

# COVER SHEET

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S.E.C. Registration Number

J O L L I B E E F O O D S C O R P O R A T I O N

(Company's Full Name)

10/F J O L L I B E E P L A Z A B U I L D I N G  
 10 F. O R T I G A S J R . A V E N U E  
 O R T I G A S C E N T E R , P A S I G C I T Y

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

\_\_\_\_\_

Contact Person

\_\_\_\_\_

Company Telephone Number

31-Dec

Month Day Year  
 Fiscal Year

Any Day in June

Month Day Year  
 Annual Meeting

**Annual Corporate Governance Report  
 (Consolidated Changes in the ACGR for 2014)**

Form Type

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Dept. Requiring this Doc.

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Amended Articles Number/Section

\_\_\_\_\_

Total no. of Stockholders

Total Amount of Borrowings

\_\_\_\_\_

Domestic

\_\_\_\_\_

Foreign

To be accomplished by SEC Personnel concerned

\_\_\_\_\_

File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT  
(Consolidated Changes in the ACGR for 2014)

1. Report is Filed for the Year 2014
2. Exact Name of Registrant as Specified in its Charter JOLLIBEE FOODS CORPORATION
3. 10/F Jollibee Plaza 10 F. Ortigas Jr. Avenue, Ortigas Center, Pasig City 1605  
Address of Principal Office Postal Code
4. SEC Identification Number 77487 5. [REDACTED] (SEC Use Only)  
Industry Classification Code
6. BIR Tax Identification Number 000-388-771
7. + 63 2 634 1111  
Issuer's Telephone number, including area code
8. N/A  
Former name or former address, if changed from last report

A. BOARD MATTERS

1) Board of Directors

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

Complete the table with information on the Board of Directors:

Director's Name	Type (Executive (ED), Non-Execution (NED) or Independent Director (ID))	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID state the number of years served as ID)	Elected when (Annual/Special Meeting)	No. of years served as director
Tony Tan Caktiong	ED	JFC	Submitted to the Nomination Committee by shareholders	1978	2014	6/27/2014	36
Ernesto Tanmantiang	ED	JFC	Submitted to the Nomination Committee by shareholders	1987	2014	6/27/2014	27
William Tan Untiong	ED	JFC	Submitted to the Nomination Committee by shareholders	1993	2014	6/27/2014	21
Joseph Tanbuntiong	ED	JFC	Submitted to the Nomination Committee by shareholders	2013	2014	6/27/2014	1
Antonio Chua Poe Eng	NED	JFC	Submitted to the Nomination Committee by shareholders	1978	2014	6/27/2014	36
Ang Cho Sit	NED	JFC	Submitted to the Nomination Committee by shareholders	1978	2014	6/27/2014	36
Ret. Chief Justice Artemio V. Panganiban	NED	JFC	Submitted to the Nomination Committee by shareholders	June 2012	2014	6/27/2014	2
Monico V. Jacob	ID <sup>1</sup>	JFC	Submitted to the Nomination Committee by shareholders	2001	2014 (2)	6/27/2014	13
Cezar P. Consing	ID	JFC	Submitted to the Nomination Committee by shareholders	June 2010	2014 (2)	6/27/2014	4

<sup>1</sup> Per SEC Memorandum Circular No. 9 series of 2011, effective January 2, 2012, all previous terms served by existing independent directors shall not be included in the application of the term limits subject of the circular.

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

The Company has adapted implementing policies of the Manual of Corporate Governance. These policies have been approved by the Board of Directors and cover, among others, (i) membership of the Company's directors in other corporate boards, (ii) standard of conduct of the Board and Senior Management and Conflict of Interest policy; (iii) selection process for directors and senior management; (iv) major capital expenditures; (v) principles in developing remuneration policies, (vi) risk management, (vii) financial management policies and procedures, (viii) shareholder grievance procedure and (ix) an evaluation system for determining and measuring compliance with the Company's Manual of Corporate Governance.

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

The Company's senior management reviews and approves the Company's vision and mission as necessary.

- (d) Directorship in Other Companies

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

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
Tony Tan Caktiong	Fresh N'Famous Foods, Inc.	Chairman, Executive
	Mang Inasal Phils., Inc.	Chairman, Executive
	Coffeetap Corporation <sup>3</sup>	Chairman, Executive
	BK Titans, Inc.	Executive
	PFN Holdings, Corp.	Executive
	Perf Restaurants, Inc.	Executive
	Perf Trinoma, Inc.	Executive
	Perf MOA Pasay, Inc.	Executive
	RRB Holdings, Inc.	Chairman, Executive
	Red Ribbon Bakeshop, Inc.	Chairman, Executive
	Doubledragon Properties Corp.	Director
	Honestar Holding Corporation	Director
	Honeybee Foods Corp.	Executive
	Red Ribbon Bakeshop Inc. (USA)	Executive
	Chowking Food Corporation (USA)	Director
	Chanceux, Inc.	Executive
	Jollibee Worldwide Pte. Ltd.	Executive
	Belmont Enterprises Ventures Ltd.	Executive
	Jollibee International (BVI) Ltd.	Executive
	WJ Investments Limited	Executive
JSF Investments Pte. Ltd.	Executive	
Golden Plate Pte. Ltd.	Executive	
Golden Beeworks Pte. Ltd.	Executive	
SF Vung Tau Joint Stock Company	Executive	
Blue Sky Holdings Ltd.	Executive	
Southsea Binaries Limited	Executive	
Jollibee Foods Processing Pte. Ltd.	Executive	
Jollibee (China) Food & Beverage Management	Executive	

<sup>2</sup> The Group is composed of the parent, subsidiaries, associates and joint ventures of the company. Note: Companies owning shares in the parent corporation is not included in the list.

<sup>3</sup> For dissolution.

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
	Co. Ltd.	
	Guangxi San Pin Wang Food & Beverage Co. Ltd.	Executive
	Beijing New Hongzhuangyuan Food & Beverage Management Co. Ltd.	Executive
	Shanghai Yong He King Food & Beverage Management Co. Ltd.	Executive
	Hangzhou Yonghe Food and Beverage Co. Ltd.	Executive
	Hangzhou Yongtong Food and Beverage Co. Ltd.	Executive
	Tianjin Yong He King Food & Beverage Co. Ltd.	Executive
	Beijing Yong He King Food and Beverage Co. Ltd.	Executive
	Shenzhen Yong He King Food and Beverage Co. Ltd.	Executive
	Wuhan Yonghe King Food and Beverage Co. Ltd.	Executive
	Jollibee Foods Processing (Anhui) Co. Ltd.	Executive
	12 Sabu (Shanghai) Food & Beverage Management Co. Ltd.	Director
	Yong He Holdings Co. Ltd.	Executive
	Centenary Ventures Limited	Executive
	Shanghai Belmont Enterprises Management & Adviser Co. Ltd.	Executive
	Jollibee Group Foundation, Inc.	Executive
	Mary's Foods Corporation	Executive
	Queenbee Resources Corporation	Executive
	Hyper Dynamic Corporation	Chairman, Executive
	Honeysea Corporation	Chairman, Executive
	Mainspring Resources Corporation	Director
	Centregold Corporation	Executive
	Temasek Foundation of Singapore	Member
	St. Luke's Medical Hospital	Trustee
	Makati Business Club	Trustee
	Chief Executives' Organization, Inc. (USA)	Member
	World Presidents' Organization	Member
<b>William Tan Untiong</b>	Fresh N'Famous Foods, Inc.	Executive
	Mang Inasal Phils., Inc.	Executive
	Coffeetap Corporation <sup>4</sup>	Executive
	BK Titans, Inc.	Executive
	RRB Holdings, Inc.	Executive
	Red Ribbon Bakeshop, Inc.	Executive
	Honeybee Foods Corp.	Executive
	Grandworth Resources Corporation	Executive
	Zenith Foods Corp.	Executive
	Red Ribbon Bakeshop Inc. (USA)	Executive
	Chowking Food Corporation (USA)	Director
	Doubledragon Properties Corp.	Executive
	Honeystar Holding Corp.	Executive
	Chanceux, Inc.	Executive
	JC Properties & Ventures Corporation	Executive
	Zenith Foods Corporation	Executive
	Adgraphix, Inc.	Executive
	Belmont Enterprises Ventures Ltd.	Executive
	Golden Plate Pte. Ltd.	Executive
	Jollibee (China) Food & Beverage Management Co. Ltd.	Executive
	Shanghai Yong He King Food & Beverage	Executive

<sup>4</sup> For dissolution.

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
	Management Co. Ltd.	
	Hangzhou Yonghe Food and Beverage Co. Ltd.	Executive
	Tianjin Yong He King Food & Beverage Co. Ltd.	Executive
	Beijing Yong He King Food and Beverage Co. Ltd.	Executive
	Shenzhen Yong He King Food and Beverage Co. Ltd.	Executive
	Wuhan Yonghe King Food and Beverage Co. Ltd.	Executive
	Yong He Holdings Co. Ltd.	Executive
	Centenary Ventures Limited	Executive
	WJ Investments Limited	Director
	Jollibee Group Foundation, Inc.	Executive
	Jollimart Corporation	Director
	Metroguards Security Agency Corp.	Director
	Honeyworth Corporation	Director
	Mainspring Resources Corporation	Director
	Queenbee Resources Corporation	Director
	Antares Holdings, Inc.	Director
	Hyper Dynamic Corporation	Executive
	Honeysea Corporation	Executive
	Kingsworth Corporation	Executive
<b>Ernesto Tanmantiong<sup>5</sup></b>	Fresh N'Famous Foods, Inc.	Executive
	Mang Inasal Phils., Inc.	Executive
	BK Titans, Inc.	Executive
	PFN Holdings, Corp.	Executive
	Perf Restaurants, Inc.	Executive
	Perf Trinoma, Inc.	Executive
	Perf MOA Pasay, Inc.	Executive
	Red Ribbon Bakeshop, Inc.	Executive
	RRB Holdings, Inc.	Executive
	Zenith Foods Corp. <sup>6</sup>	Executive
	Honeybee Foods Corp.	Executive
	Red Ribbon Bakeshop Inc. (USA)	Executive
	Chowking Food Corporation (USA)	Executive
	Honeystar Holding Corporation	Executive
	Chanceux, Inc.	Executive
	Adgraphix, Inc.	Executive
	Grandworth Resources Corp.	Executive
	EST 28 Corporation	Executive
	Jollibee Worldwide Pte. Ltd.	Executive
	Belmont Enterprises Ventures Ltd.	Executive
	Jollibee International (BVI) Ltd.	Executive
	Jollibee Hong Kong Ltd.	Executive
	Hanover Holdings Ltd.	Executive
	P.T. Jollibee Indonesia	Executive
	Jollibee Vietnam Co. Ltd.	Executive
	P.T. Chowking Indonesia	Executive
	Golden Plate Pte. Ltd.	Executive
	Golden Beeworks Pte. Ltd.	Executive
	Jollibee (China) Food & Beverage Management Co. Ltd.	Executive
	Shanghai Yong He King Food & Beverage Management Co. Ltd.	Executive

<sup>5</sup> Effective on July 1, 2014, Mr. Tanmantiong will assume the position of President and Chief Executive Officer of the Company.

<sup>6</sup> Effective March 31, 2014, Mr. Tanmantiong is no longer a director of Zenith Foods Corporation.

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
	Hangzhou Yonghe Food and Beverage Co. Ltd.	Executive
	Tianjin Yong He King Food & Beverage Co. Ltd.	Executive
	Beijing Yong He King Food and Beverage Co. Ltd.	Executive
	Wuhan Yonghe King Food and Beverage Co. Ltd.	Executive
	Yong He Holdings Co. Ltd.	Executive
	Centenary Ventures Limited	Executive
	Jollibee Group Foundation, Inc.	Member
	Hyper Dynamic Corporation	Executive
	Honeysea Corporation	Executive
	Winall Holding Corporation	Chairman, Executive
	Kingsworth Corporation	Executive
	Centregold Corporation	Executive
	Tutuban Chow Foods Corporation	Executive
	Antares Holdings, Inc.	Executive
	Mary's Foods Corporation	Executive
	Queenbee Resources Corporation	Executive
	Metroguards Security Agency Corp.	Executive
	Mainspring Resources Corporation	Executive
<b>Joseph Tanbuntiong</b>	Red Ribbon Bakeshop, Inc.	Executive
	RRB Holdings, Inc.	Executive
	Doubledragon Properties Corporation	Executive
	Honeystar Holding Corporation	Executive
	Jollibee Group Foundation, Inc.	Member
<b>Ang Cho Sit</b>	Grandworth Resources Corp.	Executive
	Freemont Foods Corp.	Executive
	Hyper Dynamic Corporation	Executive
	Venice Corporation	Chairman, Executive
	A-Star Holding Corporation	Executive
	Longshore Corporation	Executive
<b>Antonio Chua Poe Eng</b>	Hyper Dynamic Corporation	Executive
	Honeyworth Corporation	Chairman, Executive
	Albany Resources Corporation	Executive
<b>Ret. Chief Justice Artemio V. Panganiban</b>	Pan Philippine Resources Corp.	Chairman
	Peecee Realty, Inc.	Chairman
	Foundation for Liberty and Prosperity	Chairman, Board of Trustees
	Philippine Dispute Resolution Center, Inc.	Chairman Emeritus
	Meralco	Independent Director
	Petron Corporation	Independent Director
	Bank of the Philippine Islands	Independent Director
	First Philippine Holdings Corp.	Independent Director
	Philippine Long Distance Telephone Company	Independent Director
	Metro Pacific Investment Corp.	Independent Director
	Robinsons Land Corp.	Independent Director
	GM Network	Independent Director
	GMA Holdings	Independent Director
	Metro Pacific Tollways Corp.	Independent Director
	Tollways Management Corporation	Independent Director
	Metrobank Foundation	Chairman of the Board of Advisers
	Asian Terminals	Independent Adviser
	Metropolitan Bank and Trust Company	Senior Adviser

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
	Manila Cathedral – Basilica Foundation	President
	Mapua Blue Falcon Honor Society	Adviser
	Dela Salle University College of Law	Adviser
	Asian Institute of Management Corporate Governance Center	Adviser
	World Bank (Philippines)	Adviser
	Johann Strauss Society	Adviser
	University of Asia and the Pacific College	Adviser
<b>Monico Jacob</b>	2 Go Group, Inc. (formerly Aboitiz Transport Systems, Inc.)	Independent Director
	Advent Capital and Finance Corporation	Director
	Anvaya Cove Beach and Nature Club	Director
	Asian Terminals, Inc.	Director
	Ateneo de Naga University	Director
	Century Properties, Inc.	Director
	De Los Santos – STI College	Director
	De Los Santos – STI Medical Center	Director
	Information and Communications Technology (i-Academy), Inc.	Director
	Negros Navigation Co., Inc.	Independent Director
	Philippine Health Educators, Inc.	Director
	Phoenix Petroleum Philippines, Inc.	Director
	UNLAD Resources Development Corporation	Director
<b>Cezar P. Consing</b>	Bank of the Philippine Islands	Director
	First Gen Corporation	Director

Source: 2013 JFC Annual Report; 2014 Information Statement

(ii) Directorship in Other Listed Companies

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

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Tony Tan Caktiong	First Gen Corporation	Independent Director
	Philippine Long Distance Telephone Company	Non-Executive Director
Ret. Chief Justice Artemio V. Panganiban	Meralco	Independent Director
	Petron Corporation	Independent Director
	Bank of the Philippine Islands	Independent Director
	First Philippine Holdings Corp.	Independent Director
	Metro Pacific Tollways Corp.	Independent Director
	Metro Pacific Investment Corp.	Independent Director
	GMA Holdings	Independent Director
	Asian Terminals	Independent Director
	Robinsons Land Corp.	Independent Director

Source: 2013 JFC Annual Report

(iii) Relationship with the Company and its Group

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

Director's Name	Name of the Significant Shareholder	Description of the relationship



Tony Tan Caktiong	Hyper Dynamic Corporation	Chairman, President
William Tan Untiong	Hyper Dynamic Corporation	Director
Ernesto Tanmantiong	Hyper Dynamic Corporation	Director
Antonio Chua Poe Eng	Hyper Dynamic Corporation	Director
Ang Cho Sit	Hyper Dynamic Corporation	Director
Tony Tan Caktiong	Honeysea Corporation	Chairman, President
Ernesto Tanmantiong	Honeysea Corporation	Director
William Tan Untiong	Honeysea Corporation	Director
Ernesto Tanmantiong	Winall Holding Corporation	Chairman, President
Antonio Chua Poe Eng	Honeyworth Corporation	Chairman, President
William Tan Untiong	Honeyworth Corporation	Director
Ernesto Tanmantiong	Kingsworth Corporation	Chairman, President
William Tan Untiong	Kingsworth Corporation	Director
Tony Tan Caktiong	Centregold Corporation	Director
Ernesto Tanmantiong	Centregold Corporation	Director
William Tan Untiong	Centregold Corporation	Chairman, President
Ang Cho Sit	Venice Corporation	Chairman, President
Ang Cho Sit	A-Star Holding Corporation	Director
Ang Cho Sit	Longshore Corporation	Director

Source: 2013 JFC Annual Report; 2014 Information Statement

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

The Company has not set a limit on the number of board seats in other companies. However, the Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations. The optimum number shall be related to the capacity of a director to perform his duties diligently in general. (Source: Article 4(B)(2), Manual of Corporate Governance, as amended on June 27, 2014)

	Guidelines	Maximum Number of Directorship in other Companies
Executive Director		
Non-Executive Director		
CEO		

(c) Shareholding in the Company

Complete the following table on the members of the Company's Board of Directors who directly and indirectly own shares in the company:<sup>7</sup>

Name of Director	Number of Direct shares	Number of Indirect shares/Through (name of record owner)	% of Capital Stock
Tony Tan Caktiong	8,254,565	740,000 (through Deutsche Regis Partners, Inc.)	0.90%
Ernesto Tanmantiong	4,478,951	457,019 (through Deutsche Regis Partners, Inc.)	0.50%
William Tan Untiong	6,937,054	279,667 (through Deutsche Regis Partners, Inc.)	0.70%
Joseph Tanbuntiong	37,630	n/a	0.00%
Ang Cho Sit	11	n/a	0.0%

<sup>7</sup> As of December 31, 2013, and as disclosed in the Company's 2013 Annual Report.

Name of Director	Number of Direct shares	Number of Indirect shares/Through (name of record owner)	% of Capital Stock
Antonio Chua Poe Eng	1	2,713,815 (through Honeyworth Corporation)	0.3%
Ret C.J. Artemio V. Panganiban	1		0.0%
Monico Jacob	100	n/a	0.0%
Cezar P. Consing	1	n/a	0.0%
<b>TOTAL</b>	<b>19,708,314</b>	<b>4,190,501</b>	

Source: 2013 JFC Annual Report

2) Chairman and CEO

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

Yes  No

Identify the Chair and CEO:

Chairman of the Board	Tony Tan Caktiong
CEO/President	Ernesto Tanmantiong

- (b) Roles, Accountabilities and Deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	Preside over board meetings	<p>* General charge, supervision and control of business affairs of the Company, subject to the control of the Board of Directors.</p> <p>* May appoint and discharge all agents and employees. (Section 3, Article V, By-Laws)</p>
Accountabilities		<p>* See to it that all resolutions of the Board of Directors are duly carried out.</p> <p>* Vote and represent shares of stocks owned or held by the Company in another corporation, firm or entity.</p> <p>* Execute on behalf of the Corporation all contracts, agreements and other instruments affecting the interests of the Company, except as otherwise directed by the Board of Directors.</p> <p>* Assign the exercise or performance of any of the powers, duties and functions to any other officer(s), subject to his control and supervision.</p>
Deliverables		

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

**The Nomination Committee, with the support of the Human Resources Division, is developing and formalizing a process for screening nominees for appointment to senior management positions within the Company. In particular, key talents participate in an Executive Development Program as part of the plan for the succession of top key management positions.**

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

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

**Yes. The Nomination Committee of the Board of Directors shall be responsible for evaluating the qualifications of all persons nominated to the Board. The Nomination Committee has promulgated guidelines for the conduct of nominations to the Board.** (Source: Section 9(a), Article IV, By-Laws)

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

**Among the qualifications of a director is sufficient experience in managing the business.** (Source: Article 4(B)(1)(a), Manual of Corporate Governance, as amended on June 27, 2014)

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

	Executive	Non-Executive	Independent Director
Role	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors. Executive directors' inputs are expected to be based on his/her knowledge of the day-to-day business of the Company.	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors.	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors. Independent directors are expected to give input based on their extensive experience and to provide suggestions and solutions based on best practices.
Accountabilities	Accountability of all directors are in accordance with the Corporation Code, including but not limited to Articles 31 (Liability of directors, trustees or officers) and 32 (Dealings of directors, trustees or officers with the corporation).	Accountability of all directors are in accordance with the Corporation Code, including but not limited to Articles 31 (Liability of directors, trustees or officers) and 32 (Dealings of directors, trustees or officers with the corporation).	Accountability of all directors are in accordance with the Corporation Code, including but not limited to Articles 31 (Liability of directors, trustees or officers) and 32 (Dealings of directors, trustees or officers with the corporation).
Deliverables	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors. Executive directors' inputs are expected to be based on his/her knowledge of the day-to-day business of the	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors.	Each director is expected to provide inputs and suggestions to all issues raised for the consideration of the Board of Directors. Independent directors are expected to give input based on their extensive experience and to provide

	Executive Company.	Non-Executive	Independent Director suggestions and solutions based on best practices.
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Provide the company's definition of "independence" and describe the company's compliance to the definition.

**An independent director shall hold no interests or relationships with the Company that may hinder his independence from the Company or management or that may interfere with the exercise of independent judgment in carrying out the responsibilities of a director.**

**An independent director shall submit to the Corporate Secretary a letter of confirmation stating that he holds no interests affiliated with the Company, management or controlling stockholder at the time of his election or re-appointment and/or re-election as director.** *(Source: Section 1, Article IV, By-Laws)*

**An independent director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.** *(Source: Manual of Corporate Governance, as amended on June 27, 2014)*

**The Company complies with the requirements of law and regulations on the qualifications of independent directors, including limits on shareholdings and term, and the submission of Certifications of Independent Directors.** *(Source: 2014 Definitive Information Statement)*

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

**In connection with SEC Memorandum Circular No. 9 (s. 2011), an independent director can serve for five (5) consecutive years, provided that service for a period for at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the position was relinquished or terminated. After completion of the five-year period, an independent director shall be ineligible for election as such for two (2) years. After serving as independent director for ten (10) years, he or she shall be perpetually barred from being elected as such in the Company. This shall be applicable to all independent directors elected as of June 2012.** *(Source: 2014 Definitive Information Statement)*

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

(a) Resignation/Death/Removal

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

**There were no changes in the composition of the Board of Directors.**

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

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

Procedure	Process Adopted	Criteria
<p><b>a. Selection/Appointment</b></p> <p>(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors</p>	<p>Nomination to the Board of Directors (including the independent director) shall be submitted to the Nominations Committee for consideration by the latter prior to the annual meeting of stockholder or a special meeting called for the purpose of electing the Corporation's directors. All such submissions shall be signed by the stockholders nominating a particular nominee together with the written acceptance of such nominee. The Nominations Committee shall review the qualifications for the nominees for directors and prepare a final list of candidates. <i>(Source: Section 12, Article III, By-Laws)</i></p> <p>Subject to existing laws, rules and regulations of the SEC or any stock exchange having jurisdiction over the Company, the conduct of election of directors shall be made in accordance with the standard election procedures contained in these By-Laws.</p> <p>It shall be the responsibility of the Chairman of the meeting to inform all stockholders of the requirement of electing independent directors. The Chairman of the Meeting shall ensure that the independent director is elected during the stockholders' meeting.</p> <p>Specific slots for independent Directors shall not be filled up by unqualified nominees. <i>(As amended on June 27, 2008).</i></p> <p>The nine (9) directors of the Corporation shall be elected by plurality vote at the annual meeting of the stockholders for the year at which a quorum is present. At each election for directors every stockholder shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected, or to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or by distributing such votes as the same principle among any number of candidates. The persons receiving the first nine (9) highest number of votes shall be the directors. <i>(As amended on June 27, 2008).</i></p> <p>In the event of a failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy. <i>(As amended on June 24, 2005)</i> <i>(Source: Section 13, Article III, By-Laws)</i></p>	<p>The qualifications for nomination and election to the Board of Directors are as follows:</p> <p>(i) at least one (1) share of the Corporation registered in his name;</p> <p>(ii) at least a college graduate or with sufficient experience in managing the business to substitute for such formal education;</p> <p>(iii) at least twenty-one (21) years old;</p> <p>(iv) proven to possess integrity and probity;</p> <p>(v) proven to possess business acumen and/or professional skills based on actual and significant business and/or professional experience;</p> <p>(v) absence of any of the disqualifications provided under applicable laws or these By-Laws.</p> <p><i>(Source: Section 2, Article IV, By-Laws)</i></p> <p>In addition to the grounds for qualification and disqualification for nomination and election to the Board, the Nomination Committee shall consider the following guidelines in the determination of the fitness of any nominee for directorships in the Board:</p> <p>a. The nature of the business of the corporations which he is a director;</p> <p>b. Age of the director;</p> <p>c. Number of directorships/ active memberships and officerships in other corporations or organizations; and</p> <p>d. Possible conflict of interest.</p> <p><i>(Source: Article 4(B)(2), Manual of Corporate Governance, as amended on June 27, 2014)</i></p>

Procedure	Process Adopted	Criteria
<b>b. Re-appointment</b>		
(i) Executive Directors	The same process applies to re-appointment/re-election of directors.	
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>c. Permanent Disqualification</b>		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	<p>The Nomination Committee determines of the qualification (or disqualification) of a nominee.</p> <p>(Source: Section 12, Article III, By-Laws)</p>	<p><b>Grounds for Permanent Disqualification:</b></p> <p>1. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person or any of them;</p> <p>2. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Securities and Exchange Commission (the "Commission") or any court or administrative body or competent jurisdiction from: (a) acting as an underwriter, broker, dealer, investment adviser, principal, distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities;</p> <p>The disqualification shall also apply if such person is currently the subject of an order of the Commission or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the Commission or the Bangko Sentral ng Pilipinas ("BSP") or any rule or regulation issued by the Commission or the BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of</p>

Procedure	Process Adopted	Criteria
		<p>an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;</p> <p>3. Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent act or transgressions;</p> <p>4. Any person finally found by the Commission or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Securities Regulation Code, the Corporation Code, or any other law administered by the Commission or BSP, or any rule, regulation or order of the Commission or the BSP;</p> <p>5. Any person earlier elected as independent director who becomes an officer, employee or consultant of the Company;</p> <p>6. Any person judicially declared as insolvent;</p> <p>7. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct in paragraphs (1) to (5) above;</p> <p>8. Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment. (As amended on May 11, 2010)</p> <p><i>(Source: Section 2, Article IV, By-Laws)</i></p>
<b>d. Temporary Disqualification</b>		
<p>(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors</p>	<p>The Nomination Committee determines of the qualification (or disqualification) of a nominee.</p> <p><i>(Source: Section 12, Article III, By-Laws)</i></p>	<p>For purposes of Article IV, Section 2(v), no person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation, or a nominee of such person. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:</p>

Procedure	Process Adopted	Criteria
		<p>(1) If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of, any corporation (other than one in which the Corporation owns at least thirty percent (30%) of the capital stock) engaged in a business which the Board by a majority vote, determines to be competitive, antagonistic, and/or in clear conflict of interest to that of the Corporation; or</p> <p>(2) If he is an officer, manager or controlling person of, or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of any other corporation or entity engaged in any line of business of the Corporation when in the judgment of the Board by a majority vote the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Directors; or</p> <p>(3) If the Board, in the exercise of its judgment in good faith, determines by a majority vote that he is the nominee or agent of, or otherwise represents, any person set forth in (a) or (b).</p> <p>In determining whether or not a person is controlling person, beneficial owner, or the nominee of another, the Board may take into account such factors as business and family relationships.</p> <p><i>(Source: Section 2, Article IV, By-Laws)</i></p> <p>The Nomination Committee may also place an existing director under temporary disqualification based on the following:</p> <ol style="list-style-type: none"> <li>1. Refusal to fully comply with the disclosure requirements of the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;</li> <li>2. Absence or non-participation without justifiable reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of directors during his incumbency, or any twelve (12) month period during said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. This disqualification applies for purposes of the succeeding election;</li> <li>3. Dismissal/termination from directorship in another listed corporation for cause. This</li> </ol>



Procedure	Process Adopted	Criteria
		<p>disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;</p> <p>4. If the beneficial equity ownership of an independent director in the Company or its subsidiaries and affiliates exceeds 2% of its subscribed capital stock, provided that this disqualification shall be lifted if the limit is later on complied with;</p> <p>5. Being under preventive suspension by the Company with respect to Executive Directors;</p> <p>6. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final.</p> <p>A temporarily disqualified director shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy or correct the disqualification. If he fails or refuses to do so for unjustified reasons, the disqualification shall be permanent.</p> <p><i>(Source: Article 4(B), Manual of Corporate Governance, as amended on June 27, 2014)</i></p>
<b>e. Removal</b>		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	The process follows Section 28 of the Corporation Code.	The criteria follow Section 28 of the Corporation Code.
<b>f. Re-instatement</b>		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	Reinstatement will follow the procedural requirements of the Corporation Code for election of directors.	The criteria for reinstatement will follow the Corporation Code, the Company's By-laws and Manual of Corporate Governance.
<b>g. Suspension</b>		
(i) Executive Directors (ii) Non-Executive Directors (iii) Independent Directors	There is, as yet, no formal process or criteria for the suspension of directors.	

#### Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Tony Tan Caktiong	
Ernesto Tanmantiong	
William Tan Untiong	
Joseph Tanbuntiong	
Antonio Chua Poe Eng	
Ang Cho Sit	
Ret. Chief Justice Artemio Panganiban	
Monico V. Jacob	
Cezar P. Consing	

#### 6) Orientation and Education Program

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

**A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly-recognized private or government institute.**

*(Source: Article XI, Manual of Corporate Governance, as amended on June 27, 2014)*

- (b) State any in-house training and external courses attended by Directors and Senior Management<sup>8</sup> for the past three (3) years:

Directors and senior management of the Company attended the Seminar on Corporate Governance with the following details:

Date	Name of Training Institution
February 4, 2014	The Institute of Corporate Directors
March 7, 2014	Risks, Opportunities, Assessment and Management (ROAM), Inc.
August 12, 2014	SGV & Co.
November 21, 2014	
December 16, 2014	Philippine Securities Consultancy Corporation

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

The Company's directors attended the following seminar on Corporate Governance.

Name of Director	Date of Training	Program	Name of Training Institution
Artemio V. Panganiban	February 4, 2014	Corporate Governance and Risk Management Summit	The Institute of Corporate Directors
Cezar P. Consing			
Monico V. Jacob	March 7, 2014	Seminar on Corporate Governance	Risks, Opportunities, Assessment and Management (RDAM), Inc.
Tony Tan Caktiong	August 12, 2014	Corporate Governance Seminar	SGV & Co.
William Tan Untiong			
Antonio Chua Poe Eng			
Ang Cho Sit			
Ernesto Tanmantiong	November 21, 2014	Corporate Governance Seminar	SGV & Co.
Joseph Tanbuntiong			

## B. CODE OF BUSINESS CONDUCT & ETHICS

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

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	Conflict of interest is part of the qualifications that are considered by the Nomination Committee to determine the Final List of Candidates. (Source: Article 4(B)(2), Manual of Corporate Governance, as amended on June 27, 2014)	The Company has internal policies on conflict of interest which applies to senior management.	The Company has internal policies on conflict of interest which applies to all employees.
(b) Conduct of Business and Fair Dealings	The Company has internal policies on the conduct of business and fair dealings.	The Company has internal policies on the conduct of business and fair dealings which apply to senior management.	The Company has internal policies on the conduct of business and fair dealings which apply to all employees.
(c) Receipt of gifts from third parties	The Company has internal policies on receipt of gifts from third parties.	The Company has internal policies on receipt of gifts from third parties.	The Company has internal policies on receipt of gifts from third parties.
(d) Compliance with Laws & Regulations	Directors are expected to strictly comply with laws and regulations. In addition, conviction for	The Company has internal policies that provide for penalties for non-compliance with laws and	The Company has internal policies that provide for penalties for non-compliance with laws and

<sup>8</sup> Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

Business Conduct & Ethics	Directors	Senior Management	Employees
	certain offenses is a ground for permanent disqualification of directors. (Source: Section 2, Article IV, By-Laws)	regulations committed by employees, including senior management.	regulations committed by employees.
(e) Respect for Trade Secrets/ Use of Non-public information	Directors are required to maintain all information acquired in the course of directorship strictly confidential.	Employees, including senior management, are required to maintain all information acquired in the course of employment strictly confidential. Appropriate penalties are provided for violation of this undertaking in the Company's Code of Discipline.	Employees, including senior management, are required to maintain all information acquired in the course of employment strictly confidential. Appropriate penalties are provided for violation of this undertaking in the Company's Code of Discipline.
(f) Use of Company Funds, Assets and Information	The Company's Code of Business Ethics and Code of Discipline provide for penalties for misappropriation of company funds, assets and information.	The Company's Code of Business Ethics and Code of Discipline provide for penalties for misappropriation of company funds, assets and information.	The Company's Code of Business Ethics and Code of Discipline provide for penalties for misappropriation of company funds, assets and information.
(g) Employment & Labor Laws & Policies	The Company's Code of Discipline requires compliance with labor laws, rules and regulations. Appropriate penalties are imposed for violations.	The Company's Code of Discipline requires compliance with labor laws, rules and regulations. Appropriate penalties are imposed for violations.	The Company's Code of Discipline requires compliance with labor laws, rules and regulations. Appropriate penalties are imposed for violations.
(h) Disciplinary action	The Company follows a Code of Discipline which provides for the process, policies and sanctions for disciplinary actions, following labor laws and regulations.	The Company follows a Code of Discipline which provides for the process, policies and sanctions for disciplinary actions, following labor laws and regulations.	The Company follows a Code of Discipline which provides for the process, policies and sanctions for disciplinary actions, following labor laws and regulations.
(i) Whistle Blower	The Company has instituted an Ethics Committee which is responsible for, among others, investigating alleged violations and proposing corrective actions. The Company has also appointed an officer to handle reports for alleged violations of the Code of Business Ethics.	The Company has instituted an Ethics Committee which is responsible for, among others, investigating alleged violations and proposing corrective actions. The Company has also appointed an officer to handle reports for alleged violations of the Code of Business Ethics.	The Company has instituted an Ethics Committee which is responsible for, among others, investigating alleged violations and proposing corrective actions. The Company has also appointed an officer to handle reports for alleged violations of the Code of Business Ethics.
(i) Conflict Resolution	Any conflicts are resolved through discussion.	The Company encourages employees to resort to internal discussions to resolve conflict.	The Company encourages employees to resort to internal discussions to resolve conflict.

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

Yes, the Company's Code of Business Ethics and Code of Discipline have been disseminated to all directors, senior management and employees.

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

All levels in the Company are responsible for administering the Code of Business Ethics, including investigating alleged violations and determining corrective actions. The Company has an Ethics Committee which is responsible for maintaining and updating the Code of Business Ethics, with inputs from concerned units.

- 4) Related Party Transactions

- (a) Policies and Procedures

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

Related Party Transactions	Policies and Procedures
(1) Parent Company	<p>The board if directors (or the Executive Committee of the Board of Directors, as applicable) shall approve major transactions entered into by the Company. (Source: 2012 List of Resolutions Approved by the Board of Directors.)</p> <p>Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Parent Company, including holding companies, subsidiaries and fellow subsidiaries are related entities of the Parent Company. Individuals owning, directly or indirectly, an interest in the voting power of the Parent Company that give them significant influence over the enterprise; key management personnel, including directors and officers of the Parent Company, and close members of the family of these individuals and companies associated with these individuals also constitute related entities.</p> <p>In the normal course of business, the Parent Company engages in transactions with its subsidiaries and other related parties.</p> <p>The Parent Company sells and purchases food items, processed inventories, packaging and other store supplies to/from related parties, at normal market prices. Purchased items temporarily stored at the Company are charged for logistics and warehousing/storage costs. In addition, the Company receives management fees for services rendered under an existing Management Services Agreement and service fees for various services rendered by the Company's personnel.</p> <p>Pass-on charges pertain to advances made by a related party for another. These include payments for various expenditures incurred.</p> <p>The Company receives from and provides to related parties, interest-bearing cash advances for working capital requirements and operations.</p> <p>Transactions with related parties are made at normal market prices. The Company did not make any provision for impairment losses on receivables from related parties. An assessment is undertaken at each financial year by evaluating the financial position of the related party and the market in which the related party operates.</p>
(2) Joint Ventures	
(3) Subsidiaries	
(4) Entities Under Common Control	
(5) Substantial Stockholders	
(6) Officers including spouse/children/siblings/parents	
(7) Directors including spouse/children/siblings/parents	
(8) Interlocking director relationship of Board of Directors	

- (b) Conflict of Interest

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

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

Some of the Company's directors own franchises or have minority interests in companies which own and operate franchised stores of the Company. All such franchises are subject to contracts which have been entered into in an arms-length basis and on terms similar to those granted to other franchisees.

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	
Name of Officer/s	
Name of Significant Shareholders	

(ii) Mechanism

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

	Directors/Officers/Significant Shareholders
Company	<p>The Company's independent directors execute certifications confirming that they have all the qualifications and do not possess any disqualifications under the Manual of Corporate Governance.</p> <p>Additionally, the implementing policies of the Manual of Corporate Governance (as approved by the Board of Directors) provide for the standard of conduct of the Board and Senior Management, as well as policies on Conflict of Interest.</p> <p>The Company encourages internal discussions to address or resolve existing or potential conflict of interest.</p>
Group	The Company encourages internal discussions to address or resolve existing or potential conflict of interest.

5) Family, Commercial and Contractual Relations

- (a) Indicate, if applicable, any relation of a family,<sup>9</sup> commercial, contractual or business nature that exists between the holders of significant (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
<p>Tony Tan Caktiong (Director, Chairman of the Board),</p> <p>Ernesto Tanmantiong (Director, President, CEO),</p> <p>William Tan Untiong (Director, Corporate Secretary, Vice-President for Corporate Real Estate),</p> <p>Joseph Tanbuntiong (Director, Treasurer)</p>		Brothers
Ang Cho Sit (Director)		Brother-in-law of Tony Tan Caktiong
Susana K. Tanmantiong (Head of Corporate Purchasing)		Wife of Ernesto Tanmantiong
Antonio Chua Poe Eng (Director)		Brother-in-law of Tony Tan Caktiong, Ernesto Tanmantiong and William Tan Untiong.

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

There are no commercial, contractual or business relationship between the Company and holders of significant equity.

<sup>9</sup>Family relationship up the fourth civil degree either by consanguinity or affinity.

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

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

There are no shareholder agreements that may impact on the control, ownership and strategic direction of the Company.

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

6) Alternative Dispute Resolution

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

	Alternative Dispute Resolution System
Corporation & Stockholders	Disputes are resolved in accordance with law and regulations.
Corporation & Third Parties	Contracts between the Company and third parties provide for modes of dispute resolution.
Corporation & Regulatory Authorities	The Company liaises directly with regulatory authority to resolve disputes.

C. BOARD MEETINGS & ATTENDANCE

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

YES.

- 2) Attendance of Directors

Board	Name	Date of Election	No. of Meetings Held During the Year	No. of Meetings Attended	%
	Tony Tan Caktiong	06/27/2014	6	6	100%
	Ernesto Tanmantiang	06/27/2014	6	6	100%
	William Tan Untiong	06/27/2014	6	5	83%
	Joseph Tanbuntiong	06/27/2014	6	6	100%
	Ang Cho Sit	06/27/2014	6	4	67%
	Antonio Chua Poe Eng	06/27/2014	6	6	100%
	Ret. CJ Artemio Panganiban	06/27/2014	6	6	100%
	Monico V. Jacob	06/27/2014	6	4	67%
	Cezar P. Consing	06/27/2014	6	5	83%

\* Per Advisement Letter submitted to SEC dated January 5, 2015.

- 3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times? NO.

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

**A quorum at any meeting of the directors shall consist of a majority of the entire membership of the Board. (Source: Section 6, Article IV, By-Laws) This is consistent with Section 25 of the Corporation Code which provides that the quorum requirement shall be a majority of the board of directors, unless a greater requirement is provided by the articles of incorporation or by-laws.**

- 5) Access to Information

- (a) How many days in advance are board papers<sup>10</sup> for board of directors meetings provided to the board?

**Board members receive the notice and agenda at least ten (10) days before the date of the meeting.**

- (b) Do board members have independent access to Management and the Corporate Secretary? **Yes.**
- (c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

**The Corporate Secretary is an officer of the company and is expected to be loyal to the mission, vision and specific business objectives of the Company.**

**The Corporate Secretary shall be a Filipino citizen and a resident of the Philippines.**

**The Board of Directors may elect an Assistant Corporate Secretary who may act in behalf of the Corporate Secretary in the latter's absence.**

**The Corporate Secretary and/or the Assistant Corporate Secretary shall have the following duties and responsibilities:**

1. **Be responsible for the safekeeping and preservation of the integrity of the minutes of meetings of the Board and its committees, as well as other official records of the Company;**
2. **Be loyal to the mission, vision and objectives of the Company;**
3. **Work fairly and objectively with the Board, Management and stockholders;**
4. **Have appropriate administrative and interpersonal skills;**
5. **If he is not at the same time the Company's legal counsel, be aware of the laws, rules and regulations in the performance of his duties and responsibilities;**
6. **Have a working knowledge of the Company's operations;**
7. **Inform the members of the Board, in accordance with the by-laws, of the agenda of the meetings and ensure that the members of the Board have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;**
8. **Attend all board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents prevent him from doing so;**
9. **Ensure that all Board procedures, rules and regulations are strictly followed by the Board members; and**

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<sup>10</sup> Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

10. If he is also the Compliance Officer, perform all the duties and responsibilities of said officer as provided for in this Manual.

To monitor the director's compliance with the attendance requirements in Board meetings, the Company, through the Corporate Secretary, shall submit to the Commission on or before January 30 of each year a sworn certification about the directors' record of attendance in Board meetings in the previous calendar year. (Source: Article IV(H), Manual of Corporate Governance, as amended on June 27, 2014)

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

**No, but the Corporate Secretary is supported by an Assistant Corporate Secretary, who is a lawyer, and the Legal Division of the Company.**

(e) Committee Procedures

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

Yes  No

Committee	Details of the procedures
Executive	Request is sent through the Company's Legal Division.
Audit	Request is sent through the Company's Corporate Audit Division.
Nomination	Request is sent through the Company's Corporate Human Resources Division.
Remuneration	Request is sent through the Company's Corporate Human Resources Division.
Others (specify)	

**In addition, the members of the Board shall be given independent access to Management and Corporate Secretary, as necessary.** (Source: Article V, Manual of Corporate Governance, as amended on June 27, 2014)

6) External Advice

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

**There is no formal procedure yet but the members of the Board shall also have access to independent professional advice at the Company's expense.** (Source: Article V, Manual of Corporate Governance, as amended on June 27, 2014)

Procedures	Details
Executive	
Audit	
Nomination	
Remuneration	
Others (specify)	

7) Change/s in existing policies

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

**There were no changes introduced by the Board of Directors on existing policies that may have an effect on the business of the Company.**



## D. REMUNERATION MATTERS

### 1) Remuneration Process

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

**The Compensation Committee of the Board of Directors sets the parameters and process for remuneration of the CEO and senior management. The process is implemented by the Corporate Human Resources Division.**

Process	CEO	Top 4 Highest Paid Management Officer
(1) Fixed remuneration	The Company benchmarks vis-à-vis the market and also uses performance reviews.	The Company benchmarks vis-à-vis the market and also uses performance reviews.
(2) Variable remuneration	The Company benchmarks vis-à-vis the market and also uses performance reviews.	The Company benchmarks vis-à-vis the market and also uses performance reviews.
(3) Per diem allowance	The Company benchmarks vis-à-vis the market and also uses performance reviews.	The Company benchmarks vis-à-vis the market and also uses performance reviews.
(4) Bonus	The Company benchmarks vis-à-vis the market and also uses performance reviews.	The Company benchmarks vis-à-vis the market and also uses performance reviews.
(5) Stock Options and other financial instruments	The Company benchmarks vis-à-vis the market and also uses performance reviews.	The Company benchmarks vis-à-vis the market and also uses performance reviews.
(6) Others (specify)		

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

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

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Directors receive honorarium for each board meeting.  In addition, the Company observes a salary administration policy, performance bonus guidelines, and the guidelines in the Stock Option Plan.	The Company provides for fixed monthly compensation, semi-annual performance bonus and stock options.	Compensation is calculated based on company and individual performance. The Company also benchmarks vis-à-vis market practice.
Non-Executive Directors	Directors receive honorarium for each board meeting.  The Company observes performance bonus guidelines.	Directors receive honorarium for each board meeting.  Non-executive directors also receive annual performance bonus.	Compensation is based on company performance. The Company also benchmarks vis-à-vis market practice.

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

**One of the functions of the Compensation Committee of the Board of Directors is to establish a formal and transparent procedure for developing a policy on, among others, the remuneration packages of corporate directors. (See Article 4[G][2], Manual of Corporate Governance) Compensation of**

non-executive members of the Board is determined and reviewed by the Compensation Committee of the Board of Directors.

Remuneration Scheme	Date of Stockholders' Approval

3) Aggregate Remuneration

Below is a summary compensation table of the Chief Executive Officer and the four (4) most highly compensated officers of the Company for 2012, 2013 and an estimate for 2014:

Name and Position	Year	Salary (PhP)	Bonus (PhP)	Total (PhP)
<b>Tony Tan Caktiong</b> Chairman, President and Chief Executive Officer	2012	51,672,391	28,307,475	79,979,866
	2013	56,093,060	36,002,400	92,095,460
	2014*	60,030,793	43,202,880	103,233,673
<b>Ernesto Tanmantiong</b> Treasurer, Executive Vice-President and Chief Operating Officer	2012			
	2013			
	2014*			
<b>Joseph Tanbuntiong</b> President – Red Ribbon Business	2012			
	2013			
	2014*			
<b>Ysmael V. Baysa</b> Chief Finance Officer	2012			
	2013			
	2014*			
<b>Jose Maria A. Minana</b> Group President	2012			
	2013			
	2014*			
All other officers and directors as a group unnamed	2012	203,384,384	76,411,441	279,795,825
	2013	232,507,848	106,803,077	339,310,925
	2014*	250,921,276	124,290,638	375,211,914

\* Estimate  
 Source: 2013 JFC Annual Report

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

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent Directors)	Independent Directors
(a) Fixed Remuneration			
(b) Variable Remuneration			
(c) Per diem Allowance			
(d) Bonuses			
(e) Stock Options and/or other financial instruments			
(f) Others (Specify)			
TOTAL			

Other Benefits	Executive Directors	Non-Executive Directors (other than independent Directors)	Independent Directors
(a) Advances			
(b) Credit granted			
(c) Pension Plan/s Contributions			
(d) Pension Plans, Obligations incurred			
(e) Life Insurance Premium			
(f) Hospitalization Plan			
(g) Car Plan			
(h) Others (Specify)			
TOTAL			

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

##### (a) Board of Directors

The discussion in the Company's 2013 Annual Report on the Senior Management Stock Option and Incentive Plan is reproduced below for easy reference:

On December 17, 2002, the Securities and Exchange Commission approved the exemption requested by the Jollibee Group of Companies ("Jollibee Group") on the registration requirements of the 101,500,000 options underlying the Parent Company's common shares to be issued pursuant to the Jollibee Group's Senior Management Stock Option and Incentive Plan (the "Plan"). The Plan covers selected key members of management of the Jollibee Group, certain subsidiaries and designated affiliated entities.

The Plan is divided into two programs, namely, the Management Stock Option Program (MSOP) and the Executive Long-term Incentive Program (ELTIP). The MSOP provides a yearly stock option grant program based on company and individual performance while the ELTIP provides stock ownership as an incentive to reinforce entrepreneurial and long-term ownership behavior of executive participants.

**MSOP.** The MSOP is a yearly stock option grant program open to members of the corporate management committee of the Jollibee Group and members of the management committee, key talents and designated consultants of some of the business units.

Each MSOP cycle refers to the period commencing on the MSOP grant date and ending on the last day of the MSOP exercise period. Vesting is conditional on the employment of the employee-participants to the Jollibee Group within the vesting period. The options will vest at the rate of one-third of the total options granted on each anniversary of the MSOP grant date until the third anniversary.

The exercise price of the stock options is determined by the Jollibee Group with reference to prevailing market prices over the three months immediately preceding the date of grant for the 1st up to the 7th MSOP cycle. Starting with the 8<sup>th</sup> MSOP cycle, the exercise price of the option is determined by the Jollibee Group with reference to the market closing price as at date of grant.

The stock options expire eight years after grant date. The Jollibee Group does not pay cash as a form of settlement.

On July 1, 2004, the Compensation Committee of the Jollibee Group granted 2,385,000 options under the 1st MSOP cycle to eligible participants. The options will vest at the rate of one-third of the total options granted from the start of the grant date on each anniversary date which will start after a year from the MSOP grant date. One-third of the options granted, or 795,000 options, vested and may be exercised starting July 1, 2005 and expired on June 30, 2012. On July 1, 2005 to 2013, the Compensation Committee granted series of MSOP grants under the 2nd to 10th MSOP cycle to eligible participants. The options vest similar to the 1st MSOP cycle.

The movements in the number of stock options outstanding and related weighted average exercise prices (WAEP) are as follows:

	2013		2012		2011	
	Number of Options	WAEP	Number of Options	WAEP	Number of Options	WAEP
Total options granted as at end of year	33,404,194	₱62.69	29,808,694	₱53.07	26,790,664	₱46.89
Outstanding at beginning of year	16,788,056	₱63.90	17,505,395	₱52.39	15,904,997	₱43.46
Options granted during the year	3,595,500	142.51	3,018,030	107.90	3,516,970	89.90
Options exercised during the year	(3,373,561)	46.34	(3,375,915)	41.80	(1,507,813)	43.07
Options forfeited during the year	(94,058)	74.45	(359,454)	80.52	(408,759)	62.03
Outstanding at end of year	16,915,937	₱83.77	16,788,056	₱63.90	17,505,395	₱52.39
Exercisable at end of year	10,216,427	₱57.83	10,367,798	₱45.83	10,424,829	₱40.10

The average share price is ₱143.27, ₱103.41 and ₱85.48 in 2013, 2012 and 2011, respectively. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2013, 2012 and 2011 is 4.83 years, 4.66 years and 4.88 years, respectively.

The weighted average fair value of stock options granted in 2013, 2012 and 2011 is ₱30.55, ₱23.43 and ₱23.67, respectively. The fair value of share options as at the date of grant is estimated using the Black-Scholes Option Pricing Model, taking into account, the terms and conditions upon which the options were granted. The option style used for this plan is the American style because this option plan allows exercise before the maturity date. The inputs to the model used for the options granted on the dates of grant for each MSOP cycle are shown below:

MSOP Cycle	Year of Grant	Dividend Yield	Expected Volatility	Risk-free Interest Rate	Expected Life of the Option	Stock Price on Grant Date	Exercise Price
1st	2004	1.72%	36.91%	6.20%	5-7 years	₱24.00	₱20.00
2nd	2005	1.72%	36.91%	6.20%	5-7 years	29.00	27.50
3rd	2006	1.72%	36.91%	6.20%	5-7 years	35.00	32.32
4th	2007	1.70%	28.06%	6.41%	3-4 years	52.50	50.77
5th	2008	1.80%	26.79%	8.38%	3-4 years	34.00	39.85
6th	2009	2.00%	30.37%	5.28%	3-4 years	48.00	45.45
7th	2010	2.00%	29.72%	5.25%	3-4 years	70.00	57.77
8th	2011	2.00%	34.53%	4.18%	3-4 years	89.90	89.90
9th	2012	2.00%	28.72%	3.50%	3-4 years	107.90	107.90
10 <sup>th</sup>	2013	2.00%	29.38%	2.68%	3-4 years	145.00	145.00

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

**ELTIP.** The ELTIP entitlement is given to members of the corporate management committee.

Each ELTIP cycle refers to the period commencing on the ELTIP entitlement date and ending on the last day of the ELTIP exercise period. Actual grant and vesting is conditional upon achievement of the Jollibee Group's minimum medium to long-term goals and individual targets in a given period, and the employment of the employee-participants to the Jollibee Group within the vesting period. If the goals are achieved, the options will be granted. Starting with the 3rd ELTIP cycle, a percentage of the options to be granted are based on the percentage of growth in annual earnings per share such that 100%, 50% or 25% of the options granted when percentage of growth in annual earnings per share are 12% and above, 10% to less than 12% or 8% to less than 10%, respectively.

The exercise price of the stock options is determined by the Jollibee Group with reference to prevailing market prices over the three months immediately preceding the date of entitlement.

The Jollibee Group does not pay cash as a form of settlement. Starting with the 3rd ELTIP cycle, the exercise price of the option is determined by the Jollibee Group with reference to the closing market price as of the date of grant.

On July 1, 2004, the Compensation Committee gave an entitlement of 22,750,000 options under the 1st ELTIP cycle to eligible participants. The options will vest at the rate of one-third of the total options granted on each anniversary date which will start after a year of the ELTIP grant date. One-third of the options granted, or 7,583,333 options, vested and may be exercised starting July 1, 2007 and expired on June 30, 2012. On July 1, 2008 and October 19, 2012, a total entitlement of 20,399,999 and 24,350,000 options were given to eligible participants under the 2nd and 3rd ELTIP cycle, respectively.

The movements in the number of stock options outstanding for the 2nd and 3rd ELTIP cycles and related WAEP for the years ended December 31, 2013, 2012 and 2011 follow:

	2013		2012		2011	
	Number of Options	WAEP	Number of Options	WAEP	Number of Options	WAEP
Total options given as of end of year	67,499,999	₱56.66	66,749,999	₱56.12	43,149,999	₱29.38
Outstanding at beginning of year	37,811,665	₱80.51	27,674,569	₱32.52	30,661,735	₱32.72
Options granted during the year	750,000	105.00	23,600,000	105.00	750,000	39.85
Options exercised during the year	(1,375,555)	39.85	(12,962,905)	24.19	(787,166)	20.00
Options forfeited during the year	-	-	(499,999)	39.85	(2,950,000)	39.85
Outstanding at end of year	37,186,110	₱82.51	37,811,665	₱80.51	27,674,569	₱32.52
Exercisable at end of year	12,836,110	₱39.85	7,411,665	₱39.85	10,224,570	₱20.00

The weighted average remaining contractual life for the stock options outstanding as of 2013, 2012 and 2011 is 5.30 years, 5.68 years and 3.02 years, respectively.

The fair value of stock options granted is ₱22.96 in 2013 and 2012. The fair value of share options as at the date of grant is estimated using the Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which the options were granted. The option style used for this plan is the American style because this option plan allows exercise before the maturity date. The stock options granted under the 2nd and 3rd ELTIP cycles will expire on April 30, 2017 and 2020, respectively. The inputs to the model used for the options granted on the dates of grant for each ELTIP cycle is shown below:

ELTIP Cycle	Year of Grant	Dividend Yield	Expected Volatility	Risk-free Interest Rate	Expected Life of the Option	Stock Price on Grant Date	Exercise Price
1 <sup>st</sup>	2004	1.72%	36.91%	6.20%	5 years	₱24.00	₱20.00
2 <sup>nd</sup>	2008	1.80%	26.79%	8.38%	3-4 years	34.00	39.85
3 <sup>rd</sup>	2012	2.00%	28.74%	3.60%	3-4 years	105.00	105.00

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The cost of the stock options expense charged to operations under "General and administrative expenses" account amounted to ₱150.4 million, ₱77.0 million and ₱73.6 million in 2013, 2012 and 2011, respectively.<sup>11</sup>

Source: 2013 JFC Annual Report

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

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

(b) Amendments of Incentive Programs

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

**Minor amendments in the Stock Option Plan were submitted to the Philippine Stock Exchange and the Securities and Exchange Commission.**

<sup>11</sup> See Note 22 of the Audited Financial Statements. Please note that the Plan Rules has been further amended on June 27 and December 19, 2014.

Incentive Program	Amendments	Date of Approval
Senior Management Stock Option and Incentive Plan		June 27, 2014
		December 19, 2014

5) Remuneration of Management

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

**Members of the top management who are not executive directors are Ysmael V. Baysa, Vice President – Finance, Chief Finance Officer and Compliance Officer and Daniel Rafael Ramon Z. Gomez, Chief Marketing Officer. Please refer to Item D(3) for information on remuneration.**

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive (5)	4	1	-		The Executive Committee may act on specific matters within the competence of the Board as may be delegated to it by the Board from time to time. <i>(Source: Section 10, Article IV, By-Laws)</i>		
Audit (4)	1	1	2	Y	The Audit Committee shall have the following functions:  (1) Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations;  (2) Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks, including receipt of information on risk exposures and risk management activities;  (3) Perform		

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
					<p>oversight functions over the Internal and External Auditors to ensure that Internal and External Auditors act independently of each other, and that both are given access to all records, properties and personnel to enable them to perform their respective functions;</p> <p>(4) Review the internal audit plan, including audit scope, resources and budget necessary to implement it, to ensure its conformity with the Company's objectives;</p> <p>(5) Prior to the commencement of the audit, discuss with the External Auditor the nature, scope and expenses of the audit;</p> <p>(6) Monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security;</p> <p>(7) Review the reports submitted by Internal and External Auditors;</p> <p>(8) Review the quarterly and annual financial statements before their submission to the Board with particular focus on the following matters:</p> <p>(a) Any change/s in accounting policies and practices;</p> <p>(b) Major judgmental areas;</p> <p>(c) Significant adjustments resulting from the audit;</p> <p>(d) Going concern assumptions;</p> <p>(e) Compliance with accounting standards; and</p> <p>(f) Compliance with tax, legal and regulatory requirements;</p> <p>(9) Coordinate,</p>		

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
					<p>monitor and facilitate compliance with laws, rules and regulations;</p> <p>(10) Evaluate and determine the Non-Audit Work, if any, of External Auditor, and review periodically the non-audit fees paid to External Auditor. The Audit Committee shall disallow any non-audit work that will conflict with the primary duties of the External Auditor or may pose a threat to the External Auditor's independence; and</p> <p>(11) Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. The Audit Committee shall ensure that in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties. (Source: Article IV(G)(3), Manual of Corporate Governance, as amended on June 27, 2014)</p>		
Nomination (5)	3	1	1	Y	<p>The functions of the Nomination Committee shall be as follows:</p> <p>(1) Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and/or disqualifications as described in this Manual, the Company's By-Laws, and applicable laws;</p> <p>(2) Review and evaluate the qualifications of all persons nominated to the Board and other appointments that require the Board's approval;</p> <p>(3) Provide assessment on the Board's effectiveness in directing the process of electing</p>		



Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
					<p>and replacing directors;</p> <p>(4) Recommend to the Board any changes or addition to the role, duties and responsibilities of the Chief Executive Officer, by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times; and</p> <p>(5) Carry out such other duties as may be delegated to it by the Board of Directors from time to time. (Source: Article 4(G)(1), Manual of Corporate Governance, as amended on June 27, 2014)</p>		
Compensation (5)	2	2	1	Y	<p>The functions of the Compensation Committee shall be as follows:</p> <p>(1) Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy and control environment;</p> <p>(2) Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the company successfully;</p> <p>(3) Carry out such other duties as may be delegated to it by the Board of Directors from time to time. (Source: Article</p>		

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
					4(G)(2), <i>Manual of Corporate Governance, as amended on June 27, 2014</i>		
Others (specify)							

## 2) Committee Members

### (a) Executive Committee

Officer	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Tony Tan Caktiong	June 2014	13	13	100%	2009 to present
Member (ED)	Ernesto Tanmantiong	June 2014	13	13	100%	2009 to present
Member (ED)	William Tan Untiong	June 2014	13	13	100%	2009 to present
Member (ED)	Joseph C. Tanbuntiong	June 2014	13	13	100%	2013 to present
Member (NED)	Ret. Chief Justice Artemio Panganiban	June 2014	13	13	100%	2012 to present

### (b) Audit Committee

Officer	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Monico V. Jacob	June 2014	6	5	83%	Since start of Committee
Member (ED)	William Tan Untiong	June 2014	6	4	67%	Since start of Committee
Member (NED)	Antonio Chua Poe Eng	June 2014	6	6	100%	Since start of Committee
Member (ID)	Cezar P. Consing	June 2014	6	5	83%	1 year

Disclose the profile or qualifications of the Audit Committee members.

#### MONICO V. JACOB

Mr. Jacob, born in 1945, 69, Filipino, has been a member of the Board since 2000. Mr. Jacob is an Independent Director and is a member of the Nomination Committee of the Board of Directors. He is also the chair of the Audit Committee.

#### Other directorships are:

Independent Director	2 Go Group, Inc. (formerly Aboitiz Transport Systems, Inc.)
Director	Advent Capital and Finance Corporation
Director	Anvaya Cove Beach and Nature Club
Director	Asian Terminals, Inc.
Director	Ateneo de Naga University
Director	Century Properties, Inc.
Director	De Los Santos – STI College
Director	De Los Santos – STI Medical Center
Director	Information and Communications Technology (i-Academy), Inc.
Independent Director	Negros Navigation Co., Inc.
Director	Philippine Health Educators, Inc.
Director	Phoenix Petroleum Philippines, Inc.
Director	UNLAD Resources Development Corporation

**WILLIAM TAN UNTIONG**

Mr. Tan Untiong, born in 1953, 61, Filipino, has been the Corporate Secretary of the Company since 1994, and a member of the Board since 1993. He is a member of the Executive, Nomination and Audit Committees of the Board of Directors.

Mr. Tan Untiong has also been the Vice President for Real Estate since 1989.

**Other directorships are:**

Director	Fresh N'Famous Foods, Inc.
Director	Mang Inasal Phils., Inc.
Director	Coffeetap Corporation <sup>12</sup>
Director	BK Titans, Inc.
Director	RRB Holdings, Inc.
Director	Red Ribbon Bakeshop, Inc.
Director	Grandworth Resources Corporation
Director	Zenith Foods Corp.
Director	Doubledragon Properties Corp.
Director	Honeystar Holding Corporation
Director	Chanceux, Inc.
Director	Honeybee Foods Corp.
Director	Red Ribbon Bakeshop Inc. (USA)
Director	Chowking Food Corporation (USA)
Director	Adgraphix, Inc.
Director	Belmont Enterprises Ventures Ltd.
Director	Golden Plate Pte. Ltd.
Director	Jollibee (China) Food & Beverage Management Co. Ltd.
Director	Shanghai Yong He King Food & Beverage Management Co. Ltd.
Director	Hangzhou Yonghe Food and Beverage Co. Ltd.
Director	Tianjin Yong He King Food & Beverage Co. Ltd.
Director	Beijing Yong He King Food and Beverage Co. Ltd.
Director	Shenzhen Yong He King Food and Beverage Co. Ltd.
Director	Wuhan Yonghe King Food and Beverage Co. Ltd.
Director	Yong He Holdings Co. Ltd.
Director	Centenary Ventures Limited
Director	WJ Investments Limited
Member	Jollibee Group Foundation, Inc.
Director	JC Properties & Ventures Corporation
Director	Jollimart Corporation
Director	Metroguards Security Agency Corp.
Director	Honeyworth Corporation
Director	Mainspring Resources Corporation
Director	Queenbee Resources Corporation
Director	Zenith Foods Corporation
Director	Antares Holdings, Inc.
Director	Hyper Dynamic Corporation
Director	Kingsworth Corporation
Director	Honeysea Corporation

**ANTONIO CHUA POE ENG**

Mr. Chua Poe Eng, born in 1948, 66, Filipino, has been a member of the Board since 1978. He is a member of the Audit Committee of the Board of Directors.

**Other directorships are:**

Chairman, President	Honeyworth Corporation
Director	Albany Resources Corporation
Director	Hyper Dynamic Corporation

**CEZAR P. CONSING**

Mr. Consing, born in 1960, 55, Filipino, was elected as an Independent Director of the Company in 2010. He is a member of the Compensation and Audit Committees of the Board of Directors.

Mr. Consing is the president of the Bank of the Philippine Islands. Previous to this, Mr. Consing was a partner with The Rohatyn Group, a New York-based investment management company, and was an investment banker with J.P. Morgan & Co. from 1985 to 2004.

**Other directorships are:**

Director	Bank of the Philippine Islands
Director	First Gen Corporation

*(Source: 2013 JFC Annual Report)*

<sup>12</sup> For dissolution.

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

The Audit Committee shall, among others:

- (a) Perform oversight functions over the Internal and External Auditors to ensure that Internal and External Auditors act independently of each other, and that both are given access to all records, properties and personnel to enable them to perform their respective functions;
- (b) Review the reports submitted by Internal and External Auditors;
- (c) Evaluate and determine the Non-Audit Work, if any, of External Auditor, and review periodically the non-audit fees paid to External Auditor. The Audit Committee shall disallow any non-audit work that will conflict with the primary duties of the External Auditor or may pose a threat to the External Auditor's independence. (Source: Article IV(G)(3), Manual of Corporate Governance, as amended on June 27, 2014)

(c) Nomination Committee

No meeting was held by the Nomination Committee for the year 2014.

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (NED)	Ret. Chief Justice Artemio Panganiban	June 2014	none			2 years
Member (ED)	Tony Tan Caktiong	June 2014				6 months
Member (ED)	Ernesto Tanmantiong	June 2014				2 years
Member (ED)	William Tan Untiong	June 2014				6 months
Member (NED)	Monico V. Jacob	June 2014				1 year

(d) Compensation Committee

No meeting was held by the Compensation Committee for the year 2014.

Officer	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Tony Tan Caktiong	June 2014	none			1 year
Member (ED)	Joseph Tanbuntiong	June 2014				1 year
Member (NED)	Ret. Chief Justice Artemio V. Panganiban	June 2014				2 years
Member (NED)	Ang Cho Sit	June 2014				6 months
Member (ID)	Cesar P. Consing	June 2014				1 year

(e) Finance Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee

3) Changes in Committee Members

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

Name of Committee	Name	Reason
Executive	none	
Audit	none	
Nomination	Addition of Mr. Tan Caktiong and Mr. Tan Untiong	Replace Mr. Ang Cho Sit
Remuneration/Compensation	Addition of Mr. Ang Cho Sit	
Others (specify)		

4) Work Done and Issues Addressed

Name of Committee	Work Done	Issues Addressed
Executive	Approval of matters delegated by the Board of Directors	
Audit	Approval of audited financial statements and quarterly results; recommendation for approval to the Board of Directors of audited financial statements and quarterly results.	
Nomination	Submitted list of final candidates to the Board of Directors to the Corporate Secretary.	
Remuneration	Reviewed the Company's Stock Option Plan	
Others (specify)		

5) Committee Program

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

**Each committee performs the functions set out in the Company's By-laws and Manual of Corporate Governance. In the performance of such functions, each Committee examines applicable risks, discusses issues and proposes (and implements, as necessary) improvements to the policies and processes.**

Name of Committee	Planned Programs	Issues to be Addressed
Executive		
Audit		
Nomination		
Remuneration		
Others (specify)		

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

- (a) Overall risk management philosophy of the company;
- (b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof.
- (c) Period covered by the review;
- (d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and

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

The Company and its subsidiaries, in global growth and expansion, requires a comprehensive approach to corporate risk management that promotes extensive strategic thinking and analysis, while fundamentally integrating and maintaining highest ethical standards in the company's core values and beliefs. Risk management will provide the organization with the superior capabilities to identify, assess and manage the risks and enable the organization and its employees at all levels to better understand and manage risks.

The Company and its subsidiaries are all in the quick-service restaurant sector. Quick-service restaurants like those maintained by the Company are expected to maintain high quality in terms of food, service and cleanliness ("FSC"). The Company responds by observing stringent guidelines, processes and procedures in its FSC, and conducting regular and spot audits to ensure that FSC standards are maintained not only in stores but also in commissaries. The Company has likewise instituted a system of incentives to reward excellent performance in terms of FSC by stores.

JFC directors and management periodically review the effectiveness of the Company's risk management system. *(Source: 2014 JFC Definitive Information Statement)*

The implementing policies of the Manual of Corporate Governance also provide that the comprehensive risk assessment shall be conducted at least once every 2 years by the Finance Committee of the Board of Directors. The findings shall be presented to the CEO and the Board.

2) Risk Policy

(a) Company

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

Risk Exposure	Risk Management Policy	Objective
Directors and Officers	Respect, integrity and safety for employees, customers and stakeholders	To protect directors, officers and employees of the Company
Assets	Safeguard assets of the Company including loss of income for a specific time	To avoid catastrophic losses that would affect the Company
Third Party Liability	Maintain good rapport and brand name with third parties	To protect the company and its brands against legal claims of third parties

(b) Group

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

Risk Exposure	Risk Management Policy	Objective
Credit Risk – the risk that a customer or counterparty fails to fulfill its contractual obligations to the Jollibee Group. This includes risks of non-payment by borrowers and issuers, failed settlement of transactions and default on outstanding contracts.	The Jollibee Group has a very strict credit policy. Its credit transactions are only with franchisees that have gone through rigorous screening before granting them the franchise. The credit terms are very short, deposits and advance payments are also required before rendering the service or delivering the goods. In cases of defaults of debtors, the exposure is	To mitigate the risk of non-collection from customers or counterparties.

Risk Exposure	Risk Management Policy	Objective
	<p>contained as transactions that will increase the exposure of the Jollibee Group are not permitted.</p> <p>The Jollibee Group has no significant concentration of credit risk with counterparty since it has short credit terms to franchisees, which it implements consistently. In addition, the Jollibee Group's franchise profile is such that no single franchisee accounts for a significant portion of the total systemwide sales of the Jollibee Group.</p> <p>With respect to credit risk arising from financial assets of the Jollibee Group, the Jollibee Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.</p> <p>The credit quality of financial assets is managed by the Jollibee Group using internal credit ratings.</p>	
<p>Liquidity Risk – the risk that the Jollibee Group's financial liabilities are not serviced in a timely manner and that its working capital requirements and planned capital expenditures are not met.</p>	<p>On a weekly basis, the Jollibee Group's Cash and Banking Team monitors its collections, expenditures and any excess/deficiency in the working capital requirements. Cash outflows resulting from major expenditures are planned so that money market placements are available in time with the planned major expenditure. In addition, the Jollibee Group has short-term cash deposits and has available credit lines with accredited banking institutions, in case there is a sudden deficiency. The Jollibee Group maintains a level of cash and cash equivalents deemed sufficient to finance the operations.</p>	<p>To ensure sufficient liquidity levels – financial liabilities are serviced in a timely manner and working capital requirements and planned capital expenditures are met.</p>
<p>Foreign Currency Risk – arises from the Jollibee Group's investments outside the Philippines, which are mainly in PRC and USA.</p>	<p>While the foreign businesses have been rapidly growing, the total exposure to foreign currency risk of the Jollibee Group is still not significant.</p> <p>The Jollibee Group also has transactional foreign currency exposures. Such exposure arises from the Jollibee Group's Philippine operation's cash and cash equivalents, receivables and long-term debt in foreign currencies.</p>	
<p>Interest Rate Risk</p>	<p>The Jollibee Group is not exposed to significant interest rate risk as majority of its interest-bearing short-term and long-term debts bear fixed interest rates.</p>	
<p>Equity Price Risk</p>	<p>The Jollibee Group is not exposed to significant equity price risk on its investments in quoted equity securities consisting of investments in club shares and shares of public utility companies.</p>	

(c) Minority Shareholders

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

Risk to Minority Shareholders

3) Control System Set Up

(a) Company

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

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Action Taken)
Assets	Regular audit (asset count)/ risk inspection of assets and sites	Regular maintenance of the assets of the Company.  Bi-annual risk inspection of sites and reporting of risk exposures and recommendation of possible courses of action to remove or minimize risk exposures in sites.  Annual renewal and bi-annual review of insurance policies.
Third Party Liability	Regular audit/evaluation of sites based on food, service and cleanliness (FSC) standards	Emergency response procedures in the sites in case of third party claims. The Company has third party liability insurance for all sites.
Assets	Regular audit (asset count)/ risk inspection of assets and sites	Regular maintenance of the assets of the Company.  Bi-annual risk inspection of sites and reporting of risk exposures and recommendation of possible courses of action to remove or minimize risk exposures in sites.  Annual renewal and bi-annual review of insurance policies.

(b) Group

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

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Action Taken)
Assets	Regular audit (asset count)/ risk inspection of assets and sites	Regular maintenance of the assets of the Company.  Bi-annual risk inspection of sites and reporting of risk exposures and recommendation of possible courses of action to remove or minimize risk exposures in sites.  Annual renewal and bi-annual review of insurance policies.
Third Party Liability	Regular audit/evaluation of sites based on food, service and cleanliness (FSC) standards	Emergency response procedures in the sites in case of third party claims. The Company has third party liability insurance for all sites.



(c) Committee

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

**Various divisions, including but not limited to Finance and Comptrollership, detail and supervise the implementation of control mechanisms.**

Committee/Unit	Control Mechanism	Details of its Functions

**G. INTERNAL AUDIT AND CONTROL**

1) Internal Control System

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

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

**The Company's internal control system covers all the policies and procedures, systems and processes that ensure the effectiveness and efficiency of the Company's operations, reliability of its financial reporting and compliance with laws and regulation. The Board of Directors sets the general policies and management is responsible for the design, implementation and maintenance of the internal control system of the company. The Board, through its Audit Committee oversees the actions of Management and monitors the effectiveness of the internal control system put in place by Management. Recommendations are provided by Management, the Board, Internal Audit, Risk and Compliance functions, to address certain issues and concerns of the Company.**

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

**The Chief Internal Auditor reports to the Audit Committee on the procedures performed by Internal Audit in evaluating the internal control system of the Company that include its policies, procedures and processes. The Audit Committee reports to the Board the results of the audits conducted by the internal and external auditors.**

(c) Period covered by the review;

**From the date of the last report.**

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

**The scope and frequency of the review of internal controls are conducted in accordance with the annual audit plan approved by the Audit Committee. Regular meetings to discuss the audit results (at least quarterly) are held between the Audit Committee and Internal Audit.**

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

2) Internal Audit

(a) Role, Scope and Internal Audit Function

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

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting Process
Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.	JFC and subsidiaries	in-house	Anastacia S. Masancay / SGV & Co.	Internal Audit reports quarterly to the Audit Committee before the Committee endorses to the Board the release of the quarterly financial statements
Review the internal control system to check compliance with policies, procedures, plans, laws and regulations and to check the economy and efficiency with which resources are employed.	Critical Processes and systems indicated in the approved annual internal audit plan	Co-source	Anastacia S. Masancay / Various accredited Service Providers	Internal Audit reports the audit results to the Audit Committee at least quarterly. Special meetings may be held for matters which require immediate attention of the Committee.
Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.		in-house	Anastacia S. Masancay	

- (b) Do the appointment and/or removal of the Internal Auditor or the accounting/auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee? **YES.**
- (c) Discuss the internal auditor's reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

**The Audit Committee has oversight functions over the Internal and External Auditors to ensure that Internal and External Auditors act independently of each other, and that both are given access to all records, properties and personnel to enable them to perform their respective functions.** (Source: Article IV(G)(3), Manual of Corporate Governance as amended on June 27, 2014)

- (d) Resignation, Re-assignment and Reasons

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

Name of Audit Staff	Reason
Susana Reyes	Transfer
Joy Bautista	Transfer
Ronald Chris Robles	Transfer
Carlo Manguiat	Other employment opportunity
Joanna Marie Aquino	Other employment opportunity
Ana Dominique Sierra	Other employment opportunity
Gina Badong	Other employment opportunity

- (e) Progress against Plans, Issues, Findings and Examination Trends

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

Progress Against Plans	90% of the 2013 approved audit plan was completed. In addition to the audit areas specified in the approved audit plan, 2 audit requests were completed.
Issues <sup>13</sup>	No critical issues were noted.
Findings <sup>14</sup>	No critical issues were noted.
Examination Trends	Average audit rating of company-owned and franchise stores improved across all subsidiaries where compliance audits were conducted. The improvement in the compliance of stores was reflected in the reduction in underpayment of royalty by the franchisees.

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

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

(f) Audit Control Policies and Procedures

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

Policies & Procedures	Implementation
1. Risk-based audit planning should be improved to enhance the prioritization of audit activity and to ensure alignment of audit activity with the Company's goal.	Implemented
2. Audit process should be streamlined to improve turn-around-time of audit projects.	Implemented
3. Continuous auditing aided by technology should be established in identified areas.	Implemented

(g) Mechanism and Safeguards

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

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
The auditors report directly to the Board of Directors through the Audit Committee and are not involved in the day to day operation of the company.	There are no independence concerns involving financial analyst, investment banks and rating agencies as there are no material public information being disclosed ahead to any group other than what is disclosed publicly to the regulators within the prescribed time period for reporting.		
Restriction on trading in the company's shares 2 trading days before and after any disclosure to the public.			
Limitation on the non-audit services that the external auditors provide to the company.			

<sup>13</sup> "Issues" are compliance matters that arise from adopting different interpretations.

<sup>14</sup> "Findings" are those with concrete basis under the company's policies and rules.

- (h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

The Corporate Secretary and Compliance Officer have signed this Report.

## H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare	Quick-service restaurants like those maintained by the Company are expected to maintain high quality in terms of food, service and cleanliness ("FSC"). <i>(Source: 2013 JFC Annual Report)</i>	The Company responds by observing stringent guidelines, processes and procedures in its FSC, and conducting regular and spot audits to ensure that FSC standards are maintained not only in stores but also in commissaries. <i>(Source: 2013 JFC Annual Report)</i>
Supplier/contractor selection practice	Economies of scale allow the Company to avail of low purchase costs from local and foreign suppliers, leveraged on sustained volume growth and reliable credit handling. <i>(Source: 2013 JFC Annual Report)</i>	JFC follows an accreditation process for suppliers. <i>(Source: 2013 JFC Annual Report)</i>
Environmentally friendly value-chain	The Company takes reasonable efforts to comply with environmental laws and regulations.  Strict compliance with environmental laws would entail substantial capital investment for the Company.  <i>(Source: 2013 JFC Annual Report)</i>	The Company has continuing efforts to ensure compliance with environmental laws and regulations.  The Company will spend, on the average, PhP1,000,000.00 per store to retrofit each store with a Wastewater Treatment Facility ("WWTF"). Additionally, operation expenses is pegged at PhP10,000.00 per month to maintain the WWTF.  <i>(Source: 2013 JFC Annual Report)</i>
Community interaction	The Company's corporate social responsibility efforts are coursed through, and spearheaded by, the Jollibee Group Foundation, Inc.  <i>(Source: 2013 JFC Annual Report)</i>	Among the projects of the Jollibee Group Foundation, Inc. are the (1) Busog, Lusog, Talino School Feeding Program, (2) Farmer Entrepreneurship Program, and (3) Jollibee Group FoodAid Program  <i>(Source: 2013 JFC Annual Report)</i>
Anti-corruption programmes and procedures		
Safeguarding creditor's rights		

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

The Company's corporate social responsibility efforts are spearheaded by the Jollibee Group Foundation, Inc. The Foundation's activities are detailed in the Annual Report.

- 3) Performance-enhancing mechanisms for employee participation.

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

Employees are provided with all benefits required under the law. The Company also provides other benefits like a healthcare provider.

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

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

**Employees are required to undergo internal training. The Company offers internal trainings on various topics. External training, when related to an employee's functions, is also encouraged.**

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

**The Company provides for performance-based rewards to its employees.**

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

**The Company has a Code of Business Ethics which includes a procedure for reporting possible violations. The process protects the anonymity of the reporting party and guarantees protection from retaliation. All information is kept strictly confidential.**

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

Shareholder	Number of Shares	Percent	Beneficial Owner
PCD Nominee Corporation (Non-Filipino)	312,031,411	29.65%	
Hyper Dynamic Corporation	273,218,750	25.96%	
Honeysea Corporation	127,743,747	12.14%	
PCD Nominee Corporation (Filipino)	87,863,453	8.35%	
Winall Holding Corporation	54,140,736	5.14%	

(Source: 2013 JFC Annual Report)

Name of Senior Management <sup>15</sup> (Corporate Officers)	Number of Direct shares	Number of Indirect shares/Through (name of record owner)	% of Capital Stock
Tony Tan Caktiong	8,254,565	740,000	0.90%
Ernesto Tanmantiong	4,478,951	457,019	0.50%
William Tan Untiong	6,937,054	279,667	0.70%
Joseph Tanbuntiong	37,630	n/a	0.00%
Ang Cho Sit	11	n/a	0.00%
Antonio Chua Poe Eng	1	2,713,815	0.30%
Ret. CJ Artemio V. Panganiban	1	n/a	0.00%
Monico V. Jacob	100	n/a	0.00%
Cezar P. Consing	1	n/a	0.00%
Ysmael V. Baysa	511,667	n/a	0.00%
Daniel Rafael Ramon Z. Gomez	0	0	0.0%
Valerie F. Amante	0	0	0.00%
<b>TDTAL</b>	<b>20,219,981</b>	<b>4,190,501</b>	<b>2.40%</b>

(Source: 2013 JFC Annual Report)

2) Does the Annual Report disclose the following:

Key risks	YES
Corporate objectives	YES
Financial performance indicators	YES
Non-financial performance indicators	YES
Dividend policy	NO, but the dividend policy is disclosed in the 2014 JFC Information Statement.
Details of whistle-blowing policy	ND
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	YES
Training and/or continuing education programme attended by each director/commissioner	NO
Number of board of directors/commissioners meetings held during the year	NO, but attendance in board meetings is disclosed in the 2014 JFC Information Statement.
Attendance details of each director/commissioner in respect of meetings held	NO, but attendance in board meetings is disclosed in the 2014 JFC Information Statement. Attendance in board meetings was also disclosed to the Securities and Exchange Commission.
Details of remuneration of the CEO and each member of the board of directors/commissioners	YES

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

<sup>15</sup> The list includes Corporate Officers, as identified by the Company and disclosed in the 2013 JFC Annual Report.

3) External Auditor's Fee

Name of Auditor	Audit Fee	Non-audit Fee
SyCip Gorres Velayo & Co.	Approximately PHP18.6 Million	None

Source: 2014 JFC Information Statement

4) Medium of Communication

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

**Information is disseminated through ordinary, registered and electronic mail.**

5) Date of release of audited financial report: **April 11, 2014**

6) Company Website

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

Business operations	YES
Financial statements/reports (current and prior years)	YES
Materials provided in briefings to analysts and media	YES
Shareholding structure	NO, but copies of the Annual Report (which contains this information) is available upon request and free of charge.
Group corporate structure	NO, but copies of the Annual Report (which contains this information) is available upon request and free of charge.
Downloadable annual report	NO, but copies of the Annual Report (which contains this information) is available upon request and free of charge.
Notice of AGM and/or EGM	NO.
Company's constitution (company's by-laws, memorandum and articles of association)	NO.

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

7) Disclosure of RPT

Tony Tan Caktiong, Ernesto Tanmantiong, William Tan Untiong and Joseph Tanbuntiong are brothers. Ang Cho Sit is the brother-in-law of Tony Tan Caktiong. Susana K. Tanmantiong is the wife of Ernesto Tanmantiong and sister-in-law of Tony Tan Caktiong and William Tan Untiong. Antonio Chua Poe Eng is the brother-in-law of Tony Tan Caktiong, Ernesto Tanmantiong and William Tan Untiong. Grace A. Tan is the wife of Tony Tan Caktiong.

Some of the Company's directors own franchises or have minority interests in companies which own and operate franchised stores of the Company. All such franchises are subject to contracts which have been entered into in an arms' length basis and on terms similar to those granted to other franchisees. (Source: 2013 JFC Annual Report)

RPT	Relationship	Nature	Value

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

**Related party transactions are addressed through discussions and on a case-to-case basis.**

**J. RIGHTS OF STOCKHOLDERS**

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

(a) Quorum

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

Quorum Required	<p>A majority of the subscribed capital, present in person or presented by proxy shall be the required at every meeting to constitute a quorum for the election of directors and for the transaction of any business whatever except in those cases in which the Corporation Code requires the affirmative vote of a greater proportion. (As amended on December 1992)</p> <p>In the absence of quorum, any officer entitled to preside or act as Secretary of such meeting, shall have the power to adjourn the meeting from time to time until stockholders holding the requisite number of stock shall be present or represented. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at the meeting as originally called. (As amended on December 4, 1992) <i>(Source: Section 3, Article III, By-Laws)</i></p>
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	<p>At each meeting of the stockholders, each stockholder shall be entitled to vote in person or by proxy, all shares of stock held by him which have voting power upon any matter duly raised in such meeting. The votes for the election of directions, as well as the votes upon any question raised before the meeting, except with respect to procedural questions which may be determined by the chairman of the meeting, shall be by viva voce or show of hands, except when written balloting shall be requested by any stockholder. (As amended on December 4, 1992). <i>(Source: Section 10, Article III, By-Laws)</i></p>
Description	Stockholders may vote in person or by proxy.

(c) Stockholders' Rights

Stockholders' Right under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
Right to vote on all matters that require consent and approval.	
Power of Inspection	
Right to Information	
Right to Dividends	
Appraisal Right	

Dividends

Declaration Date	Record Date	Payment Date
April 7, 2014	May 8, 2014	May 30, 2014
November 12, 2014	November 27, 2014	December 18, 2014

\*for the year 2014



(d) Stockholders' Participation

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

Measures Adopted	Communication Procedure
Inquiries, suggestions, comments and any communication from stockholders may be coursed through the Company's Investor Relations Group or Legal Division.	Recipient of the information shall address the inquiry or comment, or relay such inquiry or comment to the proper person or group.

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

**Stockholder approval is required to amend the Company's Articles of Incorporation, an increase in the outstanding capital stock of the Company, and the sale of all or substantially all assets of the Company, following the Corporation Code.**

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?
- Date of sending out notices: **Notices were sent on June 6, 2014**
  - Date of the Annual/Stockholders' Meeting: **June 27, 2014**

4. State, if any, question and answers during the Annual/Special Stockholders' Meeting.

**There were no questions raised during the Annual Stockholders' Meeting.**

5. Result of Annual/Special Stockholders' Meetings Resolutions

Resolution	Approving	Dissenting	Abstaining
Approval of the 2013 Annual Report and Audited Financial Statements	803,311,069	None	None
Ratification of Actions Taken by the Board of Directors and Management since the 2013 Annual Stockholders Meeting	813,900,539	None	None
Election of Directors	814,006,169	None	None
Appointment of External Auditors	809,649,429	None	None

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

**A disclosure was submitted to the Philippines Stock Exchange immediately after the Annual Stockholders' Meeting on June 27, 2014.**

(e) Modifications

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

**There were no modifications made in the regulations.**

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board Members/ Officers present	Date of Meeting	Voting Procedure (by poll, show of Hands, etc.)	% of SH Attending In Person	% of SH in Proxy	Total % of SH attendance
Annual	Tony Tan Caktiong Ernesto Tanmantiong William Tan Untiong Joseph Tanbuntiong Ang Cho Sit Antonio Chua Poe Eng Ret. CJ Artemio V. Panganiban	June 27, 2014	The Corporate Secretary was directed to cast all votes in favor of each of the proposed resolutions and after a discussion thereof. There were no objections registered.			

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

**The Company appoints SyCip Gorres Velayo & Co. to count and/or validate the votes.**

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

**Each common share is entitled to one vote.**

(g) Proxy Voting Policies

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

	Company's Policies
Execution and acceptance of proxies	A stockholder may attend the meeting by submitting a duly-accomplished proxy substantially in the form attached hereto which must be received by the Corporate Secretary not later than ten (10) days before the meeting ("Cut-Off Date"). Proxies received after Cut-Off Date shall not be recognized for this meeting. Proxies duly received by the Corporate Secretary on or before Cut-Off Date shall be recognized for the meeting unless revoked by personal appearance of the stockholder or by a later proxy received on or before Cut-Off Date. (Source: Section 2, Article III, By-Laws)
Notary	Proxies need not be notarized.
Submission of Proxy	Proxies must be submitted at least 10 days before the meeting. (Source: Section 2, Article III, By-Laws)
Several Proxies	There are no policies on multiple proxies.
Validity of Proxy	The proxy is valid only for the specific meeting.
Proxies executed abroad	Proxies executed abroad are accepted.

	Company's Policies
Invalidated Proxy	There are no policies on invalidated proxies.
Validation of Proxy	There are no policies on validation of proxies.
Violation of Proxy	There are no policies on violations proxies.

(h) Sending Notices

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

Policies	Procedure
Except as otherwise provided by law, written or printed notice of all annual meetings of stockholders, stating the place and time of the meeting and, if necessary, the general nature of the business to be considered shall be transmitted by personal delivery, mail, telegraph, facsimile or cable to each stockholders of record entitled to vote thereat at his address last known to the Secretary of the Corporation at least twenty (20) days before the date of the meeting. Except where expressly required by law, no publication of any notice of annual meeting of stockholders shall be required. If any stockholder shall, in person or by attorney-in-fact thereunto authorized, in writing, or by telegraph, cable, or facsimile, waive notice of any meeting, whether before or after the holding of such meeting, notice thereof need not be given to him. Notice of any adjourned meeting of the stockholders shall not be required to be given, except when expressly required by law. (As amended on December 4, 1992). (Source: Section 5, Article III, By-Laws)	The notice of annual stockholders' meeting, along with a copy of the Company's Annual Report and Definitive Information Statement, is sent to stockholders of record at least twenty (20) days before the date of the meeting.

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	All stockholders of record as of the Record Date set by the Board of Directors shall be provided with the notice of annual stockholders' meeting, along with a copy of the Company's Annual Report and Definitive Information Statement.
Date of Actual Distribution of Definitive Information Statement and Management Report and Dther Materials held by market participants/certain beneficial owners	June 6, 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	June 6, 2014
State whether CD formal or hard copies were distributed	Annual Report – CD Format (hard copies are provided upon request) Information Statement – CD Format
If yes, indicate whether requesting stockholders were provided hard copies	Yes. Hard copies of the Information Statement were provided to requesting stockholders.

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

Each resolution to be taken up deals with only one item.	YES
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	NO, as these are indicated in the Definitive Information Statement provided with the Notice.
The auditors to be appointed or re-appointed.	NO, as this is indicated in the Definitive Information Statement provided with the Notice.
An explanation of the dividend policy, if any dividend is to be declared.	ND. The dividend policy was later on included in the 2014 Definitive Information Statement.

The amount payable for final dividends.	NO, but these are included in periodic disclosures on dividend declaration.
Documents required for proxy vote.	YES.

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

2) Treatment of Minority Stockholders

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

Policies	Implementation
Right to vote on all matters that require their consent or approval;	<p>Stockholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code of the Philippines.</p> <p>Cumulative voting shall be used in the election of directors.</p> <p>A director shall not be removed without cause if it will deny minority stockholders representation in the Board of Directors.</p>
Power of Inspection	A stockholder may inspect corporate books and records in accordance with the Corporation Code and only for a legitimate purpose and during reasonable office hours and at no cost to the Company. The annual reports, including financial statements, to be provided by the Company to its stockholders shall, however, be for the account of the Company.
Right to Information	Upon request, stockholders shall be provided with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Company's shares, dealings with the company, relationships among directors and key officers, and the aggregate compensation of directors and officers.
Right to Dividends	<p>Stockholders shall have the right to receive dividends subject to the discretion of the Board.</p> <p>The company shall be compelled to declare dividends when its retained earnings shall be in excess of 100% of its paid in capital stock, except: (a) when justified by definite corporate expansion projects or programs approved by the board; or (b) when the company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or c) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for special reserve for probable contingencies.</p>
Appraisal Right	<p>The stockholders shall have the appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:</p> <ol style="list-style-type: none"> <li>1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class or of extending or shortening the term of corporate existence.</li> <li>2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and</li> <li>3. In case of merger and consolidation.</li> </ol> <p>Stockholders shall be encouraged to personally attend the annual stockholders' meeting and any special meeting that may be called. If they cannot attend, they shall be apprised ahead of time of their right to appoint a proxy, subject to the requirements of the Company's By-laws.</p> <p>It shall be duty of the directors to promote stockholders' rights, remove impediments to the exercise of stockholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of stockholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to stockholders participating in meetings and/or voting in person or by proxy. Accurate and timely information shall be made available to stockholders to</p>

	enable them to make a sound judgment on all matters brought to their consideration or approval
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(Source: Article VII, Manual of Corporate Governance, as amended on June 27, 2014)

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

**YES, subject to the submission of nominees to the Nomination Committee.**

**K. INVESTORS RELATIONS PROGRAM**

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

**All internal and external communications are prepared in consultation with the relevant internal groups, including Finance, Human Resources and Legal. The Company's Chief Finance Officer and its Corporate Legal Counsel sign all disclosures made to the public.**

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

Details	
(1) Objectives	JFC, through its Investor Relations Group, seeks to provide its stakeholders with information necessary to make informed decisions about our Company and security. It manages relationships with investors and analysts as well as with regulatory bodies that oversee the financial markets. The department also interfaces with the organization's senior management for the purpose of sharing market insights and investor feedback.
(2) Principles	<ul style="list-style-type: none"> <li>- JFC's disclosure practices are designed to give all investors and analysts fair access to information. The Company complies with all security regulations of the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC).</li> <li>- JFC will always report its financial results and material developments to the PSE and the SEC, its shareholders and other stakeholders in an open and comprehensive manner.</li> <li>- JFC will provide reasonable access to analysts, investors and the media to help them make informed opinions of JFC, but not influencing those opinions and to address reports or questions that they may have about JFC. However, JFC does not share earnings projections and does not provide focused guidance to analysts for the development of their earnings estimates.</li> </ul>
(3) Modes of Communications	JFC will have the following communications channel: one-on-one meetings, road shows, phone meetings, Company website/ email. JFC meetings with investors and analysts will not be a forum for sharing non-public information.
(4) Investors Relations Officer	<p>Corazon B. Palomar, Investor Relations Director</p> <p>Investor Relations Department, 14F Jollibee Plaza, No. 10 F. Ortigas Jr. Avenue, Ortigas Center, Pasig City</p> <p>- Direct Line: 632 6887141</p>

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

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

**L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

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

**The Company's corporate social responsibility efforts are coursed through, and spearheaded by, the Jollibee Group Foundation, Inc.**

Initiative	Beneficiary
Busog Lusog Talino School Feeding Program	Over 38,000 school-age pupils in 177 cities and municipalities in the Philippines.
Farmer Entrepreneurship Program	Over 900 smallholder farmers from 22 cities and municipalities in the Philippines.
Jollibee Group FoodAID Program	Disaster-stricken communities in the Philippines

\*For the year 2014

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

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

	Process	Criteria
Board of Directors	The Company conducts an organization-wide financial review twice a year.	Net Operating Income Systems Wide Sales Rolling Base Sales Economic Value Added
Board of Committees	The Company conducts an organization-wide financial review twice a year.	Net Operating Income Systems Wide Sales Rolling Base Sales Economic Value Added
Individual Directors	The Company conducts an organization-wide financial review twice a year.	Net Operating Income Systems Wide Sales Rolling Base Sales Economic Value Added
CEO/President	The Company conducts an individual performance appraisal, and an organization-wide financial review twice a year.	Net Operating Income Systems Wide Sales Rolling Base Sales Economic Value Added

#### N. INTERNAL BREACHES AND SANCTIONS

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

The following penalties shall be imposed after notice and hearing on the Company's directors, officers and staff in case of violation of the Company's Manual of Corporate Governance:

Violations	Sanctions
First Violation	Reprimand
Second Violation	Suspension
Third Violation	Removal from office Director – removal from directorship


(Source: Article XII, Manual of Corporate Governance, as amended on June 27, 2014)

SECRETARY'S CERTIFICATE

I, VALERIE FERIA AMANTE, Filipino, of legal age, and with office address at the Jollibee Plaza Bldg., Eminent Avenue, Pasig City, being the duly appointed Assistant Corporate Secretary of JOLLIBEE FOODS CORPORATION (the "Corporation"), a corporation duly organized and existing under Philippine law, with business address at Jollibee Plaza Bldg., Eminent Avenue, Pasig City, hereby certify on behalf of the Corporation that:

- 1. Under Section 10.2 of the Corporation's Senior Management Stock Option and Incentive Plan (the "Plan"): "The Board may, in its discretion, amend or modify the Plan or any provision thereof provided any such amendment shall not prejudice any rights already vested or any privilege already exercised."
- 2. During its meeting on June 27, 2014, and on the recommendation of the Corporation's Compensation Committee, the Board of Directors duly approved the proposed amendments to the Plan, a copy of the Plan as amended is attached hereto as Annex A.
- 3. The foregoing are true and correct in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this JUL 13 2014 at Pasig City.

  
VALERIE FERIA AMANTE  
Assistant Corporate Secretary

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

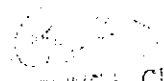
Before me, a Notary Public in and for the city named above, personally appeared:

Name	Competent Evidence of Identity	Place/Date of Issue
Valerie Feria Amante	SSS ID: 07-17675-1	

who is personally known to me to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this JUL 13 2014 day of

Notary Public  
Page No.  
Book No.  
Series of 2014

  
ANGELINE L. CHONG  
Notary Public - Pasig City  
Until December 31, 2015  
Attorney's Roll No. 54490  
Appointment No. 6  
PTR No. 390940; 01/13/14; Pasig City  
BSF No. 958340; 01-15-14; RSM  
14/F Jollibee Plaza, 10 F. Ortigas Jr. Avenue  
Jollibee Center, Pasig City 1605  
MULE Compliance No. IV-0009764;  
11/12/12; Pasig City

**SECRETARY'S CERTIFICATE**

I, **WILLIAM TAN UNTIONG**, Filipino, of legal age and with office address at the 10/F Jollibee Plaza Bldg., 10 F. Ortigas Jr. Ave., Ortigas Center, Pasig City, being the appointed Corporate Secretary of **JOLLIBEE FOODS CORPORATION** (the "Corporation"), a corporation duly organized and existing under Philippine law, with business address at the 10/F Jollibee Plaza Bldg., 10 F. Ortigas Jr. Ave. Ortigas Center, Pasig City, hereby certify on behalf of the Corporation that:

1. The Compensation Committee of the Board of Directors of the Corporation is duly authorized to "promulgate, amend, modify and rescind rules and regulations relating to the implementation, administration and maintenance of the Senior Management Stock Option and Incentive Plan (hereinafter, the "Stock Option Plan") as stated in subparagraph 1.2 of paragraph 3 of the Stock Option Plan.
2. The Compensation Committee of the Board of Directors duly approved the proposed revisions to the Stock Option Plan on December 19, 2014. A copy of the revised Stock Option Plan is attached hereto as Annex A (with revisions underscored for easy reference).
3. The foregoing statements are true and correct and in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this DEC 23 2014 at Pasig City.



**WILLIAM TAN UNTIONG**  
Corporate Secretary

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


BEFORE ME, a Notary Public in and for the city named above, personally appeared:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Place/Date of Issue</u>
William Tan Untiong	Passport No. EC0232914 issued on February 7, 2014 valid until February 6, 2019	

who is personally known to me to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this DEC 23 2014

Doc. No. 382 ;  
Page No. 78 ;  
Book No. 2 ;  
Series of 2014 .



**ANGELINA L. CHONG**  
Notary Public - Pasig City  
Until December 31, 2015  
Attorney's Roll No. 54490  
Appointment No. 6  
PTR No. 4950946; 01/13/14; Pasig City  
IBP No. 958344; 01-15-14; RSM  
14/F Jollibee Plaza, 10 F. Ortigas Jr. Avenue  
Ortigas Center, Pasig City 1605  
MCLE Compliance No. IV-0009764;  
11/12/12; Pasig City



SECRETARY'S CERTIFICATE

I, WILLIAM TAN UNTIONG, Filipino, of legal age and with office address at the 10<sup>th</sup> Floor, Jollibee Plaza Bldg., 10 F. Ortigas Jr. Avenue, Ortigas Center, Pasig City, being the appointed Corporate Secretary of JOLLIBEE FOODS CORPORATION (the "Corporation"), a corporation duly organized and existing under Philippine law, with business address at the 10<sup>th</sup> Floor, Jollibee Plaza Bldg., 10 F. Ortigas Jr. Avenue, Ortigas Center, Pasig City, hereby certify on behalf of the Corporation that:

1. The following is a true and correct copy of the resolutions adopted and approved by the Board of Directors of the Corporation on the following dates:

a. April 7, 2014

RESOLVED, that Jollibee Foods Corporation declares out of its unrestricted retained earnings as of 2008-2009, a cash dividend of P0.75 per common share, due to all stockholders of record as of May 8, 2014 (ex-dividend date of May 5, 2014) and payable on May 30, 2014.

b. November 12, 2014

RESOLVED, that Jollibee Foods Corporation declares out of its unrestricted retained earnings as of 2009, a cash dividend of P0.89 per common share, due to all stockholders of record as of November 27, 2014 (ex-dividend date of November 24, 2014) and payable on December 18, 2014.

2. The above-mentioned resolutions have not been amended, modified or rescinded, and are in full force and effect as of the date hereof.

3. The foregoing statements are true and correct and in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this JAN 07 2015 at Pasig City.

*[Signature]*  
WILLIAM TAN UNTIONG  
Corporate Secretary

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

BEFORE ME, a Notary Public in and for the city named above, personally appeared:

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Date/Place of Issue</u>
William Tan Untiong	Passport No. EC0232914 issued on February 7, 2014 valid until February 6, 2019	

who is personally known to me to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Witness my hand and seal this JAN 07 2015.

Doc. No. 424;  
Page No. 87;  
Book No. 2;  
Series of 2015.

*[Signature]*  
Notary Public - Pasig City  
Until December 31, 2015  
Attorney's Roll No. 54480  
Appointment No. 5  
PTR No. 4880946; 01/13/14; Pasig City  
IBP No. 988344; 01-16-14; RAM  
14/F Jollibee Plaza, 10 F. Ortigas Jr. Avenue  
Ortigas Center, Pasig City 1605  
MCLC Commission No. 14-0016734;  
1/13/2014