

SECURITIES AND EXCHANGE COMMISSION
SEC FORM - ACGR
ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year: 2012
2. Exact Name of Registrant as Specified in its Charter: BLOOMBERRY RESORTS CORPORATION
3. Unit 601, 6F, Ecoplaza Building, Chino Roces Avenue Ext., Makati City 2222
Address of Principal Office Postal Code
4. SEC Identification Number: A199904864
5.  (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number: 204-636-102
7. (632) 245-2185
Issuer's Telephone number, including area code
8. N/A
Former name or former address, if changed from the last report

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	7
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Actual number of Directors for the year	7
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
Enrique K. Razon Jr.	ED	N/A	Jose Eduardo J. Alarilla	11/23/2011	6/25/2012	Annual Meeting	2
Jose Eduardo J. Alarilla	NED	Enrique K. Razon Jr.	Enrique K. Razon, Jr.	11/23/2011	6/25/2012	Annual Meeting	2
Christian R. Gonzalez	NED	Enrique K. Razon Jr.	Enrique K. Razon, Jr.	11/23/2011	6/25/2012	Annual Meeting	2
Estela Tuason-Occeña	ED	Enrique K. Razon Jr.	Enrique K. Razon, Jr.	11/23/2011	6/25/2012	Annual Meeting	2
Donato C. Almada	NED	Enrique K. Razon Jr.	Enrique K. Razon, Jr.	11/23/2011	6/25/2012	Annual Meeting	2
Carlos C. Ejercito	ID	N/A	Estela Tuason-Occeña No Relation	11/23/2011	6/25/2012 (2 years)	Annual Meeting	2
Jon Ramon Aboitiz	ID	N/A	Estela Tuason-Occeña No Relation	12/13/2011	6/25/2012 (2 years)	Annual Meeting	2

- (b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasis 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.

To strive to enhance the value of the Corporation and optimize over time the returns to its shareholders through: a. Sound, prudent, and effective management, b. Efficient and effective management information system, c. Effective risk management, d. Reliable financial and

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

operational information, e. Cost effective and profitable business operations, and f. Compliance with laws, rules, regulations and contracts.

The Corporation shall comply with all disclosure requirements under law. Shareholders are allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code. They shall be provided with a copy of the annual report, including financial statements, without cost or restrictions in accordance with law.

The shareholders shall be provided, upon request, with reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers, as may be required by law and applicable disclosure rules. The minority shareholders have the same right of information as other shareholders of the Corporation. They may propose the holding of a meeting, in accordance with the by-laws, and propose items in the agenda of the meeting, provided the items are for legitimate business purposes, in accordance with law. Shareholders have the right to receive dividends subject to the discretion of the Board to declare such dividends.

Shareholders have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code and the by-laws.

The Board shall promote shareholder rights in accordance with law, remove impediments to the exercise of shareholders rights and allow possibilities to seek redress for violation of their rights in accordance with law. The exercise of shareholders' voting rights and solution of collective act on problems through appropriate mechanisms shall be encouraged in accordance with applicable law.

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

No specific period.

- (d) Directorship in Other Companies

- (i) Directorship in the Company's Group²

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

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Enrique K. Razon, Jr.	Prime Metroline Holdings, Inc.	Executive, Chairman
	Sureste Properties Inc.	Executive, Chairman
	Bloomberry Resorts & Hotels Inc.	Non-Executive, Chairman

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

Jose Eduardo J. Alarilla	Prime Metroline Holdings, Inc.	Non-Executive
	Bloomberry Resorts & Hotels Inc.	Executive
Christian R. Gonzalez	Prime Metroline Holdings, Inc.	Non-Executive
	Sureste Properties Inc.	Non-Executive
	Bloomberry Resorts & Hotels Inc.	Non-Executive
Estela Tuason-Occea	Prime Metroline Holdings, Inc.	Executive
	Bloomberry Resorts & Hotels Inc.	Executive
Donato C. Almeda	Bloomberry Resorts & Hotels Inc.	Non-Executive

(ii) Directorship in Other Listed Companies

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

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Enrique K. Razon Jr.	International Container Terminal Services, Inc.	ED, Chairman
Jon Ramon Aboitiz	International Container Terminal;	NED
	Aboitiz Equity Ventures, Inc.	NED, Chairman
	Aboitiz Power	NED

(iii) Relationship within the Company and its Group

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

Director's Name	Name of the Significant Shareholder	Description of the relationship
Enrique K. Razon Jr.	Prime Metroline Holdings, Inc.	Controlling Shareholder
	Quasar Holdings, Inc.	Controlling Shareholder
	Falcon Investco Holdings, Inc.	Controlling Shareholder

- (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? No. In particular, is the limit of five board seats in other publicly listed companies imposed and observed? No. If yes, briefly describe other guidelines: N/A

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	N/A	N/A
Non-Executive Director	N/A	N/A
CEO	N/A	N/A

(c) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company (as of May 28, 2013):

Name of Director	Number of Direct shares	Number of Indirect shares / Through	% of Capital Stock
Enrique K. Razon, Jr.	100	a) 6,407,472,444 (through Prime Metroline Holdings, Inc.) b) 921,184,056 (through Quasar Holdings, Inc.) c) 225,000,000 (through Falcon Investco Holdings, Inc.) d) 31,232,732 (through his spouse)	71.62%
Jose Eduardo J. Alarilla	100	none	0.00%
Christian R. Gonzalez	11,395,633	460,000 (through his spouse)	0.11%
Estela Tuason-Occea	100	none	0.00%
Donato C. Almeda	100	none	0.00%
Carlos C. Ejercito	100	none	0.00%
Jon Ramon Aboitiz	9,910,632	3,600,000 (through various corporations controlled by Mr. Aboitiz)	0.13%

2) Chairman and CEO

- (a) Do different persons assume the role of Chairman of the Board of Directors and CEO? No. If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views. The Chairman and CEO is the controlling stockholder of the Company. In this situation the Chairman is not intended to be a check or balance to the CEO. The check and balance and the independent views in the Board are provided by the other directors including the two independent directors in the Board.

Yes ☐

No ☒

Identify the Chair and CEO:

Chairman of the Board	Enrique K. Razon, Jr.
CEO/President	Enrique K. Razon, Jr.

(b) Roles, Accountabilities and Deliverables

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

	Chairman	Chief Executive Officer
Role	a) Preside over Stockholders' meeting b) Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chairman may deem necessary; c) Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the President/CEO, Management and directors; and d) Maintain qualitative and timely lines of communication and information between the Board and Management.	Please see note below ³
Accountabilities	Same as Role above	Same as Role above
Deliverables	None	None

- 3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions? This has not been taken up by the Board.

4) Other Executive, Non-Executive and Independent Directors

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

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- a) To initiate and develop corporate objectives and policies and formulate long range projects, plans and programs for the approval of the Board of Directors, including those for executive training, development and compensation;
- b) To supervise and manage the business affairs of the Corporation upon the direction of the Board of Directors;
- c) To implement the administrative and operational policies of the Corporation under his supervision and control;
- d) To appoint, remove, suspend or discipline employees of the Corporation, prescribe their duties, and determine their salaries;
- e) To oversee the preparation of the budgets and the statements of accounts of the Corporation;
- f) To represent the Corporation at all functions and proceedings;
- g) To execute on behalf of the Corporation all contracts, agreements and other instruments affecting the interests of the Corporation which require the approval of the Board of Directors;
- h) To make reports to the Board of Directors and stockholders;
- i) To sign certificate of stock;
- j) To perform such other duties as are incident to his office or are entrusted to him by the Board of Directors.

the board? Please explain. No defined policy other than as provided in the Manual of Corporate Governance. The stockholders may elect a mix of executive and non-executive directors (which include independent directors), to allow a healthy balance of ideas, opinions, wisdom and experience on the management and business of the Corporation.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain. There is no defined policy other than as provided in the Manual of Corporate Governance. However, we have at least one Non-Executive Director with experience in the sector or industry the Company belongs to.

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

	Executive	Non-Executive	Independent Director
Role	Please see note below ⁴	Same as Executive	Provide an independent

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- a) Select and appoint the President/CEO, Chief Operating Officer ("COO"), Chief Finance Officer ("CFO") and other senior officers of the Corporation. The Board may adopt a professional development program for employees and officers, and a succession planning program for management.
- b) Provide strategies and general policies to maintain the viability and promote the growth and success of the Corporation. If the Corporation has signed up with an Management Service Provider (MSP), the Board shall coordinate with the MSP in the performance of the task of the MSP. It must periodically evaluate and monitor implementation of such strategies and policies, business plans and operating budgets as well as management's over-all performance and provide sound strategic policies and guidelines to the Corporation on major capital expenditures.
- c) Ensure the faithful compliance by the Corporation of all applicable laws, regulations and applicable best business practices.
- d) Establish a policy on communicating or relating with stockholders and other stakeholders of the Corporation through an effective investors relations program. A senior officer designated by the Board shall exercise oversight responsibility over this program.
- e) Provide a system of internal checks and balances. A regular review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting processes at all times. There should be a continuing review of the Corporation's internal control system in order to maintain its adequacy and effectiveness.
- f) Identify and monitor key risk areas and key performance indicators.
- g) Meet at least once a quarter. All such meetings should be duly minuted. Independent views during Board meetings should be encouraged and given due consideration.
- h) Pass upon the qualification of nominees to the Board, establish a nomination committee to which it can delegate such function or implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. Appoint competent, professional, honest and highly-motivated management officers in coordination with the MSP.
- i) Identify the sectors in the community in which the Corporation operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them as may be necessary. And maintain a meaningful CSR Program.
- j) Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation and its parent company, joint ventures, the MSP, subsidiaries, associates, affiliates, major stockholders, officers and directors including their spouses, children and dependent siblings and parents, and interlocking director relationships by members of the Board to protect the interest of the Corporation.
- k) Constitute an Audit Committee the Nomination Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- l) Keep the activities and decisions of the Board within its authority under the articles of incorporation and by-laws, and in accordance with the Corporation Code, and applicable laws, rules and regulations.
- m) Appoint a Compliance Officer.

		Directors paragraphs (b), (e), (f), (g), (h), (j), (k), (m)	point of view in the Board. Same as Executive Directors paragraphs (b), (c), (e), (f), (g), (h), (j), (k)
Accountabilities	Same as role above	Same as role above	Same as role above
Deliverables	None	None	None

Provide the company's definition of "independence" and describe the company's compliance to the definition. "Independent" means independent of Management and free from any business or other relationship which could reasonably be perceived to materially interfere with the exercise of independent judgment in carrying out ones responsibilities. The Company has 2 independent directors who comply with all the requirements for independent directors under SRC Rule 38.

Does the company have a term limit of five consecutive years for independent directors? Yes. 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? No. Please explain. Under SEC Memorandum Circular No. 9, after a "cooling off" period of 2 years, a former independent director of a Company is eligible for re-election as such in the same Company.

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:

Name	Position	Date of Cessation	Reason
None			

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

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

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	The Chairman/CEO or other stockholders nominate the particular candidate whose qualifications are then vetted by the nomination committee including the examination of nominees business background and company affiliations, and ascertaining that the nominee does not possess any of the disqualifications. The nominees are	Competence, integrity, acceptability to the Controlling Stockholder and other qualifications provided in the relevant laws and the Manual of Corporate Governance

	submitted to an election by the stockholders	
(ii) Non-Executive Directors	Same Procedure	Same
(iii) Independent Directors	Same Procedure	Same No relationship with the Company or its major stockholders as will compromise their independence
b. Re-appointment		
(i) Executive Directors	Same as Selection	Same as Selection
(ii) Non-Executive Directors	Same	Same
(iii) Independent Directors	Same	Same
c. Permanent Disqualification		
(i) Executive Directors	If the director commits an act or gives disqualification, the Board will disqualify him.	Criteria under the law and the Manual of Corporate Governance
(ii) Non-Executive Directors	Same	Same
(iii) Independent Directors	Same	Same
d. Temporary Disqualification		
(i) Executive Directors	Same as Permanent Disqualification	Same
(ii) Non-Executive Directors	Same	Same
(iii) Independent Directors	Same	Same
e. Removal		
(i) Executive Directors	Same as Permanent Disqualification	Same
(ii) Non-Executive Directors	Same	Same
(iii) Independent Directors	Same	Same
f. Re-instatement		
(i) Executive Directors	The Chairman/CEO decides if a person who has been suspended can be reinstated; the Nomination Committee will vet his credential and submit his name for reinstatement by the Board of Directors	As provided by law.
(ii) Non-Executive Directors	Same	Same

(iii) Independent Directors	Same	Same
g. Suspension		
(i) Executive Directors	Same procedure as Permanent Disqualification	As provided by law.
(ii) Non-Executive Directors	Same	Same
(iii) Independent Directors	Same	Same

Voting Result of the last Annual General Meeting

Name of Director	Votes Received
Enrique K. Razon, Jr.	Since there were only 7 nominees for the 7 seats available, there was a motion which was approved with no objection, that the votes be cast for the 7 nominees (except for those who provided specific instructions in their proxies) and they were all declared duly elected.
Jose Eduardo J. Alarilla	Same
Christian R. Gonzalez	Same
Estela Tuason-Occea	Same
Donato C. Almeda	Same
Carlos C. Ejercito	Same
Jon Ramon Aboitiz	Same

6) Orientation and Education Program

- (a) Disclose details of the company's orientation program for new directors, if any. Management briefs and orients the new directors on the business of the Company.
- (b) State any in-house training and external courses attended by Directors and Senior Management⁵ for the past three (3) years: None
- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year. None

Name of Director/Officer	Date of Training	Program	Name of Training Institution
N.A.			

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees: The Company is a holding company which does not have any employees. The senior management and employees of Solaire Resort and Casino (Solairé) are employed by the Company's operating subsidiaries Sureste Properties, Inc. (SPI) and Bloomberry Resorts and Hotels Inc. (BRHI) and are covered by the Team Member Code of Good Behaviour.

⁵ Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	To be avoided	Please see note below ⁶	Same as Senior Management
(b) Conduct of Business and Fair Dealings	To be encouraged	Solaire believes in conducting business with integrity, fairness and honor.	Same as Senior Management
(c) Receipt of gifts from third parties	Prohibited if job related	Soliciting or accepting any advantage in connection with ones work is prohibited. The Term "advantage" includes gift, loan, fee, lucky money, reward, employment, contract, service and favor, etc.	Same as Senior Management
(d) Compliance with Laws & Regulations	A must	A must	Same as Senior Management

⁶ The following are prohibited:

- a) Moonlighting or holding a second job or being employed on part-time or full-time basis during the prescribed working hours of the company, especially if such second job affects the efficiency of the employee.
- b) Contracting personal loans or other property from persons with whom the office of the Team Member concerned has business relations.
- c) Contracting personal loans or engaging in commercial lending activities with co-team member or their immediate family; granting or guaranteeing a loan from, or through the assistance of any individual or organization having business dealings with the Company.
- d) Soliciting or accepting any advantage in connection with his/ her work without authorization. The term "advantage" includes gift, loan , fee, lucky money, reward, employment, contract, service and favor etc.
- e) Working for, becoming partners with, or investing in an actual competitor, supplier or customer of the company.
- f) Voluntary taking a position adverse to the company in a lawsuit (unless summoned by a judicial court and subpoena is duly served), except where the complainant is the Team Member himself.
- g) Failure to disclose to the company, any financial interest or position of responsibility that the Team Member or any member of his/her immediate family or his/her outside business partners have with a third party doing business or competing with the company, as well as any adverse interest they may have in a legal proceeding involving the company.
- h) Disclosing or revealing company confidential information, which may include but not limited to, marketing and operation plans, marketing programs, market studies, profitability statistics, preferential purchase and service contracts, corporate strategies, customer's and Team Member's information.

(e)	Respect for Trade Secrets/Use of Nonpublic Information	A must	The following are prohibited: (a) unauthorized use of company name, products, logo, or symbols; (b) unauthorized access, disclosure, reproduction, handling, or destruction of restricted or confidential documents or information; (c) disclosing or revealing company confidential information, which may include but not limited to, marketing and operation plans, marketing programs, market studies, profitability statistics, preferential purchase and service contracts, corporate strategies, customer's and Team Member's information	Same as Senior Management
(f)	Use of Company Funds, Assets and Information	Prudent use	In addition to items (a) to (c) in paragraph (e) above, any wilfull act that causes serious damage to company property resulting to the disruption or stoppage of work and/or injury to persons is also prohibited.	Same as Senior Management
(g)	Employment & Labor Laws & Policies	To be complied with	Must be complied with	Same as Senior Management

(h) Disciplinary action	Justly applied	The Company requires everyone to adhere to the Team Member Code of Good Behaviour to ensure proper decorum and set the norm of conduct for all its Team Members. In cases of deviation from the same, corrective measures, as appropriate, may be administered.	Same as Senior Management
(i) Whistle Blower	None	None	None
(j) Conflict Resolution	To be avoided	The Company encourages all Team Members to discuss or bring their grievances or complaints to their immediate supervisors. Likewise, supervisors are required to give the said grievances/complaints utmost priority and attention for the immediate resolution of the issue.	Same as Senior Management

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

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

The Company requires everyone to adhere to the Team Member Code of Good Behaviour to ensure proper decorum and set the norm of conduct for all its Team Members. In cases of deviation from the same, corrective measures, as appropriate, may be administered. In the application of corrective action, the Company shall observe the requirements of due process. Thus, every Team Member shall be afforded the protection of his rights under the applicable laws.

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	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(2) Joint Ventures	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(3) Subsidiaries	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(4) Entities Under Common Control	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(5) Substantial Stockholders	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(6) Officers including spouse/children/siblings/parents	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction
(7) Directors including spouse/children/siblings/parents	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction. The presence of a director involved in a related party transaction should not be counted in the determination of quorum.
(8) Interlocking director relationship of Board of Directors	Arm's length principles, any one involved in a Related Party Transaction should not be the approving authority for such transaction. The presence of a director involved in a related party transaction should not be counted in the determination of a quorum.

(b) Conflict of Interest

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

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

	Details of Conflict of interest (Actual or Probable)
Name of Director/s	None
Name of Officer/s	Noninterest-bearing and unsecured cash advances; Short-term employee Benefits; Post-employment benefits
Name of Significant Shareholders	None

(ii) Mechanism

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

	Directors/officers/Significant Shareholders
Company	The officers and managers concerned are

	expected to know the parties/transactions which would trigger a conflict of interest situation.
Group	same

5) Family, Commercial and Contractual Relations

- (a) Indicate, if applicable, any relation of a family,⁷ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
None		

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Prime Metroline Holdings, Inc.	Commercial	Controlling shareholder of BLOOM

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

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
GGAM	8.8%	GGAM provides management services to the operating companies SPI and BRHI.

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. None. The company has not been in a situation which would require this alternative dispute resolution in the last 3 years.

Alternative Dispute Resolution System	
Corporation & Stockholders	N.A.
Name of Officer/s	N.A.
Name of Significant Shareholders	N.A.

C. BOARD MEETINGS & ATTENDANCE

- Are Board of Directors' meetings scheduled before or at the beginning of the year? No
- Attendance of Directors

⁷ Family relationship up to the fourth civil degree either by consanguinity or affinity.

Board	Name	Date of Election	No. of Meetings Held during the year	No of Meetings Attended	%
Chairman	Enrique K. Razon Jr.	6/25/2012	7	7	100
Member	Jose Eduardo J. Alarilla	6/25/2012	7	7	100
Member	Christian R. Gonzalez	6/25/2012	7	7	100
Member	Estela Tuason-Occeña	6/25/2012	7	7	100
Member	Donato C. Almeda	6/25/2012	7	7	100
Independent	Carlos C. Ejercito	6/25/2012	7	7	100
Independent	Jon Ramon Aboitiz	6/25/2012	7	7	100

- 3) Do non-executive directors have a separate meeting during the year without the presence of any executive? No. If yes, how many times? N.A.
- 4) Is the minimum quorum requirement for Board decision set at two-thirds of board members? Please explain. No. The Corporation Code and By-laws of the Company only require a majority of the board for quorum in board meetings.

5) Access to Information

- (a) How many days in advance are board papers⁸ for board of directors meetings provided to the board? Between one to seven days.
- (b) Do board members have independent access to Management and the Corporate Secretary? Yes
- (c) State the policy of the role of the company secretary. The Corporate Secretary shall be loyal to the mission, vision and objectives of the Corporation; work fairly and objectively with the Board, Management and stockholders; have a working knowledge of the operations of the Corporation; and ensure that all Board procedures, rules and regulations are strictly followed by the members.

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? Yes

- (d) Is the company secretary trained in legal, accountancy or company secretarial practices? Yes, he is a lawyer. Please explain should the answer be in the negative.

(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	Just call the corporate secretary or the officers who will present during the meeting
Audit	Same
Nomination	Same

⁸ 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.

Remuneration	Same
Others (specify)	Same

6) External Advice

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

Procedures	Details
A director can simply retain the services of an advisor for this.	

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: None

Existing Policies	Changes	Reason
N/A	N/A	N/A

D. REMUNERATION MATTERS

1) Remuneration Process

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

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	None in the meantime	Negotiated and based on benchmarks in industry standards
(2) Variable remuneration	None in the meantime	same
(3) Per diem allowance	None in the meantime	same
(4) Bonus	None in the meantime	same
(5) Stock Options and other financial	None in the meantime	same
(6) Others (specify)	None	None

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

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

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Remuneration are benchmarked against industry standards and as negotiated with the officer concerned	See item D (1) above	Per contract
Non-Executive Directors	No Remuneration	None as of today	None as of today

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits in-kind and other emoluments) of board of directors? No, Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
N.A.	

3) Aggregate Remuneration

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

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	None	Php1.75 million	None
(b) Variable Remuneration	None	None	None
(c) Per diem Allowance	None	None	None
(d) Bonuses	None	None	None
(e) Stock Options and/or other financial	None	None	None
(f) Others (Specify)	None	None	None
Total	None	Php1.75 million	None

Other Benefits	Executive Directors	Non-Executive Director (other than	Independent Directors
(a) Advances	None	None	None
(b) Credit granted	None	None	None
(c) Pension Plan/s Contributions	None	None	None
(d) Pension Plans, Obligations	None	None	None
(e) Life Insurance Premium	None	None	None
(f) Hospitalization Plan	None	None	None
(g) Car Plan	None	None	None
(h) Others (Specify)	None	None	None
Total	None	None	None

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares: None

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

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting: None

Incentive Program	Amendments	Date of Stockholders' Approval
N/A	N/A	N/A

5) Remuneration of Management

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

Name of Officer/Position		Total Remuneration
Michael French	Chief Operating Officer	Confidential
Dennis Andreaci	Senior Vice President for Gaming	Confidential
Xingyu Chen	Senior Vice President and Chief Financial Officer (until June 24, 2013)	Confidential
Renato Gonzales	Vice President for Human Resources (until February 20, 2013)	Confidential
Gregory Dauenhauer	Vice President for Information Technology	Confidential
Adrian Ort	Vice President and General Manager – Hotel	Confidential
Lorraine Koo	Vice President VIP Premium	Confidential

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	1	2	None	None	Please see note below ⁹	Please see response in preceding column	Please see response in preceding column

⁹ To act, by majority vote of all its members, on such specific matters within the competence of the board, as may be delegated to it in the by-laws or on a majority vote of the board, except with respect to: (1) approval of any action for which shareholders' approval is also required; (2) the filing of vacancies in the board; (3) the amendment or repeal of by-laws or the adoption of new by-laws; (4) the amendment or repeal of any resolution of the board which by its express terms is not so amendable or repealable; and (5) a distribution of cash dividends to the shareholders.

Audit	1	2	1	in process	Please see note below ¹⁰	Please see response in preceding column	Please see response in preceding column
Nomination	1	3	1	None	Please see note below ¹¹	Please see response in preceding column	Please see response in preceding column

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(a) Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk of the Corporation. This function shall include regular receipt from Management of information on risk exposure and risk management activities;

(b) Perform oversight functions over the Corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other and the both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;

(c) Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation. The plan shall include the audit scope, resources and budget necessary to implement it;

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

(e) Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;

(f) Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security;

(g) Review reports submitted by the internal and external auditors;

(h) Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular on the following matters:

- Any change/s in accounting policies and practices
- Major judgment areas
- Significant adjustments resulting from the audit
- Going concern assumptions
- Compliance with accounting standards
- Compliance with tax, legal and regulatory requirements such those of the Philippine Amusement and Gaming Corporation ("PAGCOR") as applicable.

(i) Coordinate, monitor and facilitate compliance with laws, rules and regulations as may be directed by the Board;

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

(k) Establish and identify the reporting line of the Internal Auditor to enable him to properly fulfill his duties and responsibilities. He shall functionally report to the Audit Committee. The Audit Committee shall ensure that, in the performance of the work of the Internal Auditor, he shall be free from interference by outside parties.

(l) Provide oversight over the Surveillance Group in the casino and hotel facilities of the Corporation and its operating subsidiaries.

¹¹ To review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors

Remuneration	1	2	1	None	Please see note below ¹²	Please see response in preceding column	Please see response in preceding column
Others(specify)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

2) Committee members

(a) Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service In the Committee
Chairman	N/A					
Member(NED)	Jose Eduardo J. Alarilla	9/14/2012	8	7	87.5	8 months
Member (ED)	Estela Tuason-Occea	9/14/2012	8	7	87.5	8 months
Member(NED)	Donato C. Almeda	9/14/2012	8	7	87.5	8 months

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service In the Committee
Chairman (ID)	Jon Ramon Aboitiz	6/25/2012	3	3	100	11 months
Member (ED)	Estela Tuason-Occea	6/25/2012	3	3	100	11 months
Member(NED)	Christian R. Gonzalez	6/25/2012	3	3	100	11 months

Disclose the profile or qualifications of the Audit Committee members. The Audit Committee shall consist of at least three (3) directors, who shall preferably have an accounting and finance backgrounds, one of whom shall be an independent director and another with audit experience. The chairperson of the Audit Committee should be an independent director

Jon Ramon Aboitiz

Mr. Aboitiz is an independent director of the Company and is a member of its Audit Committee and Nomination Committee. He is also an independent director of ICTSI. Mr. Aboitiz is the Chairman of Aboitiz & Co., Inc and Aboitiz Equity Ventures, Inc., and Vice Chairman of Aboitiz Power. He began his career with the Aboitiz Group in 1970, after graduating from Santa Clara University in California with a B.S. in Commerce, majoring in Management. After serving as a manager with Aboitiz Shipping Corporation, he became its President in 1976 and in served as President and CEO of the Aboitiz Group from 1991 until 2008. Presently, he holds various positions in the Aboitiz Group

¹² To establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Corporation's culture, strategy and the business environment in which it operates

including President of the Aboitiz Foundation, Vice Chairman of Unionbank of the Philippines and Chairman of the following committees of Unionbank: Executive Committee; Risk Management Committee; Compensation and Remuneration Committee; Nominations Committee; and Corporate Governance Committee. He is also a Trustee of the Philippine Business for Social Progress, Trustee of Santa Clara University and a member of the Board of Advisors of the Coca-Cola Export Corporation (Philippines).

Estela Tuason-Occena

Ms. Occena is a director and treasurer of the Company and is a member of its Audit Committee and Compensation Committee. She is also a Director, Treasurer and an executive officer of Bloomberry Resorts and Hotels, Inc. and Prime Metroline Holdings, Inc.. She is an Executive Officer in ICTSI, Chief Financial Officer of Monte Oro Resources & Energy, Inc. and Subsidiaries, Director and Chief Financial Officer of International Cleanenvironment Systems, Inc., Treasurer of Sureste Properties Inc., Sureste Realty Corporation, Lakeland Village Holdings Inc., Devoncourt Estates Inc., Achillion Holdings, Inc. and Razon Industries, Inc. Ms. Occena has an MBA from De La Salle University and graduated with Distinction from St. Scholastica's College with a Bachelors Degree in Commerce.

Christian R. Gonzalez

Mr. Gonzalez is a director of the Company and is a member of its Audit Committee and Nomination Committee. He is also a Director of Bloomberry Resorts and Hotels, Inc., Sureste Properties Inc. and Prime Metroline Holdings, Inc.. He is the Vice President and General Manager of Manila International Container Terminal (MICT) in International Container Terminal Services Inc. (ICTSI). Prior to this, he was the Director General and Chief Operating Officer of Madagascar International Container Terminal Services Ltd. (MICTSL). He is a Trustee and Auditor of the ICTSI Foundation, Inc. Mr. Gonzalez is a graduate of Instituto de Estudios Superiores de la Empresa (IESE) Business School, the graduate school of management of the University of Navarra, in Barcelona, Spain, where he received his Bilingual Masters in Business Administration. He is also a graduate of Business Administration from Pepperdine University in California.

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

The Audit Committee :

1. Performs oversight functions over the Corporation's internal and external auditors. It ensures that the internal and external auditors act independently from each other and the both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.
2. Prior to the commencement of the audit, discusses with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts.
3. Reviews reports submitted by the internal and external auditors
4. Evaluates and determines the non-audit work, if any, of the external auditor, and reviews periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses, The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Corporation's annual report as may be required by law.

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service In the Committee
Chairman(ED)	Enrique K. Razon Jr.	6/25/2012	1	1	100	11 months
Member(NED)	Jose Eduardo J. Alarilla	6/25/2012	1	1	100	11 months
Member(NED)	Christian R. Gonzalez	6/25/2012	1	1	100	11 months
Member (ID)	Jon Ramon Aboitiz	6/25/2012	1	1	100	11 months

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service In the Committee
Chairman(NED)	Jose Eduardo J. Alarilla	6/25/2012	none	none		11 months
Member (ED)	Estela Tuason-Occea	6/25/2012	none	none		11 months
Member (ID)	Carlos C. Ejercito	6/25/2012	none	none		11 months

(e) Others (Specify)

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

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

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	N/A	N/A
Audit	N/A	N/A
Nomination	N/A	N/A
Remuneration	N/A	N/A
Others (specify)	N/A	N/A

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	Oversight and supervision on management and operation	various
Audit	Oversight on Audit	various
Nomination	Vet nominees	various
Remuneration	Review compensation	none yet
Others (specify)	N/A	N/A

5) Committee Program

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

Name of Committee	Planned Programs	Issues to be Addressed
Executive	None	
Audit	None	
Nomination	None	
Remuneration	None	
Others (specify)		

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

- Overall risk management philosophy of the company; Still in process
- A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof; Still in process
- Period covered by the review; N.A.
- How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and N.A.
- Where no review was conducted during the year, an explanation why not. The Company was still in the construction stage in 2012. Commercial operations of the Company only began on March 16, 2013.

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: Still in process

Risk Exposure	Risk Management Policy	Objective
N.A.		

(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: Still in process

Risk Exposure	Risk Management Policy	Objective
N.A.		

(c) Minority Shareholders

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

Risk to Minority Shareholders
No Risk

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: Still in process

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	Still in process	In process: On-going development of HR, FI and operational policies procedures

(b) Group

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

Risk Exposure	Risk Assessment (Monitoring and Measurement Process)	Risk Management and Control (Structures, Procedures, Actions Taken)
N/A	Still in process	In process: On-going development of HR, FI and operational policies procedures

(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: Still in process

Committee/Unit	Control Mechanism	Details of Its Functions
Audit Committee	Still in process	To be covered in the Audit (still in process)

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

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

- (a) Explain how the internal control system is defined for the company; ensures reliability of financial reporting, timely feedback on the achievement of operational or strategic goals, and compliance with laws and regulations. The organization's resources are directed, monitored, and measured to prevent and detect fraud and protect the organization's resources, both physical (e.g., equipment and property) and intangible (e.g. reputation).
- (b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate; still in process
- (c) Period covered by the review; still in process
- (d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; still in process
- (f) Where no review was conducted during the year, an explanation why not. The Company was still in construction stage in 2012. Commercial operations of the Company only began on March 16, 2013.
- (e)

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	Name of Chief Internal Auditor/Auditing Firm	Reporting Process

		Function		
Assists the board and/ or its audit committee in discharging its governance responsibilities	Covers objective assurance & internal Consulting Services	In house	For hiring	Quarterly reporting to the Audit Committee on Internal Audit Reports and Status of Management Action

- (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. The Audit Committee performs oversight functions over the Corporation's internal auditors. The Audit Committee ensures that the internal auditors act independently from the external auditors and that the internal auditors are given unrestricted access to all records, properties and personnel to enable them to perform their audit functions. 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? Yes
- (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. None

Name of Audit Staff	Reason
N/A	N/A

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

State the internal audit's progress against plans, significant issues, significant findings and examination trends. Still in process. Commercial operations of the Company only began on March 16, 2013.

Progress Against Plans	None yet
Issues ¹³	No major issues yet
Findings ¹⁴	No material findings yet
Examination Trends	Annual Internal Audit Plan (still in process) To adhere to the ISPPA standards

[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;

¹³ "Issues" are compliance matters that arise from adopting different interpretations.

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

- 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
Finance/HR/Gaming/Hotel SOPs	Implemented
Minimum Internal Control Standards	For Implementation. Commercial operations

(g) Mechanism and Safeguards

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

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
Minimum Internal Control Standards (for implementation)	In process	In process	In process
IA – Audit Charter (in process)	In process	In process	In process

- (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. Compliance Officer. 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.

H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare	Solaire and its Team Members are partners in creating an environment that encourages the efficient delivery of extraordinary experience for our guests and adheres to the highest standards of performance, behavior and conduct.	Various
Supplier/contractor selection practice	Suppliers/ Contractors shall undergo accreditation process to insure their capability to provide the quality goods or services required by the Company.	Various
Environmentally friendly value-chain	Improper disposal of and handling of waste/garbage materials and chemical and solvents including unauthorized burning of waste inside Company premises is prohibited.	Various
Community interaction	Team Members are encouraged to strive to maximize the full potential in the discharge of Team Members' deliverables, responsibilities and to make quality work life possible and become responsible community and country citizen. The Company coordinates with the City of Parañaque on community development projects and manpower hiring commitments.	Various
Anti-corruption programmes and procedures?	Please see discussion in Part B above on Conflict of Interest	Various
Safeguarding creditors' rights	The Company shall abide by the negotiated terms of its agreements with its creditors. Creditor's rights are safeguarded in the facility agreements covering the loan of the Company and its subsidiaries..	Various

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section? None

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company's policy for its employees' safety, health, and welfare? The Company has a strong commitment to meeting the needs of stakeholders and co-workers striving to ensure their full satisfaction.

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

(c) State the company's training and development programmes for its employees. Show the data. The Company has numerous training programs to develop and upgrade the skills and competence of its employees.

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

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 encourages all Team Members to discuss or bring their grievances or complaints to their immediate supervisors. Likewise, supervisors are required to give the said grievances/complaints utmost priority and attention for the immediate resolution of the issue. The Company values individual integrity and dignity. It is required that in the process of fact-finding and resolution of any disciplinary issue, all Team Members shall hold all information strictly confidential. However, for the purposes of pre-empting or preventing continuous damage to the Company's property, Team Member and to the Company image, the Management may disclose the facts of the said fact-finding. This is also due when a government agency requires the said disclosure for legitimate intention or in the interest of justice. Any unauthorized disclosure shall be considered a deviation of the Team Member Code of Good Behaviour and shall be dealt with accordingly. In the application of corrective action, the Company shall observe the requirements of due process. Thus, every Team Member shall be afforded the protection of his rights under the applicable laws.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more (as of May 28, 2013)

Shareholder	Number of Shares	Percent	Beneficial Owner
Prime Metroline Holdings, Inc.	6,407,472,444	60.51%	Enrique K. Razon, Jr.
Global Gaming Philippines Inc. (GGAM)	921,184,056	8.8%	Bill Weidner, Brad Stone, Gary Saunders & Cantor

Name of Senior Management	Number of Direct shares	Number of Indirect shares /Through (name of record owner)	% of Capital Stock
Enrique K. Razon, Jr.	100	a) 6,407,472,444 (through Prime Metroline Holdings, Inc.) b) 225,000,000 (through Falcon Investco Holdings, Inc.) shares; c) 921,184,056 (through Quasar Holdings, Inc.) d) 31,232,732 (through his spouse)	71.62%
Jose Eduardo J. Alarilla	100	none	0%
Christian R. Gonzalez	100	460,000 (through his spouse)	0.11%
Estela Tuason-Occeña	100	none	0%
Donato C. Almeda	100	none	0%
Carlos C. Ejercito	100	none	0%
Jon Ramon Aboitiz	100	3,600,000 through various corporations controlled by Mr. Aboitiz	0.13%
Xingyu Chen (until June 24, 2013)	115,000	0	0%
Dennis Andreaci	885,717	0	0%
Silverio Benny J. Tan	1,980,719	0	.02%

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	No, SEC Form 17-A does not require it.
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, SEC Form 17-A does not require it.
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	No, SEC Form 17-A does not require it. It is disclosed in a separate certification on attendance thru SEC Form 17-C
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 nondisclosure.

3) External Auditor's fee (for the year 2012)

Name of auditor	Audit Fee (in thousands pesos)	Non-audit Fee (in thousands pesos)
SycipGorresVelayo & Co. (SGV & Co.)	₱10,794.0	1,016.4x

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.
PSE website, Company website, various newspapers of general circulation in the Philippines

5) Date of release of audited financial report: March 15, 2013

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	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	No, It is not required.

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

7) Disclosure of RPT (as of December 31, 2012)

RPT	Relationship	Nature	Value
Officers and employees	Officers and employees of the Company	Noninterest-bearing and unsecured cash advances	Php39,133,275
Key management personnel	Key management Personnel of the Company	Short-term employee Benefits	Php46,486,757
		Post-employment benefits	Php1,037,939

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? The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on arm's length terms comparable to those available from unrelated third parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship, and not merely the legal form.

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	Majority of outstanding capital stock
------------------------	---------------------------------------

(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Ratification of Acts of management and the board during stockholders meeting
Description	Acts of management and the board are submitted for ratification by the stockholders during the annual stockholders meeting

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code. None

Stockholders' Right under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
N/A	N/A
N/A	N/A
N/A	N/A

Dividends

Declaration Date	Record Date	Payment Date
None	N/A	N/A

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings. None

Measures Adopted	Communication Procedure
None	

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - a. Amendments to the company's constitution. None
 - b. Authorization of additional shares. None
 - c. Transfer of all or substantially all assets, which in effect results in the sale of the company. None
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? No. The SRC only requires 15 business days.
 - a. Date of sending out notices: at least 15 business days from date of meeting
 - b. Date of the Annual/Special Stockholders' Meeting: Any day in June
4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting. Various
5. Result of Annual/Special Stockholders' Meeting's Resolutions. All resolutions approved during the stockholders meeting were approved by raising of hands with the Chairman holding proxy for 87.5% of the votes voting in favor of the resolutions/motions.

Resolution	Approving	Dissenting	Abstaining
Financial Statements	more than 87.5% of shareholders present or represented in the meeting	None	7,900,000 Per Proxy
Appointment of External Auditor	more than 87.5% of shareholders present or represented in the meeting	None	0
Approval of Placing and Subscription Transaction	more than 87.5% of shareholders present or represented in the meeting	6,503,200 per proxy	7,900,000 Per Proxy
Approval of Stock Incentive Plan	more than 87.5% of shareholders present or represented in the meeting	67,608,000 Per proxy	11,196,600 Per Proxy
Ratification of acts and contracts of the Board of Directors and Management	more than 87.5% of shareholders present or represented in the meeting	100,000 Per proxy	8,470,000 Per Proxy

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
June 25, 2012

(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: None

Modifications	Reasons for Modification
N/A	N/A
N/A	N/A
N/A	N/A

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by Poll, show of hands, etc.)	% of SH Attending In Person	% of SH in Proxy attendance	Total % of SH attendance
Annual	1. Enrique K. Razon Jr. 2. Jose Eduardo J. Alarilla 3. Christian R. Gonzalez 4. Estela Tuason-Occeña 5. Donato C. Almeda 6. Carlos C. Ejercito 7. Jon Ramon Aboitiz 8. Silverio Benny J. Tan	June 25, 2012	Show of Hands	Not Determined	9.895,436,391 shares The record of the meeting combined the proxies with the shareholders who voted in person.	94.5%

- (ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs? No
- (iii) Do the company's common shares carry one vote for one share? Yes. 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.

(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	Follow SEC Rules
Notary	Follow SEC Rules
Submission of Proxy	Follow SEC Rules
Several Proxies	Follow SEC Rules
Validity of Proxy	Follow SEC Rules
Proxies executed abroad	Follow SEC Rules
Invalidated Proxy	Follow SEC Rules

Validation of Proxy	Follow SEC Rules
Violation of Proxy	Follow SEC Rules

(h) Sending of Notices

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

Policies	Procedures
Follow SEC Rules	Follow SEC Rules

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive information Statements and Management Report and Other Materials	26
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	June 1, 2012
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	June 1, 2012
State whether CD format or hard Copies were distributed	Hard copies
If yes, indicate whether requesting stockholders were provided hard copies	Not Applicable

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

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	N.A.
Documents required for proxy vote.	Yes

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

2) Treatment of Minority Stockholders

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

Policies	Implementation
Minority Shareholders have the same voting rights, power of inspection, right to information, right to dividends, and appraisal right as other shareholders	Yes

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

K. INVESTORS RELATIONS PROGRAM

- 1) Discuss the company's external and internal communications policies and how frequently they are reviewed. The Company complied with SEC and PSE Rules on Disclosure, and files current reports, Quarterly reports and Annual Reports. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee. Members of the Excom, the Finance Department, Investor Relation, and Corporate Secretary
- 2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	To effectively communicate all allowable information to the investing public regarding the company's strategy and operations so that they can make informed investment decisions.
(2) Principles	We shall ensure that all disclosures and information reaches the public all at the same time.
(3) Modes of Communication	We regularly provide meetings, site tours, conference calls to the investing public upon request. Furthermore, we also make regular disclosures via the Bloomberry website (www.bloomberry.ph) and the website of the Philippine Stock Exchange (www.pse.com.ph).
(4) Investors Relations Officer	The company's investor relations program is headed by a Director, Investor Relations Officer that directly reports to the Treasurer. It is currently headed by Leo Venezuela with the following contact details: Office: +63 2 245 4101 local 2391 Fax: +63 2 241 1187 Email: lvenezuela@bloomberry.ph

- 3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets? It will be reviewed by an executive officer or management officers, cleared with the Chairman/CEO, and approved by the Board.

Name of the independent party the board of directors of the company appointed to evaluate the fairness of the transaction price. The Board which includes two independent Directors, will evaluate the fairness of the transaction price.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

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

Initiative	Beneficiary
We have established Bloomberry Cultural Foundation Inc.	The Filipino people and those involved in the promotion of Filipino Cultural Heritage preservation
We will expand the function of Bloomberry Cultural Foundation or establish another foundation which will promote responsible gaming	People who may have problems with gambling addiction

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President. None

	Process	Criteria
Board of Directors	None	
Board Committees	None	
Individual Directors	None	
CEO/President	None	

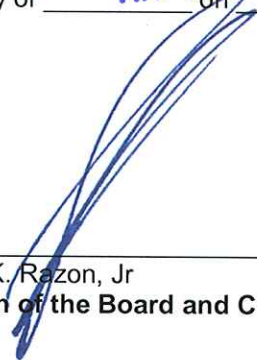
N. INTERNAL BREACHES AND SANCTIONS

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

Violations	Sanctions

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____, on MAY 28 2019, 20 ____.

SIGNATURES



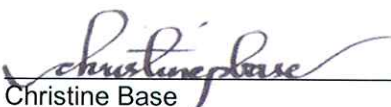
Enrique K. Razon, Jr
Chairman of the Board and Chief Executive Officer



Carlos C. Ejercito
Independent Director



Jon Ramon Aboitiz
Independent Director



Christine Base
Compliance Officer

28 MAY 2013

SUBSCRIBED AND SWORN to before me this ____ day of _____ 20 ____, affiant(s) exhibiting to me their competent proof of identities, as follows:

NAME/NO.	DATE OF ISSUE	PLACE OF ISSUE
Enrique K. Razon, Jr. / WWW0527425	February 15, 2010	DFA, Manila
Carlos C. Ejercito / XX4324016	August 08, 2009	DFA, Manila
Jon Ramon Aboitiz / XX4393111	August 18, 2009	Cebu
Christine Base / XX4766696	October 15, 2009	DFA, Manila

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Book No. 9
Series of 2013;

CATHERINE A. FLORES
CATHERINE A. FLORES
Appointment No. M-479
Notary Public for Makati City
Until December 31, 2013
18th 19th & 17th Floor, Liberty Center
104 H.V. dela Costa Street
Sakredo Village, Makati City
Roll of Attorneys No. 61580
PTR 3676661/Makati City/01-07-2013
IBP 908428/Aibay /01-02-2013