

COVER SHEET

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JACKSTONES, INC.

FORMERLY NEXTSTAGE, INC.

(Company's Full Name)

593 ANTONIO DRIVE

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

ANTHONY B. PERALTA

633-6113

Contact Person

Company Telephone Number

2nd Monday of June

1 2

3 1

Form Type

Month

Month

Month

Day

Form Type

Month

Day

Fiscal Year

Annual

Meeting

SEC FORM I-ACGR
(Integrated Annual Corporate Governance Report)

Dept. Requiring this Doc

Amended Articles Number/ Section
Total Amount of Borrowings

Total No. of Stockholders

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT



1. For the fiscal year ended December 31, 2017
2. SEC Identification Number 24986
3. BIR Tax Identification No. 000-275-078
4. Exact name of issuer as specified in its charter Jackstones, Inc. (formerly Nextstage, Inc.)
5. Republic of the Philippines
Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. 593 Antonio Drive, Bagumbayan, Taguig City
Address of principal office
8. +63 2 6336113
Issuer's telephone number, including area code
9. Former name, former address, and former fiscal year, if changed since last report.

1630
Postal Code

JACKSTONES, INC.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT FOR YEAR 2017

EXPLANATION

COMPLIANT/
NON-
COMPLIANT

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.

C

The Board composition and qualifications of each member are provided in the Corporation's Definitive Information Sheet.

2. Board has an appropriate mix of competence and expertise.

C

Jackstones website on Definitive Information Sheet

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.

C

<http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf>

Recommendation 1.2

1. Board is composed of a majority of non-executive directors.

C

Jackstones website on Definitive Information Sheet

<http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf>

Recommendation 1.3

1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.

C

The Board does not have a Board Charter yet but its policy on training of directors is included in its Revised Manual on Corporate Governance.

Jackstones website on Revised Manual on Corporate Governance

		http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf	
<p>2. Company has an orientation program for first time directors.</p>	N	<p>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</p>	<p>While there is no formal orientation program for first time directors in the Corporation, first time director William Chong Lee was provided with background information and materials by the Corporate Secretary on the Corporation prior to his assumption of office for the year 2017.</p>
<p>3. Company has relevant annual continuing training for all directors.</p>	N	<p>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</p>	<p>Although there is no formal continuing training program for all directors, the President/CEO of the Corporation attended a seminar on Corporate Governance for the year 2017.</p> <p>Jackstones website on Attendance of Mr. Maximilian Tanenglian to a Corporate Governance Seminar</p>
<p>Recommendation 1/4</p>			
<p>1. Board has a policy on board diversity.</p>	C	<p>The Board is composed of 2 women and 7 men.</p> <p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%202015.pdf</p>	<p>http://jackstonesinc.com/wp-content/uploads/2017/12/JAS-17-C-2017.1207-Certificate-of-Attendance-of-President-to-CG-Training.pdf</p>

Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	C	The Board is assisted by its Corporate Secretary, Atty. Anthony B. Peralta, who is separate from the Compliance Officer and is not a member of the Board.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	C	Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf	
3. Corporate Secretary is not a member of the Board of Directors.	C		
4. Corporate Secretary attends training/s on corporate governance.	N	Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered	The Corporate Secretary undertakes to comply with said requirement for the succeeding year.
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	C	During the October 05, 2017 Special Meeting of the Board of Directors, Maria Arrabelle Tan Lim was appointed as the Corporation's Compliance Officer.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	C	Jackstones website on 17-C Appointment of Compliance Officer http://jackstonesinc.com/wp-content/uploads/2017/07/10-Oct-05-JAS-17-C-2017.1005-Results-of-Special-BOD-Compliance-Officer-SEC-received.pdf	
3. Compliance Officer is not a member of the board.	C	Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf	

<p>4. Compliance Officer attends training/s on corporate governance.</p>	<p>C</p>	<p>Jackstones website on 17-C Attendance of Compliance Officer to Corporate Governance Training for 2017 http://jackstonesinc.com/wp-content/uploads/2017/12/JAS-17-C-2017.1124-Certificate-of-Attendance-of-Officers-to-CG-Training.pdf</p>
<p>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.</p>		
<p>Recommendation 2.1</p>		
<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>C</p>	<p>All directors are informed of the agenda for each meeting prior to the same and are provided with materials relevant to the discussion for their review and examination before every meeting.</p>
<p>Recommendation 2.2</p>		
<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p>C</p>	<p>All implementation of the Corporation's business objectives and strategies are brought before the Board for approval as reflected in all minutes of the meetings of the Board of Directors.</p>
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	<p>C</p>	
<p>Supplement to Recommendation 2.2</p>		
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>C</p>	<p>Jackstones website containing its Mission, Vision and Values http://jackstonesinc.com/</p>
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p>N</p>	<p>The Corporation has just recently begun to be active with the incorporation of its wholly-owned subsidiary, Jackstones Properties, Inc. in October 20, 2017. Hence the Board is still in the process of creating its strategy</p>

		execution process.	
<p>Recommendation 2.3</p> <p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>The Board is headed by Mariano Chua Tanenglian who has sat at the Board of numerous Corporations and has held the position of Treasurer therein including Fortune Tobacco Corporation, Allied Banking Corporation and Philippines Airlines, Inc. among others.</p> <p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	C	
<p>Recommendation 2.4</p> <p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p> <p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</p> <p>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation</p>	N	<p>Currently there is no immediate need for the existence of a succession planning program for the Corporation as all the directors and officers are still willing and able to serve in such capacities for as long as they are elected by the stockholders to the Board.</p> <p>Nonetheless, having a policy on succession planning and retirement for directors and key officers is included in the Board's action plan for the coming years.</p>
<p>Recommendation 2.5</p> <p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p> <p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</p>	N	<p>The Board does not have a formal remuneration policy at this time. Nonetheless, the remuneration of its key officers and board members takes into consideration the amount of work entailed for the relevant year.</p> <p>Part of the Board's action plan for the year</p>

3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	N		2018 is to consolidate the Nomination and Remuneration Committee into the Corporate Governance Committee which shall be composed of at least three (3) independent directors and shall be responsible for coming up with its Committee Charter, and a formal remuneration policy for the Corporation.
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	C	The Board has a Nomination and Election Committee composed of 3 members with at least 1 independent director and has rules and policies on its nomination and election procedure in accordance with SEC rules as provided in the Corporation's By-Laws.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	C		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	C	Jackstones website on Corporation's By-Laws http://lackstonesinc.com/wp-content/uploads/2017/07/2017-Amended-By-Laws.pdf	
4. Board nomination and election policy includes how the board shortlists candidates.	C		
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.	C		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	C		
Recommendation 2.7			
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	C	The Board is primarily responsible for formulating its policy on related party transactions (RPTs), as provided in the Corporation's Revised Manual on Corporate Governance.	

infrequently occurring transactions.			Jackstones website on Revised Manual on Corporate Governance http://lackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	C		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	C		
Supplement to Recommendation 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered de minimis 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.	N		Provide information on a materiality threshold for RPT disclosure and approval, if any. Provide information on RPT categories As the Corporation is only recently beginning to be active, there are no RPTs to speak of for the year 2017. Moving forward, the Board intends to include the functions of the RPT committee with the Audit Committee, who shall be in charge of overseeing all future RPTs within the Company and to formulate a formal RPT policy, apart from the provisions on RPT provided in the Company's Revised Manual on Corporate Governance.
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	N		Provide information on voting system, if any.
Recommendation 2.8			
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).	C		The Board selects its Management annually during its Organizational Meetings held immediately after the Corporation's Annual Stockholders' Meeting. The results of the Annual Meeting and

<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).</p>	<p>C</p>	<p>Organizational Meeting are disclosed in SEC Form 17-C and uploaded to the Corporation's website. http://jackstonesinc.com/wp-content/uploads/2017/07/17-C/17-C%20as%20of%20June%2013.%202017%20with%20SEC%20Stamped.pdf</p>	
<p>Recommendation 2.9</p>			
<p>1. Board establishes an effective performance framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.</p>	<p>N</p>	<p>Provide information on or link/reference to a document containing the Board's performance management framework for management and personnel.</p>	<p>The Corporation has just recently begun to be active with the incorporation of its wholly-owned subsidiary, Jackstones Properties, Inc. in October 20, 2017. Hence the Board is still in the process of establishing an effective performance management framework.</p>
<p>2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.</p>	<p>N</p>		<p>Moreover, the Corporation only has four (4) regular employees at the moment, who are also officers and management.</p>
<p>Recommendation 2.10</p>			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p>C</p>	<p>The Corporation has an appropriate internal audit system as provided in its Revised Manual on Corporate Governance.</p>	
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>	<p>C</p>	<p>Jackstones website on Revised Manual on Corporate Governance http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf</p>	
<p>3. Board approves the Internal Audit Charter.</p>	<p>N</p>		<p>The Corporation is still in the process of drafting its Internal Audit Charter, which shall be presented to the Board for its approval.</p>

Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	N		The Corporation is currently looking into formally establishing policies and procedure in relation to risk management.
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.	N		It is the Board's intention for the coming year to include the functions of a Risk Oversight Committee with those of the Corporation's Audit Committee.
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.	N		The Board is currently looking into establishing and drafting its Board Charter.
2. Board Charter serves as a guide to the directors in the performance of their functions.	N		•
3. Board Charter is publicly available and posted on the company's website.	N		
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	N	Provide information on or link/reference to a document showing company's insider trading policy.	The Board is currently looking into establishing and drafting a clear insider trading policy.
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	C	The Corporation has an Audit Committee.	

<p>focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>		<p>Nomination Committee and Compensation or Remuneration Committee.</p> <p>The respective committees are still in the process of drafting their respective Committee Charters.</p> <p>Jackstones website on Board Committees</p> <p>http://jackstonesinc.com/index.php/corporate-governance/board-committees/</p> <p>Jackstones website on 17-C Election of Board Committees</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/17-C/17-C%20as%20of%20June%2013.%202017%20with%20SEC%20Stamped.pdf</p>	
<p>Recommendation 3.2</p>			
<p>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.</p>	<p>C</p>	<p>The Corporation's Audit Committee is still in the process of drafting its Audit Committee Charter.</p> <p>Jackstones website on Board Committees</p> <p>http://jackstonesinc.com/index.php/corporate-governance/board-committees/</p> <p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including</p>	<p>N</p>		<p>The incumbent Audit Committee members includes an executive director and only one (1) independent director out of its three (3)</p>

<p>the Chairman is independent.</p>			<p>members. In the next organizational board meeting, the Board shall comply with the required composition of the Board Audit Committee of at least three (3) non-executive directors, majority of whom should be independent directors.</p>
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	C	<p>The qualifications and relevant background of the members of the Board Audit Committee are provided in the Corporation's website. Jackstones website on Board Committees http://jackstonesinc.com/index.php/corporate-governance/board-committees/</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	C	<p>Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	
<p>Supplement to Recommendation 3.2</p>			
<p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p>	N	<p>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</p>	<p>The external auditor did not conduct any non-audit services for the Corporation for the year 2017.</p>
<p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p>	N	<p>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</p>	<p>Since the Corporation has just recently started to become active, there was no necessity for any regular meetings with the external audit team by the Audit Committee.</p>
<p>Recommendation 3.3</p>			
<p>1. Board establishes a Corporate Governance Committee tasked to assist the</p>	N		<p>In the next organizational board meeting, the Board shall establish a Corporate Governance</p>

Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.			Committee, which shall also take the place of its Nomination and Compensation Committee, and which shall be composed of at least three (3) independent directors.
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	N		
3. Chairman of the Corporate Governance Committee is an independent director.	N		
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.	N		Considering the size, risk profile and complexity of operations of the Corporation, the Board does not see the need for the establishment of a BROC.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	N		The functions of the BROC shall be handled by the Board Audit Committee.
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	N		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	N		
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	N		Considering the size, risk profile and complexity of operations of the Corporation, the Board does not see the need for the establishment of an RPT.

2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	N		The functions of the RPT shall be handled by the Board Audit Committee.
Recommendation 3.6			
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.	N		All committees still have to establish and formalize their rules and policies in the form of their respective Committee Charters. The Nomination Committee and Compensation Committee in particular shall be integrated into the Corporate Governance Committee which shall establish its own committee charter.
2. Committee Charters provide standards for evaluating the performance of the Committees.	N		
3. Committee Charters were fully disclosed on the company's website.	N		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	C	The Attendance Record of the Board in the meetings for the year 2017 is attached to this report as Annex A.	
2. The directors review meeting materials for all Board and Committee meetings.	C	The directors regularly communicate with the Corporate Secretary prior to Board meetings for the agenda or the matters to be raised during said meetings, as well as during said meetings for explanations and legal advice.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	C		

<p>Recommendation 4.2</p> <p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<p>C</p>	<p>The Company does not have a formal policy setting the limit of board seats that a non-executive director can hold simultaneously.</p> <p>The non-executive directors of the Company all serve in only one (1) publicly-listed Company.</p> <p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	
<p>Recommendation 4.3</p> <p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<p>N</p>		<p>Such policy has not been necessary in the past considering the inactive status of the Corporation. Moving forward, the Board commits to implement said policy.</p>
<p>Principle 5 The board should endeavor to exercise an objective and independent judgment on all corporate affairs.</p> <p>Recommendation 5.1</p> <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>C</p>	<p>The Board currently has three (3) independent directors.</p> <p>Jackstones website on Board of Directors, Management Team and Officers</p> <p>http://jackstonesinc.com/index.php/about-us/the-companys-board-of-directors-management-team-and-executive-officers/</p> <p>Jackstones website on 17-C Results of Election During Annual Stockholders' Meeting</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/17-C/17-</p>	

			C%20as%20of%20June%2013,%202017%20with%20SEC%20Stamped.pdf	
Recommendation 5.2				
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	C		Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%2015.pdf	
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.	C		Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%2015.pdf	
Recommendation 5.3				
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	C		Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%2015.pdf	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	C		As stated in the Corporation's Revised Manual on Corporate Governance, the Corporation adheres to all the principles provided in the Code of Corporate Governance for Publicly-Listed Companies as found in SEC Memorandum Circular No. 19, series of 2016, including the recommendation on term limits of independent directors.	
3. In the instance that the company retains an independent director in the same	N			The Corporation has not yet encountered such a situation.

<p>capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>			
<p>Recommendation 5.4</p>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	C	<p>The Corporation's Chairman of the Board is Mariano Chua Tanenglian and its President (Chief Executive Officer) is Maximilian So Tanenglian.</p>	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	C	<p>The responsibilities of the Chairman and the President/CEO are clearly defined in the Corporation's By-Laws and Revised Manual on Corporate Governance.</p> <p>The Chairman is the father of the President/CEO.</p> <p>Jackstones website on By-Laws http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Amended-By-Laws.pdf</p> <p>Jackstones website on Revised Manual on Corporate Governance http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf</p>	
<p>Recommendation 5.5</p>			
<p>1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.</p>	N		<p>The Board shall appoint a lead director among its independent directors in the succeeding years.</p>

Recommendation 5:6					The Corporation has not yet encountered this situation.
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	C				
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.	N			Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	Since the Corporation has just recently started to become active, there was no necessity for any regular meetings with the external audit team by the non-executive directors.
2. The meetings are chaired by the lead independent director.	N				
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.	N			Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Board is looking into establishing specific criteria and processes to evaluate their performance.
2. The Chairman conducts a self-assessment of his performance.	N				
3. The individual members conduct a self-assessment of their performance.	N				
4. Each committee conducts a self-assessment of its performance.	N				
5. Every three years, the assessments are supported by an external facilitator.	N			Identify the external facilitator and provide proof of use of an external facilitator.	
Recommendation 6:2					
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the	N			Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of	The Board is looking into establishing specific criteria and processes to evaluate their performance.

Board, individual directors and committees.			the board, individual directors and committees, including a feedback mechanism from shareholders	
2. The system allows for a feedback mechanism from the shareholders.	N			The Board is still in the process of implementing a feedback mechanism on its website for all shareholders.
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.				
Recommendation 7.1				
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	N			The Board is still in the process of establishing its Code of Business Conduct and Ethics.
2. The Code is properly disseminated to the Board, senior management and employees.	N			
3. The Code is disclosed and made available to the public through the company website.	N			
Supplement to Recommendation 7.1				
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	N			The Board shall include such policies in its Code of Business Conduct and Ethics.
Recommendation 7.2				
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	N			The Board is still in the process of establishing its Code of Business Conduct and Ethics.
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	N			

Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8:1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	C	The Board regularly and timely discloses all relevant information to its shareholders and stakeholders through the PSE Edge. PSE website on JAS Disclosures http://edge.pse.com.ph/companyDisclosures/for m.do?cmpy_id=134	The Board sees to it that relevant and material information is disclosed through the PSE EDGE in a timely manner.
Supplement to Recommendation 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.	N	Interim reports were made available on the PSE website within forty-five (45) days from the end of the reporting period.	Consolidated financial statements were made available on the PSE website within 114 days from the end of the fiscal year.
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	C	Jackstones website on Annual Report for Year End December 31, 2016 http://jackstonesinc.com/wp-content/uploads/2017/07/17-A-December-31-2016.pdf	
Recommendation 8:2			
1. Company has a policy requiring all directors to disclose/report to the company	N	Provide information on or link/reference to the company's policy requiring directors and officers	In conjunction with its policy against insider trading, the Board will formulate will formulate

<p>any dealings in the company's shares within three business days.</p> <p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>N</p>	<p>to disclose their dealings in the company's share. Indicate actual dealings of directors involving the corporation's shares including their nature, number/percentage and date of transaction.</p>	<p>its policy requiring directors and officers to disclose their dealings in the company's shares and to report them within three (3) business days.</p>
<p>Supplement to Recommendation 8.2</p>			
<p>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).</p>	<p>C</p>	<p>Jackstones website on Definitive Information Sheet http://lackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf PSE website on JAS Disclosure List of Top 100 Stockholders as of January 05, 2018 http://edge.pse.com.ph/openDiscViewer.do?edge_no=4c825292c2f3d9d343ca035510b6ec2b</p>	
<p>Recommendation 8.3</p>			
<p>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.</p> <p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>C</p>	<p>Jackstones website on Definitive Information Sheet http://lackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p> <p>Jackstones website on Definitive Information Sheet http://lackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	
<p>Recommendation 8.4</p>			

1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	N		Disclose or provide link/reference to the company policy and practice for setting board remuneration	The Board does not have a formal remuneration policy at this time. Nonetheless, the remuneration of its key officers and board members takes into consideration the amount of work entailed for the relevant year.
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	N		Disclose or provide link/reference to the company policy and practice for determining executive remuneration	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	N		Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf	
Recommendation 8.5				
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	N			The Corporation has no material or significant RPTs or other unusual or infrequently occurring transactions for the year 2017.
2. Company discloses material or significant RPTs reviewed and approved during the year.	N			
Supplement to Recommendation 8.5				
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	C		All directors are required to disclose their interests in transactions or any conflict of interest at any meeting where said transactions are included in the agenda.	
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	N			The Corporation has not acquired or disposed of any significant assets in the past year.

<p>on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p>			
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	N		
<p>Supplement to Recommendation 8.6</p>			
<p>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.</p>	C	<p>Currently, there are no shareholder agreements or voting trust agreements and the like as stated in the Corporations' Definitive Information Statement.</p> <p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-IS/2017-May%2015.pdf</p>	
<p>Recommendation 8.7</p>			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	C	<p>Jackstones website on Revised Manual on Corporate Governance</p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	C	<p>http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf</p>	
<p>3. Company's MCG is posted on its company website.</p>	C		
<p>Supplement to Recommendation 8.7</p>			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.</p>	C	<p>Jackstones website on Corporate Governance</p> <p>http://jackstonesinc.com/index.php/corporate-</p>	

		governance/manual-on-corporate-governance/	
<p>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.</p> <p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	C	<p>Jackstones website on Revised Manual on Corporate Governance</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	C	<p>70% of the shareholders ratified the appointment, reappointment, removal and fees of the external auditor at the Annual Stockholders' Meeting.</p>	
<p>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.</p>	C	<p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%2015.pdf</p>	
<p>Supplement to Recommendation 9.1</p>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	C	<p>Jackstones website on Definitive Information Sheet</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/20-1S/2017-May%2015.pdf</p> <p>Jackstones website on Revised Manual on Corporate Governance</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-</p>	

		on-Corporate-Governance-with-stamped-SEC.pdf	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; <input type="checkbox"/> 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 <input type="checkbox"/> effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. <input type="checkbox"/> 	N		The Board Audit Committee is still in the process of drafting and establishing its Audit Committee Charter.
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	N		
Supplement to Recommendation 9.2			
<p>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.</p>	C	The Board Audit Committee is still in the process of drafting and establishing its Audit Committee Charter, however, the Audit Committee's duties and responsibilities are laid out in the Corporation's Revised Manual on Corporate Governance.	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	C	Jackstones website on Revised Manual on Corporate Governance http://jackstonesinc.com/wp-	

		content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf	
Recommendation 9.3			
<p>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.</p>	C	<p>The External Auditor in coordination with the Audit Committee shall disclose the nature of non-audit services performed in the Annual Report to deal with potential conflict of interest.</p> <p>Jackstones website on Revised Manual on Corporate Governance</p> <p>http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf</p>	
<p>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.</p>	N	<p>Provide link or reference to guidelines or policies on non-audit services.</p>	<p>The external auditor did not conduct any non-audit services for the Corporation for the year 2017.</p>
Supplement to Recommendation 9.3			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	C	<p>Provide information on audit and non-audit fees paid.</p>	<p>The external auditor did not conduct any non-audit services for the Corporation for the year 2017.</p>
Additional Recommendation to Principle 9			
<p>1. Company's external auditor is duly accredited by the SEC under Group A category.</p>	C	<p>Isla Lipana & Co. Partner - Nelson Charsegun L. Aquino SEC A.N. (individual) as general auditors 1589-A, Category A; effective until September 29, 2019 SEC A.N. (firm) as general auditors 0009-FR-4, Category A; effective until July 15, 2018 29th Floor, Philamlife Tower, 8767 Paseo de</p>	

<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).</p>	<p>N</p>	<p>Roxas, 1226 Makati City +632 845-2728</p> <p>Provide information on the following: iv. Date it was subjected to SOAR inspection, if subjected; <input type="checkbox"/> v. Name of the Audit firm; and <input type="checkbox"/> vi. Members of the engagement team inspected by the SEC. <input type="checkbox"/></p>	<p>The SEC has yet to implement SOAR and based on the latest Regulators' Forum in January 2018, the SEC will select at least one audit firm in 2018 to cover the 2017 audit. As of today, the SEC has not yet selected the audit firm to be subjected to SOAR.</p>
<p>Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed</p> <p>Recommendation 10-1</p>			
<p>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.</p>	<p>N</p>	<p>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</p>	<p>There Board does not see the necessity of this policy at the moment since the Corporation does not have any current economic, environmental, social and governance issues.</p>
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>N</p>	<p>Provide link to Sustainability Report, if any. Disclose the standards used.</p>	
<p>Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users</p> <p>Recommendation 11-1</p>			
<p>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.</p>	<p>C</p>	<p>The Corporation utilizes its website to disseminate public, material and relevant information to its shareholders. Jackstones website http://jackstonesinc.com/ Filing of Annual Reports, Quarterly Reports and Current Reports with the SEC and PSE Jackstones website on SEC Filings</p>	

		http://jackstonesinc.com/index.php/company-disclosures/sec-filings/		
Supplemental to Principle 11				
1. Company has a website disclosing up-to-date information on the following:	C	Jackstones website http://jackstonesinc.com/		
a. Financial statements/reports (latest quarterly)	C			
b. Materials provided in briefings to analysts and media	C			
c. Downloadable annual report	C			
d. Notice of ASM and/or SSM	C			
e. Minutes of ASM and/or SSM	C			
f. Company's Articles of Incorporation and By-Laws	C			
Additional Recommendation to Principle 11				
1. Company complies with SEC-prescribed website template.	C	Jackstones website http://jackstonesinc.com/		
Internal Control System and Risk Management Framework				
Principle 12. To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.				
Recommendation 12.1				
1. Company has an adequate and effective internal control system in the conduct of its business.	N			The Corporation is currently looking into incorporating such policy in their internal rules.
2. Company has an adequate and effective enterprise risk management framework in	N			

the conduct of its business.				
Supplemental to Recommendation 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.	N	Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review.	The Corporation is still in the process of establishing a formal comprehensive compliance program. At the moment, the Corporation has appointed its Compliance Officer to oversee this function.	
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.	C	The internal audit of the Corporation is fully outsourced to Morfe Ceneta & Co., CPAs.		
Recommendation 12.3 1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board. 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. 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.	N N C	Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities. The fully outsourced internal audit activity is managed by the Corporation's Senior Vice President, Mr. Vandermir Carnegie Tan Say.	The Corporation's internal audit is still fully outsourced and is managed by its Senior Vice President.	
Recommendation 12.4 1. Company has a separate risk management function to identify, assess	N		The Corporation is currently looking into formally establishing policies and procedures	

and monitor key risk exposures.				in relation to risk management.
Supplement to Recommendation 12.4				
1. Company seeks external technical support in risk management when such competence is not available internally.	N			The Corporation is currently looking into formally establishing policies and procedures in relation to risk management.
Recommendation 12.5				
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).	N			The Corporation is currently looking into formally establishing policies and procedures in relation to risk management.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	N			
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.			Provide link to CEO and CAE's attestation	At present, the Chief Executive Officer and the Chief Audit Officer, with the organization of the Audit Committee, are working to establish a sound internal audit, control and compliance system.
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.	C		Jackstones website on Revised Manual on Corporate Governance	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	C		http://jackstonesinc.com/wp-content/uploads/2017/07/2017-Revised-Manual-on-Corporate-Governance-with-stamped-SEC.pdf	
Supplement to Recommendation 13.1				
1. Company's common share has one vote	C			

for 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.	C		The Corporation only has 1 class of common shares.	
3. Board has an effective, secure, and efficient voting system.	C		The voting is by poll.	
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.	C		It is the policy of the Board for minority shareholders to have the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the meeting and the items in the agenda are for legitimate business purposes.	
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.	C		This right is enshrined in the Company's By-Laws, which allow the holders of record of a majority of the outstanding capital stock of the Company to request for a special stockholders meeting in writing.	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	C			•
7. Company has a transparent and specific dividend policy.	C		No cash dividends were declared on the Company's common shares for the two most recent fiscal years or any interim period.	
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.	C		The Board sent the Notice of Annual Stockholders' Meeting 30 days before the meeting. Jackstones website on Definitive Information Sheet http://jackstonesinc.com/wp-	

			content/uploads/2017/07/20-1S/2017-May%2015.pdf	
Supplemental to Recommendation 13.2				
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		C	Jackstones website on Notice of Annual Stockholders' Meeting for 2017	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)		C	http://jackstonesinc.com/wp-content/uploads/2017/07/Notice%20of%20Annual%20and%20Special%20Stockholders%E2%80%99%20Meetings%20from%202013%20to%202017/2017-Annual%20Stockholders%20Meeting.pdf	
b. Auditors seeking appointment/re-appointment		C		
c. Proxy documents		C		
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.		C	JAS website on Minutes of Annual Stockholders' Meeting for 2017 http://jackstonesinc.com/wp-content/uploads/2018/05/2017-0613-Annual-Stockholders-Meeting.pdf	
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.		C		
Supplemental to Recommendation 13.3				
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.		N		No representative from the Corporation's external auditor was available to attend the Annual Stockholders' Meeting in 2017. For the succeeding year, the Board shall endeavor to have the presence of both a representative from its external auditor as well as its stock ad transfer agent.

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.	N					The Board is still in the process of establishing a mechanism for alternative dispute resolution.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	N					
Recommendation 13.5						
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	C				Atty. Anthony B. Peralta Tel. No. +63 2 6336113 Fax No. +63 2 6355786 abp@callejalaw.com http://jackstonesinc.com/wp-content/uploads/2017/12/JAS-17-C-2017.1124-Certificate-of-Attendance-of-Officers-to-CG-Training.pdf	
2. IRO is present at every shareholder's meeting.	C				IRO was present during Annual Stockholders' Meeting held on June 13, 2017.	
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.	N				Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.	At present, the Board has no intention to provide for anti-takeover measures or similar devices. No situation has yet arisen where it needs to fend off a takeover attempt by an outsider.
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.					Indicate the company's public float.	The Company will comply with the PSE's minimum public float rule on a staggered basis.
Duties to Stakeholders						

<p>Principle 14: 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.</p> <p>Recommendation 14.1</p>			
<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	N	<p>Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.</p>	<p>The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups</p>
<p>Recommendation 14.2</p>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	N	<p>Identify policies and programs for the protection and fair treatment of company's stakeholders</p>	<p>The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups</p>
<p>Recommendation 14.3</p>			
<p>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.</p>	N	<p>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights. Provide information on whistleblowing policy, practices and procedures for stakeholders</p>	<p>The Board is still in the process of implementing a feedback mechanism on its website for all shareholders.</p>
<p>Supplement to Recommendation 14.3</p>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	N	<p>Provide information on the alternative dispute resolution system established by the company.</p>	<p>The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, hence it does not have any alternative dispute resolution system for the same.</p>
<p>Additional Recommendation to Principle 14</p>			
<p>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</p>	C		


as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.				
2. Company respects intellectual property rights.	C			
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.				
Recommendation 15.1				
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.	N			The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, but is currently looking into its policies with regards to such key stakeholders.
Supplement to Recommendation 15.1				
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	N			The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, but is currently looking into its policies with regards to such key stakeholders.
2. Company has policies and practices on health, safety and welfare of its employees.	N			
3. Company has policies and practices on training and development of its employees.	N			
Recommendation 15.2				
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.	N			The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, but is currently looking into its policies with regards to such key stakeholders.
2. Board disseminates the policy and program to employees across the organization through trainings to embed	N			


<p>them in the company's culture.</p> <p>Supplement to Recommendation 15.2</p> <p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>		N		<p>The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, but is currently looking into its policies with regards to such key stakeholders.</p>
<p>Recommendation 15.3</p> <p>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</p> <p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>		N		<p>The Corporation does not currently have employees, suppliers and customers, creditors as well the community, environment and other key stakeholder groups, but is currently looking into its policies with regards to such key stakeholders.</p>
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>		N		
<p>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.</p> <p>Recommendation 16.1</p> <p>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.</p>		N		

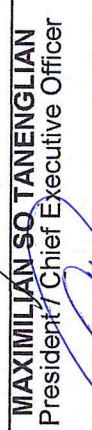
SIGNATURES

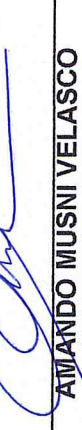
This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this documents is true, complete and correct.


Done this MAY 29 2018 at PASIG CITY



MARIANO CHUA TANENGLIAN
 Chairman of the Board



STILWELL TAN SY
 Independent Director


MAXIMILIAN SO TANENGLIAN
 President / Chief Executive Officer


AMANDO MUSNI VELASCO
 Independent Director


ANTHONY B. PERALTA
 Corporate Secretary


WILLIAM CHONG LEE
 Independent Director


MARIA ARRABELLE TAN LIM
 Compliance Officer

MAY 29 2018

SUBSCRIBED AND SWORN to before me this _____, affiants exhibited to me their respective identification details:

Name	Competent Evidence of Identity	Valid Until
Mariano Chua Tangenglian	TIN# 101-914-805	
Maximilian So Tanenglian	TIN# 199-394-243	
Stilwell Tan Sy	TIN# 108-718-456	
Amando Musni Velasco	TIN# 103-900-426	
William Chong Lee	TIN# 120-532-723	
Maria Arrabelle Tan Lim	TIN# 286-007-773	
Anthony B. Peralta	TIN# 107-447-390	

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 Series of 2018.

FERDINAND AVANAO
 NOTARY PUBLIC
 Until December 31, 2019
 Appointment No. 106(2018-2019)
 For Pasig City, Patros and San Juan City
 Attorney's Roll No. 46377
 IBP Lifetime Member No. 02459
 MCLE No. V-0019276; 04-13-16
 PTR No. 3723697; 01-08-18; Pasig City
 4F Goldloop Tower A, Jose Ma. Esmaya Drive
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