Jimenez Enterprises, Inc./ Television International Corporation	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	2002	<u>2015</u>	Annual Meeting	<u>13</u>
Laura J. Westfall	NED	M.A. Jimenez Enterprises, Inc./ Television International Corporation	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	2002	<u>2015</u>	Annual Meeting	<u>13</u>
Felipe S. Yalong	ED	N/A	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee	2002	<u>2015</u>	Annual Meeting	<u>12</u>
Artemio V. Panganiban	ID	N/A	Nominated by Gilberto R. Duavit, Jr. as approved by the Nomination Committee (Nominator has no relationship with the Independent Director)	2007	<u>2015</u>	Annual Meeting	<u>8</u>
Jaime C. Laya	ID	N/A	Nominated by Gilberto	2007	<u>2015</u>	Annual Meeting	<u>8</u>

			R. Duavit, Jr. as approved by the Nomination Committee (Nominator has no relationship with the Independent Director)				
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- (b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Corporation believes that the essence of corporate governance is transparency.

1. All material information, i.e., anything that could potentially affect share 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.
2. Other information that shall always be disclosed includes the aggregate remuneration (including stock options) of all directors and senior management officers.
3. All disclosed information shall be released via the approved stock exchange procedure for the company announcements as well as through the annual report.
4. The Board shall commit at all times to fully disclose non-confidential material information dealings. It shall cause the filing of all required information for the interest of the stakeholders.
5. The Board shall be committed to respect the following rights of the stockholders:
 - A. Voting Right
 - B. Power of Inspection
 - C. Right to Information
 - D. Right to Dividends
 - E. Appraisal Right

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

In practice, the Board reviews and approves the Company's vision and mission every three years. In 2007, upon submission of the Manual on Corporate Governance, and in 2014 upon submission of the revision thereto pursuant to SEC Memorandum Circular No. 9, Series of 2014.

- (d) Directorship in Other Companies

(i) Directorship in the Company's Group²

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

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

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

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
	GMA Holdings, Inc.	Director/President and Chief Executive Officer
	Scenarios, Inc.	Director/President and Chief Executive Officer
	RGMA Marketing and Productions, Inc.	Director/President and Chief Executive Officer
	MediaMerge Corp.	Director/President
	Alta Productions Group, Inc.	Director/Non-Executive
	Optima Digital, Inc.	Director/Non-Executive
	Monte-Aire Realty and Development Corp.	Director/Non-Executive
Joel Marcelo G. Jimenez	GMA Kapuso Foundation, Inc.	Trustee/Non-Executive
	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
	Malayan Savings and Mortgage Bank	Director/Non-Executive
	GMA Holdings, Inc.	Director/Non-Executive
	GMA Kapuso Foundation, Inc.	Trustee

Felipe S. Yalong	GMA Holdings, Inc. Scenarios, Inc. GMA Network Films, Inc. GMA Marketing and Productions, Inc. RGMA Network, Inc. GMA Kapuso Foundation, Inc.	Corporate Treasurer Director/Corporate Treasurer Director/Corporate Treasurer Director/Non-Executive Director/Executive Corporate Treasurer
Atty. Anna Teresa G. Abrogar	GMA Films, Inc. GMA Worldwide, Inc. GMA Kapuso Foundation	Director/President Director/President Trustee
Michael John R. Duavit	<u>MRD Holdings & Investments, Inc.</u> <u>Puresound Trading, Inc.</u> <u>Citynet Television, Inc.</u> <u>GMA New Media, Inc.</u> <u>Guronasyon Foundation, Inc.</u>	<u>Director/Executive</u> <u>Director/Executive</u> <u>Director/Non-Executive</u> <u>Director/Non-Executive</u> <u>Trustee/Executive</u>
Dr. Jaime Laya	GMA Holdings, Inc.	Independent Director

Chief Justice Artemio V. Panganiban	GMA Holdings, Inc.	Independent Director
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(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
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 Corporation	Independent Director/Non-Executive
	Petron Corporation	Independent Director/Non-Executive
	Bank of the Philippine Islands	Independent Director/Non-Executive
	Asian Terminals Incorporated	Independent Director/Non-Executive
	Jollibee Foods Corporation	Independent Director/Non-Executive

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Michael John R. Duavit	Gilberto R. Duavit	brothers
Laura J. Westfall	Joel Marcelo G. Jimenez	sister-brother
Gilberto R. Duavit	Michael John R. Duavit	brothers
Anna Teresa M. Gozon-Abrogar	Felipe L. Gozon	brothers
Felipe L. Gozon	Anna Teresa M. Gozon-Abrogar	father-daughter

- (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 (COMMON)	Number of Direct Shares (Preferred)	Number of Indirect Shares/ Through (name of record owner)	% of Capital Stock
Felipe L. Gozon	3,181	26,880	N/A	0.00%
Gilberto R. Duavit, Jr.	4,007,006	12	N/A	0.00%
Joel Marcelo G. Jimenez	11,000,003	6	N/A	0.00%

Anna Teresa M. Gozon-Abrogar	<u>529,003</u>	<u>6</u>	N/A	0.00%
Michael John R. Duavit	<u>1</u>	<u>0</u>	N/A	0.00%
Laura J. Westfall	<u>2</u>	<u>6</u>	N/A	0.00%
Felipe S. Yalong	<u>1,613,000</u>	<u>6</u>	N/A	0.00%
Chief Justice Artemio V. Panganiban	<u>200,001</u>	<u>0</u>	N/A	0.00%
Dr. Jaime Laya	<u>294,001</u>	<u>0</u>	N/A	0.00%
TOTAL	<u>17,646,198</u>	<u>26,916</u>		0.00%

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	Chief Executive Officer: Felipe L. Gozon President: Gilberto R. Duavit

(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	Sign, endorse and deliver, in conjunction with other officials whom the Board may designate, all checks, drafts, bills of exchange, promissory

	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;	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 ;

- 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 the Board of Directors shall annually, at their first meeting, elect a Chairman of the Board of Directors, a President, Vice-Presidents, and a Secretary, and may also from time to time appoint such other officers and agents as it may deem proper. The Board of Directors may create such additional positions as it may consider proper.

It further provides that the office of the Chairman, President, Vice-President, Treasurer, or Secretary becomes vacant by death, resignation, or otherwise, the remaining directors, if still constituting a quorum, by a majority vote choose a successor or successors who shall hold office for the unexpired term.

In case of temporary absence of any officer of the Corporation or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate the powers and duties for the time being to any other officers, provided that a majority of the Board concur therein and such delegation is not covered by any express prohibition of these By-laws.

- 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:

All of the members of the Company's Board of Directors have such powers and authorities as are set by Company's By-Laws, Manual on Corporate Governance, by Philippine law and rules.

	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 Incorporation.	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 Incorporation.	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 judgment in carrying out his responsibilities as a director in any covered company.
	Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives	Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives	Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives
	Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice	Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice	Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practice
Accountabilities	Determine the declaration of dividends out of profits or surplus	Determine the declaration of dividends out of profits or surplus	Determine the declaration of dividends out of profits or surplus
	Institute, maintain, defend, compromise or drop any litigation in which the	Institute, maintain, defend, compromise or drop any litigation in which the	Institute, maintain, defend, compromise or drop any litigation in

	<p>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>Properly discharge Board functions by meeting regularly</p>	<p>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>Properly discharge Board functions by meeting regularly</p>	<p>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>Properly discharge Board functions by meeting regularly</p>
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,</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</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,</p>

	operating budgets and Management's overall performance;	and Management's overall performance;	operating budgets and Management's overall performance;
	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, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.	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, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.	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, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.

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</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>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>	
(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 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</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>

	of the temporary disqualifications set by the Company's Manual on Corporate Governance, the law and the rules.	
(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 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>(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"> 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; 2. Does not own more than two percent (2%) of the shares of the covered company and/or its related companies or any of its substantial shareholders; 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. 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; 5. Is not acting as a nominee or representative of any director or substantial shareholder of the covered company, and/or any of its

		<p>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 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.</p>
b. Re-appointment		
(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) 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>(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>(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>(4) He shall have proven to possess integrity and probity; and</p> <p>(5) He shall be assiduous;</p>
(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</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>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 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</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"> 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; 2. Does not own more than two percent (2%) of the shares of the covered company and/or its related

	<p>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>companies or any of its 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 shareholders, whether by himself and/or with other</p>
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		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
c. Permanent Disqualification		
(i) Executive Directors	In case any vacancy shall occur among the directors, such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.	<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 subparagraphs (a) and (b) above, or willfully violating the laws that govern securities and banking</p>

		<p>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 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</p>
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		<p>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 immediately preceding subparagraph (i).</p>
(ii) Non-Executive Directors	In case any vacancy shall occur among the directors, such vacancy may be filled by the remaining directors at any	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

	<p>meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.</p>	<p>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 subparagraphs (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</p>
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		<p>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 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</p>
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		<p>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	<p>In case any vacancy shall occur among the directors, such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.</p>	<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</p>

		<p>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 subparagraphs (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,</p>
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		<p>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 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</p>
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		<p>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>
<p>d. Temporary Disqualification</p>		
<p>(i) Executive Directors</p>	<p>In case any vacancy shall occur among the directors, such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.</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</p>

		<p>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, such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.</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 of directors.</p>
(iii) Independent	In case any vacancy shall	a. Refusal to fully disclose the

ent Direc tors	<p>occur among the directors; such vacancy may be filled by the remaining directors at any meeting at which a quorum shall be present. Any such vacancy may also be filled by the stockholders entitled to vote at any meeting held during such vacancy.</p>	<p>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 of directors.</p>
e. Removal		
(i) Executive Direc tors	<p>In case of any vacancies in the Board of Directors constituting a quorum, may fill the same by the affirmative vote of a majority of such remaining members for the unexpired term subject to the Article IV (Section 1) of the</p>	<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</p>

	<p>Company's By-laws on Qualification and Term of Office.</p> <p>The stockholders of the corporation may at any special meeting depose or remove from office any director or directors, including any director or directors appointed by the Board of Directors pursuant to the provisions of Section 1 of Article IV (on Qualification and Term of Office) and in case of such removal the stockholders may choose a successor or successors to hold office for the unexpired term.</p>	<p>voting (Villanueva, Cesar, The Corporate Law, citing Sec. 28, Corporation Code).</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 (Ibid).</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 (Ibid).</p>
(ii) Non-Executive Directors	<p>In case of any vacancies in the Board of Directors constituting a quorum, may fill the same by the affirmative vote of a majority of such remaining members for the unexpired term subject to the Article IV (Section 1) of the Company's By-laws on Qualification and Term of Office.</p> <p>The stockholders of the corporation may at any special meeting depose or remove from office any director or directors, including any director or directors appointed by the Board of Directors pursuant to the provisions of Section 1 of Article IV (on Qualification and Term of Office) and in case of such removal the stockholders may choose a successor or successors to hold office for the unexpired term.</p>	<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 (Villanueva, Cesar, The Corporate Law, citing Sec. 28, Corporation Code).</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 (Ibid).</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 (Ibid).</p>
(iii) Independent	<p>In case of any vacancies in the Board of Directors</p>	<p>The Company adopts the criteria set by the Philippine Corporation Code on the</p>

Directors	<p>constituting a quorum, may fill the same by the affirmative vote of a majority of such remaining members for the unexpired term subject to the Article IV (Section 1) of the Company's By-laws on Qualification and Term of Office.</p> <p>The stockholders of the corporation may at any special meeting depose or remove from office any director or directors, including any director or directors appointed by the Board of Directors pursuant to the provisions of Section 1 of Article IV (on Qualification and Term of Office) and in case of such removal the stockholders may choose a successor or successors to hold office for the unexpired term.</p>	<p>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 (Villanueva, Cesar, The Corporate Law, citing Sec. 28, Corporation Code)</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 (ibid).</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 (ibid).</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 suspension of the Board of Directors.		
(i) Executive Directors	N/A	N/A
(ii) Non-Executive Directors	N/A	N/A

tors		
(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 97.06% of the Company's total issued and outstanding shares.

Name of Director	Votes Received
Gilberto R. Duavit	Unanimous
Felipe L. Gozon	Unanimous
Felipe S. Yalong	Unanimous
Anna Teresa M. Gozon-Abrogar	Unanimous
Joel Marcelo G. Jimenez	Unanimous
Laura J. Westfall	Unanimous
Michael John R. Duavit	Unanimous
Dr. Jaime Laya	Unanimous
Chief Justice Artemio V. Panganiban	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 Management³ for the past three (3) years.

- (1) Strategic Planning
- (2) Election and Election-related briefings and planning
- (3) Performance Management Briefings

(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	N/A	N/A	N/A
Felipe L. Gozon	2010 - Feb. 5, 6, 12 & 13	MCLE Compliance No. III	Center for Global Best Practices
	2013 - Jan. 24, 25, 31 and Feb. 1	MCLE Compliance No. IV	Asian Center for Legal Excellence, Inc.

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

	March 19, 2013	Private Business Luncheon	Bloomberg/Chairman Peter Grauer
	September 19, 2013	3 rd 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 and Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Anna Teresa M. Gozon-Abrogar	December 11, 2014	Corporate Governance	Sycip Gorres and Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Joel Marcelo G. Jimenez	December 11, 2014	Corporate Governance	<u>Sycip Gorres and Velayo</u>
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Laura J. Westfall	December 11, 2014	Corporate Governance	Sycip Gorres and Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Michael John R. Duavit	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres and Velayo</u>
Dr. Jaime Laya	February 4, 2014	Corporate	The Institute of

		Governance & Risk Management Summit	Corporate Directors
	<u>February 18, 2015</u>	<u>Orientation Course for Corporate Governance</u>	<u>The Institute of Corporate Directors</u>
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	The Institute of Corporate Directors
	<u>February 18, 2015</u>	<u>Orientation Course for Corporate Governance</u>	<u>The Institute of Corporate Directors</u>
Marissa Flores	2013	Strategic Planning	GMA Network, Inc.
		Election and Election-related briefings and planning	GMA Network, Inc./PCIJ
	2010	Broadcast Asia Conference	Broadcast Asia Singapore
	2010-2011-2012	Budget Planning	GMA Network, inc.
	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>

Ronaldo P. Mastrili	2013	Strategic Planning	GMA Network, Inc.
	2010-2011-2012	Performance Management Briefings	GMA Network Inc.
	2010-2011-2012	Budget Planning	GMA Network, Inc.
	January 29, 2013	13 th Quarterly Executive Briefing (IFRS Executive Briefings)	SGV
	June 18, 2013	14 th Quarterly Executive Briefing	SGV
	September 17, 2013	Mid-year Philippine Economic Briefing	GRP
	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>
<u>Lilybeth G. Rasonable</u>	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>
<u>Engr. Elvis B. Ancheta</u>	December 11, 2014	Corporate Governance	<u>Sycip Gorres & Velayo</u>
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>
<u>Atty. Eduardo P. Santos</u>	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo
	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>
<u>Atty. Roberto O. Parel</u>	December 11, 2014	Corporate Governance	Sycip Gorres & Velayo

	<u>September 17, 2015</u>	<u>Corporate Governance</u>	<u>Sycip Gorres & Velayo</u>
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B. CODE OF BUSINESS CONDUCT & ETHICS

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

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	<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 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>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>In case of News and Public Affairs (NPA), it has its own Ethics and Editorial Manual ("Manual"), which includes a particular section on "Independence/Conflict of Interest".</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>	
<p>(b) Conduct of Business and Fair Dealings</p>	<p>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.</p>	<p>The network's Supply and Asset Management Department (SAMD) has policies on ACCREDITATION OF SUPPLIERS, GENERAL POLICY AND PROCEDURES FOR PURCHASING and Accreditation acceptance Letter and Business Practices, wherein the conduct of business and fair dealings is discussed, as found in the following parts of its policies:</p> <p><u>Policy on Accreditation of Suppliers:</u></p> <ol style="list-style-type: none"> 1) Section V (General Guidelines), Item b – Requirements for Accreditation 2) Section V, Item C – Factors in Supplier Evaluation 3) Section V, Item E – Grounds for Cancellation of Accreditation <p><u>General Policy and Procedures for Purchasing:</u></p> <ol style="list-style-type: none"> 1) Section V (General Guidelines), Item 3 – Bidding 2) Section V, Item 4 – Award of Bids / Contracts 3) Section V, Item 13 – Prohibition 4) Section VII – Purchasing Ethics and Standards <p>Attached with this file are the softcopies of the policies for your reference.</p>
<p>(c) Receipt of gifts from third parties</p>	<p>There is Policy on "Solicitation/Acceptance of Gifts/Favors" issued to all in May 2009.</p>	<p>There is Policy on "Solicitation/Acceptance of Gifts/Favors" issued to all in May 2009.</p> <p>For NPA, its Manual includes a particular section on "Bribes & Gifts".</p>

(d) Compliance with Laws & Regulations	<p>The Company has in place several policies and rules intended to ensure that the Network is compliant with existing laws and regulations as well as regulatory requirements. Moreover, the Company's Compliance Officer, Corporate Secretary 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.</p>	<p>The Company has in place several policies and rules intended to ensure that the Network is compliant with existing laws and regulations as well as regulatory requirements. These policies pertain to the exhibition of programs/ads, engagement of child talents, use of copyrighted materials, among others. Trainings/seminars are regularly conducted to facilitate dissemination and compliance with said policies.</p>
(e) Respect for Trade Secrets/Use of Non-public Information	<p>The Company executes and adheres to non-disclosure/confidentiality agreements respecting trade secrets and confidential information of other parties transacting business with the Network. Unauthorized disclosure of trade secrets/confidential information by employees is subject to disciplinary action under the Code of Conduct.</p>	<p>The Company executes and adheres to non-disclosure/confidentiality agreements respecting trade secrets and confidential information of other parties transacting business with the Network. Unauthorized disclosure of trade secrets/confidential information by employees is subject to disciplinary action under the Code of Conduct.</p>
(f) Use of Company Funds, Assets & Information	<p>To ensure the integrity in the use of funds, assets and information, specific offenses have been identified in the Code of Conduct, specifically, in the following sections of said Code: (1) C. INAPPROPRIATE CONDUCT AND BEHAVIOR; (2) D. DISHONESTY AND CONFLICT OF INTEREST; and (3) ENDANGERING HEALTH, SAFETY & SECURITY.</p>	<p>To ensure the integrity in the use of funds, assets and information, specific offenses have been identified in the Code of Conduct, specifically, in the following sections of said Code: (1) C. INAPPROPRIATE CONDUCT AND BEHAVIOR; (2) D. DISHONESTY AND CONFLICT OF INTEREST; and (3) ENDANGERING HEALTH, SAFETY & SECURITY.</p>
	<p>As regards 'confidential</p>	<p>As regards 'confidential information', there is a specific "Policy on Handling Confidential Information", implemented since February 2002</p>

	information', there is a specific "Policy on Handling Confidential Information", implemented since February 2002	
(g) Employment & Labor Laws & Policies	The Company has several policies and rules that ensure compliance with labor laws, rules and regulations. These include policies on benefits, which even prescribe rates over what are legally mandated.	The Company has several policies and rules that ensure compliance with labor laws, rules and regulations. These include policies on benefits, which even prescribe rates over what are legally mandated.
(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:</p> <ul style="list-style-type: none"> (1) In the case of first violation, the subject person shall be reprimanded; (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. (3) For third violation, the maximum penalty of removal from office may be imposed. <p>The commission of a third violation of this Revised</p>	<p>Aside from Labor Code, these are governed by: (1) Policy on Employee Discipline (implemented in May 2008); (2) Code of Conduct (also implemented in May 2008); and (3) collective bargaining agreement (CBA) effective 2009-2014.</p>

	Manual by any member of the board of the Company or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.	
(i) Whistle Blower	<p>The Company has no formal 'whistleblower policy'. However, the Company has a mechanism by which anyone can give feedback to top management at any time via the "Letter to the Chairman", through drop boxes strategically situated within the Network premises.</p> <p>The performance appraisal form also has the 'Remarks' portion that allows subordinates to give feedback/comments to superiors.</p>	<p>The Company has no formal 'whistleblower policy". However, we have mechanism by which anyone can give feedback to top management at any time via the "Letter to the Chairman", through drop boxes strategically situated within the Network premises.</p> <p>The performance appraisal form also has the 'Remarks' portion that allows subordinates to give feedback/comments to superiors.</p>
(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>	<p>There is no express policy in place. The observed practice though is that disputes (official only) are elevated first to the immediate superior, then to next level superior, then department/group head. If still not resolved, the issue may be referred to HRDD (sometimes, with Legal) to help mediate the issues.</p> <p>In case dispute is with rank-and-file (RF) employee and/or the Union, there is specific procedure for 'grievance' outlined in the CBA (Article XIII).</p> <p>If all else fails, conflict may be resolved either through voluntary or compulsory arbitration.</p>

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

Yes, the Directors, Senior Management and Employees were all furnished copies of the Code of Conduct.

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

The implementation and monitoring of the Code of Conduct (as well as the NPA Manual) is a "line" function. The management within the concerned departments oversees the compliance with the code and Manual. Any possible violation is investigated at department level, then, endorsed to the Human Resource Department. Human Resource Department conducts administrative investigations observing due process. If a rank and file employee is involved, the Union is required to take part in the proceedings. After the investigations, HRDD writes a report of its findings with recommendations, clears the report with Legal, then submits to the President & COO (in some cases, submission is also to the Chairman & CEO) for final approval of the recommendation.

- 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 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	<p>Under the Company'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 office, 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>(b) 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>
Group	

(5) Family, Commercial and Contractual Relations

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

Name of Related Significant Shareholders	Type of Relationship	Brief Description
<u>Michael John R. Duavit and Gilberto R. Duavit, Jr.</u>	<u>Familial</u>	<u>Michael John R. Duavit is the brother of Gilberto R. Duavit, Jr.</u>
Felipe L. Gozon and Anna	Familial	Felipe L. Gozon is the

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

Teresa M. Gozon-Abrogar		father of Anna Teresa M. Gozon-Abrogar
Joel Marcelo G. Jimenez Laura J. Westfall	Familial	Felipe L. Gozon's sister, Carolina L. Gozon-Jimenez, is the mother of Joel Marcelo G. Jimenez and Laura J. Westfall

(Note, however, that all of the aforementioned shareholders are record and beneficial holders of less than 5% equity).

- (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**

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 Corporation & Third Parties Corporation & Regulatory Authorities	<p>The Company has not had any disputes with its Stockholders and Regulatory Authorities, thus there has been no need for the application of a dispute resolution process. With respect to the conflict or differences with third companies, it is the Company's practice to first exert all possible avenues to reach an amicable settlement, before going into litigation.</p> <p>Nonetheless, the Company is currently in the process of crafting an alternative dispute resolution rules pursuant to its Revised</p>

C. BOARD MEETINGS & ATTENDANCE

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

As a matter of practice and policy, the Company's Board of Directors consistently meets every quarter.

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Felipe L. Gozon	May 20, 2015	5	5	100%
Member	Gilberto R. Duavit, Jr.	May 20, 2015	5	5	100%
Member	Joel Marcelo G. Jimenez	May 20, 2015	4	4	100%
Member	Felipe S. Yalong	May 20, 2015	5	5	100%
Member	Anna Teresa M. Gozon-Abrogar	May 20, 2015	3	5	60%
Member	Michael John R. Duavit	May 20, 2015	3	5	60%
Member	Laura J. Westfall	May 20, 2015	5	5	100%
Independent	Artemio V. Panganiban	May 20, 2015	5	5	100%
Independent	Jaime C. Laya	May 20, 2015	5	5	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.

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 papers⁵ for board of directors meetings provided to the board?

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

One month 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	<p>Management provides the members of the committees complete, adequate and timely information about the matters to be taken in their meetings.</p> <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>
Audit	
Nomination	
Remuneration	
Others (specific)	

- 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:

Existing Policies	Changes	Reason
Under Company's Collective Bargaining Agreement, in the event of death or disability, the employee is entitled to benefits regardless of the years of service. However, under the Retirement Plan the employee is required to have at least ten (10) years of Credited Service.	Under the Retirement Plan the employee is no longer required to have at least 10 years of credited service in order to avail of the benefits. He may avail such benefits regardless of his length of service.	In order to reconcile the provisions of the Collective Bargaining Agreement (CBA) with that of the Employees' Retirement Benefit Plan ("Retirement Plan").

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	The compensation of the CEO is recommended by the EXCOM and approved by the Board of Directors.	Approved by the Executive Committee as may be recommended by the Compensation and Remuneration Committee of the Board of Directors
(2) Variable remuneration	N/A	N/A
(3) Per diem allowance	All per diem and allowances are recommended and approved by the Executive Committee and Board Directors.	N/A
(4) Bonus	N/A	Declared by the Executive Committee (as may be recommended by the Compensation and Remuneration Committee of

		the Board of Directors) and paid to all employees during mid-year, November and December.
(5) Stock Options and other financial instruments	N/A	N/A
(6) Others (specify)	N/A	N/A

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	<p>The compensation of the CEO, Executive Directors and non-executive directors, are recommended by the Executive Committee and approved by the Board of Directors. Similarly, all per diem and allowances are all approved by the Executive Committee and Board Directors.</p> <p>The members of the Board of Directors receive a total of not more than 2.5% of the net income of the Company, 1.5% of which is paid to the members of the Executive Committee and the remaining 1% is distributed pro rata to the members of the Board.</p>		
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.

During the Annual Stockholders' Meeting, the stockholders may vote to ratify or revoke the acts and decisions of the Board of Directors. However, there was no remuneration scheme specifically submitted to the stockholders for approval for the past three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
N/A	N/A

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	80,264,590	N/A	N/A

(b) Variable Remuneration	N/A	N/A	N/A
(c) Per Diem Allowance	5,550,000	4,500,000	1,500,000
(d) Bonuses (including Profit Sharing)	69,890,376	14,166,667	3,333,333
(e) Stock Options and/or other financial instruments	N/A	N/A	N/A
(f) Others (specify)	N/A	N/A	N/A
TOTAL	155,704,996	18,666,667	4,833,333

Other Benefits	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
1) Advances	N/A	N/A	N/A
2) Credit granted	N/A	N/A	N/A
3) Pension Plan/s Contribution/Expenses	12,568,818.78	N/A	N/A
4) Pension Plans, Obligations incurred	N/A	N/A	N/A
5) Life Insurance Premium	121,040	N/A	N/A
6) Hospitalization Plan / Premium	107,223	N/A	N/A
7) Car Plan*	9,200,000	N/A	N/A
8) Others (specify)	N/A	N/A	N/A

*once every 4 years

4) Stock Rights, Options and Warrants

(a) Board of Directors **NOT APPLICABLE**

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: **NOT APPLICABLE**

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
Marissa L. Flores, Luz Annalee O. Escudero,	28,336,515.00
Ronaldo P. Mastrili, Janessa S. Valdellon	
Jessica A. Soho, Lilybeth G. Rasonable	

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-Executive Director (NED)	Independent Director (ID)				
Executive	2	1	0	Revised Manual on Corporate Governance (currently in the process of fixing its own rules of procedure)	The Executive Committee, in accordance with the authority granted by the Board, or during the absence of the Board, shall act by majority vote of all its members of such specific matters within the competence of the Board as Directors as may from time to time be delegated to the Executive Committee, except with respect to certain matters exclusively vested in the Board of Directors.	All actions of the Executive Committee shall be reported to the Board of Directors at the meeting thereof following such action and shall be subject to revision or alteration by the Board of Directors.	An act of the Executive Committee which is within the scope of its powers shall not require the ratification or approval for its validity and effectivity
Audit and Risk Management	1	2	2	Audit Committee Charter	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	The Committee shall be responsible to the Board of Directors, shall act independently of	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

					<p>compliance with applicable laws, rules and regulations;</p> <p>b. Provide oversight over Management's activities in managing credit, market, liquidity, operational, 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>	<p>management and shall be provided with resources as may be necessary, including access to outside advisors, as that will enable it to fulfill its functions satisfactorily. It shall meet at least four (4) times a year.</p>	<p>functions of the Corporation.</p>
Nominati on	2	1	1	Revised Manual on Corporate Governance (currently in the process of fixing its own rules of the procedure)	<p>The purpose of 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</p>	<p>The Nomination Committee shall be responsible for ensuring that the selection of new members of the Board of</p>	<p>The powers of the Nomination Committee include:</p> <p>a. Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in</p>

					Director based on internal guidelines.	Directors is transparent with the end Objective of having the Board of Directors increase shareholder value.	<p>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"> i. The nature of the business of the corporations of which his is a director; ii. Age of the director; iii. Number of directorship/active memberships and officerships in other corporations or organizations, and iv. Possible conflicts of interest. <p>c. Recommend guidelines in the determination of the optimum number of directorships/active memberships and officerships in other corporations allowable for</p>
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							<p>members of the Board of Directors. The capacity of directors to serve with diligence shall not be compromised.</p> <p>d. 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 members.</p>
Compensation and Remuneration	1	2	2	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.	<p>Recommend a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.</p> <p>Recommend a form on Full Business Interest Disclosure as part of the pre-</p>	<p>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.</p>

						<p>employment requirements for all incoming officers;</p> <p>Disallow any director to decide on his or her own remuneration.</p> <p>Review (if any) of the existing Human Resources Development or Personnel Handbook, to strengthen provision on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.</p> <p>Provide in the Corporation's annual reports, information and proxy statements a clear, concise and understandable disclosure of aggregate compensation</p>	
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						of its executive officers for the previous fiscal year and the ensuing year as prescribed by the Securities and Exchange Commission or other regulator agency.	
Others (specify)							

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
Member (ED)	Felipe L. Gozon	<u>May 20, 2015</u>	<u>27</u>	<u>27</u>	100%	Over ten years (re-appointed annually since 1975)
Chairman	Gilberto R. Duavit, Jr.	<u>May 20, 2015</u>	<u>27</u>	<u>27</u>	100%	Over ten years (re-appointed annually since 2002)
Member (NED)	Joel Marcelo Jimenez	<u>May 20, 2015</u>	<u>27</u>	<u>27</u>	100%	Over ten years (re-appointed annually since 1999)
Member (ID)	N/A	N/A	N/A	N/A	N/A	N/A

(b) Audit and Risk Management Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Dr. Jaime C. Laya	<u>May 20, 2015</u>	<u>7</u>	<u>7</u>	<u>100%</u>	7 years (re-appointed annually since 2007)

Member (ED)	N/A	N/A	N/A	N/A	N/A	N/A
Member (NED)	Michael John R. Duavit	<u>May 20, 2015</u>	<u>3</u>	<u>7</u>	<u>42.86%</u>	1 year (appointed in 2015)
	Laura J. Westfall	<u>May 20, 2015</u>	<u>7</u>	<u>7</u>	<u>100%</u>	7 years (re-appointed annually since 2007)
	Anna-Teresa M. Gozon-Abrogar	<u>May 20, 2015</u>	<u>6</u>	<u>7</u>	<u>85.71%</u>	7 years (re-appointed since 2007)
Member (ID)	Chief Justice Artemio V. Panganiban	<u>May 20, 2015</u>	<u>7</u>	<u>7</u>	<u>100%</u>	7 years (re-appointed since 2007)

Disclose the profile or qualifications of the Audit Committee members.

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., Scenarios, Inc., RGMA Marketing and Productions, Inc., Film Experts, Inc., and Dual Management and Investments, Inc. He is the President and a 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.

Michael John R. Duavit, Filipino, 45 years old, was elected to the Company's Board of Directors in 2015. He is currently the Chairman, President and CEO of MRD Holdings & Investments, Inc. and the Chairman and Managing Director of Puresound Trading, Inc. He

is a Director of Citynet Television, Inc. and GMA New Media, Inc., a subsidiary of GMA Network that specializes in interactive applications for television, mobile, web and marketing.

Mr. Duavit is the President and Trustee of Guronasyon Foundation, Inc., which recognizes outstanding teachers in the province of Rizal and the City of Antipolo. He is also a Trustee of GMA Network's socio-civic arm GMA Kapuso Foundation, Inc.

Mr. Duavit held a notable career in public service, having been elected as Representative of the First District of Rizal and serving a full term from 2001 to 2010. During his tenure in Congress, he served as Vice-Chairman of the House Committee on Economic Affairs, the House Committee on Appropriations, and the House Committee on Trade and Industry.

Mr. Duavit earned his bachelor's degree from the De La Salle University-Manila, majoring in Marketing Management. He holds a specialist certification for Recording Engineering, Post Production for Film and TV, Design & Construction of Critical Listening Environments, MIDI & Digital Audio Work Stations from the Full Sail University's Center for Recording Arts in Orlando, Florida, and was a SIDA scholar for Information Technology Management at LIFE University, Sweden.

Laura J. Westfall, Filipino, 46 years old, has been a Director of the Company since 2000. She held the following positions in the Company — Senior Vice President of Corporate and Strategic Planning and Senior Vice President for Finance. In addition, she has served as Chairperson and President of GMA New Media. Prior to joining the Company, she worked for BDO Seidman – Los Angeles, an international audit and management consulting firm. She currently holds various positions in the Majent Group of Companies and serves as Board Member of Coffee Bean and Tea Leaf Philippines, Bronzeoak Clean Energy, Inc., and Malayan Bank.

She holds a Masters Degree in Public and Private Management from Yale University and a Bachelor of Science degree in Accounting from the University of Southern California. She is a Certified Public Accountant (CPA) in the State of California.

Atty. Anna Teresa G. Abrogar, Filipino, 42 years old, has been a Director of the Company since 2000. Atty. Anna Teresa G. Abrogar graduated valedictorian from grade school and high school at Colegio San Agustin. She graduated cum laude, BS Management Engineering from Ateneo de Manila University and obtained her Bachelor of Laws degree from the University of the Philippines where she graduated valedictorian, cum laude. She later obtained her Master of Laws from Harvard University.

She is a junior partner in Belo Gozon Elma Parel Asuncion & Lucila and was an Associate Professor in the University of the Philippines, College of Law where she taught taxation.

She is currently Programming Consultant to the Chairman/CEO of GMA Network, Inc. and the President of GMA Films, Inc. and GMA Worldwide, Inc. She is a trustee of GMA Kapuso Foundation.

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.

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.

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) Evaluate and approve the Annual Audit Plans, programs, scope and frequency submitted by the External Auditor.
- (2) Evaluate all significant issues reported by the External Auditor relating to the adequacy, efficiency and, effectiveness of policies, controls, processes, and activities of the Corporation.
- (3) Ensure that 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 service of Internal Auditor to the company.
- (4) Review the external auditor's management letter and the responses from management and serve as a useful channel of communication between the Board of

Directors and External Auditors on matters related to and arising out of the external audit.

- (5) Nominate/re-nominate the External Auditor to the shareholders through the Board of Directors. The nominated External Auditor should enable an environment of good corporate governance as reflected in the Corporation's financial records and reports.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Gilberto R. Duavit, Jr.	<u>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	8 years (re-appointed annually since 2007)
Member (ED)	Felipe L. Gozon	<u>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	8 years (re-appointed annually since 2007)
Member (NED)	Joel Marcelo G. Jimenez	<u>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	8 years (re-annually appointed since 2007)
Member (ID)	Chief Justice Artemio V. Panganiban	<u>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	8 years (re-appointed annually since 2007)

(d) Compensation and Remuneration 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>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	8 years (re-appointed since 2008)
Member (ED)	N/A	N/A	N/A	N/A	N/A	N/A
Member (NED)	Michael John R. Duavit	<u>May 20, 2015</u>	<u>1</u>	<u>1</u>	100%	1 year (appointed in 2015)
	Laura J. Westfall				100%	8 years (re-appointed annually since 2007)

Member (ID)	Chief Justice Artemio V. Panganiban	May 20, 2015	1	1		8 years (re-appointed annually since 2007)
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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	Acted on matters delegated to it by the Board of directors which matters were acted upon in the ordinary course of business (the acts of the Executive Committee during the year 2015 are attached in the minutes of every meeting).	No issues outside the ordinary course of business were addressed (see attached)
Audit	Creation of the Audit Committee Charter and submission of the Audit Committee Self-Assessment; Meetings with the internal auditor on and external auditor on the Financials of the Company. The Committee reviewed and recommended the approval of the 2015 Consolidated Financial Statements as prepared by the external auditors.	The Audit and Risk Management Committee was authorized by the Board to determine, along with the Management, the best proposal for the conduct of an exhaustive study on the risk management of the Company
Nomination	Appointment of the Directors for the forthcoming year	No significant issues encountered and addressed
Compensation Remuneration	Recommendation of Salaries	No significant issues

	and Bonuses of Directors,	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	To fix its own written rules of procedure;	No specific issues yet to be addressed
Audit	To engage an independent group to conduct an formal and exhaustive study on the relevant risks faced by the Company;	No specific issues yet to be addressed
Nomination	To fix written 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. To fix written guidelines regarding the size and composition of the Board in view of long-term business plans, and the needed appropriate skills and characteristics of the Board members.	No specific issues yet to be addressed
Remuneration	To recommend a written framework of remuneration and evaluation for the members of the Board of Directors and key executives	No specific issues yet to be addressed
Others (Specify)	N/A	N/A

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

(a) Overall risk management philosophy of the company;

The GMA Network's Board of Directors and management are mindful of the risks and uncertainties inherent in the business. In the formulation of corporate strategy and business decision-making, potential risks are always taken into account. Necessary steps are taken to minimize, if not eliminate, such risks.

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

The Board of Directors has not yet conducted a review of the risk management system of the Company. 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 the Company by a third person or entity, as the Audit Committee is not qualified to do an exhaustive study on the risks faced by the Company. 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 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. Upon submission to the formal study on the risk management system of the Company, the Board undertakes to review the same and report the result thereof to this Commission.

- (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

The Audit and Risk Management Committee assists the Board in the oversight of the company's risk management, ensures that it has the proper controls in place, identifies and evaluates significant risk exposures and contributes to the improvement of risk management and control systems (please refer to answer in 1(b) above)

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

On March 4, 2013, the Board of Directors 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. Upon submission of the said formal study on the risk management system of the Company, the Board undertakes to review the same and report the result thereof to this Commission.

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:

Risk Exposure	Risk Management Policy	Objective
Radio and Television broadcasting are highly competitive business; GMA stations compete for listeners/viewers and	The GMA Network's Board of Directors and management are mindful of the risks and uncertainties inherent in the business. In	Considering the potential impact of various risks to the company's ability to deliver quality content across multiple platforms, the Company has

advertising revenues within their respective markets directly with other radio and or television stations, as well as other media such as cable television and/or cable radio, newspapers, magazines, the internet, billboard advertising, among others. Audience Ratings and market shares are subject to change, and any change in a particular market could have a material adverse effect on the revenues of our stations located in that market.	the formulation of corporate strategy and business decision-making, potential risks are always taken into account. Necessary steps are taken to minimize, if not eliminate, such risks.	established a Programming Committee that deliberates weekly on the programming issues and strategies of the network. Regular monthly meetings of the Company's officers are also held to discuss plans, operational issues and strategies, implementation of projects and recommendations for improvements.
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(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: **NOT APPLICABLE, please refer to answer in 1 (b) above.**

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

(c) Minority Shareholders **NOT APPLICABLE, please refer to answer in 1 (b) above.**

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

Risk to Minority Shareholders
N/A

3) Control System Set Up

(a) Company **NOT APPLICABLE, please refer to answer in 1 (b) above.**

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

Risk Exposure	Risk Assessment (Monitoring and measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	N/A	N/A

(b) Group **NOT APPLICABLE, please refer to answer in 1 (b) above.**

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

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	N/A	N/A

(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 and Risk Management Committee	Recommends improvements in risk management systems and improvement on policies and procedures.	The purpose of the Audit Committee is to lead the general evaluation and to provide assistance in the continuous improvement of the Corporation's risk management, control, and governance processes as designed by management and provide assurance that these are properly functioning. This is to ensure that risks are properly identified, evaluated and managed. The Audit Committee provides assessment and independent recommendations on risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management.

G. INTERNAL AUDIT CONTROL

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"> 1. Programs, plans, goals and objectives are achieved. 2. Employee's actions are in compliance with policies, code of conduct, standards, procedures, and applicable laws and regulations. 3. Authorities and responsibilities are clear, properly assigned and documented. 4. Risks are 	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>appropriately identified, evaluated, and managed.</p> <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</p>			
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	<p>safeguarded.</p> <p>10. Financial management and operating 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 registration/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 ^[1]	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 ^[2]	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.

[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) 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:

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 Policy	Implemented
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"> 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 			

<p>not at the same time provide the services of internal auditor of the Company.</p> <ul style="list-style-type: none"> • Organize an internal audit department and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal. • 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 			
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annual report. • Establish and identify the reporting line of the Internal Auditor to 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 Chief Executive Officer 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.

H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customer's Welfare	The Company recognizes and treats its clients (agencies and advertisers) as its partners.	Provide excellent service through: -cost efficient packages to maximize clients' budget. -creative executions to better improve delivery of their campaigns Provide relevant information regarding the network's programs to aid them in preparing their media plans

		Ensure proper implementation and billing of all negotiated placements as confirmed through telecast orders, contracts and agreements
Supplier/contractor selection practice	<p>1. Accreditation of Suppliers</p> <p>2. General Policy and Procedures for Purchasing</p>	<p>1.1) Section V (General Guidelines), Item B – Requirements for Accreditation</p> <p>1.2) Section V, Item C – Factors in Supplier Evaluation</p> <p>1.3) Section V, Item E – Grounds for Cancellation of Accreditation</p> <p>2.1) Section V (General Guidelines), Item 3 – Bidding</p> <p>2.2) Section V, Item 4 – Award of Bids/Contracts</p>
Environmentally friendly value-chain	<p>1. Energy Conservation</p> <p>2. Waste Management</p> <p>3. Sewage Treatment</p> <p>4. DENR Compliance</p> <p>5. Other Green Practices</p>	<p>1.1) Conversion of office and utility lights to LED to reduce electricity consumption</p> <p>2.1) Fabrication of segregation/waste bins to properly segregate biodegradable, non-biodegradable and recyclable materials</p> <p>2.2) Proper disposal of recyclable materials</p> <p>3.1) Operation of Sewage Treatment Plant and use of recycled water for GMA Annex Building (Studios)</p> <p>4.1) Compliance with DENR regulations on proper disposal of toxic/hazardous waste</p> <p>5.1) Use of eco-friendly cleaning materials and supplies</p>
Community interaction	1. GMA G.I.V.E.S. (Guide, Interact, Volunteer, Educate, Serve)	1.1) GMA G.I.V.E.S. is the Network's employee-volunteer group that engages in various CSR/volunteering activities.

Anti-corruption programmes and procedures	<p>1. General Policy and Procedures for Purchasing</p> <p>2. Policy on acceptance of gifts</p> <p>3. Conflict of Interest</p> <p>4. Suggestion Box</p> <p>5. Letter to Supplier on Accreditation acceptance and Business Principle Guidelines</p> <p>6. Audit Committee/Internal Audit</p>	<p>1.1) Section V, Item 13 – Prohibition</p> <p>1.2) Section VII – Purchasing Ethics and Standards</p> <p>2.1) Guidelines on accepting gifts covering all employees.</p> <p>3.1) Guidelines on conflict of interest covering all employees</p> <p>4.1) Suggestion boxes are strategically placed all over the Network's compound where employees can leave messages/letters that are read and acted upon by the CEO</p> <p>5.1) Suppliers are notified of the accreditation acceptance and business principle guidelines</p> <p>6.1) Conducts regular audit</p>
Safeguarding creditor's rights	<p>1. Corporate Vision</p> <p>2. Core Values</p> <p>3. Compliance with SEC required reports</p>	<p>1.1) We provide the best returns to our shareholders</p> <p>2.1) We uphold Integrity and Transparency</p> <p>2.2) We are driven by our Passion for Excellence</p> <p>2.3) We Strive for Efficiency in everything we do</p> <p>2.4) We pursue Creativity and Innovation</p> <p>3.1) Submission of required reports to the SEC (Annual Reports, etc.)</p>

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

The Company's annual report, distributed to shareholders during the Annual Stockholders' Meeting as well as select recipients, contains a special feature on the Company's Corporate Responsibility programs and initiatives.

- 3) Performance-enhancing mechanisms for employee participation.

- (a) What are the company's policy for its employees' safety, health, and welfare?
- (b) Show data relating to health, safety and welfare of its employees.

Answers to letters (a) and (b) are as follows:

For letters (a) & (b): The Company aims to create a motivational environment that fosters better cooperation and retention of talented and skilled employees for a long period of time. In order to achieve this, the Company instituted various policies and programs to promote employees' welfare, safety, and health.

Aside from providing statutory benefits, the Company also provides superior health benefits for the employees to enjoy. These Company benefits include: leave benefits (above statutorily provided), optical subsidy, health and life insurance, among others.

As part of promoting the welfare and safety of employees, the Company provides various activities and programs like: livelihood programs, pre-retirement planning program, sports tournaments, family day outing, annual safety drills, health fairs, and various employee engagement programs like Christmas party, birthday lunch with the Chairman, and general assemblies, which bring employees closer together

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

The Company has various learning and development programs that are intended to reinforce management, leadership, functional, technical-creative, and behavioral competencies of employees across the organization. Most of these programs are institutionalized and customized to fit the needs of the company. Per record, 2,000 employees have benefited from the various learning and development programs offered by the Company.

The Company, likewise, allows employees to attend foreign training programs to provide them the opportunity to interact with foreign counterparts and acquire broadcast or broadcast-related knowledge and skills that will be transferred back at work.

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

The Company puts premium on "meritocracy". Thus, it implements a Performance Appraisal (PA) System that serves as a tool to determine employees' performance against set standards. This System serves as a basis in determining the appropriate reward for employees' good performance and contribution in the attainment of the desired business results. In addition to the employees' annual salary increase and the mandated 13th month pay – depending on business performance – the Company may grant bonuses to recognize the performance of employees. The Company also has a Continuous Improvement Awards Program (CIAP), whereby employees who have made significant contribution/s in improving work processes, systems, methods, products or solutions to problems that resulted to generation of savings

are recognized and rewarded. For Senior Managers and Executives, there is a car plan.

- 4) 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.

The Company has an existing Memo (042-2008) issued by the Chairman & CEO in July 2008, prescribing a "no retaliation" policy for employees who complain of violations of rules by co-employees or officers.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

- (a) Holding 5% shareholding or more

Common Shares

Shareholder	Number of Shares	Percent	Beneficial Owner
Group Management and Development Inc.	789,813,389	23.47%	The Record Owner is the Beneficial Owner
GMA Holdings, Inc.	730,769,000	21.72%	PCD Nominee Corp.
FLG Management and Development Corporation	676,771,227	20.71%	The Record Owner is the Beneficial Owner
M.A. Jimenez Enterprises, Inc.	453,882,095	13.49%	The Record Owner is the Beneficial Owner
Television International Corporation	334,378,037	9.94%	The Record Owner is the Beneficial Owner

Preferred Shares

Shareholder	Number of Shares	Percent	Beneficial Owner
Group Management & Development Inc.	2,625,805,208	35.01%	The Record Owner is the Beneficial Owner
FLG Management and Development Corporation	2,181,898,644	29.09%	The Record Owner is the Beneficial Owner
M.A. Jimenez Enterprises, Inc.	1,508,978,826	20.12%	The Record Owner is the Beneficial Owner
Television International Corporation	1,111,661,610	14.82%	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
Felipe L. Gozon	<u>3,181</u>	N/A	0.00%
Gilberto R. Duavit, Jr.	<u>4,007,006</u>	N/A	0.00%
Felipe S. Yalong	<u>1,613,000</u>	N/A	0.00%

2) Does the Annual Report disclose the following:

Key Risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	No
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	No
Number of board of directors/commissioner's meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

3) External Auditor's Fee

Name of Auditor	Audit Fee	Non-Audit Fee
SGV & Co	PhP6M	None

4) Medium of Communication

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

External

1. TV
2. Radio
3. Online (Websites)
4. Newsletter
5. Annual Report
6. Social Media (Facebook, Twitter, etc.)

Internal

1. Intranet
2. Email blast
3. Quarterly General Assembly
4. Monthly Birthday Lunch with the CEO
5. Family Day (Yearly Outing)
6. Christmas Party
7. Newsletter
8. 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?

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

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

7) Disclosure of RPT

RPT	Relationship	Nature	Value
Advances to Alta Tierra Resources (as of December 31, 2012)	Alta Tierra is an affiliate of the Company. Alta Tierra's outstanding shares are 8.2% owned by Majent Management and Development Corporation, and 91.8% by Group Management and	The Company's advances to Alta Tierra Resources are non-interest bearing.	P4 M

Advances to RGMA Network, Inc. (as of December 31, 2006)	Development, Inc. As of the date hereof, RGMA's outstanding shares are 49% owned by the Company, 17.8% owned by Rachel Espiritu, 17.8% owned by the Jimenez family through Television International Corporation and 15.3% owned by the Gozon family through FLG Management and Development Corporation.	On February 21, 2006, the Company's Board of Directors approved the conversion of a portion of such advances in the amount of P168 million into 7,205,882 shares of RGMA with a par value of P1.00 per share, representing approximately 49% of the outstanding capital stock of RGMA. The SEC approved the conversion of the advances into equity as of February 6, 2007.	P225.3 million for RGMA's working capital requirements.
Advances to Mont-Aire	The Company owns 49% of Mont-Aire, with the remaining 51% being owned by the Duavit family, Gozon family and Jimenez Family.	Of the P121.4 million advances, the Company converted the amount of P38.3 million into P38.3 million worth of common shares of Mont-Aire. Simultaneously, the other shareholders of Mont-Aire, namely, Group Management and Development, Inc. Television International Corporation and FLG Management and Development Corporation converted advances in the aggregate amount of P 23.5 million made by them to Mont-Aire into P23.5 million worth of common shares of Mont-Aire. The SEC approved the conversion of the advances into equity on February 17, 2006.	P121.4 million as of December 31, 2004.
Agreements with	As of the date	The Company has an	RGMA is paid by

RGMA Network, Inc. ("RGMA")	hereof, RGMA's outstanding shares are 49% owned by the Company, 17.8% owned by Rachel Espiritu, 17.8% owned by the Jimenez family through Television International Corporation and 15.3% owned by the Gozon family through FLG Management and Development Corporation.	existing agreement with RGMA for the latter to provide general management, programming and research, events management, on-air monitoring of commercial placements, certificates of performance, billing and collection functions, and local sales service for the 25 radio stations of the Company.	management and marketing fees based on billed Sales.
Marketing agreement with GMA Marketing	Wholly-owned subsidiary of the Company	Under the marketing agreement GMA Marketing agreed to sell television advertising spots and airtime in exchange for which GMA Marketing will be entitled to a marketing fee and commission. Apart from this, the Company likewise engaged the services of GMA Marketing to handle and mount promotional events as well as to manage the encoding, scheduling of telecast/broadcast placements and subsequent monitoring of sales implementations.	Fixed monthly service fees.
Belo Gozon Elma Parel Asuncion and Lucila Law Office	Other than Felipe L. Gozon, who is part of the Gozon family, one of the principal shareholders of the Company, and director of the Company since 1975, some of the lawyers of Belo Gozon Elma Parel Asuncion and Lucila eventually assumed	The Company and the law firm of Belo Gozon Elma Parel Asuncion & Lucila was engaged by the Company as its external counsel.	Legal, Consulting and retainer's fees

	certain positions and functions in the Company either in their individual capacities or as part of the functions of Belo Gozon Elma Parel Asuncion and Lucila eventually assumed certain positions and functions in the Company either in their individual capacities or as part of the functions of Belo Gozon Elma Parel Asuncion & Lucila as the Company's external counsel.		
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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

Quorum Required	The holders of a majority of the shares of the subscribed stock of the corporation outstanding, present in person or by proxy at any meeting of stockholders, shall constitute a quorum for the transaction of business, except as may otherwise specially be provided with respect to particular matters by applicable statutory provisions in force at the time of voting with respect to such matters. All provisions of the Company's By-laws which specify or relate to the powers of the stockholders or to action which may be taken by the stockholders at or in connection with
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	meetings thereof shall be interpreted as referring to the holders of shares of stock of the corporation. If there is no quorum at any meeting, the stockholders present in person and by proxy at such meeting may adjourn from time to time to secure the attendance of a quorum and no notice of any such adjournment need be given.
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(b) Systems Used to Approve Corporate Acts

Explain the system used to approve corporate acts

System Used	Voting
Description	Unless otherwise provided by law, each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share with voting right held by such stockholder. At all meetings of the stockholders, all elections and all questions, except in cases where other provisions is made by statute, or by the Articles of Incorporation, shall be resolved by the plurality of vote of stockholders present in person or by proxy and be entitled to vote thereat, a quorum being present. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be by the stockholders voting, or in his name by his proxy if there by such proxy, and shall state the number of shares voted by him.

(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
The Corporation adopts the same rights found in the Corporation Code	The Corporation adopts the same rights found in the Corporation Code

Dividends

Declaration Date	Record Date	Payment Date
April 2, 2009	April 29, 2009	May 11, 2009
March 25, 2010	April 14, 2010	May 7, 2010

October 28, 2010	November 17, 2010	December 8, 2010
March 11, 2011	April 8, 2011	May 5, 2011
March 28, 2012	April 16, 2012	May 9, 2012
August 1, 2012	August 22, 2012	September 14, 2012
March 21, 2013	April 17, 2013	May 14, 2013
April 2, 2014	April 24, 2014	May 19, 2014
March 30, 2015	April 24, 2015	May 19, 2015

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/ Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' 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 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. Finally, glossy copies of the annual report as well as CD copies thereof are made available to the stockholders during the Annual Stockholders' Meeting. The Company provides microphones at the floor for the audience 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 14, 2015 and uploaded on the Philippine Stock Exchange Website on even date;

Definitive 20-IS filed on April 24, 2015, uploaded on the Philippine Stock Exchange Website on even date and distributed to the stockholders on April 24, 2015.

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

May 20, 2015

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

One of the stockholders thanked the Company for its generosity and reiterated that the members of the media should give emphasis to improving the morals and values of the society, more than improving their audience ratings. The Chairman noted and thanked the stockholder for his comment.

Another stockholder asked if the Company intends to offer its preferred shares to the investing public to which the Chairman replied in the negative considering that the preferred shares are not presently actually listed in the exchange (although it has been approved for listing) as the same will first have to go through the process of conversion into common shares before the same can be actually listed.

Finally, a stockholder commented that while there has been a decline in the 2014 revenues vis-à-vis 2013, he commends the network for its good financial performance during the year 2014 and its good quality shows. He requested for the Company to put more effort on the strengthening of family and the value for respect for elders, and that the Company should produce more programs towards that end.

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 20, 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
N/A	N/A

(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	9	<u>May 20, 2015</u>	Show of hands (for objections)	<u>0.00%</u> <u>(91,100) total and outstanding shares</u>	<u>96.92%</u> <u>(10,525,727,086) total and outstanding shares</u>	96.92% (10,860,554,184)
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?

Yes, the Stock Transfer Services, Inc.

(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, the Company's common shares carry one vote for one share. The Company's preferred shares have the same voting rights as the Common Shares.

(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	Any stockholder may in writing authorize any person or corporation to vote as the proxy of such stockholder at any meeting or meetings of the corporation; provided however, that such authorization in writing must be filed with or presented to the corporation prior to any meeting or meetings at which such proxy may act pursuant thereto and shall hold good until a

	written revocation of the same shall be superseded by another written authorization of later dates.
Notary	The Company does not require a proxy form to be notarized
Submission of Proxy	Duly accomplished proxies must be submitted to the Office of the Corporate Secretary not later than seven (7) working days prior to the date of the stockholders' meeting.
Several Proxies	N/A
Validity of Proxy	A proxy shall hold good until a written revocation of the same shall be superseded by another written authorization of later date.
Proxies executed abroad	Since the Company does not require a proxy form to be notarized, the same 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	Validation of proxies shall be conducted by the Proxy Validation Committee at least five (5) working days prior to the date of the stockholders' meeting.
Violation of Proxy	The proxy 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

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	<u>1,702</u> holders of common shares and <u>37</u> holders of preferred shares
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by	<u>April 24, 2015</u>

market participants/certain beneficial owners	
Date of Actual Distribution of Definitive Information Statement and Management Report and other Materials held by stockholders	<u>April 24, 2015</u>
State whether CD format or hard copies were distributed	Both CD format and hard copies were distributed
If yes, indicate whether requesting stockholders were provided hard copies	Requesting shareholders were provided with 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. **N/A**

2) Treatment of Minority Stockholders

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

Policies	Implementation
Voting Right	Cumulative Voting shall be used in the election of directors
Power of Inspection	All shareholders shall be allowed to inspect corporate books and records including minutes of the Board meetings and stock registries during office hours in accordance with the Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions

Right to Information	The shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the company's shares, dealings with the company, relationships among directors and key officers and aggregate compensation of directors and officers.
Appraisal Right	<p>The shareholders' shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:</p> <ol style="list-style-type: none"> (1) In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (2) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and

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

YES.

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 Corporate Communications Department handles all external communications (PR and Publicity) requirements while Corporate Affairs Division

is in charge of internal communications. Corporate Affairs also handles CSR and other projects as determined by the Office of the Chairman and CEO.

The Company has a Crisis Communications manual that contains detailed policies and procedures in dealing with various crises. The Network also has a Media Plan Committee, chaired by the Executive Vice President, which regularly meets to discuss the Company's communication strategies, etc.

The Company holds a quarterly general assembly where the CEO provides updates to the employees. Other internal communication tools that ensure the smooth flow of information include the intranet, newsletter and email blasts.

- 2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders and the public in general.

In line with the Company's practice of transparency, it provides as much information as it can to the investing public.

The Company holds quarterly financial briefings attended by the Company's Senior Management; Chairman and Chief Executive Officer, President and Chief Operating Officer, Executive Vice President and Chief Financial Officer, President of Sales and Marketing and various Company officers. The briefings are attended not only by members of the press or financial analysts but at times retail investors. The Company submits to the PSE/SEC the presentation materials used during the briefing, the relevant press release/s, and additional disclosures (if any) during the Question and Answer portion of the briefing.

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 Company'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 Company through its Investor Relations Division meets with various Fund Managers, Investment, Financial and Research Analysts upon request. When possible, it also attends local and foreign Investor Conferences.

The Company also maintains an Investor Relations section in its corporate website www.gmanetwork.com/corporate/ir ~~<http://www.gmanetwork.com/corporate/ir>~~ where one can download the Company's quarterly financials/annual reports, latest disclosures as well as the Company's IPO prospectus.

The Head of Investor Relations personally answers queries that are sent via email or telephone call regardless if they are not existing investors, retail as well as their investment size.

Disclose the contact details (e.g., telephone, fax and email) of the officer responsible for investor relations.

Investors Relations Officer
Ayahl Ari Augusto P. Chio
10/F GMA Network Center
982-7777 ext 8042

	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?

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

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.

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.

Initiative	Beneficiary
Building/Painting activity of Multi-Purpose Hall	Angono Elementary School
Outreach Program with children afflicted with cancer	Kapwa Ko Mahal Ko "Batang K"
Mandela Day Celebration - Outreach Program in collaboration with South African Embassy	Street children supported by Child Hope Asia Philippines

Nutrijuice – GMA Network and Coca Cola Philippines collaborated to fight Iron Deficiency Anemia in Filipino children	Kapwa Ko Mahal Ko and GMA Kapuso Foundation children-beneficiaries
Kapuso Bloodletting Day in February 2013	Philippine Red Cross
GMA Network Excellence Award	<p>2013 GMA Network Excellence Awardees:</p> <p>Igal Jada P. Andres – Journalism, UP Diliman</p> <p>Trizia S. Terada – Broadcast Communication, UP Diliman</p> <p>Jestine Mari Sanchez – Communication Research, UP Diliman</p> <p>Cheska Micaela B. Kabiling – AB Mass Communication, Angeles University Foundation</p> <p>Jessica Camille G. Mamaril – Electronics and Communications Engineering, Don Bosco Technical College</p> <p>King Anthony V. Perez – Mass Communication, UP Cebu</p> <p>Alethea Louise D. Gamalong – Communication Arts, UP Mindanao</p>
National Teachers Month – select Kapuso artists performed for public school teachers during the Dept. of Education's celebration of World Teachers Day	Public school teachers
December Outreach Program – UP students affected by Typhoon Yolanda and cross enrolled in UP Diliman were given schools supplies	UP students from Visayas region who were affected by Typhoon Yolanda
GMA Telethon – employee-volunteers manned the telethon in the wake of the onslaught of Typhoon Yolanda	GMA Kapuso Foundation
Kapusong Totoo - dedicated segment (24 Oras) for	Television viewers nationwide

GMA Kapuso Foundation	
Run of station plugs (ROS) for select advocacies	Television viewers nationwide
Free airtime for Kapwa Ko Mahal Ko	Television viewers nationwide

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 shall 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.

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

SECRETARY'S CERTIFICATE

I, **ROBERTO O. PAREL**, Filipino, of legal age, with office address at the 15th 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 NETWORK, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the GMA Network, Center, EDSA corner Timog Avenue, Diliman, Quezon 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 and Executive Committee of the Corporation held meetings during the same period on the following dates:

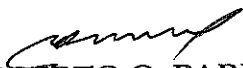
A. Regular Meeting of the Board of Director

March 30, 2015	Setting of the Record date and venue of the Annual Stockholders' Meeting <ul style="list-style-type: none">- "RESOLVED, that the Company be authorized to set the record date on April 21, 2015 for the purpose of determining the stockholders entitled to notice and to vote at the Company's Annual Stockholder's Meeting".
	Approval and Release of the 2014 Audited Financial Statements of the Company <ul style="list-style-type: none">- "Resolved, that the accounting firm of Sycip Gorres Velayo & Co. (SGV & Co.) is hereby indorsed to the shareholders for election as the External Auditor of the Corporation".
	Declaration of Cash Dividends <ul style="list-style-type: none">- "RESOLVED, AS IT IS HEREBY RESOLVED, That the Corporation be authorized to declare cash dividends equivalent to twenty five (P0.25) centavos per share from the retained earnings of the Corporation as of December 31, 2014 , to be paid on May 19, 2015 to all stockholders of record as of April 26, 2015."

B. Annual Stockholders Meeting

May 20, 2015	<p>Election of Directors</p> <p>- 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.</p> <p>Felipe L. Gozon Gilberto R. Duavit, Jr. Joel Marcelo G. Jimenez Felipe S. Yalong Anna-Teresa M. Gozon-Abrogar Michael John R. Duavit Laura J. Westfall Chief Justice Artemio V. Panganiban (Ret.) (Independent Director) Jaime C. Laya (Independent Director)</p>
--------------	--

IN WITNESS WHEREOF, I have hereunto affixed my signature this **JAN 11 2016**
day of January 2016 at Makati City.


ROBERTO O. PAREL
Corporate Secretary

SUBSCRIBED AND SWORN to before me this **JAN 11 2016** day of January 2016
at Makati City, the affiant exhibiting to me his Social Security System No. 03-
6637759-0.

Doc. No. 142
Page No. 30
Book No. 135
Series of 2016.

ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M32
UNTIL DEC. 31, 2016
ROLL OF ATTY. NO. 48348
MCLE COMPLIANCE NO. IV-0016333-4/10/13
IBP No. 706762, LIFETIME MEMBER YR. 2003
PTR No. 532-3505 JAN. 04, 2015
EXECUTIVE BLDG. CENTER
MAKATI AVE. COR., JUPITER ST. MAKATI CITY

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

SECRETARY'S CERTIFICATE

I, **ROBERTO O. PAREL**, of legal age, Filipino, and with office address at 15th Floor, Sagittarius Condominium, H.V. dela Costa Street, Salcedo Village, Makati City, hereby state and certify:

1. I am the Corporate Secretary of **GMA NETWORK, INC.**, (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Philippines.
2. As Corporate Secretary, I have custody of the corporate books and records of the Corporation.
3. The meetings of the Board of Directors of the Corporation for the year 2015 were held on the following dates:
 - a) January 22 - Regular
 - b) March 30 - Special
 - c) May 21 - Annual Stockholders and Organizational
 - d) July 23 - Regular
 - e) October 22 - Regular
4. The following members of the Board of Directors attended the board meetings of the Corporation on the dates set forth opposite their respective names:

Name	Meetings Attended for the year 2013
Felipe L. Gozon	January 22, March 30, May 20, July 23 and October 22
Gilberto R. Duavit, Jr.	January 22, March 30, May 20, July 23 and October 22
Joel Marcelo G. Jimenez	January 22, March 30, July 23 and October 23
Felipe S. Yalong	January 22, March 30, May 20, July 23 and October 22
Anna-Teresa M. Gozon-Abrogar	January 22, May 20 and October 22
Laura G. Jimenez-Westfall	January 22, March 30, May 20, July 23 and October 22
Michael John R. Duavit	May 20, July 23 and October 22
Artemio V. Panganiban	January 22, March 30, May 20, July 23 and October 22
Jaime C. Laya	January 22, March 30, May 20, July 23 and October 22

JAN 11 2016

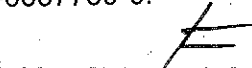
IN WITNESS WHEREOF, I have hereunto affixed my signature this ____ day of January 2016 at Makati City.


ROBERTO O. PAREL
Corporate Secretary

JAN 11 2016

SUBSCRIBED AND SWORN to before me this ____ day of January 2016, the affiant exhibiting to me his Social Security System No. 03-6637759-0.

Doc. No. 144
Page No. 30
Book No. 735
Series of 2016.


ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M32
UNTIL DEC. 31, 2016
ROLL OF ATTY. NO. 48348
MCLE COMPLIANCE NO. IV-0016333-4/10/13
JBP No. 706762, LIFETIME MEMBER YR. 2003
PTR No. 533-3505 JAN. 04, 2016
EXECUTIVE BLDG. CENTER

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

SECRETARY'S CERTIFICATE

I, **ROBERTO O. PAREL**, Filipino, of legal age, with office address at the 15th 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 NETWORK, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Philippines with principal office address at the GMA Network, Center, EDSA corner Timog Avenue, Diliman, Quezon 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 and Executive Committee of the Corporation held meetings during the same period on the following dates:

A. Regular Meeting of the Board of Directors

January 22, 2015
March 30, 2015
July 23, 2015
October 22, 2015

B. Annual Stockholders Meeting

May 20, 2015

D. Organizational Meeting of the Board of Directors

May 20, 2015


B. Executive Committee

January 9, 2015
January 12, 2015
January 26, 2015
January 30, 2015
February 9, 2015
February 17, 2015
March 5, 2015
March 16, 2015
April 15, 2015
April 21, 2015
April 25, 2015
May 5, 2015
May 27, 2015

June 8, 2015
June 18, 2015
July 1, 2015
July 21, 2015
July 28, 2015
August 3, 2015
August 10, 2015
August 24, 2015
September 1, 2015
October 12, 2015
November 2, 2015
November 6, 2015
November 16, 2015
December 1, 2015

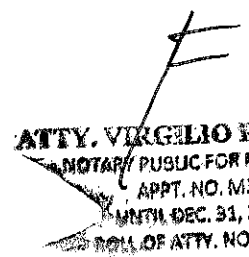
This certificate is issued pursuant to the requirements of the Securities and Exchange Commission under SEC Circular No. 12, Series of 2014.

IN WITNESS WHEREOF, I have hereunto affixed my signature this **JAN 11 2016** day of January 2016 at Makati City.


ROBERTO O. PAREL
Corporate Secretary

SUBSCRIBED AND SWORN to before me this **JAN 11 2016** day of January 2016 at Makati City, the affiant exhibiting to me his Social Security System No. 03-6637759-0.

Doc. No. **143**
Page No. **30**
Book No. **135**
Series of 2016.


ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M32
UNTIL DEC. 31, 2016
ROLL OF ATTY. NO. 48348
MCLE COMPLIANCE NO. IV-0016333-4/10/13
JSP No. 706762, LIFETIME MEMBER YR. 2003
PTR No. 532-3505 JAN. 04, 2015
EXECUTIVE BLDG. CENTER
MAKATI AVE. COR. JUPITER ST. MAKATI CITY

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

SECRETARY'S CERTIFICATE

I, **ROBERTO O. PAREL**, of legal age, Filipino, with office address at 15th Floor, Sagittarius Condominium, H.V. dela Costa Street, Salcedo Village, Makati City, after having been duly sworn, hereby depose and say that:

1. I am the Corporate Secretary of **GMA Network, Inc.**, a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with office address at GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City.
2. That at the special meeting of the Board of Directors held on March 30, 2015 at 10:00 a.m., the following resolutions were unanimously approved and adopted:

"RESOLVED, AS IT IS HEREBY RESOLVED,
That the Corporation be authorized to declare cash dividends equivalent to twenty five centavos (P0.25) per share, from the retained earnings of the Corporation to be paid on May 19, 2015 to the stockholders of record as of April 24, 2015."

IN WITNESS WHEREOF, I have hereunto affixed my signature this
day of April 2015 at Makati City.


APR 10 2015


ROBERTO O. PAREL
Corporate Secretary

APR 10 2015

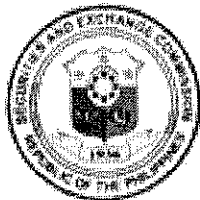
SUBSCRIBED AND SWORN to before me this ____ day of April 2015 at Makati City, the affiant exhibiting to me his Social Security Systems Identification No. 03-6637759-0.

Doc. No. 704
Page No. 37
Book No. 1
Series of 2015.


MARIA THERESA E. DE MESA
Appointment No. M-528
Notary Public for Makati City
Until December 31, 2015
Roll No. 47224
PTR No. 4754924/Jan. 9, 2015/Makati City
Lifetime IDP No. 09348/Oct. 1, 2010/Manila IV
15 & 16 Floors, Sagittarius Condominium
H.V. dela Costa Street, Salcedo Village
Makati City



109242015001023

**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

Barcode Page

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Receiving Branch : SEC Head Office

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Received From : Head Office

Company Representative

Doc Source

Company Information

SEC Registration No. 0000005213
Company Name GMA NETWORK, INC.
Industry Classification
Company Type Stock Corporation

Document Information

Document ID 109242015001023
Document Type LETTER/MISC
Document Code LTR
Period Covered September 21, 2015
No. of Days Late 0
Department CED/CFD/CRMD/MRD/NTD
Remarks

FILE COPY



September 21, 2015

SECURITIES AND EXCHANGE COMMISSION

SEC Building, EDSA, Greenhills
Mandaluyong City, Metro Manila

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

Re: Notice of Compliance : GMA Network, Inc.
and GMA Holdings, Inc. (the "Companies")

Gentlemen:

In line with the Commission's requirement for directors and key officers to attend an annual Corporate Governance seminar pursuant to SEC Memorandum Circular No. 20 Series of 2013, we attach the attendance sheet for the Companies' directors and officers present during the seminar held on September 17, 2015 from 10:00 a.m. to 2:00 p.m. at 16th Floor, GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City.

In addition, we attach the certificates of attendance issued by the SEC accredited service provider, SGV & Co, Philippines.

The Companies' independent directors, Chief Justice Artemio V. Panganiban and Dr. Jaime C. Laya, have earlier undergone the required Corporate Governance seminar for which we attach their respective certificates of attendance.

Thank you.

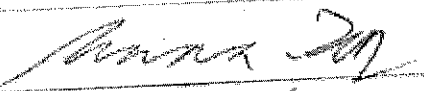

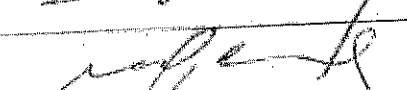
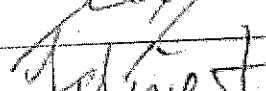
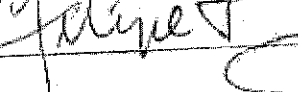




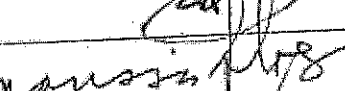
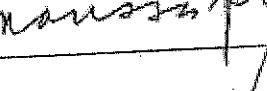

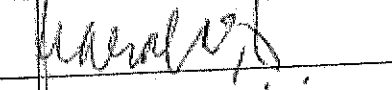
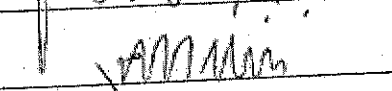
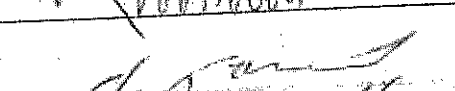
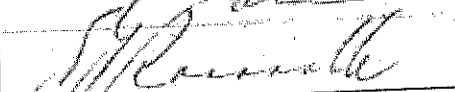

Very truly yours,


ROBERTO O. PAREL
Corporate Secretary

GMA NETWORK, INC.

GMA Network Center, EDSA cor. Timog Ave., Diliman, Quezon City, 1103, Philippines
Telephone No.: (632) 982-7777

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. Chio	

Corporate Governance



This

Certificate of Attendance

Is presented to

Michael John R. Duavit

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,

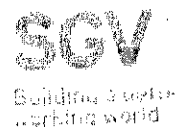
EDSA corner Timog Avenue,

Diliman, Quezon City

A handwritten signature in black ink, appearing to read 'Leonardo J. Matigas, Jr.', is written over the printed name.

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

SGV & Co. is a registered firm with the SEC.

Corporate Governance

SGV

Partners & Advisors
Marking the Future

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



Leonardo J. Matigas, 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,

Dillman, Quezon City



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

Corporate Governance

This

Certificate of Attendance

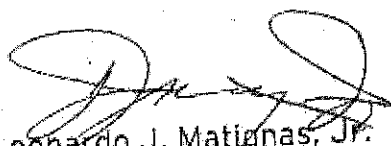
is presented to

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,
Dilliman, Quezon City


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

Corporate Governance

SGV

SECURITY GROUP VENTURES
INCORPORATED

This

Certificate of Attendance

is presented to

Laura J. Westfall

For having completed the seminar on

Corporate Governance

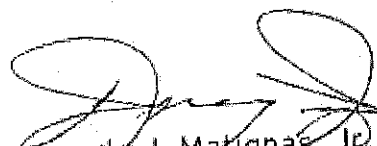
17 September 2015

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

SGV

SECURITY GROUP
VINCENZO & ASSOCIATES

This

Certificate of Attendance

is presented to

Lilybeth G. Rasonable

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

Elvis B. Ancheta

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

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Marissa L. Flores

For having completed the seminar on

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17 September 2015

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

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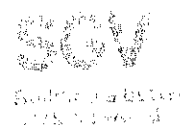
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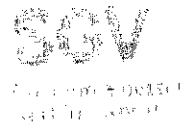
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Ayahl Ari Augusto P. Chio

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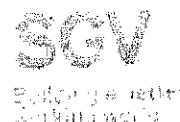
10:00 a.m. to 2:00 p.m.

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. Matigas, Jr.'.

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

Corporate Governance



This

Certificate of Attendance


is presented to

Eduardo P. Santos

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,
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Leonardo J. Matigas, Jr.
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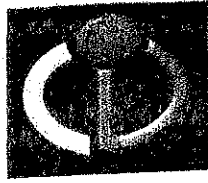
Artemio V. Panganiban

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 18th day of February 2015.


Ricardo Nicanor N. Jacinto
President & CEO



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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 18th day of February 2015.


Ricardo Nicanor N. Jacinto
President & CEO

