SOCResources, Inc.
4th Flr. ENZO Building 399 Senator Gil Puyat Avenue, Makati City
Metro Manila, Philippines 1200

April 30,2015

The Disclosure Department
3/F Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Ave.
Makati City, Philippines 1226

Attention: **Ms. JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

Please find herewith Annual Report (on SEC Form 17-A) for year ended December 31, 2014 of SOCResources, Inc. and Subsidiary.

We hope that you may find the above in order. Thank you.

Yours faithfully,

DAVID R. BALADAD
Corporate Information Officer/
VP – Operations

COVER SHEET

A	S	0	9	2	0	6	4	4	1

SEC Registration Number

S	O	C	R	E	S	O	U	R	C	E	S		I	N	C	.

(Company's Full Name)

E	N	Z	O		B	L	D	G		3	9	9		S	E	N		G	I	L		P	U	Y	A	T

A	V	E	N	U	E		M	A	K	A	T	I		C	I	T	Y

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

Ronna C. De Leon

Contact Person

8041978/8041977

Company Telephone Number

SEC FORM 17-A

1	2

Month

3	1

Day

Fiscal Year

FORM TYPE

(last Friday of May)

0	5

Month

2	9

Day

Annual Meeting

Not Applicable

Secondary License Type, If Applicable

Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

368

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended **December 31, 2014**

2. SEC Identification Number **ASO92-06441** 3. BIR Tax Identification No. **001-945-016**

4. Exact name of issuer as specified in its charter **SOCResources, Inc.**

5. **Not Applicable** 6. (SEC Use Only)
Province, Country or other jurisdiction of Incorporation or organization
Industry Classification Code:

7. **Enzo Building 399 Senator Gil Puyat Avenue, Makati City** **1209**
Address of principal office Postal Code

8. **(632) 804-1978 / 804-1977**
Issuer's telephone number, including area code

9. **3/F Low Rise Pacific Star Bldg., Sen. Gil Puyat Ave. cor. Makati Ave., Makati City**
Former name, former address and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**901,920,568**

11. Are any or all of these securities listed on a Stock Exchange?

Yes [√] No [ ]

Name of Stock Exchange	Class of Securities Listed
Philippine Stock Exchange	**U**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the issuer was required to file such reports);

Yes [√] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [√] No [ ]

13. Aggregate market value of the voting stock held by non-affiliates is **₱230,183,856.00** as of **December 22,2014.**

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PART I - BUSINESS AND GENERAL INFORMATION

ITEM 1: BUSINESS

The Securities and Exchange Commission (SEC), on October 30, 2003, approved the amendment of the Company's Articles of Incorporation to change the primary purpose thereof to that of a holding company and to include its then primary purpose of oil exploration as among the secondary purposes of the Company.

On April 25, 2014, the Board of Directors approved the amendment in the Articles of Incorporation to change the name of South China Resources, Inc. to SOCResources, Inc. (SOC). The change was approved by the Philippine SEC on September 04, 2014.

SOC was incorporated and registered with the SEC on September 25, 1992 primarily to undertake oil and gas exploration, development and production and became one of the leading exploration companies upon its listing in 1994. Starting in 1995, SOC opted to strengthen its core business by diversifying then into other investments which after two decades the company has now turned out to be one of the strongest holding companies in the market having had investments in real estate, steel fabrication, banking, telecommunications and energy exploration. The company is debt free and has a robust balance sheet

The diversification process, brought on by the financial crisis of the 90's, has honed through the years and allowed SOC to invest in technology based and long-term ventures. This gave the company the means to weather the lows of the period. One of the first and significant investments was the acquisition and sale of Bell Telecommunications Philippines, Inc., the acquisition and subsequent sale of Filipinas Plaza along EDSA corner Chino Roces Avenue and minority equity in Premiere Development Bank.

The sale of previous possessions Filipinas Plaza and BellTel gave the company the influx of funds for re-investment and following the proven model of acquisition and sale of significant assets, SOC acquired position in AGP International Inc in December 2010 which in turn gained control of AG&P Manila. AG&P Manila is one of the oldest and largest steel fabrication companies in the country with the unchallenged capability in modular fabrication. An example of this was a first time ever in the world construction of a modularized coker plant for an oil refinery, fabricated and shipped from its shipyard in Bauan, Batangas. These colossal structures towered as much as 10 stories high and weighed 1500 to 2500 tons each, were shipped on special large-hold ships that traversed the Panama Canal on its way to Lake Erie. AG&P was supposedly a long term investment however management was able to identify an opportunity which allowed for a shorter turn-around time in recouping this investment. This allowed for recoup of the investment and make a good return in what would have taken the company more than several years at the very least following the usual course of investment and dividend sharing. On January 31, 2012, the company sold its AGP shares at a good profit.

Premier Bank on the other hand expanded to almost 40 branches after the company acquired its shares. It became one of the most stable small banks that it became an attractive target for acquisition by a much larger bank. The sale of this asset was concluded with the approval of the sale by the Monetary Board.

Following the successful sale of the Filipinas Plaza and in response to the growing need for affordable housing for Filipinos, SOC followed on through the real estate business by acquiring on May 26, 2010 a 2.4 hectare plot in Buli, Muntinlupa strategically located along the South Luzon Expressway.

The government estimates the country's housing backlog at almost 4 million. There lies the opportunity for SOC to serve a basic need of Filipinos. It has formed through SOC Land Development Corporation (SOC Land), a wholly owned subsidiary, that will put up quality homes at affordable prices. The Board of Directors, at its special meeting held November 11, 2010, directed Management to cause the registration with the Securities and Exchange Commission of SOC Land Development Corporation (SOC Land) as a wholly-owned subsidiary of the issuer with an authorized capital stock of One Hundred Sixty Million Pesos (PHP 160,000,000.00), a subscribed capital stock of Forty Million Pesos (PHP 40,000,000.00) and a paid-up capital of Ten Million Pesos (PHP 10,000,000.00). The subsidiary will be the property development arm of the company, that will develop a 2.4-hectare community, called Anuva Residences (the Project), situated near Sucat Interchange . It will have four (4) tandem buildings, with the first building targeted to be completed by mid 2014. The total estimated cost of the Project is ₱2.0 billion and is targeted for completion within five (5) years from the start of its construction. On July 12, 2011, the groundbreaking ceremony for the Project was held and construction for the Project's Tandem Building 1 commenced thereafter. As of December 31, 2014, structural works Tandem Building 1 was at an accomplishment rate of 100% and the expected turnover to clients would be by mid 2015. The medium rise

complex offers amenities usually found only in high-end residential like a resort themed community including spacious clubhouse, a resort-type lazy river feature, jogging paths, bike trails, playgrounds in every corner, including a yoga deck, and a tree house. The property will house only 4 tandem buildings thereby preserving 80% of its open space for the general benefit of future residents.

SOC has identified two new areas for potential investment which it is investigating. To address a growing population, now estimated at 97 million Filipinos and increasing every year, it looks at food production. The Company believes that a rising population coupled with rising incomes will drive greater protein consumption. Opportunities have been identified to get in this value chain to grow a long term business that will allow expansion laterally and vertically. The Company is currently identifying large tracts of land suitable for agro-industrial development.

The country needs both conventional and renewable energy resources to address its power requirements. SOC also shifted its focus towards renewables while keeping in line with its energy thrust. Renewables do tackle the issue of climate change, a stark fact that affects all in the world and every little help contributes to the overall effort to stave off this phenomenon. Some renewables however are still in their infancy and therefore cannot provide for the efficiencies and reliability needed for sustainable energy. SOC is investigating conventional and renewable energy resources, that can provide for base load power that is sustainable for the long term and therefore provide for a steady income stream for the company.

Principal products or services and their distribution; competition in the industry; sourcing of raw materials and principal suppliers; dependence on one or few customers; transactions with and/or related parties; and patents, trademarks, licenses, franchises, concessions, royalty agreement, or labor contracts are not applicable with the registrant at this time.

The Company's subsidiary is SOC Land Development Corporation as of December 31, 2014.

The Company does not expect any significant changes in its number of employees. Presently, the Company has a total of six (6)officers and employees, all working full-time, one (1) Chairman, one (1) Vice-President for Operations, one (1) Vice-President for Finance, , one (1) Accounting Assistant and one (1) Messenger. The Company has no Collective Bargaining Agreements (CBA).

ITEM 2: PROPERTIES

On May 26, 2010, the Board of Directors in a special meeting, adopted a resolution authorizing the purchase by the Company of a 24,022.90 sq.m. parcel of land located at the East Service Road of South Superhighway, Brgy. Buli, Muntinlupa City, Metro Manila, registered in the names of, among others, the Company's majority Directors, and major stockholders, Edgardo P. Reyes, Wilfrido P. Reyes and Belen R. Castro at a purchase price of P312,298,000.00. On July 28, 2010, SOCResources completed the purchase of the land.

On March 4, 2011, in exchange for 312,298 additional shares in SOC Land, the Parent Company transferred the said investment property with a fair value of ₱312.3 million.

In 2014, SOC Land acquired a property in Binan, Laguna and will be the first house and lot/lots only project of the Company that will be known as Althea Residences (Althea). Althea was formally launched in November 2014 and initially offer 214 choice lots, commercial and residential combined.

The Company's office is located at Enzo Building 399 Senator Gil Puyat Avenue, Makati City.

ITEM 3: LEGAL PROCEEDINGS

There are no materials pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

ITEM 4: SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders, during the fourth quarter of the calendar year covered by

this report through the solicitation of proxies or otherwise.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5: MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(1) Market Information

The Principal Market where the Issuer's common equity is traded is in the Philippine Stock Exchange.

As of the trading date, March 30, 2015, the high and low price is ₱0.94 and ₱0.93 respectively and the price closed at ₱0.93. The Corporation has no securities to be issued in connection with an acquisition, business combination or other re-organization. Furthermore, the following are the high and low sales prices for each quarter within the last two years (2014 and 2013).

Stock Prices

2014	High	Low
First Quarter	1.0200	1.0200
Second Quarter	1.0600	1.0400
Third Quarter	1.0200	1.0100
Fourth Quarter	1.0100	1.0100
2013	**High**	**Low**
First Quarter	1.1000	1.1000
Second Quarter	1.0600	1.0500
Third Quarter	1.0300	1.0300
Fourth Quarter	1.0900	1.0900

(2) Holders

The number of shareholders of record as of December 31, 2014 was 368. Common shares issued and outstanding as of December 31, 2014 were **901,920,568**

Top Twenty (20) Stockholders
As of December 31, 2014

NO.	HOLDER NAME	TOTAL SHARES	% OWNED	
1	CASTRO, BELEN R.	231,531,122	25.6709	%
2	REYES, EDGARDO P.	229,853,123	25.4849	%
3	REYES, WILFRIDO P.	226,853,123	25.1522	%
4	PCD NOMINEE CORP. (FILIPINO)	170,585,734	18.9136	%
5	PCD NOMINEE CORP. (NON-FILIPINO)	8,379,266	0.9290	%
6	R. COYIUTO SECURITITES, INC.	1,825,000	0.2023	%
7	DE VILLA, LUISMI GALA	808,000	0.0896	%
8	ESCALER, MICHAEL	630,000	0.0699	%
9	PEREZ, MA. GEORGINA V.	610,000	0.0676	%
10	MANGUIAT, REMEDIOS J.	580,000	0.0643	%
11	MANDARIN SECURITIES CORP.	561,000	0.0622	%
12	CRUZ, BENITO T. DELA	520,000	0.0577	%
13	CABANES, LORETO	500,000	0.0554	%
	CHUA, ROJAS	500,000	0.0554	%
	ESTRADA, JOSEPH	500,000	0.0554	%
	LAYOSA, EDNA L.	500,000	0.0554	%
	MERCADO, TERESITA P.	500,000	0.0554	%
	MITRA, RAMON	500,000	0.0554	%
	OSMENA, RAMON	500,000	0.0554	%
14	F. YAP SECURITIES, INC.	440,000	0.0488	%
15	HIGHLAND SECURITIES PHILS.	430,000	0.0477	%
	WEALTH SECURITIES, INC.	430,000	0.0477	%
16	LUYS SECURITIES CO., INC.	410,000	0.0455	%
17	BAYOT, FRANCISCO, JR.	400,000	0.0443	%
	BONDOC, MARGARITA P.	400,000	0.0443	%
	DE LA PAZ, WENCESLAO, R.	400,000	0.0443	%
	DEE, ANTHONY	400,000	0.0443	%
	ORTIGAS, FRANCISCO III	400,000	0.0443	%
	PURA TRADING CORP.	400,000	0.0443	%
	PUYAT REYES, MA. CONSUELO	400,000	0.0443	%
	PUYAT, ARISTEO G.	400,000	0.0443	%
	PUYAT, JOSE G. JR.	400,000	0.0443	%
	SANTOS, CRISANTO	400,000	0.0443	%
18	MARK SECURITIES CORP.	360,000	0.0399	%
19	MARAMBA, FELIX K. JR.	340,000	0.0377	%
20	FIDELITY SECURITIES, INC.	330,000	0.0366	%

(3) Recent Sale of Unregistered or Exempt Securities

There had been no sale of unregistered or exempt securities, including recent issuance of securities constituting an exempt transaction by the Company in the last three years.

(4) Public Ownership Report as March 31, 2015

In compliance with Philippine Stock Exchange Amended Rule on Minimum Public Ownership (the "Amended MPO Rule") as announced in Memorandum CN – No. 2012-0003 dated January 3, 2012 stating that a listed company shall include in its annual report a statement on the level of its public float. The statement should be based on information that is publicly available to the listed company and within the knowledge of its directors as at the end of the fiscal year, or at the latest practicable date, prior to the issuance of the annual report. Hereunder is the computation of company's public ownership percentage as of March 31, 2015:

PUBLIC OWNERSHIP PERCENTAGE

Total Number of Shares Owned by the Public
Total Issued and Outstanding Shares

213,133,200	shares	=	**23.63**	%
901,920,568	shares			

Number of Issued and Outstanding Shares	=	901,920,568
Number of Outstanding Shares	=	901,920,568
Number of Treasury Shares	=	4,639,000
Number of Listed Shares	=	906,559,569
Number of Foreign-Owned Shares	=	8,516,266
Foreign Ownership Level (%)	=	0.94%
Foreign Ownership Limit (%)	=	40%

ITEM 6: MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

RESULTS AND PLANS OF OPERATIONS

Real Estate : SOC Land

The first tandem building of ANUVA, the "ANALA", projects a Fun Zone image showcasing the Wet and Dry Play Area for children. Originally slated for completion in mid-2014, the first tandem building Anala has been fully completed with permanent power from Meralco and water line from Maynilad. The drainage of the whole community had been laid down complementing the utilities for the residents moving in the first building project of SOC Land Development Corp.

Side by side with these developments, the occupancy permit has been secured to pave the way for the moving in of buyers this coming May 2015 when the turnover ceremony will be held. More than 100 buyers are expected to move in starting on the second quarter in scheduled batches. Final punch listing and acceptance of units have commenced with fit outs and furnishings being already done by clients intending to transfer to their new homes.

Amenities facing Anala have likewise been completed as well as the parking slots in the lower ground floor for the residents to enjoy and use. As for the second tandem building known as Azalea, initial earthworks are expected to begin in the last quarter of the year after a successful launch last year which will greatly help move the inventory.

Other Energy, Mineral and Resource Based Opportunities

The global situation in recent years presents opportunities for the Company to seek entry into mineral exploration and exploitation sector. It recognizes that the demand added by China and India into the current global mineral resource market and into the foreseeable future will have a significant impact in the metals and non-metals market.

The Company is in a favorable situation wherein its current cash position allows it to review other businesses wherein it

may invest, including but not exclusive to opportunities in mining, energy projects both conventional and renewable either by farm-in or direct investment.

The Company is also looking into food production. We believe in the thesis that rising incomes in the Asian region will drive greater protein consumption. We are currently identifying large tracts of land suitable for agro-industrial complexes for food production.

The following are the estimated cash requirements for South China operations in the next twelve months which are dependent on opportunity acquisition.

Agri-Business	$3MM
Other Energy, Mineral & Resources Based Opportunities	$ 200K for Assessment Studies

The Company's consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS).

CONSOLIDATED RESULTS OF OPERATIONS
2014 VS 2013
(in Philippine pesos)

ACCOUNTS	12/31/2014	12/31/2013	% CHANGE
REVENUES	163,823,447	146,504,564	11.82%
COSTS AND EXPENSES	199,154,261	158,260,014	25.84%
INCOME LOSS BEFORE INCOME TAX	**(35,330,814)**	**(11,755,450)**	**-200.55%**
PROVISION FOR INCOME TAX	2,856,043	303,928	839.71%
NET INCOME/(LOSS)	**(38,186,857)**	**(12,059,378)**	**-216.66%**
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	(22,915,268)	5,745,198	-498.86%
ACTUARIAL GAIN (LOSSES)	12,939	191,920	-93.26%
TOTAL COMPREHENSIVE INCOME/(LOSS)	**(61,089,186)**	**(6,122,260)**	**-897.82%**

2014 VS 2013: RESULTS OF OPERATIONS

Revenue for the year ended 2014 consists of: (1) recognized sale on real estate for SOC Land amounting to ₱125M;(2) Interest Income on time deposits, savings, advances to related party and Foreign Bonds amounting to ₱2.7M;(3) Gain on sale of shares of Stocks and foreign bonds amounting to ₱24.54M;(4) Dividend Income from foreign and domestic shares of stocks amounting to ₱1.3M;(4) net foreign exchange gain amounting to ₱3.4M and (5) other income consisting of forfeited buyers' deposits and sales penalties amounting to ₱6.4M

The increase in the revenue of the group is due to SOC Land's 52% increase in the recognized sale of real estate. As of December 31, 2014 structural works for the Anuva's tandem building 1 (Anala) has an accomplishment rate of 100%. This has caused the the increase in cost of real estate sold from ₱66M last year 2013 to ₱100M this year 2014.

In 2014, The parent company sold its AFS investments in listed equity shares and quoted foreign bonds earning a gain of ₱24M.

For the year ended December 31, 2014, the Parent company posted a net income of ₱14.7M and a 8.35% decrease on its total expenses as against December 31, 2013.

CONSOLIDATED RESULTS OF OPERATIONS
2013 VS 2012
(in Philippine pesos)

ACCOUNTS	12/31/2013	12/31/2012	% CHANGE
REVENUES	146,504,564	237,121,298	-38.22%
COSTS AND EXPENSES	158,260,014	154,935,193	2.15%
GAIN ON SALE OF NONCURRENT ASSET HELD FOR SALE	-	32,153,046	-100.00%
EQUITY IN NET LOSSES OF AN ASSOCIATE	-	-	-100.00%
SHARE IN UNREALIZED VALUATION GAINS ON AFS			-100.00%
FINANCIAL ASSETS OF AN ASSOCIATES	-	-	
INCOME LOSS BEFORE INCOME TAX	**(11,755,450)**	**114,339,151**	**-110.28%**
PROVISION FOR INCOME TAX	303,928	12,824,822	-97.63%
NET INCOME/(LOSS)	**(12,059,378)**	**101,514,329**	**-111.88%**
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	5,745,198	8,110,098	-29.16%
SHARE IN UNREALIZED VALUATION GAINS ON AFS			
FINANCIAL ASSETS OF AN ASSOC	-	-	-100.00%
ACTUARIAL GAIN (LOSSES)	191,920	(95,332)	301.32%
TOTAL COMPREHENSIVE INCOME/(LOSS)	**(6,122,260)**	**109,529,095**	**-105.59%**

2013 VS 2012: RESULTS OF OPERATIONS

Revenue for the year ended 2013 consists of: (1) recognized sale on real estate amounting to ₱82M;(2) Interest Income on time deposits, savings and Foreign Bonds amounting to ₱12.3M;(3) Gain on sale of Foreign and Domestic Stocks amounting to ₱18.94M;(4) Dividend Income from foreign and domestic shares of stocks amounting to ₱5.78M and (5) foreign exchange gain amounting to ₱22M.

A minimal increase of 2.15% in the cost and expenses of the group is mainly due to the slight increase in the sales and marketing expense of the group particularly for product presentation and consultancy fees.

For the year ended December 31, 2013, the Parent company posted a net income of ₱43.07M and a 79.23% decrease on its total expenses as against December 31, 2012.

CONSOLIDATED FINANCIAL POSITION
2014 VS 2013
(in Philippine pesos)

ACCOUNTS	12/31/2014	12/31/2013	% CHANGE
CURRENT ASSETS	1,856,927,512	1,391,278,076	33.47%
NONCURRENT ASSETS	102,554,105	440,456,519	-76.72%
TOTAL ASSETS	**1,959,481,617**	**1,831,734,595**	**6.97%**
CURRENT LIABILITIES	326,679,810	133,333,637	145.01%
NONCURRENT LIABILITIES	3,428,292	7,938,257	-56.81%
TOTAL LIABILITIES	330,108,102	141,271,894	133.67%
EQUITY	1,629,373,515	1,690,462,701	-3.61%
TOTAL LIABILITIES AND EQUITY	**1,959,481,617**	**1,831,734,595**	**6.97%**

2014 VS 2013: FINANCIAL CONDITION

The 33.47% increase in the current assets of the group was due to the increase in cash and cash equivalents brought about by the proceeds from sale of AFS financial assets and payments received from advances to related parties. An increase also in the inventory Real Estate for sale effected the increment. Please see Note 6 of the consolidated financial statements.

The 76.72% decrease in the non-current assets was due to the sale of listed shares of stocks and bonds.

The increase in current liabilities were attributable to the increase in customers' deposits and accrued contractor's payables. Accrued contract payables represent accruals for billing of various contractors relative to the Anuva and Althea Project.

The sale of AFS financial assets has caused the derecognition of deferred tax liability thus decreasing the total noncurrent liabilities as of yearend 2014.

The negative bottomline figure of the subsidiary SOC Land made up for the slight decrease in the total equity of the group.

CONSOLIDATED FINANCIAL POSITION
2013 VS 2012
(in Philippine pesos)

ACCOUNTS	12/31/2013	12/31/2012	% CHANGE
CURRENT ASSETS	1,391,278,076	1,455,825,523	-4.43%
NONCURRENT ASSETS	440,456,519	344,634,112	27.80%
TOTAL ASSETS	**1,831,734,595**	**1,800,459,635**	**1.74%**
CURRENT LIABILITIES	133,333,637	95,864,582	39.09%
NONCURRENT LIABILITIES	7,938,257	4,089,192	94.13%
TOTAL LIABILITIES	141,271,894	99,953,774	41.34%
EQUITY	1,690,462,701	1,700,505,861	-0.59%
TOTAL LIABILITIES AND EQUITY	**1,831,734,595**	**1,800,459,635**	**1.74%**

2013 VS 2012: FINANCIAL CONDITION

There has been a 4.43% decrease in the total current assets by the group for the year ended December 31, 2013 as against December 31, 2012. The decrease was brought about by 72% decline on the cash and cash equivalent. The 27.80% boost in the noncurrent assets was due to the increase in input VAT and the additional acquisition of domestic and foreign equities and foreign bonds by the group due to the company's taking advantage of strong economy which has continuously brought favorable increase on PSE's index.

There has been a positive 1.74% leap on the company's total assets. 56% of the total assets pertains to Real Estate for Sale Inventory. It is notable that the company was able to retain its liabilities in its usual small percentage. Bulk of the current liabilities refers to the Customers Deposit for the condominium units amounting to ₱50.86M, accounts payable of ₱37.78M which includes billings of various suppliers and contractors for liabilities incurred in relation to the Anuva Project and Retention Payable amounting to ₱29.16M.The company was able to finance its operation since inception without financial assistance from banks and other financial intermediaries.

KEY PERFORMANCE INDICATORS

The following are the major financial ratios of the Company for the years ended December 31, 2014, 2013 and 2012:

	KEY FINANCIAL RATIOS	12/31/2014	12/31/2013	12/31/2012
I.	**Current/Liquidity Ratios**	5.68 x	10.43 x	15.19 x
II.	**Solvency Ratio**	N/A	N/A	129.63%
III.	**Debt-to-equity ratio (in x)**	0.2026 x	0.0836 x	0.0588 x
IV.	**Asset to Equity Ratio**	1.2026 x	1.0836 x	1.0588 x
V.	**Interest Rate Coverage Ratio**	N/A	N/A	N/A
VI.	**Profitability Ratio**			
	Return on Equity	-2.34%	-0.71%	5.97%
	Return on Assets	-1.95%	-0.66%	5.64%
VII.	**Other Relevant Ratios**			
	Revenue Growth/ (Decline)	11.82%	-38.22%	590.60%
	Net Income Growth/ (Decline)	-216.66%	111.88%	-1500.94%
	EBITDA	(31,375,951)	(9,386,747)	Php 129,570,556

2014 VS 2013

There has been a decrease in the current ratio of the group owing to the increase in the current liabilities. Bulk of the current liabilities pertains to the customers' deposits and accruals on construction costs. This has also affected the debt to equity ratio.

A slight increase on the asset to equity ratio was caused by increase in the cash and cash equivalents, receivables and Real Estate for sale account of the group.

An outstanding revenue growth of 11.82% was caused by higher revenue recognized for sale of real estate by SOC Land and the gain on sale of AFS by the parent, SOC.

2013 VS 2012

There is a decrease in Current Ratio from 15.90x last year 2012 to 10.40x this year 2013 due to the decrease in the cash and cash equivalent. The decline in cash and cash equivalent of the parent company is the consequence of the CAPEX for the first Tandem Building of its wholly-owned subsidiary—the ANUVA. As at December 31, 2013, the project is 86.7% completed. There has been an increase in the current liabilties due to the increase in customer's deposits for the units purchased on Anuva project and the payables to contractors. A total of 96% of the time deposits was retired during the year.

The increase in debt to equity ratio for the year ended December 31, 2013 vis-à-vis December 31, 2012 was mainly due to the increase in current liabilities as previously discussed. The asset to equity ratio also exhibited a raise as against last year due to the increase in the Real Estate for Sale, Available for Sale Financial Assets, Prepayments & Other Current Assets and the Other noncurrent assets which is purely input tax.

The manner by which the Company calculates the foregoing indicators is as follows:

Key Financial Ratios	**Formula**
Revenue growth	(Total Revenues (current period) - Total Revenues (prior period))/Total Revenues (prior period)
Net income growth	Net Income (after tax) (current period)/ Net income (prior period, after tax)
Solvency Ratio	(After Tax Net Income+Depreciation)/Total Liabilities
EBITDA	Income from operations plus depreciation and amortization
Asset to Equity Ratio	Total Assets/Total Equity
Return on equity (ROE)	Net income/ Equity
Return on assets (ROA)	Net income/ Total Assets
Current/Liquidity ratio	Current Assets/ Current Liabilities
Debt-to-equity ratio	Total Liabilities/ Equity

PROSPECTS FOR THE FUTURE

The outlook for SOC in the coming years is quite optimistic. Even with the refocus in business interests, new opportunities seem to look very promising and are discussed below.

(1) Prospects for Other Energy, Mineral and Other Resource Based Opportunities

The Company continues to review potential energy resources as it explores entry into opportunities in other conventional and renewable energy resources.

The global situation in recent years presents opportunities for the Company to seek entry into the mineral resource based sector. It recognizes that the demand added by China and India into the current global market and into the foreseeable future will have a significant impact.

(2) Prospects for SOC Land Development Corporation

SOC's investment into property development is seen as an important aspect in enhancing its shareholder value. The government estimates the country's housing backlog at almost 4 million. There lies the opportunity to serve a basic need of Filipinos. In November 2010, SCRI diversified its business and invested into real property development through SOC Land Development Corporation (SOC Land), a wholly-owned subsidiary with the primary purpose of SOC Land is to deal and engage in real estate business.

SOC Land is developing a 2.4-hectare community, called Anuva Residences (the Project), situated near Sucat Interchange and will have four (4) tandem buildings or eight (8) towers. The first tandem building, Anala, has been completed and is expected for turnover before mid-2015. Meanwhile, SOC Land launched the second tandem building, Azalea last October 2013.

For its third project, SOC land officially launched in Nov. 15, 2015, its newest horizontal residential development project, Althera Residences. It is situated in Brgy. Zapote, Biñan City, Laguna and will feature modern homes with a tranquil vibe spread in 4.3 hectares of land. Homeowners can choose from three housing options and the subdivision offers a variety of first class amenities. It is strategically located near schools, churches, commercial establishments and malls, hospitals and government offices.

(3) Prospects for Agri-based businesses

The Company is also looking into food production. We believe in the thesis that rising incomes in the Asian region will drive greater protein consumption. We are currently negotiating for large tracts of land suitable for agro-industrial complexes for food production.

DIVIDEND DECLARATION

The Company has no earnings yet from commercial production pertaining to the oil exploration segment of the business hence there were no dividends declared for the period ended December 31, 2014 and two years ended December 31, 2013 and December 31, 2012.

KEY VARIABLE AND OTHER QUALITATIVE AND QUANTITATIVE FACTORS

There are no material trends, events or uncertainties that are reasonably expected to occur in the next twelve months that will have a material favorable or unfavorable impact on the results of the Company's liquidity. Should there be material changes in working capital it would be advances from the management to support the Company's operation or a sale of non-current assets.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or accumulation of an obligation.

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Company.

The Company has no plans of changing the number of employees for the next twelve months.

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

The material changes for this year in comparison with the prior year-end based on line items in the comparative financial statements as of December 31, 2014, 2013 and 2012 are summarized as follows:

ACCOUNTS	For the Period Ended December 31			% CHANGE	
In Millions	2014	2013	2012	2014 vs 2013	2013 vs 2012
Statement of Financial Position					
Cash & Cash Equivalents	283.56	183.09	659.44	54.88%	-72.24%
Receivables	160.57	78.52	48.58	104.48%	61.65%
Real Estate for Sale	1,365.44	1,042.16	660.06	31.02%	57.89%
Due from Related Parties	0.15	21.79	72.92	-99.31%	-70.12%
Prepayments & Other Current Assets	47.20	65.72	14.84	-28.17%	342.94%
CURRENT ASSETS	**1,856.93**	**1,391.28**	**1,455.83**	**33.47%**	**-4.43%**
Available for Sale AFS	36.31	362.56	290.58	-89.98%	24.77%
Property & Equipment	34.55	17.23	19.17	100.53%	-10.16%
Other Noncurrent Assets	31.70	60.67	34.88	-47.76%	73.92%
NONCURRENT ASSETS	**102.55**	**440.46**	**344.63**	**-76.72%**	**27.80%**
TOTAL ASSETS	**1,959.48**	**1,831.73**	**1,800.46**	**6.97%**	**1.74%**
Accounts Payable & other Liabilities	326.68	133.22	88.11	145.22%	51.21%
Income Taxes Payable	-	0.11	7.76	-100.00%	-98.55%
CURRENT LIABILITIES	**326.68**	**133.33**	**95.86**	**145.01%**	**39.09%**
Deferred Tax Liabilities	-	4.98	1.32	-100.00%	276.40%
Retirement Benefit Obligation	3.43	2.96	2.77	15.77%	7.03%
NONCURRENT LIABILITIES	**3.43**	**7.94**	**4.09**	**-56.81%**	**94.13%**
TOTAL LIABILITIES	**330.11**	**141.27**	**99.95**	**133.67%**	**41.34%**
Unrealized Valuation - AFS	1.33	24.24	18.50	-94.52%	31.06%
Retained Earnings - Unappropriated	383.62	421.80	433.86	-9.05%	-2.78%
Treasury Stocks	(4.96)	(4.96)	(1.04)	0.00%	376.74%
Actuarial Gain (Losses) on Defined Ben. Plan	0.11	0.10	(0.10)	13.40%	-201.32%
EQUITY	**1,629.37**	**1,690.46**	**1,700.51**	**-3.61%**	**-0.59%**
TOTAL LIABILITIES AND EQUITY	**1,959.48**	**1,831.73**	**1,800.46**	**6.97%**	**1.74%**
Statement of Comprehensive Income					
Sale of Real Estate	125.31	82.70	20.30	51.52%	307.32%
Foreign Exchange Gain	3.40	22.4284	-	-84.85%	100.00%
Gain on Sale of Financial Assets	24.53	18.94	183.59	29.46%	-89.68%
Interest Income	2.89	12.40	26.77	-76.67%	-53.70%
Dividend Income	1.30	5.78	4.3006	-77.50%	34.30%
Other Income	6.40	4.26	0.88	50.27%	383.97%
REVENUES	**163.82**	**146.50**	**237.12**	**11.82%**	**-38.22%**
Cost of Real Estate Sold	100.71	66.46	14.56	51.54%	356.50%
Sale and Marketing Expense	46.07	42.64	39.99	8.05%	6.64%
General and Administrative Expense	52.37	49.16	82.90	6.53%	-40.70%
Foreign Exchange Losses	-	-	17.46	-100.00%	-100.00%
Interest Expense	-	-	0.03	-100.00%	-100.00%
COSTS AND EXPENSES	**199.15**	**158.26**	**154.94**	**25.84%**	**2.15%**
GAIN ON SALE OF NONCURRENT ASSET HELD FOR SALE	-	-	32.15	-100.00%	-100.00%
EQUITY IN NET LOSSES OF AN ASSOCIATE	-	-	-	-100.00%	-100.00%
PROVISION FOR INCOME TAX	2.86	0.30	12.82	839.71%	-97.63%
NET INCOME (LOSS)	**(38.19)**	**(12.06)**	**101.51**	**216.66%**	**-111.88%**
NET GAINS(LOSSES) ON AFS FINANCIAL ASSETS	(22.92)	5.75	8.11	-498.86%	-29.16%
ACTUARIAL GAIN (LOSSES)	0.01	0.19	(0.10)	-93.26%	-301.32%

Discussion for 2014 VS 2013

54.88% Increase in Cash & Cash Equivalents

The increase in cash and cash equivalents are due to the following: (1) Proceeds from sale of AFS financial assets amounting to ₱326M; (2) Payments received from related parties amounting to ₱22.7M; (3) Dividends received amounting to ₱1.6M; and(4) Interest from various investments ₱3.7M.

104.48% Increase in Receivables
The significant increase on the receivable is due to the 100% completion of the Anala Condo Units – the first building on Anuva Projects for the year 2014. To that effect, the full balance of Installment Contract Receivable becomes due and demandable.

31.02% Increase in Real Estate for Sale
Additional cost was added to the inventory account ₱33M for the land, ₱150.9M for construction cost incurred and ₱139M for real estate for development.

99.31% Decrease in Due from Related Parties
Receipt of payment for advances to International Pipe Industries amounting to ₱21.5M.

28.17% Decrease in Prepayments & other Assets
Mainly due to decrease in Input VAT arising from the acquisition of its wholly owned subsidiaries of vatable goods and services for the Anuva Project.

89.98% Decrease in Available for Sale Financial Assets
Due to the sale of foreign and domestic shares of stocks and quoted foreign bonds. The parent company recognized a provision for impairment loss on AFS financial assets amounting to ₱4.5M.

100.53% Increase in Property and Equipment
In 2014, SOC Land reclassified portion of land that are not intended for sale presented under real estate for sale to property and equipment amounting to ₱16.3M.

47.76% Decrease in Other Noncurrent Assets
Noncurrent Input VAT.

145.22*% Increase in Accounts Payable & Other Liabilities*
This is due to the increase in the amount of customers' deposits and payables to contractors.

100% Decrease in Income Taxes Payable
The provision for income tax for the year 2014 amounted to ₱2.9M.

100% Decrease in Deferred tax Liabilties
Deferred tax recognized directly in equity as of December 31, 2013 consists of unrealized gain on changes in fair value of Foreign AFS financial assets amounting to ₱4.98 million was derecognized for the year 2014 due to the sale of foreign Bonds and foreign shares of stocks.

15.77% Increase in Retirement Benefit Obligation
The group recognized ₱0.48M benefit obligation for the retirement plan of the group under defined benefit plans for the year 2014. The group has unfunded, noncontributory defined benefit retirement plan which covers all of its regular employees. The benefits are based on years of service and compensation on the last years of employment. Normal retirement is the attainment of age 60 and completion of at least 5 years of service.

94.52% Decrease in Unrealized Valuation on AFS
Sale of investments in AFS Financial assets causes the derecognition of corresponding market value on the unrealized valuation on AFS, thus the decrease.

51.52% Increase in Sale of Real Estate
Additional Sale of Real estate was recognized on revenue due to the completion of Anuva's first tandem building "Anala".

84.85 Decrease in Foreign Exchange Gain
The company recognized ₱5.8M foreign exchange loss on its dollar cash and ₱9.2M foreign exchange gain on the sale of its foreign shares of stocks and bonds.

29.46% Increase in Gain on Sale of AFS Financial Assets

The parent company recognized gain on sale of AFS Financial assets amounting to ₱24.5M.

76.67% Decrease in Interest Income
Due to the decreasing interest rates on short term investments.

77.50% Decrease in Dividend Income
Dividend Income earned from equity securities amounted to ₱1.3M in 2014.

50.27% in Other Income
This pertain to the forfeited buyers deposits amounting to ₱4.9M.

51.54% Increase in Cost of Real Estate Sold
Increase in these accounts is basically due to the recognition of the corresponding costs of real estate sold from buyers who have paid in full the TCP for their acquisition of condo units and/or the 20% down payment as of December 31, 2014.

6.64% Increase in Sales and Marketing Expense
46% of the total sales and marketing expense pertains to the commissions and incentives amounting to ₱21.09M.

6.53% Increase in General and Administrative Expenses
Bulk of the general and administrative expenses consists of outside services amounting to ₱10.3M , Personnel Cost of ₱13.9M and provision for impairment loss on AFS Financial Assets amounting to ₱4.5M recognized by the parent company.

Discussion for 2013 VS 2012

72.24% Decrease in Cash & Cash Equivalents
The significant decrease in the cash and cash equivalents is attributable to the decrease in the time deposits of the group due to the fund requirements for CAPEX for the first tandem building on Anuva, the initial project of its subsidiary, SOC Land. The following has caused the changes in cash and cash equivalents: (1) Forex gain of ₱22M;(2) Increase in Real Estate Inventory of ₱382M;(3)Interest Received ₱6.11M;(4)Income Tax Paid ₱7.95M;(5)Sale of Stocks ₱58.71M;(6) Payments received for Advances ₱54.01M;(7) Dividends Received ₱5.75M;(8) Interest Received from Bonds ₱4.73M;(9) Acquisition of Financial Assets ₱95.53M;and (10) Acquisition of Treasury Stocks ₱3.92M.

61.65% Increase in Receivables
The 50% balance on the amount collectible from Security Bank on sale of Premiere Shares was received during the year. The significant increase on the receivable is due to the expected turnover of the Anala Condo Units – the first building on Anuva Projects for the year 2014. To that effect, the full balance of Installment Contract Receivable becomes due and demandable.

57.89% Increase in Real Estate for Sale
This was due to incremental disbursements for CAPEX, which now forms part of the inventory. Percentage of completion this year totals to 86.71% as compared to 54.7% of last year 2012. Construction of Tandem Bldg 1 was in full blast this year in view of the project's completion and turnover of units by June 2014.

70.12% Decrease in Due from Related Parties
Receipt of payment for advances to Puyat Steel and International Pipe Industries amounting to ₱50.5M.

342.94% Increase in Prepayments & other Assets
Mainly due to increase in Input VAT arising from the acquisition of its wholly owned subsidiaries of vatable goods and services for the Anuva Project.

24.77% Increase in Available for Sale Financial Assets
Due to acquisition of additional shares of stocks amounting to ₱95.53M.

10.16% Decrease in Property and Equipment

Mainly due to depreciation as the account was presented net of depreciation. The construction and furnishing of the Marketing Office of the subsidiary SOC Land, which also houses the model units, was completed and capitalized in the year 2012.

73.92% Increase in Other Noncurrent Assets
Noncurrent Input VAT.

51.21% Increase in Accounts Payable & Other Liabilities
This is due to the increase in the amount of customers' deposits, payables to contractors and retention payable. Please see note 12 of Consolidated Financial Statements as part of the annexes.

98.55% Decrease in Income Taxes Payable
The total MCIT for the year 2013 amounted to ₱303,928.

276.40% Increase in Deferred tax Liabilties
Deferred tax recognized directly in equity as of December 31, 2013 consists of unrealized gain on changes in fair value of Foreign AFS financial assets amounting to ₱4.98 million.

7.03% Increase in Retirement Benefit Obligation
The group recognized ₱2.96M benefit obligation for the retirement plan of the group under defined benefit plans. The group has unfunded, noncontributory defined benefit retirement plan which covers all of its regular employees. The benefits are based on years of service and compensation on the last years of employment. Normal retirement is the attainment of age 60 and completion of at least 5 years of service.

31.06% Increase in Unrealized Valuation on AFS
Due to the increase in market value of shares of stocks and the corresponding foreign exchange value.

376.74% Increase in Treasury Stocks
Addional purchase of own shares. The Purchase Policy ended last December 21, 2013. As of December 31, 2013, the group has purchased 4,639,000 treasury shares.

307.32% Increase in Sale of Real Estate
SOC Land's License to Sell (LTS) was released by the HLURB on December 14, 2011. As of December 31, 2013, Sales amounting to ₱82.70 Million was recognized.

100% Increase in Foreign Exchange Gain
Higher conversion of US Dollar to Peso resulted in ₱22.43M foreign exchange gain on foreign currency denominated currencies of the company and Foreign Bonds.

89.68% Decrease in Gain on Sale of AFS Financial Assets
In 2012, The Parent Company recognized gain on the sale of its shares in AGP International amounting to ₱184.3 million. The gain this year 2013 pertains to sale of various foreign and domestic shares of stocks.

53.70% Decrease in Interest Income
Due to the decreasing interest rates on short term investments and the retirement of time deposits.

34.30% Increase in Dividend Income
The company earned ₱2.14M and ₱3.64M dividend from domestic and foreign shares of stocks respectively for the year 2013.

356.50% Increase in Cost of Real Estate Sold
Increase in these accounts is basically due to the recognition of the corresponding costs of real estate sold from buyers who have paid in full the TCP for their acquisition of condo units and/or the 20% down payment as of December 31, 2013.

6.64% Increase in Sales and Marketing Expense
Large part of the sales and marketing expense represents the commissions and incentives paid during the year 2013.Due to Increase in sales and collections, claims for commission were likewise processed and paid during the year. Cost were also incurred for trainings attended by the employees and sellers orientation for the year 2013. Costs for gasoline and

other business travel cost also increase during the year 2013. Extensive advertising campaign was also implemented in 2013 with the use of print ads, bus ads, billboards, banners and other collaterals.

40.70% Decrease in General and Administrative Expenses
Services of various consultants for the subsidiary, SOC Land were engaged this year to assist management in enhacing further the operation of the business and strengthen its internal control system. Several legal counsels were likewise engaged to review and/or prepare contract agreements and handle various litigations in behalf of the company and its officers. There are also increases in subsidiary's audit fees for the year 2013. Research and development costs refers to the cost incurred by the group for the research and studies made for various new ventures.

ITEM 7: FINANCIAL STATEMENTS

The Financial Statements and Schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this SEC Form 17 – A.

ITEM 8: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no changes in and disagreements with independent accountants on accounting and financial disclosure and no change in the Company's independent accountants during the two most recent fiscal years or any subsequent interim period.

INFORMATION ON INDEPENDENT PUBLIC ACCOUNTANT AND OTHER RELATED MATTERS

Information on Independent Public Accountant

In compliance with SRC Rule 68 Paragraph 3(b) (iv), the engagement partner from Sycip Gorres Velayo & Co. is Mr. Ladislao Z. Avila, Jr. The Corporation recommends the appointment of Sycip Gorres Velayo & Co. as the Principal Accountant of the Corporation. Sycip Gorres Velayo & Co. is the incumbent Public Accountant of the Company.

The Company, through its Audit Committee, recommends the re-appointment of Sycip Gorres Velayo & Co. as the Principal Accountant of the Corporation. The Company's Audit Committee is composed of Mr. Manuel G. Arteficio as Chairman, Mrs. Belen R. Castro, Member, and Mr. Wilfrido P. Reyes, Member.

External Audit Fees and Services

In compliance with SEC Memo Circular No. 14 Series of 2004, External Audit Fees, year ended 2014 audit progress billing for SOCResources, Inc. and subsidiary, SOC Land Development amounted to P336,000 and ₱400,000 respectively. External Audit Fees, year ended 2013 audit for SOCResources, Inc. and subsidiary, SOC Land Development amounted to P490,336 and ₱368,368 respectively. No other services were provided and billed for by the external auditors for the last two (2) fiscal years.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9: DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUE

(1) Directors and Executive Officers (Information for the last five years)

NAME	POSITION	BIRTHDATE
Edgardo P. Reyes	Chairman/CEO	December 2, 1945
Wilfrido P. Reyes	President	January 21, 1947
Belen R. Castro	VP & Treasurer	April 9, 1948
Manuel G. Arteficio	Director	January 13, 1945
Francisco M. Bayot, Jr.	Director	January 29, 1954
Magilyn T. Loja	Corporate Secretary	May 6, 1968
David R. Baladad	VP - Operations	September 13, 1956
Zosimo L. Padro, Jr.	VP - Finance	August 3, 1959

EDGARDO P. REYES, 69 years of age, Filipino, has been the CHAIRMAN of the Board of Directors of the Company since 1992.; PRESIDENT of International Pipe Industries Corp., Pipe Machinery Corp., Apo Pipe Industries Corp., Reyson Realty & Development Corp., Puyat Flooring Products Inc., Proleo Realty Inc., and BenePara Realty Inc.; SENIOR VICE PRESIDENT of PFM Agro-Industrial Development Corp. and Armorply Concrete Forming Systems Inc.; and, DIRECTOR of Surigao Development Corp., and Puyat Investment & Realty for the past five (5) years. He is a DIRECTOR of Premiere Development Bank until 2011. Mr. Reyes is the brother of Mr. Wilfrido P. Reyes and Ms. Belen R. Castro.

WILFRIDO P. REYES, 68 years of age, Filipino, has been the PRESIDENT of the Company since 1992. CHAIRMAN/PRESIDENT of WPR Realty & Management Corp.; EXECUTIVE VICE PRESIDENT/DIRECTOR of Gonzalo Puyat & Sons Inc. and Purex Mineral Corp.; EVP/GENERAL MANAGER of Philippine Flour Mills and PFM-Agro Development Corp.; SVP/DIRECTOR of Puyat Steel Corporation; DIRECTOR of Premiere Development Bank; TREASURER/DIRECTOR of Surigao Development Corp.; SECRETARY/DIRECTOR of Surigao Marine Products, Inc.; VP/GENERAL MANAGER of Reyson Realty & Development Corp.; PRESIDENT of Proleo Realty Inc., VP/TREASURER of Bell Telecommunication Philippines Inc.; TREASURER/DIRECTOR of International Pipe Industries Corp. and Apo Pipe Industries Corp; and, DIRECTOR of Pipe Machinery Corp. for the past five (5) years. Mr. Reyes is the brother of Mr. Edgardo P. Reyes and Ms. Belen R. Castro.

BELEN R. CASTRO, 67 years of age, Filipino, has been the VICE PRESIDENT, TREASURER & DIRECTOR of the Company since 1992 up to the present; DIRECTOR & ASST. TREASURER of Gonzalo Puyat & Sons, Inc.;DIRECTOR of Chamber of Thrift Banks (1990 – 2012) She was the Chairman of Premiere Development Bank (January 2007-2012). She is the sister of Mr. Edgardo P. Reyes and Mr. Wilfrido P. Reyes.

MANUEL G. ARTEFICIO, 70 years of age, Filipino, has been an INDEPENDENT DIRECTOR of the Company since 2007. He has been PRESIDENT of San Manuel Mining Corp. from 1990 to present; Assissi Mining Corp., Bonaventures Mining Corp., Ignatius Mining Corp., all three from 1994 to present; he is also the PRESIDENT of Egerton Gold Phils., Inc. from 2006 to present.

FRANCISCO M. BAYOT, JR., 61 years of age, Filipino, has been an INDEPENDENT DIRECTOR of the Company since 2008. He is the CHAIRMAN of Madrigal Business Park Association, Inc.; CEO/DIRECTOR of Solid Cement Corp. and Rizal Cement Co., Inc.; PRESIDENT/DIRECTOR of JM Investment Corp.; and DIRECTOR of Solidbank Corp., Alabang Commercial Corp., and Bell Telecommunication Phils., Inc.

MAGILYN T. LOJA., 46 years of age, Filipino, has been the CORPORATE SECRETARY of the Company since 2010. She is a Senior Partner of the Esguerra & Blanco Law Offices. Atty. Loja obtained his Bachelor of Science in Business Administration and Accountancy and Bachelor of Laws from the University of the Philippines. Atty. Loja since 1996, and during the last five (5) years, has been engaged in the practice of law.

DAVID R. BALADAD, 58 years of age, Filipino, has been the VICE PRESIDENT FOR OPERATIONS of the Company since 1994. He obtained his Bachelor of Science in Geology in the University of the Philippines and he is also a licensed Geologist. Prior to joining the Company, Mr. Baladad was the Chief of the Oil and Gas Division of the former Office of Energy Affairs (now DOE) and a consultant to other local exploration companies. He has been directing the upstream activities of the Company since 1994 and for the last five (5) years.

ZOSIMO L. PADRO, JR., 55 years of age, Filipino, has been the VICE PRESIDENT FOR FINANCE of the Company since January 2010. He obtained his Bachelor of Science in Business Administration Major in Accounting from the University of Eastern Philippines and Bachelor of Laws from Jose Rizal College. Atty. Padro is also the Vice President for Finance of International Pipe Industries Corp. Atty. Padro since 1990, and during the last five (5) years, has been engaged in the practice of law. He is also a Certified Public Accountant.

Mr. Manuel G. Arteficio and Mr. Francisco M. Bayot, Jr. were elected Independent Directors during the 2014 Annual Stockholders' Meeting. The Nomination Committee nominated Mr. Arteficio and Mr. Bayot as independent directors to be elected during the 2014 Annual Stockholders' Meeting. Both Mr. Arteficio and Mr. Bayot are qualified to be nominated and elected as Independent Directors of the Company in accordance with the qualifications specified with SEC Circular No. 16 Series of 2002 and SEC Circular No. 16 Series of 2006.

Directors elected in the annual stockholders' meeting have a term of office of one (1) year and serve as such until their successors are elected and qualified in the succeeding annual meeting of stockholders.

(2) Significant Employees

While all employees are expected to make a significant contribution to the Company, there is no one particular employee, not an executive officer, expected to make a significant contribution to the business of the Company on his own.

(3) Family Relationships

Mr. Edgardo P. Reyes, Chairman and CEO; Mr. Wilfrido P. Reyes, President; and Ms. Belen R. Castro, Vice President, Treasurer and Director of the Company are brothers and sister. All other Directors and Executive Officers are not related to each other. Other than the ones disclosed, there are no other family relationships known to the registrant.

(4) Involvement in Certain Legal Proceedings

None of the directors, nominees for election as a director, executive officers or control persons of the Company have been involved in any legal proceeding required to be disclosed under Part IV paragraph (A)(4) of SRC Rule 12 (Annex C, Amended), including without limitation being the subject of any:

(a) bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(b) conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

(c) order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining barring, suspending or otherwise limiting his involvement in any type of business, securities commodities or banking activities; and

(d) order or judgment of a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization finding him/her to have violated a securities or commodities law or regulation, for the past five (5) years up to the latest date, that is material to the evaluation of the ability or integrity to hold the relevant position in the Company.

ITEM 10: EXECUTIVE COMPENSATION

There are no bonuses, profit sharing or other compensation plan, contract or arrangement in which any director, nominee

for election as a director, or executive officer of the issuer will participate.

The Group has no pension in which any such person will participate.

There are no employment contracts arrangements for this year.

The aggregate compensation paid or accrued during the last two calendar years and to be paid in the ensuing calendar year to the Chief Executive Officer and three most highly compensated executive officers are as follows:

Name and Principal Position	**Year**	**Salary (P)**	**Bonus (P)**	**Other Annual Compensation**
Edgardo P. Reyes Chairman / CEO David R. Baladad VP-Operations Zosimo L. Padro, Jr. VP – Finance Ronna C. De Leon Accounting Officer				
Aggregate compensation – CEO & all other officers and Directors as a group unnamed	2015 2014 2013	2,000,000(est.) 1,819,440 1,812,240	500,000(est.) 454,860 450,360	N/A N/A N/A

Among the directors and officers of the company, only the four (4) stated above are being compensated.

ITEM 11: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) Security Ownership of Certain Record and Beneficial Owners and Management as of December 31, 2014 (owning more than 5% of any class of voting securities)

Title of Class	Name and address of record owner and	Relationship with Issuer	Name of Beneficial ownership and relationship with record owner	Citizenship	No. of Shares Held	Percent
Common	EDGARDO P. REYES 1371 Caballero St., Dasmariñas Vill., Makati	Director	EDGARDO P. REYES, same person	Filipino	229,853,123	25.4849%
Common	BELEN R. CASTRO 4889 Pasay Road, Dasmariñas Vill., Makati	Director	BELEN R. CASTRO, same person	Filipino	231,531,122	25.6709%
Common	WILFRIDO P. REYES 1545 Mahogany St., Dasmariñas Vill., Makati	Director	WILFRIDO P. REYES, same person	Filipino	226,853,123	25.1522%
Common	PCD Nominee Corp. (Filipino) G/F MKSE Bldg., 6767 Ayala Ave., Makati	Stockholder	PCD Nominee Corp. (Filipino), depository agent	Filipino	170,932,734	18.9521%

There are no beneficial owners of more than 5% under the PCD Nominee Corporation (Filipino), which owns 18.9521% of the total shares of the Company.

(b) Security Ownership of Management Directors

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Class
Common Shares	Edgardo P.Reyes	229,853,123	Direct, Record and Beneficial	Filipino	25.4849%
Common Shares	Belen R. Castro	231,531,122	Direct, Record and Beneficial	Filipino	25.6709%
Common Shares	Wilfrido P. Reyes	226,853,123	Direct, Record and Beneficial	Filipino	25.1522%
Common Shares	Francisco M. Bayot, Jr.	400,000	Direct, Record and Beneficial	Filipino	00.0443%
Common Shares	Manuel G. Arteficio	100,000	Direct, Record and Beneficial	Filipino	00.0111 %
Total		688,737,368			76.3634%

Executive Officers

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership		Citizenship	Percent of Class
Common Shares	Edgardo P. Reyes	-------			-------
Common Shares	Wilfrido P. Reyes	-------			-------
Common Shares	Belen R. Castro	-------			-------
Common Shares	David R. Baladad	50,000	Direct, Record and Beneficial	Filipino	00.0055%
Total		50,000			00.0055%

Directors and Officers as a Group

Title of Class	Name of Beneficial owner	Amount of Beneficial ownership	Percent of Class
Common Shares	Directors as a Group	688,737,368	76.3634%
Common Shares	Executive Officers as a Group	50,000	00.0055%
Total		690,609,368	76.3689%

No person holding more than 5% of a class is under a voting trust or similar agreement.

The Company has no arrangements which may result in a change in control of the registrant.

ITEM 12: CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

INTERNATIONAL PIPE INDUSTRIES, INC. (IPIC)

IPIC is the pioneer manufacturer of large-diameter spiral welded pipes and machinery fabrication in the Philippines and Southeast Asia and has been producing quality pipes for the last 48 years. IPIC is the only company to date that has secured the American Petroleum Institute monogram in the Philippines. IPIC was also the first company in the Southeast Asia to pioneer in the design and exportation of high-tension transmission poles, weight coating of submarine line pipe and non-tension and pre-tension concrete pressure pipes.

In May 2011, the BOD has authorized the Group to enter into a related party agreement with IPIC to provide a standby fund facility in the amount of up ₱50.0 million for the acquisition of raw materials to be processed into finished steel pipe products. The Group will receive a guaranteed return on investment of at least 8% per annum.

As of December 31, 2014, IPIC has settled all of its advances from SOC amounting to ₱21.5 Million.

IPIC's accounts receivable and finished goods with fair value equivalent to the outstanding balance are used as collateral for the amount owed to the Group.

SOUTH CHINA PETROLEUM INTERNATIONAL, INC. (SCPI)

SCPI is a corporation established to prospect for, explore, extract, dig and drill for, exploit, produce, purchase, or otherwise obtain from the earth, any and all kinds of petroleum and petroleum products, rocks or carbon oils, natural gas and other volatile materials, chemical substance and salts, precious and base metals, diatomaceous earth as well as other

minerals of whatever nature whether similar or dissimilar to those listed herein, and to manufacture, refine, prepare for market, buy, sell, import, export and transport and otherwise deal in petroleum and other minerals of whatever nature, whether similar or dissimilar thereto, their products, compounds and derivatives and other mineral and chemical substances in crude or refined condition, and to generally engage, as may be permitted by law, in the business of, and/or investing in mining, manufacturing, contracting and servicing, in addition to oil exploration.

The total amount of receivable from SCPI as of December 31, 2014 and 2013 amounted to ₱0.15 million and ₱0.14 million which pertains to the amount paid for the business permit and registration. The amount is due and demandable.

ITEM 13: CORPORATE GOVERNANCE

An evaluation system is being set in place in relation to the provisions of the Revised Manual on Corporate Governance to measure the level of compliance by directors and top management. Also, the Company and its directors, officers and employees complied with all the leading practices and principles on good governance as embodied in the company's Revised Corporate Governance Manual.

The Company believes that the current corporate governance of the Company is sufficient to address its needs. Please see Corporate Governance Scorecard as part of annexes.

PART V - EXHIBITS AND SCHEDULES

ITEM 14: EXHIBITS AND REPORTS ON SEC FORM 17-C

(a) Exhibits – *None*

(b) Reports on SEC Form 17-C

The reports indicated below were filed on SEC Form 17-C during the last six-month period covered by this report.

November 28,2014	Item 9. Other Events SOCResources, Inc.'s wholly-owned subsidiary, SOC Land Development Corporation, a domestic corporation engaged in the business of realty, officially launched its newest residential development project, the Althea Residences.
September 26,2014	Item 9. Other Events Pursuant to the board resolution dated 25 April 2014, Please be informed that the Securities and Exchange Commission hereby approved the following amendments to the Articles of Incorporation: a. Change of Corporate Name; and b. Change of Principal Office Address.

April 25, 2014	Item 9. Other Events Pursuant to the board resolution dated 25 April 2014, Please be informed that the Board of Directors hereby approved the following amendments to the Articles of Incorporation: a. Change of Corporate Name; and b. Change of Principal Office Address.

****

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year **2014**

2. Exact Name of Registrant as Specified in its Charter **SOCRESOURCES, INC.**

3. **4th Floor ENZO Building 399 Senator Gil Puyat Ave. Makati City** **1200**
   Address of Principal Office Postal Code

4. SEC Identification Number **ASO92-06441** 5. (SEC Use Only)
   Industry Classification Code

6. BIR Tax Identification Number **001-945-016-000**

7. **(02) 804-1978**
   Issuer's Telephone number, including area code

8. **3F Low Rise Pacific Star Building Gil Puyat Avenue cor Makati Ave, Makati City 1200**
   Former name or former address, if changed from the last report

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	5

Actual number of Directors for the year	5

(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)[1]	Elected when (Annual /Special Meeting)	No. of years served as director
Edgardo P. Reyes	ED			Sept 1992	May 30,2014	Annual	22 yrs.
Wilfrido P. Reyes	ED			Sept 1992	May 30,2014	Annual	22 yrs.
Belen R. Castro	NED			Sept 1992	May 30,2014	Annual	22 yrs.
Manuel G. Arteficio	ID			May 2007	May 30,2014	Annual	2 yrs (as per SEC Cir. 9-2011 effective Jan 02,2012)
Francisco M. Bayot, Jr.	ID			May 2008	May 31,2014	Annual	2 yrs (as per SEC Cir. 9-2011 effective Jan 02,2012

(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.

Corporate governance is the key to maintaining the trust of the shareholders. The Board of Directors believes that corporate governance is a necessary component of what constitutes sound strategic business management and will therefore undertake every effort necessary to create awareness within the organization. The Company's Code of Corporate Governance governs the performance by the Board of Directors and Management of their respective duties and responsibilities to the stockholders. The Code of Corporate Governance ensures that the rights of minority shareholders and other stakeholders are guaranteed, and aims to increase shareholder value, ensure long-term profitability, and contribute to the country's continuous development and stability.

[1] Reckoned from the election immediately following January 2, 2012.

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

The Board of Directors reviews and approves the vision and mission of the Company as often as deemed necessary.

(d) Directorship in Other Companies

(i) Directorship in the Company's Group[2]

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.
Edgardo P. Reyes	Soc Land Development Corp.	Non - Executive
Wilfrido P. Reyes	Soc Land Development Corp.	Executive - Chairman
Belen R. Castro	Soc Land Development Corp.	Non - Executive
Manuel G. Arteficio	Soc Land Development Corp.	Non - Executive

(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.
Not Applicable	Not Applicable	Not Applicable

(iii) Relationship within the Company and its Group

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

Director's Name	Name of the Significant Shareholder	Description of the relationship
Not Applicable	Not Applicable	Not Applicable

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines: Yes

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

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations. The optimum number should take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities. The Chief Executive Officer ("CEO") and other executive directors may be covered by a lower indicative limit for membership in other boards.	The CEO and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, nonexecutive directors who serve as fulltime executives in other corporations. In any case, the capacity of directors to diligently and efficiently perform their duties and responsibilities to the boards the serve should not be compromised.
Non-Executive Director	There can be a higher indicative limit for all other directors, which in any case, the capacity of directors to serve with diligence shall not be compromised.	
CEO	The Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations. The optimum number should take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities. The Chief Executive Officer ("CEO") and other executive directors may be covered by a lower indicative limit for membership in other boards.	

(e) Shareholding in the Company

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

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Edgardo P. Reyes	229,853,123	0	25.4849%
Wilfrido P. Reyes	226,853,123	0	25.1522%
Belen R. Castro	231,531,122	0	25.6709%
Manuel G. Arteficio	100,000	0	0.0111%

Francisco M. Bayot, Jr.	400,000	0	0.0443%
TOTAL	**688,559,368**		**76.3690%**

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 [√]

The Position of Chairman and CEO is held by the same person however Checks and balance are in place as the Board gets the benefit of independent views & perspectives with Independent Directors comprising 40% of the Board.

Identify the Chair and CEO:

Chairman of the Board	Edgardo P. Reyes
CEO	Edgardo P. Reyes

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer
Role	a. Ensure that the meetings of the Board of Directors are held in accordance with the by-laws; b. Supervise the preparation of the agenda of the meeting in coordination with the Secretary, taking into consideration the suggestions of the other officers and directors; c. Maintain qualitative and timely lines of communication and information between the Board of Directors and Management; and d. Exercise such powers and perform such duties as the Board of Directors may assign to him.	a. To have general management of the business affairs and operations of the corporation pursuant to such policies as may be set by the Board of Directors; b. To formulate long-range projects, plans, and programs, including those for executing training, development, and compensation, along the corporate objectives, policies, and goals developed by the Board of Directors; c. To ensure that the administrative and operational policies of the corporation are carried out under his supervision and control; and d. To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.
Accountabilities	Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance. Ensure effective communication with stakeholders.	Be responsible to the Board for the performance of the business consistent with the agreed plans, strategies and policies. He provides leadership and guidance to the company's executives, and evaluates their performance.

		He oversees the operation of the business and evaluates the performance of the company.
Deliverables	Promote effective relationships and communications between directors. Annual Management Report.	President's Annual Report.

3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

The Board of Directors acknowledges that the positions of the CEO/Managing Director/President or top key management require experience, competence and integrity.
The Board of Directors through its Nomination and Remuneration Committee (NRC), reviews and evaluates the qualifications of all persons nominated to the Board as well as those nominated to other positions that requires Board approval to ensure that only qualified, competent, honest and highly motivated officials are appointed. The NRC likewise assesses the effectiveness of the Board's processes in the election or replacement of directors.

The Company also engages services of professional recruitment or reputable job placement agencies or organizations to source candidates for management and executive level jobs.

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 Company prefers to have directors who have experience in different fields or industries. This is consistent with the Company's vision mission statement, to strengthen its core business and enhanced shareholders' value through investments diversifications.

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, at least one of the non-executive director, has experience in the sector or industry the company belongs to.

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

	Executive	**Non-Executive**	**Independent Director**
Role	An Executive Director is a member of both the Board of Directors and management. His/her role is to design, develop and implement strategic plans for the Company and is also responsible for the day-to-day operation thereof, including managing committees and staff and developing business plans in collaboration with the Board of Directors.	A non-executive director is a member of the Board of Directors who does not form part of the executive management team. The role of a Non-Executive Director is the same with the Independent Director.	An independent director is a person having many years of experience and acts as a guide for the company. The role they play in a company broadly includes improving corporate credibility and governance standards, play a vital role in risk management.

			Independent Director plays an active role in various committees to ensure good governance.
Accountabilities	Accountable to the Board of Directors, Shareholders and Stakeholders.	Accountable to the Board of Directors, Shareholders and Stakeholders.	Accountable to the Board of Directors, Shareholders and Stakeholders.
Deliverables	Executive directors shall provide guidance on the company's operations and activities	Non-executive directors shall guide the board in fulfilling its fiduciary and statutory duties and responsibilities	Independent directors shall exert such impartial influence as shall help assure that the board fulfills its duties

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

The Company defines an Independent Director as one who, apart from his fees and shareholdings, 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 any covered company.

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.

Pursuant to SEC Memorandum Circular No. 9 in relation to Section 38 of the Securities Regulation Code (Republic Act No. 8799), and in order to enhance the effectiveness of independent directors and encourage the infusion of fresh ideas in the board of directors, the company adopted the following rules on the election of independent Directors effective January 02, 2012.

1. There shall be no limit in the number of covered companies that a person may be elected as Independent Director (ID), except in business conglomerate where an ID can be elected to only five (5) companies of the conglomerate. (i.e., parent company, subsidiary or affiliate);
2. IDs can serve as such for five (5) consecutive years, provided that service for a period of at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the ID position was relinquished or terminated;
3. After completion of the five year service period , an ID shall be ineligible for election as such in the same company unless the ID has undergone "cooling off" period of two (2) years, provided, that during such period, the ID concerned has not engaged in any activity that under existing rules disqualifies a person from being elected as ID in the same company;
4. An ID re-elected as such in the same company after the "cooling off" period can serve for another five (5) consecutive years under the conditions mentioned in the paragraph 2 above;
5. After serving as ID for ten (10) years, the ID shall be perpetually barred from elected as such in the same company, without prejudice to being elected as ID in other companies outside of the business conglomerate , where applicable , under the same conditions provided for in this circular;
6. All previous terms prior to January 02, 2012 served by existing IDs shall not be included in the application of the term limits as provided by this circular.

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

(a) Resignation/Death/Removal

There was no resignation or death or removal of Board of the Directors for the year 2014.

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Cessation	Reason
NA	NA	NA	NA

(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	The Nomination and Remuneration Committee passes upon the qualifications of nominees for executive directors. It shall pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees.	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for election as executive directors based on the criteria provided in the By-laws and Manual on Corporate Governance.
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of nominees for non - executive directors. It shall pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees.	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for election as non-executive directors based on the criteria provided in the By-laws and Manual on Corporate Governance.
(iii) Independent Directors	The Nomination and Remuneration Committee passes upon the qualifications of nominees for independent directors. It shall	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for election as independent

	pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees. In accordance with SRC Rule 38, the committee shall prepare a final list of candidates for independent directors. The final list shall contain all the information about the nominees, and form part of the Information Statement which is distributed to all stockholders entitled to vote. During the meeting for the election of directors, stockholders vote for or against the election of such independent directors.	directors in accordance with the criteria provided in the company's By-laws and Manual on Corporate Governance, and SRC Rule 38.
b. Re-appointment		
(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for re-election as executive directors. It shall pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees.	The Nomination and Remuneration passes upon the qualifications of persons nominated for re-election as non-executive directors based on the criteria provided in the By-laws and Manual on Corporate Governance.
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for re-election as non-executive directors. It shall pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees.	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for re-election as non-executive directors based on the criteria provided in the By-laws and Manual on Corporate Governance.
(iii) Independent Directors	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for re-election as independent	The Nomination and Remuneration Committee passes upon the qualifications of persons nominated for reelection as independent

	directors. It shall pre-screen and shortlist all candidates to the board, and make recommendations to the board on qualified nominees. In accordance with SRC Rule 38, the committee shall prepare a final list of candidates for independent directors. The final list shall contain all the information about the nominees, including the date of first appointment as independent director and any relationship between the nominating stockholder and the nominee for independent director, and form part of the Information Statement which is distributed to all stockholders entitled to vote. During the meeting for the election of directors, stockholders vote for or against the re-election of such independent directors.	directors in accordance with the criteria provided in the company's By-laws and Manual on Corporate Governance, SRC Rule 38, as well as SEC Memorandum Circular Nos. 9 (Series of 2009 and 2011) regarding qualifications of and term limits for independent directors.
c. Permanent Disqualification		

(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the permanent disqualification of an executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Should the board determine that an executive/non executive/Independent director should be disqualified from continuing in office, it shall submit the matter to the stockholders for their ratification by a 2/3 vote. However, in accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	Article 4 Section E of Revised Corporate Governance Code provides the grounds for permanent disqualification of executive directors.
(ii) Non-Executive Directors		Article 4 Section E of Revised Corporate Governance Code provides the grounds for permanent disqualification of non-executive directors.
(iii) Independent Directors		Article 4 Section E of Revised Corporate Governance Code provides the grounds for permanent disqualification of independent directors.
d. Temporary Disqualification		

(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification of an executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Section 4.1.5 of the Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to	Article 4 Section E of Revised Corporate Governance Code provides the grounds for temporary disqualification of executive directors.

	remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of nonexecutive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification of an nonexecutive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails	Article 4 Section E of Revised Corporate Governance Code provides the grounds for temporary disqualification of non-executive directors.

	or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	
(iii) Independent Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification of an independent director, it shall	Article 4 Section E of Revised Corporate Governance Code provides the grounds for temporary disqualification of independent directors.

	make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the	

	stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	
e. Removal		
(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the permanent disqualification of an executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified and removed from office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Should the board determine that an executive director should be disqualified and removed from office, it shall submit the matter to the stockholders for their ratification by a 2/3 vote. However, in accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	Article 4 Section E of Revised Corporate Governance Code provides the grounds for disqualification of executive directors.
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications	Article 4 Section E of Revised Corporate Governance Code provides the grounds for

	of non-executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the permanent disqualification of a non-executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified and removed from office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Should the board determine that a non-executive director should be disqualified and removed from office, it shall submit the same to the stockholders for their ratification by a 2/3 vote. However, in accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	disqualification of non-executive directors.
(iii) Independent Directors	The Nomination and Governance Committee passes upon the qualifications of independent directors based on the criteria provided in the Bylaws, Manual on Corporate Governance, and SRC Rule 38. In the event the committee, by majority vote, finds a ground for the permanent disqualification of an independent director, it shall make a recommendation to	Article 4 Section E of Revised Corporate Governance Code provides the grounds for disqualification of non-independent directors.

	the board of directors. Pursuant to the By-laws, a director can be disqualified and removed from office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Should the board determine that an independent director should be disqualified and removed from office, it shall submit the same to the stockholders for their ratification by a 2/3 vote. However, in accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	
f. Re-instatement		
(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of an executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Manual on Corporate Governance provides that a temporarily	Should an executive director who is temporarily disqualified or suspended based on the criteria provided in Article 4 section E of the Revised Code of Corporate Governance be able to remedy or correct the disqualification within the 60-day period , the board shall declare the director as having regained his qualification and order his reinstatement.

	disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification and order his reinstatement to the board.	
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of non-executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of a non-executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Section 4.1.5 of the Manual on	Should a non- executive director who is temporarily disqualified or suspended based on the criteria provided in Article 4 section E of the Revised Code of Corporate Governance be able to remedy or correct the disqualification within the 60-day period , the board shall declare the director as having regained his qualification and order his reinstatement.

	Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification and order his reinstatement to the board.	
(iii) Independent Directors	The Nomination and Governance Committee passes upon the qualifications of independent directors based on the criteria provided in the Bylaws, Manual on Corporate Governance, and SRC Rule 38. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of an independent director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein	Should an independent director who is temporarily disqualified or suspended based on the criteria provided in Article 4 section E of the Revised Code of Corporate Governance be able to remedy or correct the disqualification within the 60-day period , the board shall declare the director as having regained his qualification and order his reinstatement.

	occurs subsequent to his election. Section 4.1.5 of the Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification and order his reinstatement to the board.	
g. Suspension		
(i) Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of an executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event	Article 4 Section E of the company's Revised Code of Corporate Governance provide for the criteria for the temporary disqualification or suspension of a director.

	that any of the disqualification grounds provided therein occurs subsequent to his election. Section 4.1.5 of the Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of	

	the president, or on written demand of majority of the stockholders.	
(ii) Non-Executive Directors	The Nomination and Remuneration Committee passes upon the qualifications of non-executive directors based on the criteria provided in the Bylaws and Manual on Corporate Governance. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of a non-executive director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Section 4.1.5 of the Manual on Corporate Governance provides that a temporarily disqualified director shall, within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said	Article 4 Section E of the company's Revised Code of Corporate Governance provide for the criteria for the temporary disqualification or suspension of a director.

	period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	
(iii) Independent Directors	The Nomination and Remuneration Committee passes upon the qualifications of independent directors based on the criteria provided in the Bylaws, Manual on Corporate Governance, and SRC Rule 38. In the event the committee, by majority vote, finds a ground for the temporary disqualification or suspension of an independent director, it shall make a recommendation to the board of directors. Pursuant to the By-laws, a director can be disqualified from continuing in office in the event that any of the disqualification grounds provided therein occurs subsequent to his election. Manual on Corporate Governance provides that a temporarily disqualified director shall,	Article 4 Section E of the company's Revised Code of Corporate Governance provide for the criteria for the temporary disqualification or suspension of an independent director.

	within 60 business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall become permanent. In view thereof, the board shall duly advise the director of his temporary disqualification and give him the requisite 60-business day period within which to remedy the disqualification, during which time he will be suspended from office. If the board is satisfied that the disqualification has been duly remedied within the said period, it shall declare the director as having regained his qualification to sit in the board. If however the director fails to remedy the disqualification within the said period, the board of directors shall consider the same to be a permanent disqualification and submit to the stockholders for their ratification by a 2/3 vote the matter of the removal of the said director. In accordance with Section 28 of the Corporation Code, a special meeting of the stockholders to consider the removal of a director may be called by the secretary on order of the president, or on written demand of majority of the stockholders.	

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Edgardo P. Reyes	688,559,468
Wilfrido P. Reyes	688,559,468
Belen R. Castro	688,559,468
Manuel G. Arteficio	688,559,468
Francisco M. Bayot, Jr.	688,559,468

6) Orientation and Education Program

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

The Company does not have a formal orientation program however, new directors are provided with reference reading materials to assist them in understanding better the business and operations of the Company. Among the reading materials provided are: (1) Audited Financial Statements, (2) SEC Form 20-IS- Information Statement/ Annual Report, (3) Revised Manual of Corporate Governance, (4) Amended Articles of Incorporation, (5) Amended By-laws, (6) Code of Ethics and Code of Conduct, (7) Definitive Information Statement, (8) Board Committee Charters, (9) Minutes of Annual Stockholders' Meeting, (10) Other relevant write-ups, references or industry Reports

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

SEC – PSE Corporate Governance Forum held last 21 October 2014 at Makati Shangri-la Hotel, Rizal Ballroom B & C.

(c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

There has been no continuing education programs for directors, programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution

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:

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

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	The basic principle to be observed is that a director should not use his position to profit or gain some benefit or advantage 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 a director, he should fully and immediately disclose it and should not participate in the decision-making process. A director who has a continuing material conflict of interest should seriously consider resigning from his position. A conflict of interest shall be considered material if the director's personal or business interest is antagonistic to that of the Corporation, or stands to acquire or gain financial advantage at the expense of the Corporation. Whenever an employee and/or immediate family member would benefit personally from an investment or purchasing decision of the Company and he would normally make, or be a party to such decisions, the employee MUST: •Declare the interest; and •Play no part in the decision-making process.		
(b) Conduct of Business and Fair Dealings	The Company does not seek competitive advantages through illegal or unethical business practices. Each Director, Executive Officer and Employee should endeavor to deal fairly with the Company's stakeholders/customers, service providers, suppliers, and competitors. No Director, Executive Officer or Employee should take undue advantage of anyone through manipulation, concealment, abuse of privilege information, misrepresentation of material facts, or any unfair dealing practices.		
(c) Receipt of gifts from third parties	Directors, executive officers and employees of the Company must not: Solicit or accept any gifts, entertainment, or other benefits that may influence, is perceived to influence, or is intended to influence Company business. All offered gratuities must be immediately reported to their immediate supervisor; or Solicit or accept personal fees, commissions, or other forms of remuneration related to any transactions involving the Company.		
(d) Compliance with Laws & Regulations	Directors, executive officers and employees of the Company must have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-laws, the rules and regulations of the Commission and, where applicable, the requirements of relevant regulatory agencies. They should also keep abreast with industry developments and business trends in order to promote the Corporation's competitiveness. Directors, officers and employees shall uphold right conduct and shall personally adhere to the norms and restrictions imposed by applicable laws, rules and regulations. They shall not accept demands brought on by prevailing business conditions or perceived pressures as excuses to violate any law, rule or regulation.		
(e) Respect for Trade Secrets/Use of Non-public Information	Directors, Officers and employees shall maintain and safeguard the confidentiality of information entrusted by the Company, customers, business partners or such		

	other parties with whom the Company relates, except when disclosure is authorized or legally mandated. They should not trade the company's securities using price sensitive information that is not normally available publicly, and obtained by reason of position, contact within, or other relationship with the Company.
(f) Use of Company Funds, Assets and Information	Directors, Officers and Employees shall use company property and resources including company time, supplies and software, efficiently, responsibly and only for legitimate business purposes only. They shall safeguard company assets from loss, damage, misuse or theft and shall respect intellectual property rights.
(g) Employment & Labor Laws & Policies	The Company has an Employees' Manual of Policies and Procedures which provides for employee rights, obligations and sets policies on employee-related matters to ensure uniformity and consistency in the interpretation and implementation of Human Resources Policies and Programs, which are consistent with and in accordance with relevant provisions of the Labor Code of the Philippines.
(h) Disciplinary action	Any officer or employee that commits a violation of the Code of Ethics shall be subject to disciplinary action (including termination), without prejudice to any civil or criminal proceedings that the Company or regulators may file for violation of existing laws, rules or regulations.
(i) Whistle Blower	It is the policy of the Company to support and encourage its directors, officers and employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures. It is also the Company's policy to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats, coercion or intimidation against directors, officers and employees who report, disclose or investigate improper or illegal activities and to protect those who come forward to report such activities.
(j) Conflict Resolution	The Audit Committee will handle resolution of reported illegal or unethical behaviour involving Senior Management or any Board Member. Whenever there is conflict concerning employees of the company, HR Department usually calls for an Administrative hearing where both parties are invited to attend together with their Department Head. This is done to give both parties an opportunity to voice out their sentiments and arguments after which , HRD will meet both the Department Heads to discuss the problem/issues and come out with a solution on how to resolve the conflict.

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

Yes.

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

It is expected that all employees follow the company's policies and procedure as stated in the handbook. From time to time, policies and procedures are reiterated by sending a reminder through email or giving out memos.

4) Related Party Transactions

(a) Policies and Procedures

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

Related Party Transactions	Policies and Procedures
(1) Parent Company (2) Joint Ventures (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	Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

(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.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	None
Name of Officer/s	None
Name of Significant Shareholders	None

(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 Group	The basic principle to be observed is that a director, officer, significant shareholder should not use his position to profit or gain some benefit or advantage 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 a director, officer,

	significant shareholder, he should fully and immediately disclose it and should not participate in the decision-making process. A person who has a continuing material conflict of interest should seriously consider resigning from his position. A conflict of interest shall be considered material if personal or business interest is antagonistic to that of the Corporation, or stands to acquire or gain financial advantage at the expense of the Corporation. The Audit Committee has been created to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders. The External Auditor is engaged to review the related party transactions. The Company submits itself to oversight by government and regulatory institutions and agencies. The Company engages third-party institutions to evaluate the fairness of major related party transactions.

5) Family, Commercial and Contractual Relations

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
none	Not applicable	

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
None		

(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
None		

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

6) Alternative Dispute Resolution

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

	Alternative Dispute Resolution System
Corporation & Stockholders	To ensure a high standard of best practices for the Corporation and its stockholders, the Board shall establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including the regulatory authorities.
Corporation & Third Parties	
Corporation & Regulatory Authorities	

C. BOARD MEETINGS & ATTENDANCE

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

Board of Directors' meetings are scheduled at the beginning of the year.

2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Edgardo P. Reyes	May 30,2014	5	5	100%
Member	Wilfrido P. Reyes	May 30,2014	5	5	100%
Member	Belen R. Castro	May 30,2014	5	5	100%
Independent	Manuel G. Arteficio	May 30,2014	5	5	100%
Independent	Francisco M. Bayot, Jr.	May 30,2014	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? None

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

No, because the Board of Directors is composed only of 5 members. However, all resolutions of the Board are unanimously adopted and ratified by all members.

5) Access to Information

(a) How many days in advance are board papers[5] 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

Five (5) days.

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

Yes.

(c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

The Corporate Secretary, who should be a Filipino citizen and a resident of the Philippines pursuant to the Corporation Code of the Philippines, is an officer of the Corporation and, is responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the Corporation; for informing the members of the Board, in accordance with the by-laws, of the agenda of their meetings and ensure that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval; and ensuring that all Board procedures, rules and regulations are strictly followed by the members.

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

Yes.

(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 procedures
Executive	Each member of the Executive Committee has direct access to management as well as any officer or employee of the company. The committee can directly consult and confer with management and company employees to request or direct the preparation of documents and information necessary or in connection with any matter that is of concern to the committee.
Audit	Members of the Audit Committee are directly provided materials and reports by the company's external auditors and Internal Audit Group. In turn, the members of the Audit Committee can directly consult and confer with the company's external auditors and Internal Audit Group to ask questions and request documents pertaining to any matter that is of interest to the Audit Committee. They may also request information, data and clarification from any officer of the Corporation in the performance of their duties and responsibilities.
Nomination	The Corporate Secretary provides the members of the Nomination Committee the resumes of each person nominated for appointment to a position requiring board approval. Each committee member may directly request additional information

and internal financial documents.

	or documents from the Corporate Secretary or any officer or employee of the Corporation relating to any matter that is of interest to the committee.
Remuneration	Members of the Compensation and Remuneration Committee can directly consult and confer with any member of management or employee of the Corporation to ask questions and request reports and other documents relating to any issue that is of interest to the committee.

6) External Advice

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

Procedures	Details
Legal advice	Refer to corporate secretary or legal counsel for advice and guidance of the legal aspect of the issues involved and its implications and/or consequence.
Independent opinion on financial matters and related regulatory concerns	Refer to external auditors on the correct accounting treatment and consequent financial disclosure requirement.

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:

There has been no 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.

Existing Policies	Changes	Reason
none		

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	Through the Remuneration Committee	Chairman approves the salaries for Management Officers based on Approved Guidelines.

(2) Variable remuneration	None	None
(3) Per diem allowance	Based on Article III, Section 11 of the Amended By-Laws.	None
(4) Bonus	As mandated by Law.	As mandated by Law.
(5) Stock Options and other financial instruments	None	None
(6) Others (specify)	None	None

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	Under the company's By-laws, directors do not receive any stated salary for their services, but per diems in the amount determined by the board of directors may be allowed for attendance at each meeting.		As benchmarked, the directors may receive a standard per diem of Ten Thousand Pesos (PHP 10,000.00),
Non-Executive Directors			

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

Yes. Actions of the Board are presented to the stockholders for their ratification. Anything that's not provided for in the By-Laws would have to be presented to the stockholders for their approval.

Remuneration Scheme	Date of Stockholders' Approval
Amended By-Laws	May 25,2012

3) Aggregate Remuneration

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

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	240,000	None	none
(b) Variable Remuneration	none	None	none
(c) Per diem Allowance	none	None	none
(d) Bonuses	60,000	None	none
(e) Stock Options and/or other financial instruments	none	None	none
(f) Others (Specify)	none	None	none
Total	300,000.00	None	none

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

4) Stock Rights, Options and Warrants

(a) Board of Directors

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

The company has no stock rights, options or warrant issued since its inception.

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

none	Not applicable			

(b) Amendments of Incentive Programs

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

There are no amendments and discontinuation of any incentive programs introduced.

Incentive Program	Amendments	Date of Stockholders' Approval
None	Not applicable	

5) Remuneration of Management

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

Name of Officer/Position	Total Remuneration
David R. Baladad/ Vice President - Operations	₱1,461,000.00
Zosimo L. Padro, Jr./ Vice President - Finance	

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	1	1	1				
Audit	1	1	1		Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations; (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; (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; (d) Review the annual internal audit plan to ensure its conformity with the objectives of the		

					Corporation. The plan shall include the audit scope, resources and budget necessary to implement it; (e) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination, if more than one audit firm is involved in the activity, to secure proper coverage and minimize duplication of efforts; (f) Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal; (g) Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system including financial reporting control and information technology security; (h) Review the reports submitted by the internal and external auditors; (i) Review the quarterly, half-year and annual financial statements before their submission to the Board		

					Coordinate, monitor and facilitate compliance with laws, rules and regulations; (k) Evaluate and determine the non-audit work, if any, of the external auditor; and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report; (l) 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. The Audit Committee shall ensure that in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties. For Philippine		

					branches or subsidiaries of foreign corporations covered by this Code, their Internal Auditor should be independent of the Philippine operations and should report to the regional or corporate headquarters.		
Nomination	1	1	1		Review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors		
Remuneration	1	1	1		establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Corporation's culture, strategy and the business environment in which it operates		
Others (specify)	0	0	0				

2) Committee Members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Edgardo P. Reyes	May 30,2014	5	5	100%	21
Member (ED)	Wilfrido P. Reyes	May 30,2014	5	5	100%	21
Member (NED)						
Member (ID)	Manuel G. Arteficio	May 30,2014	5	5	100%	6

Member						

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Manuel G. Arteficio	May 30,2014	5	5		6
Member (ED)	Edgardo P. Reyes	May 30,2014	5	5		21
Member (ED)	Wilfrido P. Reyes	May 30,2014	5	5		21
Member (ID)						
Member						

Disclose the profile or qualifications of the Audit Committee members.

MANUEL G. ARTEFICIO, 70 years of age, Filipino, has been an INDEPENDENT DIRECTOR of the Company since 2007. He has been PRESIDENT of San Manuel Mining Corp. from 1990 to present; Assissi Mining Corp., Bonaventures Mining Corp., Ignatius Mining Corp., all three from 1994 to present; he is also the PRESIDENT of Egerton Gold Phils., Inc. from 2006 to present.

EDGARDO P. REYES, 69 years of age, Filipino, has been the CHAIRMAN of the Board of Directors of the Company since 1992. He is the CHAIRMAN of Gonzalo Puyat and Sons, Inc., Puyat Steel Corp., Surigao Development Corporation and Surigao Marine Corporation; DIRECTORS of Socland Development Corporation (2011 to present), International Pipe Industries Corp. (2011 to present), Puyat Flooring Products Inc., Puyat Investment & Realty, EWB Corporation (former Proleo Realty Inc.,) and Bene-Para Realty Inc.; for the past five (5) years. He is also the former President of International Pipe Industries Corporation and Puyat Flooring Productings, Inc., Chairman and President of Bell Telecommunication Phils., Inc, until December 2009, and a former director of Premiere Development Bank until 2011. Mr. Reyes is the brother of Mr. Wilfrido P. Reyes and Ms. Belen R. Castro.

WILFRIDO P. REYES, 68 years of age, Filipino, has been the PRESIDENT of the Company since 1992. CHAIRMAN/PRESIDENT of Astraniquinn Corporation, (formerly WPR Realty & Management Corp.); EXECUTIVE VICE PRESIDENT/DIRECTOR of Gonzalo Puyat & Sons Inc. and Purex Mineral Corp.; EVP/GENERAL MANAGER of Philippine Flour Mills; SVP/DIRECTOR of Puyat Steel Corporation; TREASURER/DIRECTOR of Surigao Development Corp.; SECRETARY/DIRECTOR of Surigao Marine Products, Inc.; VP/GENERAL MANAGER of Reyson Realty & Development Corp.; PRESIDENT of EWB Corporation (formerly Proleo Realty Inc.), Former VP/TREASURER of Bell Telecommunication Phils. Inc until December 2009.; TREASURER/DIRECTOR of International Pipe Industries Corp. for the past five (5) years. Mr. Reyes is the brother of Mr. Edgardo P. Reyes and Ms. Belen R. Castro.

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

Perform oversight functions over the Corporation's 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;

Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination, if more than one audit firm is involved in the activity, to secure proper coverage and minimize duplication of efforts;

Review the reports submitted by the external auditors; and

Evaluate and determine the non-audit work, if any, of the external auditor; and review periodically the non-audit

fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Francisco M. Bayot, Jr.	May 30,2014	5	5	100%	
Member (ED)	Wilfrido P. Reyes	May 30,2014	5	5	100%	
Member (NED)	Belen R. Castro	May 30,2014	5	5	100%	
Member (ID)						
Member						

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Francisco M. Bayot, Jr.	May 30,2014			100%	
Member (ED)	Wilfrido P. Reyes	May 30,2014			100%	
Member (NED)	Belen R. Castro	May 30,2014			100%	
Member (ID)						
Member						

(e) Others (Specify)

Provide the same information on all other committees constituted by the Board of Directors:

The company has no other committees.

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

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

There has been no changes in committee membership for the year 2014.

Name of Committee	Name	Reason
Executive		
Audit		
Nomination		
Remuneration		
Others (specify)		

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	Review and study of various proposals of management prior to their submission to the board of directors for approval.	Resolution and finalization of various transactional issues prior to presentation to the board of directors.
Audit	Assisted the Board in fulfilling its oversight responsibilities for financial reporting process, system of internal control, audit process and the company's process for monitoring compliance with laws and regulations and the code of conduct.	Reviewed and discussed quarterly unaudited financial statements, audited annual financial statements including Management's Discussion and analysis of financial condition and results of operations, adequacy of the company's enterprise risk management framework, and the effectiveness of the system for monitoring compliance with laws and regulations. Approved the overall scope and audit plans of Internal and external audits, effectiveness of the internal audit function and recommended for approval the re-appointment of the current external auditors. Performed a self-evaluation of the Committee in terms of expectations set out in the Audit Committee Charter.
Nomination	Reviewed and evaluated the ~~of~~ qualifications of persons nominated to the Board as well as those nominated to other posisition requiring Board's approval.	Reviewed the qualifications of all nominees to the Board of directors, taking into consideration the relevant requirements of the Securities and Exchange Commission relative to qualifications and disqualifications of both regular and independent director nominees.
Remuneration	Provided a formal and transparent procedure for developing a policy on executive remuneration and for	Provided oversight over remuneration of senior management and other key personnel.

	fixing the remuneration of corporate officers and directors to ensure that their compensation is consistent with the corporation's culture, strategy and the business environment in which it operates.	

5) Committee Program

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

Name of Committee	Planned Programs	Issues to be Addressed
Executive	Continue to assist management in drafting and finalizing particular transactions and projects by reviewing, prior to submission to the board of directors, proposals from management	Resolution and finalization of various transactional issues prior to presentation to the board of directors
Audit	Continuous monitoring and oversight of financial reporting, internal control systems, internal audit activities, compliance with key regulatory requirements, and enforcement of the Company's Code of Conduct Conduct of annual self-assessment of Audit Committee performance Monitor the actions taken by the Internal Audit Group to address the results of the Quality Assurance Review for the internal audit function.	Continuous monitoring of the level of compliance by the Audit Committee Charter with the SEC Revised Code of Corporate Governance to ensure full alignment with the Code
Nomination	Continue to ensure proper review of the qualifications of persons proposed to be appointed as officers of the Corporation where such appointment is subject to the approval of the board of directors.	Maintain the quality and level of competence of corporate officers to assure attainment of corporate objectives.
Remuneration	Review and pass upon proposals or initiatives pertaining to	Ensure that compensation is consistent with the

	compensation and rewards.	Corporation's culture, strategy, and the business environment in which it operates.

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

   (a) Overall risk management philosophy of the company;

   The Company believes that all risks taken must be identified, measured, monitored and managed. Risk management should be done at every level in the organization, and should be strongly integrated with the management practices of the organization. The individual and organizational expectations for risk management must be synchronized.

   (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, through its Audit Committee, have reviewed and evaluated the adequacy and effectiveness of the Company's enterprise risk management framework and the management's activities in managing credit, market, liquidity, operational, legal and other risks of the Company and its risk management processes.

   (c) Period covered by the review;

   2014

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

   The risk management system is reviewed as needed. Measures and/or controls are identified to address the key risk priorities and are evaluated if still effective in mitigating subject risks. Risk monitoring and reporting activities are reviewed to ensure its effectiveness such that these risks priorities and control activities are optimized and utilized to help management meet its goals and objectives.

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

   Not applicable.

2) Risk Policy

   (a) Company

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

Risk Exposure	Risk Management Policy	Objective
Credit Risk	The company trades only with recognized, creditworthy third parties. It is the Group's policy that all counterparties who wish to trade on credit terms are subject to credit verification	For Capital preservation and to avoid potential losses that may arise due to the failure of its counterparties to fulfill their obligations on maturity dates or due to adverse market conditions.

	procedures. For investment in bonds, funds are invested in highly recommended, creditworthy debt instruments that provides satisfactory interest yield and capital appreciation. Investment in equities securities represent investments in companies with good dividend track record, as well as capital appreciation. The investment portfolio mix between debt and equity is reviewed by management.	
Liquidity Risk	Management is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes and policies are overseen by management. The Group manages its liquidity risk based on business needs, tax, capital or regulatory considerations.	In order to maintain financial flexibility and to prevent inability to settle or meet obligations on time or at a reasonable price.
Equity Price Risk	The Group measures the sensitivity of its domestic AFS financial assets by using stock market index fluctuations and its effect to respective share prices. For foreign AFS financial assets, the Group uses index fluctuation in the respective stock exchanges where these assets are quoted.	To keep track on the fluctuations of equity prices that would materially impact investments. To keep watching on latest trends, news and updates that would have the potential to pull down equity indeces thereby causing losses on the group's equity investments.
Foreign Currency Risk	The company regularly monitors outstanding financial assets and liabilities in foreign currencies and maintains them at a level respective to the current exchange rates so as to minimize the risks related these foreign currency denominated assets and liabilities.	To manage risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in foreign currencies.
Interest Rate Risk	The company manages interest rate risk by investing mainly on fixed coupon bonds and other investment. But by doing so, the Group is assured of future interest revenues from such investments.	To manage the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(b) Group

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

Same as with the company.

Risk Exposure	Risk Management Policy	Objective

(c) Minority Shareholders

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

Risk to Minority Shareholders
While there is a risk that the exercise of the controlling shareholders' voting power may be restrictive or authorizing preferences in their favor, the Board in its commitment to practice good governance, is committed to respect the rights of the shareholders as provided for in the Corporation Code. These include the right to vote on all matters that require their consent or approval, such that a director shall not be removed without cause if it will deny minority shareholders representation in the Board. Although all stockholders should be treated equally or without discrimination, the Board should give minority stockholders the right to propose the holding of meetings and the items for discussion in theagenda that relate directly to the business of the corporation.

3) Control System Set Up

(a) Company

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

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
Credit Risk	The credit quality of financial assets is managed by the Company using high quality and standard quality as internal credit ratings.	Regular review and analysis of customer financial and credit performances
Liquidity Risk	Cash and Cash Equivalents monitoring Budget Reports Monitoring of Current and Noncurrent Liabilities	Comparative Analysis of Budget versus Actual Costs. Timely Cash Position Reports Management of Payables
Equity Price Risk	Daily monitoring of Market prices.	Seeking professional services of brokers.
Foreign Currency Risk	Set up benchmarks for acceptable foreign currency rates and closely monitors fluctuations in the market.	Regularly monitors outstanding financial assets and liabilities in foreign currencies and maintains them at a level respective to the current exchange rates so as to minimize the risks related to these foreign currency denominated assets and liabilities.
Interest Rate Risk	Maintains and closely monitors	The Group manages interest rate risk

	available rates in the market.	by investing mainly on fixed coupon bonds and other investment.

(b) Group

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

Same as company.

(c) Committee

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

Not Applicable.

Committee/Unit	Control Mechanism	Details of its Functions
Audit Committee	Assists the Board in fulfilling its oversight responsibilities for financial reporting process, system of internal control, audit process and the company's process for monitoring compliance with laws and regulations and the code of conduct.	Mainly responsible for recommending the appointment of external auditors whose report they review; monitor the system of internal controls and corporate compliance with laws, regulations and code of ethics; serve as a direct channel of communications to the Board for the internal auditor, compliance officer and the general counsel.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

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

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

Internal Control System of the company are the framework under which internal controls are developed and implemented (along or in concert with other polices or procedures) to manage and control a particular risk or business activity, or combination of risks or business activities, to which the corporation is exposed.

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

The board of directors, through the Audit Committee, monitors and evaluates the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security.

Management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition, and liabilities are recognized. The Board of Directors, through the audit

committees, reviews the financial statements, and presents the same for approval of the Board of Directors and stockholders.

The board of directors, through its audit and compliance committee continuously reviews and follow up until closure all action items needed to be in full compliance with the company's Manual on Corporate Governance and its related documents and policies.

Continuous training is being under taken by the members of the board of directors, Management officers and personnel to fully acquaint then with the company's corporate governance manual, policies and related matters.

(c) Period covered by the review;
2014.

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

The assessment of internal controls is preferably done when there are significant changes that would entail revision or enhancement of existing controls.

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

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 a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance	The primary work is to determine whether the organization's network of governance, risk management, and control process, as designed and implemented by management, is adequate and functioning in a manner that ensures that: risks are appropriately identified and managed; significant financial,		Atty. Zosimo L. Padro, Jr. CPA	Members of the Internal Audit group report to the Internal Audit officer who reports functionally to the Audit Committee and administratively to senior management. The Internal Audit group issues periodic reports to the Audit

process.	managerial and operating information are accurate, reliable and timely; employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations; resources are acquired economically, used efficiently, and protected adequately; significant legislative or regulatory issues impacting the organization are recognized and addressed appropriately; and interaction with various governance groups is pursued as necessary.			Committee and management, updating and summarizing results of audit activities.

(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.

(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 is directly reporting to the Audit Committee and administratively to the President / Chief Executive Officer. (Amended Manual on Corporate Governance)

The Audit Committee ensures the existence of a working internal audit group, which is headed by a competent business manager, to identify audit issues, propose resolutions to these issues, and provide reasonable assurance that key organizational and procedural controls as promulgated by Management are effective, appropriate and enforced. The Committee concurs in the appointment, dismissal, replacement or re-assignment of the internal audit head.

(d) Resignation, Re-assignment and Reasons

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

Not applicable

Name of Audit Staff	Reason

(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[6]	Issues are discussed with the Auditee during closing or exit meetings and their responses are incorporated in the Internal Audit Engagement Report
Findings[7]	Findings are reported to the Management through the Internal Audit Engagement Report, and to Audit Committee through the Internal Audit Updates during Audit Committee meetings.
Examination Trends	As a holding company, the examinations are being done mostly on the subsidiary and investments of the company.

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

1) Preparation of an audit plan inclusive of a timeline and milestones;
2) Conduct of examination based on the plan;
3) Evaluation of the progress in the implementation of the plan;
4) Documentation of issues and findings as a result of the examination;
5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
6) Conduct of the foregoing procedures on a regular basis.]

(f) Audit Control Policies and Procedures

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

None.

Policies & Procedures	Implementation

[6] "Issues" are compliance matters that arise from adopting different interpretations.
[7] "Findings" are those with concrete basis under the company's policies and rules.

(g) Mechanisms and Safeguards

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

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
The Corporation shall have in place an independent internal audit system which shall be performed or supervised by an Internal Auditor or a group of Internal Auditors, through which its Board, Senior Management, and Shareholders shall be provided with reasonable assurance that key organizational and procedural controls are effective, appropriate, and complied with. The Internal Auditor shall facilitate the implementation of the anti corruption programmes and procedures of the Corporation by recommending guidelines including on assigning of responsibility for the development of controls. In furtherance of the Corporation's good governance initiatives and in consonance with its anti-corruption programmes and procedures, its Code of Conduct, its Code of Employee Discipline, the Internal Auditor shall establish and facilitate the implementation of a Whistleblower Policy which identifies who could be whistleblowers, laying down the matters which are reportable thereunder, the procedures for whistleblowing, as well as their rights and responsibilities under the said policy. The Internal Auditor shall report to the Audit Committee on the matters specified herein. The Audit Committee, guided by best practices, shall regularly review organizational and procedural controls. The minimum internal control mechanisms for Management's operational responsibility shall center on the CEO, he being ultimately accountable for the Corporation's organizational and procedural controls. The scope and particulars of a system of effective organizational and procedural controls shall be based on the following factors: the nature and complexity of business and the business culture; the volume, size and complexity of transactions; the degree of risk; the degree of centralization and delegation of authority; the extent and effectiveness of information technology; and the extent of regulatory compliance."			

(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.

Wilfrido P. Reyes – President
David R. Baladad – Vice President - Operations

H. ROLE OF STAKEHOLDERS

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

	Policy	Activities

Customers' welfare	No customers
Supplier/contractor selection practice	Not Applicable
Environmentally friendly value-chain	Not Applicable
Community interaction	Subsidiary Level
Anti-corruption programmes and procedures?	The company conducts business activity in accordance with the law
Safeguarding creditors' rights	Liabilities are settled as they become due.

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

Yes.

Performance-enhancing mechanisms for employee participation.

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

The Company is committed in providing and maintaining a safe, secure and healthy work environment. In turn, the employee has the responsibility to work safely, to keep work areas and common areas in the company clean, not just to reduce the chances of injury but also to make the office a more attractive and pleasant place to work in.

Employees are urged to report to their immediate superior accidents or any condition or practice which is unsafe, whether or not these result in personal injury or no matter how minor they might seem to be.

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

Generally regular employees undergo medical check-up with their preferred medical clinic/hospital. There have been no reported work-related accidents or health concerns in the Company.

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

New employees are given orientation on the Company's policies and procedures and made to undergo basic training. Regular employees are made to attend seminars relevant to their respective roles in the organization.

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

The Company adopts a Performance Management System (PMS) that allows for the objective assessment of an individual's performance and development needs. The PMS shall be conducted regularly and the results of which shall be the basis for the company's compensation and rewards system, promotions policy, training and development, and succession planning programs.

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

All violations of the company policy must be processed and as much as possible, resolved at the departments level. The latter may consult with the HRD as regards interpretation of the company policy.

Department head/managers may delegate the investigation and the reception of evidence to the supervisors or team leaders concerned, always taking into consideration the primacy of preserving good industrial relation between management and personnel and the standards of due process.

If the case is of a grave or serious nature, the same may be forwarded to the HRD Department for further investigation taking into consideration the standards of due process.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
Belen R. Castro	231,531,122	25.6709%	NA
Edgardo P. Reyes	229,853,123	25.4849%	NA
Wilfrido P. Reyes	226,853,123	25.1522%	NA
PCD Nominee (FIL)	170,932,734	18.9521%	NA

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Not applicable			
TOTAL			

2) Does the Annual Report disclose the following:

Key risks	YES
Corporate objectives	YES
Financial performance indicators	YES
Non-financial performance indicators	NO
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/commissioners meetings held during the year	NO
Attendance details of each director/commissioner in respect of meetings held	NO
Details of remuneration of the CEO and each member of the board of directors/commissioners	YES

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

The information not disclosed in the Annual Report are not required to be disclosed therein; some are disclosed in other reports filed by the Company.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
SGV & CO.	₱90,336.00	₱62,720.00

4) Medium of Communication

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

1. Mail;
2. Website;
3. Reports filed with SEC and other regulatory bodies, LGU's, and
4. Online disclosure through Philippine Stock Exchange.

5) Date of release of audited financial report: **April 10,2015**

6) Company Website www.southchinaresourcesinc.com.ph

Does the company have a website disclosing up-to-date information about the following?

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

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

7) **Disclosure of RPT**

RPT	Relationship	Nature	Value
South China Petroleum International	Affiliate	Manufacturing	₱0.1M
SOC Land Dev Corp.	Subsidiary	Real Estate	₱1.21B

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?

Transactions entered into by the Company with related parties are at arm's length basis and have terms similar to the transactions entered into by the company with third parties. The Company formulated policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its subsidiary, 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.

None of the Company's shareholders are granted special privileges or concessions.

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	Unless otherwise provided by law, in all regular or special meeting of stockholders, a majority of the outstanding capital stock must be present or represented by proxy in order to constitute a quorum. If no quorum is constituted, the meeting shall be adjourned until the requisite number of the outstanding capital stock shall be present or represented by proxy.

(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Corporate acts are approved by the board of directors.
Description	Under the By-laws, the directors shall only act as a board. A majority of the board shall constitute a quorum for the transaction of business, and every decision of a majority of the quorum shall be valid as a corporate act; but one or more directors present at the time and place for which a meeting shall have been called may adjourn any meeting from time to time until a quorum shall be present.

(c) Stockholders' Rights

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

There are no any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	**Stockholders' Rights <u>not</u> in The Corporation Code**
1. Right to vote on all matters that requires their consent or approval; 2. Right to inspect corporate books and records;	

3. Right to information; 4. Right to dividends; and 5. Appraisal right.	

Dividends

The Company has no earnings yet from commercial production pertaining to the oil exploration segment of the business hence there were no dividends declared for the period ending December 31, 2014 and two years ending December 31, 2013 and December 31, 2012.

Declaration Date	Record Date	Payment Date
Not applicable		

(d) Stockholders' Participation

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

Measures Adopted	Communication Procedure
Although the company is not soliciting proxies, it provides, in the Information Statement, a draft general proxy form for stockholders who may wish to appoint a proxy for the meeting. This facilitates stockholder participation in stockholders' meetings.	Each stockholder is furnished a hard copy of the Information Statement at least 25 business days before the stockholders' meeting. A notice of meeting is attached to the Information Statement. The notice clearly indicates that "The Corporation is not soliciting proxies; however, a draft general proxy form is hereto attached solely for the convenience of stockholders who may wish to appoint a proxy for the meeting." In addition, the draft general proxy form is attached to the Information Statement to further facilitate stockholder participation by proxy.

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

Under the company's Manual on Corporate Governance, the board recognizes and respects the rights of

stockholders under the law, the Articles of Incorporation and By-laws, specifies the stockholders' rights to vote on all matters that require their consent or approval, right to inspect corporate books and records, right to information, right to dividends, and appraisal rights.

Any amendment to the company's Articles of Incorporation, including the authorization for the increase in the company's authorized capital stock, and sale of all or substantially all of the company's assets, are submitted to the board for approval, and to the stockholders for ratification.

A stockholder's appraisal rights are also embodied in Section 81 of the Corporation Code which gives a stockholder the right to dissent and demand payment of the fair value of his shares in the following instances: (i) in case of any amendment to the articles of incorporation which has the effect of changing or restricting the rights of any stockholder 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; (ii) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; and (iii) in case of merger or consolidation.

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

   Notice for regular or special meetings of stockholders may be sent by the secretary by personal delivery or by mail at least 20 days before a regular or special meeting to each stockholder of record at his last known post office address or by publication in a newspaper of general circulation.

   a. Date of sending out notices: May 10,2013

   b. Date of the Annual/Special Stockholders' Meeting: May 31,2013

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting. None

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

Resolution	Approving	Dissenting	Abstaining
Approval and Ratification of 2013 Annual Stockholders' Meeting held last May 31,2013	688,559,468 shares	none	none
Approval of Report of Management for the calendar year ended 2013	688,559,468 shares	none	none
Ratification and approval of all acts and all transactions entered into by, the Board of Directors and Officers of the Corporation on the latter's behalf during the calendar year 2013	688,559,468 shares	none	none
Nomination and Election of the following Directors: 1. Edgardo P. Reyes 2. Wilfrido P. Reyes 3. Belen R. Castro 4. Manuel G. Arteficio 5. Francisco M. Bayot, Jr	688,559,468 shares	none	none
Appointment of Sycip Gorres Velayo & Co. as the corporation's external auditors for the calendar year 2014 with Mr. Ladislao Z. Avila, Jr. as the engagement partner.	688,559,468 shares	none	none

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
May 30, 2014

(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:

There has been no modification made in the most recent Annual Stockholders Meeting Regulations.

Modifications	Reason for Modification
Not applicable	

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	Edgardo P. Reyes Belen R. Castro Manuel G. Arteficio Francisco M. Bayot. Jr. Zosimo L. Padro, Jr. David R. Baladad	May 30,2014		51%	25%	76%

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

No.

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

Pursuant to the Corporation Code, each share being held by every stockholder is entitled to one vote for as many persons as there are directors or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors

to be elected.

(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	If you cannot attend the meeting but would like to be represented thereat, you may appoint a proxy in writing and file the same, together with the appropriate Board resolution for corporate stockholders. Said proxies shall be validated at the Corporation's principal offices. On the day of the meeting, you or your proxy are hereby required to bring the Notice of meeting and any form of identification, e.g. driver's license, company ID, TIN card, etc., to facilitate registration.
Notary	Not required.
Submission of Proxy	In accordance with the By-Laws and Definitive Information Statements providing for specific deadlines
Several Proxies	
Validity of Proxy	Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the secretary.
Proxies executed abroad	Same requirements with locally executed.
Invalidated Proxy	Not counted but copies are kept.
Validation of Proxy	Said proxies shall be validated at the Corporation's principal offices.
Violation of Proxy	To be dealt with in accordance with the Corporation Code

(h) Sending of Notices

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

Policies	**Procedure**
Notices for regular or special meetings of stockholders may be sent by the Secretary by personal delivery or by mail at least twenty (20) days before a regular or special meeting to each stockholders of record at his last known post office address or by publication in a newspaper of general circulation.	In accordance with SRC Rule 20
The notice shall state the place, date and hour of the meeting, and the purpose for which the meeting is called. In case of special meetings, only matter stated in the notice can be the subject of motions or deliberations at such meeting.	In accordance with SRC Rule 20

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	374
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	Not Applicable
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	May 09, 2014
State whether CD format or hard copies were distributed	Hard Copies
If yes, indicate whether requesting stockholders were provided hard copies	Yes, requesting stockholders are provided hard copies.

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

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	No
Documents required for proxy vote.	Yes

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

2) Treatment of Minority Stockholders

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

Minority stockholders are entitled to same rights granted to the majority stockholders. The rights granted to the minority stockholders under the law are respected by the Corporation.

Policies	Implementation

(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 committee with this responsibility, if it has been assigned to a committee.

Internal Communications are done through:
1. Weekly CEO Meetings
2. Monthly Board Meetings
3. Board Committee Meetings
4. Memos and Announcements
5. Periodic reports
6. Emails
7. Telephone Calls; and
8. Website.

While external communications are through:
1. One-on-One Meetings
2. Investors Conferences
3. Annual Stockholders' Meeting
4. Disclosure
5. Press Releases

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

	Details
(1) Objectives	To provide fair, timely, accurate and reliable financial and related information to stakeholders
(2) Principles	To provide accurate and essential information to stockholders, other stakeholders and the public in general in a regular and consistent manner. The Company has Corporate Communications Team handling different stakeholders
(3) Modes of Communications	Disclosure, Investor Conference, One-on-One Meeting, Letter, Email, Telephone, Fax, Website, Brochure, Annual and Quarterly Reports, Annual General Stockholders' Meetings
(4) Investors Relations Officer	Investor Relations are handled by the following cross functional teams: 1. Legal and Stock Transfer Office for individual investors 2. Investor Relation Officer

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

Extraordinary transactions such as mergers and dispositions of substantial assets are submitted for approval to the company's board of directors, and thereafter, for ratification by the stockholders, under Sections 77 and 40 of the Corporation Code.
It is the company's policy under Section 13 of the Manual on Corporate Governance that all material information about the Corporation, such as acquisition and disposition of assets, are publicly and timely disclosed through the

appropriate mechanisms of the Philippine Stock Exchange and periodic submissions to the Securities and Exchange Commission.

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

Engagement of Financial Advisor as deemed necessary.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

The company partnered with other companies in taking good care of the environment and the people through programs and projects during the course of its oil exploration service contracts.

Initiative	Beneficiary

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	The company's Compliance Officer monitors and ensures compliance with the Manual on Corporate Governance, the rules and regulations of regulatory agencies, and the principles and policies of good corporate governance. If any violation is found, he is tasked to report the matter to the board and recommend the imposition of appropriate disciplinary actions on the responsible parties and the adoption of measures to prevent the repitition of the violation. The Compliance Officer reports directly to the Chairman of the board.	The board should provide the Corporation and its stockholders a balanced and comprehensive assessment of the company's performance, position and prospects. The company continues to search ways and means to further improve its corporate governance structures. The company regularly reviews its existing policies and programs with the intention of further elevating the level of accountability of the directors.
Board Committees	The Audit Committee shall conduct an annual self-assessment of its performance and effectiveness and recommend, if necessary,changes to the charter.	The self-assessment shall be based on the completeness of the charter as to its compliance with regulatory requirements and actual implementation.
Individual Directors	Since a director's office is one of trust and confidence, under the Manual on Corporate Governance, the director must act in a manner characterized by transparency, accountability and fairness. He	The Nomination and Governance Committee passes upon the qualifications of persons nominated for election as members of the board.

	should also exercise leadership, prudence and integrity in directing the company towards sustained progress.	
CEO/President	Since a director's office is one of trust and confidence, under the Manual on Corporate Governance, the director must act in a manner characterized by transparency, accountability and fairness. He should also exercise leadership, prudence and integrity in directing the company towards sustained progress.	As per By-laws, the CEO shall annually present a report of the preceding year's business at the stockholder's meeting.

N. INTERNAL BREACHES AND SANCTIONS

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

Violations	Sanctions
First Violation	The subject person shall be reprimanded
Second Violation	Suspension from office shall be imposed
Third Violation	The maximum penalty of removal from office shall be imposed

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Makati on April 27, 2015

By:

EDGARDO P. REYES
Chief Executive Officer

WILFRIDO P. REYES
President

BELEN R. CASTRO
Vice President & Treasurer

DAVID R. BALADAD
Principal Operating Officer

ZOSIMO L. PADRO, JR.
Principal Accounting Officer

MAGILYN T. LOJA
Corporate Secretary

APR 27 2015

SUBSCRIBED AND SWORN to before me this ____ day of April, 2015 affiant(s) exhibiting to me their valid government issued identification as follows:

Name	Type	No.	Date of Issue	Place of Issue	Expiry
Edgardo P. Reyes	Passport	EB7987031	April 26, 2013	DFA, Manila	Apr 25, 2018
Wilfrido P. Reyes	Passport	EB8746273	Jul 23, 2013	DFA, Manila	Jul 22, 2018
Belen R. Castro	Passport	EB0366990	Jun 10,2010	DFA, Manila	Jun 09,2015
David R. Baladad	Passport	EB3555220	Sep 05,2011	DFA, Manila	Sep 04,2016
Zosimo L. Padro, Jr.	IBP	36869	N/A	Manila	N/A
Magilyn T. Loja.	Driver's License	N02-94237237		Manila	May 06,2017

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Book No. : I
Series of 2015.

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Commission No. M-592
Notary Public – Makati City
Until December 31, 2015
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IBP No. 0987342/1-7-15/Quezon City Chapter
Roll No. 63070

MAKATI CITY, PHILIPPINES
NOTARY PUBLIC
ROLL NO. 63070
TISHREEN I. BAHJIN