

# COVER SHEET

SEC Registration Number

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**COMPANY NAME**

C	E	N	T	U	R	Y		P	E	A	K		M	E	T	A	L	S		H	O	L	D	I	N	G	S		
C	O	R	P	O	R	A	T	I	O	N																			

**PRINCIPAL OFFICE ( No. / Street / Barangay / City / Town / Province)**

1	4	0	3	-	1	4	0	4		B	D	O	-	E	q	u	i	t	a	b	l	e		B	a	n	k	
T	o	w	e	r																								
8	7	5	1		P	a	s	e	o		d	e		R	o	x	a	s										
M	a	k	a	t	i		C	i	t	y																		

Form Type

I A C G

Department requiring the report

M S R D

Secondary License Type, If Applicable

**COMPANY INFORMATION**

Company's email Address

Company's Telephone Number/s

Mobile Number

No. of Stockholders

225

Annual Meeting (Month / Day)

Fiscal Year (Month / Day)

December 31

**CONTACT PERSON INFORMATION**

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Hazel B. Bongon

Email Address

accting.century@gmai  
l.com

Telephone Number/s

(02) 856-0999

Mobile Number

**CONTACT PERSON'S ADDRESS**

*Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

*2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.*



## SEC FORM – I-ACGR

### INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

#### GENERAL INSTRUCTIONS

##### A. Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies' compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the "comply or explain" approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

##### B. Preparation of Report

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

RECOMMENDED CG PRACTICE/POLICY	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Contains CG Practices/ Policies, labelled as follows:</p> <p>(1) <b>"Recommendations"</b> – derived from the CG Code for PLCs;</p> <p>(2) <b>"Supplement to Recommendation"</b> – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) <b>"Additional Recommendations"</b> – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) <b>"Optional Recommendation"</b> – practices taken from the ASEAN Corporate Governance Scorecard</p> <p><b>*Items under (1) – (3) must be answered/disclosed by the PLCs following the "comply or explain" approach. Answering of items under (4) are left to the discretion of PLCs.</b></p>	<p>The company shall <b>indicate compliance or non-compliance</b> with the recommended practice.</p>	<p>The company shall provide additional information to <b>support their compliance</b> with the recommended CG practice</p>	<p>The PLCs shall <b>provide the explanations for any non-compliance</b>, pursuant to the "comply or explain" approach.</p> <p>Please note that the explanation given should describe the non-compliance and include <b>how the overall Principle being recommended is still being achieved</b> by the company.</p> <p><b>**"Not Applicable" or "None" shall not be considered as sufficient explanation</b></p>

**C. Signature and Filing of the Report**

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission **on or before May 30 of the following year for every year that the company remains listed in the PSE;**
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear **original and manual** signatures
- c. The I-ACGR shall be signed under oath by: (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and (5) Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.



## SEC FORM – I-ACGR

### INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **Dec 31, 2018**
2. SEC Identification Number **CS200324966** 3. BIR Tax Identification No. **228-423-401-000**
4. Exact name of issuer as specified in its charter **CENTURY PEAK METALS HOLDINGS CORPORATION**
5. **MANILA, PHILIPPINES**  
Province, Country or other jurisdiction of  
incorporation or organization
6. (SEC Use Only)   
Industry Classification Code:
7. **UNITS 1403 & 1404 EQUITABLE BANK TOWER, 8751 PASEO DE ROXAS, MAKATI CITY**  
Address of principal office Postal Code **1227**
8. **+63-2-856-0999**  
Issuer's telephone number, including area code
9. **NOT APPLICABLE**  
Former name, former address, and former fiscal year, if changed since last report.



# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

COMPLIANT/  
NON-COMPLIANT

ADDITIONAL INFORMATION

EXPLANATION

## The Board's Governance Responsibilities

**Principle 1:** The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.

### Recommendation 1.1

1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Directors	
2. Board has an appropriate mix of competence and expertise.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Directors	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Directors	

### Recommendation 1.2

1. Board is composed of a majority of non-executive directors.	Compliant	Currently, the Board is composed of one (1) Executive Director, four (4) Non-executive Directors, and two (2) Independent Directors.	
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**Recommendation 1.3**

1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Refer to Sec. 8 of the Revised Manual of Corporate Governance of Century Peak Metals Holdings Corporation (Corporate Governance Manual)	
2. Company has an orientation program for first time directors.	Compliant	The Company does not have a first time director during 2018.	
3. Company has relevant annual continuing training for all directors.	Non-Compliant		We have yet to schedule training programs in accordance with the Company's Manual on Corporate Governance.



**Recommendation 1.4**

1. Board has a policy on board diversity.	Compliant	<p>Refer to Sec. 4.2.1 of the Corporate Governance Manual.</p> <p>The Company maintains Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and background.</p> <p>Boards are composed of male directors which has skills and background collectively represent and reflect the diverse nature of the business environment in which the Company operates. The board does not have any specificity or qualification indicating gender, both male and female may be elected to the board.</p>	
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**Optional: Recommendation 1.4**

1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p>The By-Laws of the company provide specific qualifications relating to the skillset of the possible nominee and nothing on the gender.</p> <p>The company does not provide any qualifications regarding gender.</p>	
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**Recommendation 1.5**

1. Board is assisted by a Corporate Secretary.	Compliant	The Company has one Corporate Secretary who is a Lawyer and an Assistant Corporate Secretary.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	The Company's Corporate Secretary is not currently the Company's Compliance Officer.	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	As of the current date, the Company is still on the process of sourcing a competent Compliance Officer. Both the Corporate Secretary and the Assistant Corporate Secretary are not members of the Board.	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Senior management including Corporate Secretary and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippine Mineral Reporting Code and Seminar on Disclosure Rules.	

**Optional: Recommendation 1.5**



1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Non-Compliant	Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.	As of the current date, the Company is still on process of sourcing a competent Compliance Officer  Duties and function of the Compliance Officer is discussed on the Company's Manual of Corporate Governance.
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Non-Compliant		
3. Compliance Officer is not a member of the board.	Non-Compliant		
4. Compliance Officer attends training/s on corporate governance.	Non-Compliant	Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Annex B/Secretary's Certificate for quarterly meetings	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Annex B/Secretary's Certificate for quarterly meetings	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	Annex B/Secretary's Certificate for quarterly meetings	



<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>Compliant</p>	<p><b>Vision Statement</b></p> <p>An integrated mining company dedicated to operational excellence, conscious of its social and environmental responsibilities, and committed to delivering superior shareholder returns.</p> <p><b>Mission Statement</b></p> <p>We shall invest in and operate a diversified and cost competitive portfolio of mines, tenements and businesses. We shall be committed to operational excellence, the safety of our employees and host communities, and the prudent stewardship of the areas we operate in. We shall be a socially responsible organization committed to engaging and uplifting the lives of people in our communities. We shall be mindful of the welfare of our employees and be partners in actualizing their potential and in the development of their careers. We shall always be aware of the concerns of all our stakeholders and be open to solutions and resolutions that are mutually beneficial. We believe and shall act in accordance with the idea that maximizing shareholder value and being a responsible corporate entity are not mutually exclusive propositions.</p> <p>The Board reviews the vision &amp; mission of the company on a yearly basis and may take up matters on updating on any meetings.</p>	
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2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	The Company has indicated process of Monitoring and Assessment under Section 11 of the Manual of Corporate Governance which will be implemented in succeeding year.	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>Wilfredo D. Keng, 52, Filipino, is the President of Century Hua Guang Smelting Incorporated ("CHGSI") and Century Peak Corporation ("CPC"). Moreover, he is currently the President of Colony Investors, Inc., Good Earth Plaza, U-Need Shopping Center, Carriedo Plaza and Balikbayan Shopping Mall. In addition, his business interests in China include Fil-China (Tianjin) Textile, Inc., Colony Real Property Development (Weifang), Inc. and Wuzhou Long (Quanzhou) Automotive Mfg. Co. Ltd.</p> <p>The qualifications of being a chairperson are found in the Company's By-Laws.</p>	



**Recommendation 2.4**

1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	Refer to Sec. 15.2 of the Corporate Governance Manual.	
2. Board adopts a policy on the retirement for directors and key officers.		<p>Refer to Sec. 15.2 of the Corporate Governance Manual.</p> <p>Director retirement and tenure policies are tools available to board to ease transitions. This policies help to depersonalize the process of asking directors to leave the board. Practices for aiding board renewal include robust performance evaluations, assessments that map director qualifications against a board skills matrix, and creating a board culture where directors do not expect to serve until retirement.</p>	

**Recommendation 2.5**

1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	It is the Company's policy that the compensation and remuneration of directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	The company has fixed remuneration for top management or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	Remuneration policy only for Top management and does not include directors remuneration.	

**Optional: Recommendation 2.5**

1. Board approves the remuneration of senior executives.	Compliant	Board approval on Annual Corporate Governance approved fixed remuneration for executive directors and per diem allowance for independent directors.	
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2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	It is the Company's policy that the compensation and remuneration of executive directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.	
<b>Recommendation 2.6</b>			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Nomination and Pre-Screening in accordance with SEC Memorandum Circular No. 16, series of 2002	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual	

4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	Company policies set standards for the process of nomination, election, and replacement of directors Refer to SEC Form 20-IS and Sec. 4.2.2.1.1 of the Corporate Governance Manual	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	Refer to Sec. 4.2.2.1.1 of the Corporate Governance Manual  Company policies set standards for the process of nomination, election, and replacement of directors Refer to SEC Form 20-IS	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	The board lays out stringent processes and standards in choosing its members, which are for the furtherance of the company. Refer to SEC Form 20-IS and Sec. 4.2.2.1.1 of the Corporate Governance Manual	



**Optional: Recommendation to 2.6**

1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.

Identify the professional search firm used or other external sources of candidates

**Recommendation 2.7**

<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>Compliant</p>	<p>Refer to Sec. 4.2.1.2 (I) of the Corporate Governance Manual.</p> <p>All transactions are on arm's length basis.</p> <p>One of the subsidiaries provide assistance to other wholly-owned subsidiaries in the importation of equipment, parts and supplies as some subsidiaries do not have credit lines with banks. The assisted subsidiaries are then billed for the total costs of the importation including but not limited to applicable taxes. No mark-up or service fees are charged to the subsidiaries for the reason that it is treated as an accommodation by the Sister Company to the subsidiary concerned. Further mining costs, use of facilities like, housing and other equipment and manpower are given as accommodation in exchange for assistance in the operation. All transactions between the Parent Company and its subsidiaries are covered by formal written contracts.</p>	
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2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	The Company is guided by the Manual on Corporate Governance. Directors and officers are required to make full disclosure, and alternative dispute resolution methods will be used to address issues. Refer to SEC Form 20-IS	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	The Company is guided by the Manual on Corporate Governance. Directors and officers are required to make full disclosure, and alternative dispute resolution methods will be used to address issues. Refer to SEC Form 20-IS and Sec. 4.2.1.2 (I) of the Corporate Governance Manual.	
<b>Supplement to Recommendations 2.7</b>			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	RPT disclosure included in Note 19 of the Annual Audited Financial Statement	

2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	All transactions are on an arm's length basis, and the Corporation requires full disclosure and transparency imposed by policies of the Corporation. RPT disclosure included in Note 19 of the Annual Audited Financial Statement	
<b>Recommendation 2.8</b>			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Refer to Sec. 4.2.1.4 (b) of the Corporate Governance Manual.</p> <p>Nomination committee is responsible for the approving and selection of Management</p> <p>Wilfredo D. Keng Guo Cong Yuan a.k.a. Anson Tan Jose Vicente Bengzon III</p>	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>Refer to Sec. 4.2.1.4 (c) of the Corporate Governance Manual.</p> <p>The Board of Directors (BOD) and management have overall responsibility for the establishment and oversight of the performance of key management officers through its annual key performance analysis report.</p>	



**Recommendation 2.9**

1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	The Board of Directors (BOD) and management have overall responsibility for the establishment and oversight of the Group's risk management framework.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.	

**Recommendation 2.10**

1. Board oversees that an appropriate internal control system is in place.

Compliant

Refer to Sec. 4.2.1.4 of the Corporate Governance Manual.

Internal audit is defined in the Manual on Corporate Governance of the Company as an independent and objective assurance activity designed to add value to and improve the Company's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes.

The Directors have reviewed the effectiveness of internal control system and they have considered it to be effective and adequate.

2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	<p>Refer to Sec 4.2.1.4 (e) of the Corporate Governance Manual.</p> <p>The Board of Directors annually reviews the effectiveness, and such review ensures the adequacy of the framework, and ensures that no such conflict of interest may arise.</p>	
3. Board approves the Internal Audit Charter.	Compliant	<p>It is the Company's policy to ensure that the Board, officers, senior management and stockholders are provided with reasonable assurance that the Company's key organizational and procedural controls are effective, appropriate and complied with.</p> <p>The Internal Audit of the Company reports directly to the Audit Committee. The audit plan is approved by the audit committee. The external auditor likewise reports directly to the audit committee, which also approves their audit plan.</p>	

#### Recommendation 2.11

SEC Form – I-ACGR \* Updated 21Dec2017



<p>1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assesses and manage key business risks.</p>	<p>Compliant</p>	<p>The Board of Directors (BOD) and management have overall responsibility for the establishment and oversight of the Group's risk management framework.</p> <p>The Group Risk Management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.</p>	
<p>2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>	<p>Compliant</p>	<p>The framework is updated annually and reviewed regularly to ensure the company's stability upon exposure to various types of management risks. Refer to previous ACGR</p>	

**Recommendation 2.12**

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	As stated in the Corporate Governance Manual that clearly sets out the respective roles, responsibilities and authorities of the board of directors (both individually and collectively) and management in setting the direction, the management and the control of the organization.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	The Board Charter lays out the functions and duties of the Members of the Board in setting the direction and the direction of the company	
3. Board Charter is publicly available and posted on the company's website.	Compliant	Also published in the Company's website	

**Additional Recommendation to Principle 2**

1. Board has a clear insider trading policy.

Compliant

The Directors of the Company ensures that all trade secrets and non-public information are kept confidential with utmost privacy to protect the general interest of the corporation.

All company funds, assets and information are solely to be used for the corporation's disposal and should not be used for personal consumption. Any violation of this policy will be accordingly penalized upon proper investigation.

**Optional: Principle 2**

1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.

Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.

2. Company discloses the types of decision requiring board of directors' approval.

Indicate the types of decision requiring board of directors' approval and where there are disclosed.

**Principle 3:** Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.



**Recommendation 3.1**

1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.

Compliant

The Board of Directors, through the Audit Committee, has primary responsibility for ensuring that the risk management system is in place. It determines the risk management policies and monitors compliance thereto.

**Recommendation 3.2**

1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.

Compliant

The Audit Committee performs the following functions:

- (a) Quarterly review of performance;
- (b) Oversight of financial management and functions specifically in the risks areas;
- (c) Assist the Board in the performance of its oversight responsibility for monitoring compliance with applicable Laws and regulations

2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.

Compliant

Refer to Part III of SEC 17-A – Directors and Executive Officers  
Audit Committee members

- 1. Jose Vicente C. Bengzon III
- 2. Daniel Pascual
- 3. Jose Rey Cedo

3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Officers	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Officers	
<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	Refer to SEC 20-IS	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	Refer to SEC 20-IS	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meets at least four times during the year.	Compliant	Six(6) times for the year 2018 Annex / Secretary's Certificate on the minutes of the Audit Committee meeting for 2018	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	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.	



**Recommendation 3.3**

1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Non-Compliant	Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions  Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.	The Company has yet to set up a Corporate Governance Committee for compliance. However, the Audit Committee has assisted the Board to oversee the Corporate Governance Committee.
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-Compliant	Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.	The Company has yet to set up a Corporate Governance Committee for compliance and to appoint its members. However, the Audit Committee has assisted the Board to oversee the Corporate Governance Committee.
3. Chairman of the Corporate Governance Committee is an independent director.	Non-Compliant	Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.	The Company has yet to set up a Corporate Governance Committee for compliance and to appoint its chairman who is also an independent director. However, the Audit Committee has assisted the Board to oversee the Corporate Governance Committee of which the Chairman of the Audit Committee is independent director.

**Optional: Recommendation 3.3.**

1. Corporate Governance Committee meets at least twice during the year.		Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.	
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**Recommendation 3.4**



1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Non-Compliant	Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions	The Company has yet to set up a Board Risk Oversight Committee for compliance and to appoint its members. However, the Audit Committee aid in the oversight of the Company's Risk Management System.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant	Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship	The Company has yet to set up a Corporate Governance Committee for compliance and to appoint its members.
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-Compliant	Provide information or link/reference to a document containing information on the Chairman of the BROC	The Company has yet to set up a Corporate Governance Committee for compliance and to appoint its chairman who is also not the chairman of any other committee
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-Compliant	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	The Company has yet to set up a Corporate Governance Committee for compliance and to appoint its competent and experienced members.
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Non-Compliant	Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.	The Company has yet to set up a Board Related Party Transaction Committee for compliance and to appoint its members. However, the Audit Committee aid in the oversight of the Company's transactions on related parties.

2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Non-Compliant	Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.	The Company has yet to set up a Board Related Party Transaction Committee for compliance and to appoint its members
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Non-Compliant	Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.	The Company has yet to set up establish a Committee Charter
2. Committee Charters provide standards for evaluating the performance of the Committees.	Non-Compliant		The Company has yet to set up establish a Committee Charter
3. Committee Charters were fully disclosed on the company's website.	Non-Compliant		The Company has yet to set up establish a Committee Charter and such charter will be immediately published in the Company website
<b>Principle 4:</b> To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			

**Recommendation 4.1**

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Refer to ACGR Annex / Minutes of the Board of Directors committee meeting and to SEC Form 20-IS	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Refer to SEC 20-IS	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Refer to SEC 20-IS	



<b>Recommendation 4.2</b>			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	No non-executive directors of the Company serve in more than five publicly-listed companies.	
<b>Recommendation 4.3</b>			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	In accordance to the company's internal regulations, transparency is a requirement in the acceptance of directorships in another company.	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant		
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant		
3.			
4. Board of directors meets at least six times during the year.	Compliant	Annex / Secretary's Certificate on board meetings for the year 2018	
5. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	Indicate the required minimum quorum for board decisions	

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

**Recommendation 5.1**

<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p>Non-Compliant</p>	<p>Provide information or link/reference to a document containing information on the number of independent directors in the board</p>	<p>The Board currently has seven (7) directors, two (2) of whom are independent directors in compliance with Sec. 38 of SRC. The Board has reviewed the Company's present complement of directors, its productivity and goals achievement over the past three years and the availability of a qualified person who would be suitable and an appropriate fit for the corporate organization. The Board has deferred the election of a third independent director to a more opportune and appropriate time. The objective that the Board should exercise independent judgment is achieved notwithstanding the fact that the Board has two rather than three independent directors. All directors of the Company are cognizant of their fiduciary duties to the corporation and their duty to vote according to his/her own independent judgment and conscience as to what is in the best interests of the corporation.</p>
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**Recommendation 5.2**

<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>Compliant</p>	<p>Refer to Part III of SEC 17-A – Directors and Executive Officers</p>	
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**Supplement to Recommendation 5.2**

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

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	Mr. Bengzon serves as Independent Director for 1 year & 8 months Mr. Cedo serves as Independent Director for 1 years & 8 months	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Non-Compliant	Provide information or link/reference to a document containing information on the company's policy on term limits for its independent director	The company currently has no policy on term limits. However, no independent director has served the Company for more than nine (9) years.
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	Provide reference to the meritorious justification and proof of shareholders' approval during the annual shareholders' meeting.	



**Recommendation 5.4**

1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Non-Compliant	Identify the company's Chairman of the Board and Chief Executive Officer	Currently, the Chairman of the Board and the CEO are one and the same. The Board believes that at this time, having one person assume the role of Chairman and CEO ensures efficiency in management of the Corporation. However, for compliance, the Chairman of the Board – Wilfredo D. Keng, will consider appointing a CEO in succeeding year.
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	The duties and responsibilities of the Chairman of the Board can be referred to Sec. 4.2.1.6 of the Corporate Governance Manual while the duties and responsibilities of the CEO can be referred to 4.2.1.4 (a) of the Corporate Governance Manual.	

**Recommendation 5.5**

1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	The Chairman of the Board – Wilfredo D. Keng, is an Executive Director and not an Independent Director.	
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**Recommendation 5.6**

1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant.	The company has set in place rules and regulations indicating arm'slength transactions with full transparency.	
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**Recommendation 5.7**

1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Non-Compliant	Provide proof and details of said meeting, if any.  Provide information on the frequency and attendees of meetings.	The Board is composed of an executive directors and the rest are non-executive directors. This said, there are no periodic meetings held by the NEDs.
2. The meetings are chaired by the lead independent director.	Non-Compliant		The Board is composed of an executive directors and the rest are non-executive directors. This said, there are no periodic meetings held by the NEDs.

**Optional: Principle 5**

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

**Recommendation 6.1**

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	The Board of Directors conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation.	
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2. The Chairman conducts a self-assessment of his performance.	Compliant	The Chairman conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation.	
3. The individual members conduct a self-assessment of their performance.	Compliant	The individual member conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation.	
4. Each committee conducts a self-assessment of its performance.	Compliant	Each committee member conducts a self-assessment mechanism and it was implemented as per Board Resolution and Recommendation.	
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant	Identify the external facilitator and provide proof of use of an external facilitator.	The Company has yet to appoint external facilitator for the assessments of all of their performances
<b>Recommendation 6.2</b>			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	As per Board Resolution/Recommendation, a self-assessment mechanism is implemented and this is all taken at its Annual Stockholders meeting.	

2. The system allows for a feedback mechanism from the shareholders.	Compliant	The Company has a system which allows for a feedback mechanism from the shareholders, and provides details as to how the system of the feedback mechanism works.	
<b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	Annex / Code of Business Conduct and Ethics	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	Through the Company's Human Resources department, the code of business conduct and ethics are disseminated to the Board, senior management & employees	
3. The Code is disclosed and made available to the public through the company website.	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	Based on the Company's policy employees are strictly prohibited from offering, soliciting or accepting gifts and donations or involvement in offering, paying and receiving bribes related to Company's business transactions.	
<b>Recommendation 7.2</b>			

1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Annex / ACGR and Employee Code of Behavior	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	The directors constantly review and revise the effectiveness of internal control system accordingly, and they have considered it to be effective and adequate.	



## Disclosure and Transparency

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

### Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that give a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Annex / Complete Set of DIS & Annual Report distributed to all shareholders	
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### Supplement to Recommendations 8.1

1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	Annual Report 2017 – Apr 18, 2018 Quarterly Report Mar 2018 – May 22, 2018 Quarterly Report June 2018 – Aug 14, 2018 Quarterly Report Sept 2018 – Nov 7, 2018 Annual Report 2018 – Apr 15, 2019	
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	Refer to Company's Annual Report	

**Recommendation 8.2**

1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Included in the Company's Manual of Corporate Governance disclosure/reporting of any dealings within 3 to 5 business days and requiring all directors & officers to comply with the disclosure.	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Refer to Sec. 9 of Corporate Governance Manual.	

**Supplement to Recommendation 8.2**

1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	Refer to Company's Annual Report	
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**Recommendation 8.3**

1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Refer to Part III of SEC 17-A – Directors and Executive Officers	
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2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual  It is the Company's policy that the compensation and remuneration of directors is consistent with the Company's culture, strategy and control environment; and that the designated amount of remuneration is sufficient to attract and retain directors needed to run the Company successfully.	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	Refer to Sec. 4.2.2.1.5 of the Corporate Governance Manual  Designate amount of remunerations which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Company.	



3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Compliant	Refer to Item 12 Executive Compensation of SEC 17-A.  Fixed remuneration amount for CEO and the top 4 highest paid Management officers  Per diem allowance for Directors	
<b>Recommendation 8.5</b>			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>All transactions are on arm's length basis.</p> <p>One of the subsidiaries provide assistance to other wholly-owned subsidiaries in the importation of equipment, parts and supplies as some subsidiaries do not have credit lines with banks. The assisted subsidiaries are then billed for the total costs of the importation including but not limited to applicable taxes. No mark-up or service fees are charged to the subsidiaries for the reason that it is treated as an accommodation by the Sister Company to the subsidiary concerned. Further mining costs, use of facilities like, housing and other equipment and manpower are given as accommodation in exchange for assistance in the operation. All transactions between the Parent Company and its subsidiaries are covered by formal written contracts.</p>	

2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	As disclosed in Note 19 of Audited Financial Statements as of December 31, 2018	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	The Company is not aware of any actual or probable conflict of interest at this time.	
<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arm's length.	Compliant	As disclosed in Note 19 of Audited Financial Statements as of December 31, 2018	

**Recommendation 8.6**

1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	As disclosed in Note 8 of Audited Financial Statements as of December 31, 2018	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	The Company has no material acquisition or disposal during 2018 which requires independent part to evaluate the fairness of the transaction.	

**Supplement to Recommendation 8.6**

1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	SEC 17-A disclosed with PSE website and also at Company's website.  All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
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**Recommendation 8.7**

1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Manual on Corporate Governance disclosed at Company's website	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	Yes	
3. Company's MCG is posted on its company website.	Compliant	Yes	



<b>Supplement to Recommendation 8.7</b>			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	No changes on the existing Manual on Corporate Governance as of report date	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:	Compliant	Refer to company's Annual Report	
a. Corporate Objectives	Compliant	Refer to company's Annual Report	
b. Financial performance indicators	Compliant	Refer to company's Annual Report	
c. Non-financial performance indicators	Compliant	Refer to company's Annual Report	
d. Dividend Policy	Compliant	Refer to company's Annual Report	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	Refer to SEC 17-A	
f. Attendance details of each director in all directors meetings held during the year	Compliant	Refer to SEC 17-A	
g. Total remuneration of each member of the board of directors	Compliant	Refer to SEC 17-A	

2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	Refer to company's Annual Report	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	Refer to company's Annual Report	
4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Compliant	Refer to company's Annual Report	
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Refer to company's Annual Report	

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

**Recommendation 9.1**

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Annex / Secretary's Certificate on the approval of company's external auditor	
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2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	The Stockholders acted on such during its Annual Stockholder's Meeting, in a unanimous vote. Based on the combined actual attendance and proxies report from Stock Transfer service Inc., during the Annual Stockholder's meeting a total of 62.08%.	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	No changes on the external auditor for this year.	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Section 4.3.4.4 of the Company's Manual on Corporate Governance states that "the Company's external auditor shall be rotated, or the handling partner be changed, every 5 years or earlier."  Further, no lead audit partner has been engaged by the Company for more than five (5) years.	



**Recommendation 9.2**

1. Audit Committee Charter includes the Audit Committee's responsibility on:  i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Compliant	Included in the Company's Corporate Governance Report	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Included in the Company's Corporate Governance Report	
<b>Supplement to Recommendations 9.2</b>			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Included in the Company's Corporate Governance Report	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Included in the Company's Corporate Governance Report	

<b>Recommendation 9.3</b>			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The Company did not engage its external auditor in a non-audit services for this year	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	The Company did not engage its external auditor in a non-audit services for this year	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	The Company did not engage its external auditor in a non-audit services for this year	

**Additional Recommendation to Principle 9**

1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>VERNILO G. YU</p> <p>Partner</p> <p>CPA License No. 108798</p> <p>SEC Accreditation No. 1574-A, Group A, valid until August 11, 2019</p> <p>Tax Identification No. 225-454-652</p> <p>BIR Accreditation No. 08-001987-35-2018</p> <p>Issued September 20, 2018; valid until September 19, 2021</p> <p>PTR No. MKT 7333641</p> <p>Issued January 3, 2019 at Makati City</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	<p>The Company's external auditor has not yet been subjected to SOAR Inspection Program.</p>	



**Principle 10:** The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

**Recommendation 10.1**

1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	Refer to company's Annual Report	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Refer to company's Annual Report	

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

**Recommendation 11.1**

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
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**Supplemental to Principle 11**

1. Company has a website disclosing up-to-date information on the following:	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
a. Financial statements/reports (latest quarterly)	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	

b. Materials provided in briefings to analysts and media	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
c. Downloadable annual report	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
d. Notice of ASM and/or SSM	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
e. Minutes of ASM and/or SSM	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
f. Company's Articles of Incorporation and By-Laws	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	All information may be accessed on the website: www.centurypeakmetals.com	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
<b>Recommendation 12.1</b>			

<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>Internal control objective is to assure activity designed to add value and to improve the Company's operations, and help it accomplish its objectives by providing a systematic and disciplined approach in the evaluation and improvement of the effectiveness of risk management, control and governance processes.</p> <p>It is annually reviewed by the audit committee members</p>	
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.</p> <p>The Board of Directors approves the yearly budget and in the course of the review of the budget, risk exposures in respect of commodity prices, interest rate, foreign exchange rate, cost items are also studied. Environmental risks are also managed as the Board requires regular reports on environmental concerns, including the maintenance of social development and community rehabilitation projects.</p> <p>The review is done on an annual basis.</p>	
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**Supplement to Recommendations 12.1**

1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<p>The Company complies with all relevant laws and regulations issued by all regulatory bodies such as Mines and Geosciences Bureau, Bureau of Internal Revenue, Securities and Exchange Commission and Philippine Stock Exchange.</p> <p>The review is done on an annual basis if programs are being complied.</p>	
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**Optional: Recommendation 12.1**

1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.		Provide information on IT governance process	
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**Recommendation 12.2**

1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	The Company has no outsourced internal audit team.	
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**Recommendation 12.3**

1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	Based on the Board's assessment, the Company does not need CAE, as these responsibilities are being carried out by the Audit Committee.	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	The duties and responsibilities of CAE are carried out by the Audit Committee.	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	The Company's internal audit is not outsourced.	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	The Company has its own risk management functions that assess and monitor key risk exposures.	
<b>Supplement to Recommendation 12.4</b>			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	The Company has its own competent technical support.	
<b>Recommendation 12.5</b>			



1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Non-Compliant	Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.	The Company is still in the process of sourcing competent Chief Risk Officer
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-Compliant		The Company is still in the process of sourcing competent Chief Risk Officer

### Additional Recommendation to Principle 12

1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Non-Compliant	Provide link to CEO and CAE's attestation	The CEO and CAE attest in writing regarding the compliance system in place and are working effectively in succeeding year.
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### Cultivating a Synergic Relationship with Shareholders

**Principle 13:** The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

### Recommendation 13.1

1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Refer to Section 10 of Corporate Governance Manual.	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	All information may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	

### Supplement to Recommendation 13.1

1. Company's common share has one vote for one share.	Compliant	The company practices one vote one share	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	The Company duly notifies the shareholders of any such decisions prior to the shareholders' meeting and the Board and Management will offer to address any queries raised by shareholders.	
3. Board has an effective, secure, and efficient voting system.	Compliant	The Company adopts the requirements in applicable laws and rules and regulation, and is guided by the Manual of Corporate Governance in efficient voting system by way of attendance of proxy.	

4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	The By-laws of the Company adhere to the majority requirements of the Corporation Code	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Refer to Sec. 10.1.3.2 of the Corporate Governance Manual.	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	Refer to Sec. 10 of the Corporate Governance Manual.	
7. Company has a transparent and specific dividend policy.	Compliant	<p>Dividends shall be declared and paid out of the unrestricted retained earnings which shall be payable in cash, property or stock to all stockholders on the basis of the outstanding capital stock held by them, as often and at such time as the Board of Directors may determine in accordance with law.</p> <p>No declaration of dividend as of report date.</p>	

#### Optional: Recommendation 13.1

SEC Form – I-ACGR \* Updated 21Dec2017



1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	Stock Transfer Agent Services, Inc., identified, counted and validated votes at the ASM last December 14, 2018.	
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**Recommendation 13.2**

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

Compliant

Refer to SEC Form 20-15

**Supplemental to Recommendation 13.2**

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

Compliant

Refer to SEC Form 20-15  
Annual Stockholders Meeting  
Agenda

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

Compliant

Yes

b. Auditors seeking appointment/re-appointment

Compliant

Yes

c. Proxy documents

Compliant

Yes

**Optional: Recommendation 13.2**

1. Company provides rationale for the agenda items for the annual stockholders meeting

Compliant

Refer to SEC Form 20-15  
Annual Stockholders Meeting  
Agenda

**Recommendation 13.3**

1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.

Compliant

Result of the Annual Stockholders Meeting posted in the PSE Edge system and will disclose it to Company's website

<b>Recommendation 13.2</b>			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Compliant	Refer to SEC Form 20-IS	
<b>Supplemental to Recommendation 13.2</b>			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	Refer to SEC Form 20-IS Annual Stockholders Meeting Agenda	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	Yes	
b. Auditors seeking appointment/re-appointment	Compliant	Yes	
c. Proxy documents	Compliant	Yes	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Refer to SEC Form 20-IS Annual Stockholders Meeting Agenda	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Result of the Annual Stockholders Meeting posted in the PSE Edge system and will disclose it to Company's website	



2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	Minutes of the Annual and Special Shareholders' Meetings may be accessed on the website: <a href="http://www.centurypeakmetals.com">www.centurypeakmetals.com</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	External auditor and other relevant individuals were present during the Dec. 13, 2018 Annual Stockholders meeting.	

**Recommendation 13.4**

1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	The Board created a transparent framework in such a manner that it allows such communication, and such concerns may be coursed through The Asst. Corp Sec & Corporate Information Officer Katrina C. Keng Tel # 856-0999	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.		Provide link/reference to where it is found in the Manual on Corporate Governance	

**Recommendation 13.5**

1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Non-Compliant	Disclose the contact details of the officer/office responsible for investor relations, such as: 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address	The Company is in the process of appointing Investor Relations Officer
2. IRO is present at every shareholder's meeting.	Non-Compliant	Indicate if the IRO was present during the ASM.	The Company is in the process of appointing Investor Relations Officer

**Supplemental Recommendations to Principle 13**

1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	The Board lays out its duties and functions and measures taken to ensure good corporate governance	
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2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	Based on the records of the Corporation's Stock Transfer Agent Services, Inc., as of December 31, 2018, and as of to date, thirty-one point seventy five percent (31.75%) of the total shares in the Corporations is owned by public, or 895,372,948 shares out of the 2,820,330,450 total shares number of shares in the Corporation.	
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting		Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	
<b>Duties to Stakeholders</b>			
<b>Principle 14:</b> The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	The Board is committed to respect the rights of all the shareholders as provided by law, the Company's By-laws and Manual on Corporate Governance	

**Recommendation 14.2**

1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

Compliant

The Company treat all shareholders equitably, and recognize, protect, and facilitate the exercise of their rights through constant and open communication. Adequate protection is given to minority shareholders against any unfair conduct on the part of the majority. We impose well-defined rules and explicitly prohibit any shareholder, officer or employee from unfairly gaining advantages by withholding information from minority shareholders and the general public.

**Recommendation 14.3**

1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.

Compliant

The Board created a transparent framework in such a manner that it allows such communication, and such concerns may be coured through the Asst. Corporate Secretary and Corporate Information Officer Katrina C. Keng  
Tel # 856-0999



**Supplement to Recommendation 14.3**

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	The Company is in the process of establishing an alternative dispute resolution system settlement of conflicts and differences between shareholders, however such concerns may be coursed through the Asst. Corporate Secretary and Corporate Information Officer Katrina C. Keng Tel # 856-0999	
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**Additional Recommendations to Principle 14**

1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	There is no request for exemption by the Company.	
2. Company respects intellectual property rights.	Compliant	The Board of Directors ensures that all trade secrets and non-public information are kept confidential. The Board guards these trade secrets and non-public information with utmost privacy so as to protect the general interest of the corporation.	

**Optional: Principle 14**



1. Company discloses its policies and practices that address customers' welfare		Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures		Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	
<b>Principle 15:</b> A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
<b>Recommendation 15.1</b>			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The Company has in place a merit-based performance incentive mechanism or any scheme that awards and incentivizes employees in order for them to actively participate in the realization of the company's goal and its governance.	
<b>Supplement to Recommendation 15.1</b>			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	The Company has in place a merit-based performance incentive mechanism or any scheme that awards and incentivizes employees in order for them to actively participate in the realization of the company's goal and its governance.	

2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	The company's policy for its health and safety measure is to see to it that we require every employee's commitment to follow all health and safety policies and procedures, to continually monitor workplace and the safety of co-workers, to identify and report any unsafe conditions to supervisor and to promote safety in everything they do.	
3. Company has policies and practices on training and development of its employees.	Compliant	Senior Management and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippines Mineral Reporting Code and Seminar on Disclosure Rules and will continue to send them to any training that will enhance them to their job as required by the company's business.	
<b>Recommendation 15.2</b>			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	Employees are strictly prohibited from offering, soliciting or accepting gifts and donations, involvement in offering, paying and receiving bribes related to the company's business in order to avoid any corrupt practices.	

2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	Senior Management and staff have participated and attended the Philippine Stock Exchange Seminar on the Implementing Rules and Regulations of the Philippines Mineral Reporting Code and Seminar on Disclosure Rules and will continue to send them to any training that will enhance them to their job as required by the company's business.	
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#### Supplement to Recommendation 15.2

1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	Employees are strictly prohibited from offering, soliciting or accepting gifts and donations, involvement in offering, paying and receiving bribes related to the Company's business.	
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#### Recommendation 15.3



1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	All senior management officers and employees are expected to comply with the rules and regulations of the company. They are also obligated to faithfully implement and effectuate each and every company rule with regard to investigations of every violation without exposing the employee making the report to any fear of reprisal. Katrina C. Keng Tel # 856-0999	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	The board has a more than competent framework established for employees and catering to handling whistleblowing concerns.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	The Company has a Code of Business Conduct and Ethics that is applicable to all levels. Any amendments/ improvements to this code maybe taken up by Senior Management. Particulars are set out in the code and the Manual on Corporate Governance.	

**Principle 16:** The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.

**Recommendation 16.1**

1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	The Company implements a Social Development and Management Program (SDMP) which is formulated by a multi-stakeholder group comprised of the MGB, the local government (barangay and municipality) which hosts its mining sites in Dinagat Province, NGOs, the Church, among others. The SDMP is formulated and implemented on an annual basis. Funds for this purpose are deposited by the Company and replenished as the need arises. The Program includes livelihood assistance, provision of assistance to day care teachers, repair and maintenance of public infrastructures, community activities, information and education activities, among others. Beneficiary of the said program are residents and community members of Barangays Panamaon and Esperanza in the Municipality of Loreto, Province of Dinagat Islands.	
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**Optional: Principle 16**

1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Guided by the principle of sustainable development through responsible mining, CPC continuously endeavors to address the proper implementation of its Environmental Management Programs ("EMP"). CPC coordinates all the activities in line with the National Greening Program whose main objective is to plant over a billion trees over approximately 1.5 million hectares for the coming years. In coordination with the MGB Region 13, technical personnel and through the guidance of the members of the Mine Monitoring Team, CPC sees to it that the programs incorporated in the Environmental Protection and Enhancement Program are implemented properly and closely monitored.	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	Implementation of SDMP & AEPEP	



Pursuant to the requirement of the Securities and Exchange Commission and the Philippine Stock Exchange, this integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned thereunto duly authorized in \_\_\_\_\_ on \_\_\_\_\_.

**SIGNATURES**

WILFREDO D. KENG

Chairman of the Board/President

KATRINA C. KENG

Corporate Information Officer

JOSE R. CEDO

Independent Director

SIMEON KEN FERRER

Corporate Secretary

**MAY 30 2019**

**SUBSCRIBED AND SWORN TO** before me, this \_\_\_\_\_ day of \_\_\_\_\_ 2019, affiant(s) exhibiting to me their appropriate government issued identification cards, as follows;

NAME	TIN	DATE OF ISSUE	PLACE OF ISSUE
Wilfredo D. Keng	TIN - 103-990-999	_____	_____
Jose R. Cedo	TIN - 105-345-994	_____	_____
Katrina C. Keng	TIN - 455-114-341	_____	_____
Simeon Ken Ferrer	TIN - 116-283-788	_____	_____

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Series of 2019

**RUBEN T.M. RAMIREZ**

Notary Public

Until December 31, 2019

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