



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended: **December 31, 2020**
2. SEC Identification Number: **39745**
3. BIR Tax Identification No.: **002-837-461**
4. Exact name of issuer as specified in its charter: **CROWN EQUITIES, INC.**
5. **PHILIPPINES** (SEC Use Only)
Province, Country or other jurisdiction of incorporation or organization Industry Classification Code:
7. **Crown Center, 158 N. Garcia corner Jupiter Street, Bel-Air, Makati City** **1209**
Address of principal office Postal Code
8. Issuer's telephone number, including area code: **(632) 8899-0081, (632) 8899-0455**
9. Former name, former address, and former fiscal year, if changed since last report: **N/A**

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	Please refer to CEI's Definitive Information Statement for the Annual Stockholder's Meeting on 25 May 2021 and 2020 Annual Report, particularly on the discussion on the work experience of the Corporation's directors, accessible at CEI's company website: http://www.crownequitiesinc.com/information-statements/ http://www.crownequitiesinc.com/annual-reports/	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Compliant	8 out of the 15 directors are non-executive directors, namely: 1. Mr. Salvador P. Escano 2. Mr. Conrado G. Marty 3. Mr. Nixon Y. Lim 4. Mr. Melvin O. Vergara 5. Mr. Ramon A. Recto 6. Mr. Emilio S. De Quiros, Jr. (Independent Director) 7. Mr. Reynaldo V. Reyes (Independent Director)	

		8. Mr. Rodolfo B. Fernandez (Independent Director)	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Please refer to CEI's Corporate Governance Manual on the discussion of the Duties of a Board Director. CEI's Corporate Governance Manual is accessible at http://www.crownequitiesinc.com/corporate-governance .	
2. Company has an orientation program for first time directors.	Compliant	Please refer to CEI's Corporate Governance Manual on the discussion on the orientation program for directors. Please refer to Annex 1 for the Certificates of Attendance in Corporate Governance Seminars of the directors.	
3. Company has relevant annual continuing training for all directors.	Compliant		
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The Board has diverse backgrounds which covers real estate, banking, law, finance and business management.	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.		Provide information on or link/reference to a document containing the company's policy and measurable objectives for implementing board diversity. Provide link or reference to a progress report in achieving its objectives.	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant		

2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	Atty. Elmer B. Serrano is the current Corporate Secretary of the Company.	
3. Corporate Secretary is not a member of the Board of Directors.	Compliant	Please refer to page 6 of CEI's Corporate Governance Manual and latest General Information Sheet attached accessible at http://www.crownequitiesinc.com / general-information-sheets/	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Please see Atty. Serrano's certificate of attendance in Corporate Governance Seminars, herein attached as Annex 2.	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.		Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	Mr. Patrick D. Go is the current Compliance officer of the Company.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant	Please refer to page 8 of CEI's Corporate Governance Manual on the discussion on the	

3. Compliance Officer is not a member of the board.	Non-Compliant	qualifications and rank of CEI's Compliance Officer.	CEI is looking for suitable candidates for the position who is not a member of the Board.
4. Compliance Officer attends training/s on corporate governance.	Compliant	Please see Mr. Go's certificate of attendance in Corporate Governance Seminars, herein attached as Annex 3 .	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	The Board's main responsibility is to be fully informed and act in good faith in order to foster the success of the Company and sustain profitability in the best interest of the Company.	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	The Board, in accordance with its powers bestowed upon it by the Company By-Laws, oversees the general development and implementation of the business, objectives and strategy	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		
Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Non-Compliant		The Company has a vision, mission and core values which will be formalized and uploaded to the company website.
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	The Board sets the goals and strategies for management direction and supervises the execution of these strategies to ensure long term success and profitability in accordance with the Company's business environment and culture.	
Recommendation 2.3			

1. Board is headed by a competent and qualified Chairperson.	Compliant	Please refer to Item 5 of CEI's latest Definitive Information Statement, particularly on the discussion of the credentials of the Chairman, Mr. George L. Go.	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	The Board and Management is composed of a mix of experienced and young individuals to ensure effective succession.	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	The Company adopted a retirement plan for its directors and key officers during the February 2018 board meeting.	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Please refer to page 10 of CEI's Corporate Governance Manual and Item 6 of CEI's latest Definitive Information Statement, particularly on the discussion on the Compensation of Directors and Executive Officers.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.		Provide proof of board approval	
2. Company has measurable standards to align the performance-based remuneration of the executive directors		Provide information on or link/reference to a document containing measurable standards to	

and senior executives with long-term interest, such as claw back provision and deferred bonuses.		align performance-based remuneration with the long-term interest of the company.	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Please refer to CEI's Definitive Information Statement, as well as CEI's Corporate Governance Manual, particularly on the discussion on the company's nomination and election policy. All shareholders have a right to nominate. There is a nomination period provided for in Article 2, Section 8 of the Company By-Laws.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant		
4. Board nomination and election policy includes how the board shortlists candidates.	Non-Compliant		Please refer to Item 5 of CEI's Definitive Information Statement, particularly on the responsibility of CEI's Nominations Committee to shortlist the candidates for Board Directorship.
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Non-compliant		The Company is currently in the process of formulating an assessment policy on the Board's processes in the nomination, election or replacement of a director.
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Non-compliant		The Company is currently in the process of formulating an identification process on the quality of the directors.
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such		Identify the professional search firm used or other external sources of candidates	

as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.			
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Please refer to page 21 of CEI's Corporate Governance Manual particularly on the discussion of the Company's policy on related party transactions and to the Company's Material Related Party Transactions Policy accessible at http://www.crownequitiesinc.com / material-related . There has been no instance for the Company to apply its policy on Related Party Transactions.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	The Company adopted a Material Related Party Transactions Policy during the October 2019 board meeting. Please refer to the Company's Material Related Party Transactions Policy particularly the discussions on Approval of Material RPTs, Exclusions from RPT Approvals, and Disclosure Requirements.	The Board has no express policy but adheres to and complies with regulatory and accounting rules on the reportorial requirements for related party transactions.
2. Board establishes a voting system whereby a majority of non-related party	Non-Compliant	Provide information on voting system, if any.	The Company is currently deliberating on the need for a

shareholders approve specific types of related party transactions during shareholders' meetings.			voting system on shareholder approval of RPTs.
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	Please refer to the 17C disclosing the results of the organizational board meeting held in May 2020 where management officers were appointed by the Board which is accessible at http://crownequitiesinc.com/company-disclosures/sec-and-pse-disclosures .	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Non-Compliant	Provide information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management. Provide information on the assessment process and indicate frequency of assessment of performance.	There is currently no formal assessment process but all appointments made by the Board are done through deliberations and regular assessments are conducted, specifically in the determination of the profit share distributed to management which is based on their performance.
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	The Company conducts financial and operational planning and monitoring of key performance indicators linked to strategy to ensure that individual and group performance is at par with the standards set by the Board and Senior Management.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant		

Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Non-Compliant	Provide information on or link/reference to a document showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system	The Company is currently in the process of formulating an internal control system.
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Non-Compliant		The Company is currently in the process of formulating an internal control system.
3. Board approves the Internal Audit Charter.	Compliant	Please refer to the Audit Committee Charter accessible at http://www.crownequitiesinc.com/audit-committee/	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Please refer to the Company's Enterprise Risk Management Policy in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/enterprise-risk-management .	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		T
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Non-Compliant		The Company's Board of Directors is still in the process of adopting its Board Charter.
2. Board Charter serves as a guide to the directors in the performance of their functions.	Non-Compliant		The Company's Board of Directors is still in the process of adopting its Board Charter.

3. Board Charter is publicly available and posted on the company's website.	Non-Compliant		The Company's Board of Directors is still in the process of adopting its Board Charter.
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	Please refer to the Company's Insider Trading Policy in the Company Website, which is accessible at http://www.crownequitiesinc.com/company-policies and http://www.crownequitiesin.com/code-of-ethics .	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.	
2. Company discloses the types of decision requiring board of directors' approval.		Indicate the types of decision requiring board of directors' approval and where there are disclosed.	
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Please refer to the Company's Board Committees in the Company Website, which is accessible at http://www.crownequitiesinc.com/shareholding-structure .	

Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Please refer to the Company's Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/.</p> <p>It is the Audit Committee's responsibility to recommend to the Board the appointment, reappointment, removal and fees of the Company's External Auditor.</p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	The Audit Committee is composed of 3 non-executive directors. Please refer to the Company's Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/ .	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	Mr. Conrado G. Marty is a certified public accountant who has extensive experience in accounting and auditing, while Mr. Ramon A. Recto and Atty. Rodolfo Fernandez have experience in finance and business management.	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	Mr. Conrado G. Marty is not a chairman of any other Committee. Please refer to the Company's Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/ .	

Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Complaint	<p>Please refer to the functions of the Audit Committee as discussed in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/audit-committee.</p> <p>Please also refer to Item 7 of the Company's latest Definitive Information Statement, wherein it is discussed that the Audit Committee reviews and approves the scope and fees for all engagements with the independent auditor.</p> <p>In the last two years, CEI did not engage the independent public accountants for any services other than the regular conduct of the independent audit of the year-end financial statements.</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Non-Compliant	Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.	Audit Committee meetings always have a member of management present but the Company is considering holding audit committee meetings with the external audit team without management presence.
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.		Indicate the number of Audit Committee meetings during the year and provide proof	

2. Audit Committee approves the appointment and removal of the internal auditor.		Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	Please refer to the Company's Corporate Governance Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/board-committees .	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	Please refer to the Company's Corporate Governance Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-committee/ .	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	Please refer to the Company's Corporate Governance Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-committee/ .	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.		Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management	Compliant	Please refer to the Company's Board Risk Oversight Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/board-committee/ .	

system to ensure its functionality and effectiveness.			
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Compliant	2 out of the 3 members are independent directors. Please refer to the Company's Board Risk Oversight Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com /board-committees .	
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	Please refer to the Company's Board Risk Oversight Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/ board-committee .	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-Compliant	Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROC.	The BROC members have experience in risk management through their experience as directors and officers of various companies.
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	Please refer to the Company's Related Party Transactions Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/related-committee/ .	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Please refer to the Company's Related Party Transactions Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/related-committee/ .	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	Please refer to all of the Company's Committee Charters in the Company Website, which is accessible at http://www.crownequitiesinc.com .	

2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		
3. Committee Charters were fully disclosed on the company's website.	Compliant	Please refer to all of the Company's Committee Charters in the Company Website, which is accessible at http://www.crownequitiesinc.com .	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Most, if not all, directors personally attend board and shareholders meetings. During the 2020 annual shareholders' meeting, 15 out of the 15 directors were present.	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	Board meeting materials are distributed to the Board during the board meetings.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Board discussion on all items in the agenda are conducted and every director engages in discussion and asking clarifications and explanations from management.	

Recommendation 4.2

1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	Only Mr. Nixon Lim is likewise a director of other publicly listed companies (PLC), not more than 5 PLCs.	
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Recommendation 4.3

1. The directors notify the company's board before accepting a directorship in another company.	Non-Compliant	Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.	There is no express board policy but such instance has not yet arisen.
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.			
2. Company schedules board of directors' meetings before the start of the financial year.			
3.			
4. Board of directors meet at least six times during the year.		Indicate the number of board meetings during the year and provide proof	
5. Company requires as minimum quorum of at least 2/3 for board decisions.		Indicate the required minimum quorum for board decisions	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	The Company has four independent directors out of 15 directors, namely: 1. Mr. Ramon A. Recto 2. Mr. Rodolfo B. Fernandez 3. Emilio S. De Quiros, Jr. 4. Reynaldo V. Reyes	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	The independent directors possess all the qualifications and none of the disqualifications to sit as independent directors which is a	

		requirement prior to their election as independent directors.	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	The Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently. Please refer to the Company By-Laws.	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	All Independent Directors have served for a cumulative term of less than 9 years, reckoned from the year 2012.	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	There has been no occasion to apply the foregoing since none of the Independent Directors has reached the 9-year term limit.	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	There has been no occasion to apply the foregoing since none of the Independent Directors has reached the 9-year term limit.	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Compliant	The company's Chairman of the Board is Mr. George L. Go, while the Company's President is Mr. Romuald U. Dy Tang.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Please refer page 9-10 of the Company's Corporate Governance, particularly on the responsibilities of the Chairman and President. The Chairman and CEO/President are not related to each other.	

Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	Mr. Ramon Recto was designated as lead independent director.	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	The Company has yet to encounter an instance where the foregoing situation applies.	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Non-Compliant	Provide proof and details of said meeting, if any. Provide information on the frequency and attendees of meetings.	There is still currently no policy for separate meetings for non-executive directors but the Company is considering this in the future.
2. The meetings are chaired by the lead independent director.	Non-Compliant		There is still currently no policy for separate meetings for non-executive directors but the Company is considering this in the future.
Optional: Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.		Provide name/s of company CEO for the past 2 years	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Non-Compliant	Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees	The Company is in the process of formulating a self-assessment program.

2. The Chairman conducts a self-assessment of his performance.	Non-Compliant		The Company is in the process of formulating a self-assessment program.
3. The individual members conduct a self-assessment of their performance.	Non-Compliant		The Company is in the process of formulating a self-assessment program.
4. Each committee conducts a self-assessment of its performance.	Non-Compliant		The Company is in the process of formulating a self-assessment program.
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant	Identify the external facilitator and provide proof of use of an external facilitator.	The Company is in the process of formulating a self-assessment program.
Recommendation 6.2			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Non-Compliant	Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders	The Company is in the process of formulating an assessment program distinct from the assessment which is the basis for the profit sharing determination.
2. The system allows for a feedback mechanism from the shareholders.	Non-Compliant		The Company is in the process of formulating an assessment program distinct from the assessment which is the basis for the profit sharing determination.
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	Please refer to the Company's Code of Business Conduct and Ethics in the Company Website, which is accessible at http://www.crownequitiesinc.com /code-of-ethics .	

<p>2. The Code is properly disseminated to the Board, senior management and employees.</p>	<p>Compliant</p>	<p>The Company's Code of Business Conduct and Ethics is disseminated to the Board, Senior Management, and Employees through the Company Website, which is accessible at http://www.crownequitiesinc.com/code-of-ethics.</p> <p>According to the Code, the Company's Human Resource Department shall be in charge for the publication of the Code to the Board, Senior Management, and Employees.</p>	
<p>3. The Code is disclosed and made available to the public through the company website.</p>	<p>Compliant</p>	<p>Please refer to the Company's Code of Business Conduct and Ethics in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/code-of-ethics.</p>	
<p>Supplement to Recommendation 7.1</p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p>Please refer to the Company's Code of Business Conduct and Ethics, particularly on the discussion on the Company's policy against taking gifts and bribes which is accessible at http://www.crownequitiesinc.com/corporate-governance/code-of-ethics.</p>	
<p>Recommendation 7.2</p>			
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>	<p>Compliant</p>	<p>Please refer to the Company's Code of Business Conduct and Ethics in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/code-of-ethics.</p>	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p>Compliant</p>	<p>The Company's Human Resource Department is mandated to investigate on all reports of Non-Compliance to the Code.</p>	

Disclosure and Transparency

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

Recommendation 8.1

1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Corporate disclosures are handled by the Corporate Secretary and Compliance Officer to ensure timely disclosure of material corporate acts and events to the shareholders and the investing public.	
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Supplement to Recommendations 8.1

1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	The Company is compliant with the publication rules of its Interim Financial Statements.	For the consolidated AFS, the Company complies with the deadline for submission as part of the Annual Report as set by the Securities and Exchange Commission and posting in the Company website.
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Non-Compliant	Provide link or reference to the company's annual report where the following are disclosed: <ol style="list-style-type: none"> 1. principal risks to minority shareholders associated with the identity of the company's controlling shareholders; 2. cross-holdings among company affiliates; and 3. any imbalances between the controlling shareholders' voting power and overall equity position in the company. 	The Company is currently considering adopting the recommended disclosures.

Recommendation 8.2

1. Company has a policy requiring all directors to disclose/report to the	Compliant	The dealings and shareholdings of directors and officers are submitted to the PSE and SEC and	
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<p>company any dealings in the company's shares within three business days.</p>		<p>posted in the company website and found in the Information Statement accessible at the CEI website at http://crownequitiesinc.com/investor-relations/information-statements .</p>	
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>Directors and officers are required to disclose to CEI any dealings in CEI shares within 2 business days as provided in http://www.crownequitiesinc.com/corporate-governance/code-of-ethics/ and http://crownequitiesinc.com/sec-and-pse-disclosures</p>	
<p>Supplement to Recommendation 8.2</p>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p>Please refer to Item 4 of the Company's Definitive Information Statement, particularly on the discussion on the Voting Securities and the Principal Holders thereof.</p> <p>For the Company's Top 100 stockholders, please refer to the Company's latest List of Top 100 Stockholders as disclosed in the PSE EDGE Website.</p> <p>For the Company's Conglomerate Map please refer to the supplementary schedules as part of the Company's Audited Financial Statements as found in its Definitive Information Statement.</p> <p>The Directors and Key Executives of the Company are required to report to the Compliance Officer all of their dealings with CEI shares within two (2) business days from the date of trading. Further, all directors and key executive officers are required to certify annually that they have not violated the insider</p>	

		trading policy as provided in http://www.crownequitiesinc.com/ code-of-ethics.	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Please refer to Item 5 of the Company's Definitive Information Statement, particularly on the discussion on the academic qualifications and experience of the Board Directors. Please refer to Item 4 of the Company's Definitive Information Statement, particularly on the discussion on the disclosure of all relevant and material company information thereof.	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	Please refer to Item 4 of the Company's Definitive Information Statement, particularly on the discussion on the disclosure of all relevant and material company information thereof.	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board	Compliant	Please refer to Item 6 of the Company's Definitive Information Statement, particularly on the	

remuneration, including the level and mix of the same.		discussion on the Compensation of the Company's Directors and Executive Officers.	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Non-Compliant	Disclose or provide link/reference to the company policy and practice for determining executive remuneration	The Company is currently considering the possibility of disclosing its policies and procedure for setting executive remuneration.
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant	Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.	The Company is currently considering the possibility of disclosing the remuneration on an individual basis.
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	Please refer to the Company Manual on Corporate Governance, particularly on the discussion on the Related Party Transactions Committee and to the Company's Material Related Party Transactions Policy.	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Please refer to Item 24 of the Company's Audited Financial Statements, as part of the Definitive Information Statement	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	The Company currently has a policy on Conflict of Interest as provided in the Company Website, but there has been no instance of conflict of interest for the directors to disclose.	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.		Provide link or reference where this is disclosed, if any	

Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	Please refer to the PSE EDGE Website for CEI's Company Disclosures relating to its Material Information.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Non-Compliant	Identify independent party appointed to evaluate the fairness of the transaction price Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.	Currently, transaction price is based on the agreement between the parties to the transaction.
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	There is no shareholder agreement, voting trust agreement, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the Company.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Please refer to the Company's Corporate Governance Manual. The Company's Corporate Governance Manual has been submitted to the PSE and SEC on 31 May 2017. The link to the disclosure is http://edge.pse.com.ph/openDiscViewer.do?edge_no=784ec62ecbe4b4b53318251c9257320d#sthash.e4MDRiQJ.dpbs .	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	It is also accessible through the Company website at	

3. Company's MCG is posted on its company website.	Compliant	http://www.crownequitiesinc.com/corporate-governance/ . http://www.crownequitiesinc.com/corporate-governance/manual-on-corporate-governance	
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	The updated Manual on Corporate Governance was submitted to the SEC and PSE last May 30, 2017.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Please refer to the Company's Annual Report, which is accessible at https://edge.pse.com.ph/openDiscViewer.do?e dge_no=56028f54aa25a40e0de8473cebbd6407	
a. Corporate Objectives	Non-Compliant	For the Corporate Objectives, please refer to item 1 of the Annual Report.	Only the background and history of the company is disclosed in the Annual Report but the disclosure of the corporate objectives is currently under consideration.
b. Financial performance indicators	Compliant	For the Financial Performance Indicators, please refer to Items 7 and 8 of the Annual Report.	
c. Non-financial performance indicators	Non-Compliant	For the Dividend Policy, please refer to Item 5 of the Annual Report.	The disclosure of non-financial performance indicators is currently under consideration.
d. Dividend Policy	Compliant	For the Biographical Details of the Directors, please refer to Item 9 of the Annual Report.	

e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	For the Compensation Details of the Directors, please refer to Item 10 of the Annual Report. For the Biographical Details of the Directors, please refer to Item 9 of the Annual Report.	
f. Attendance details of each director in all directors meetings held during the year	Non-Compliant		The disclosure of the attendance of each director in all meetings is currently under consideration.
g. Total remuneration of each member of the board of directors	Non-Compliant		Only the total remuneration of the directors and officers as a group is currently disclosed as required by the SRC but the disclosure of the total remuneration of each director is currently under consideration.
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Non-Compliant	Please refer to Part IV of the Annual Report on discussion on Corporate Governance.	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Non-Compliant	Provide link or reference to where this is contained in the Annual Report	The Company is currently considering the disclosure of the review of the material controls.

4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.	Non-Compliant	Provide link or reference to where this is contained in the Annual Report	The Company is currently considering the disclosure of the internal controls/risk management reviews.
5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).	Compliant	Please refer to the discussion of the Risks on the Business under Part I Item 1 of the Annual Report accessible in the PSE EDGE website at https://edge.pse.com.ph/openDiscViewer.do?e_dge_no=56028f54aa25a40e0de8473cebbd6407	

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

Recommendation 9.1

1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Compliant	Please refer to page 15 of the Company Corporate Governance Manual and Audit Committee Charter as provided in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Non-Compliant	74% of the shareholders approved and ratified the appointment of the external auditor during the annual stockholders' meeting held on July 23, 2020.	The appointment, reappointment, removal and fees of the external auditor are determined and approved by the Audit Committee and appointments and changes are approved by the shareholders.
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	For 2020, the external auditor was re-appointed, hence there was no removal involved.	

Supplement to Recommendation 9.1

1. Company has a policy of rotating the lead audit partner every five years.	Compliant	Please refer to item 7 Independent Public Accountants of the Definitive Information Statement for the discussion on the rotation policy of the lead audit partner every 5 years.	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	Compliant	Please refer to functions and duties of the Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/audit-committee/ .	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	Please refer to functions and duties of the Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/ ,	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	Please refer to functions and duties of the Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/ .	

2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	Please refer to functions and duties of the Audit Committee in the Company Website, which is accessible at http://www.crownequitiesinc.com/audit-committee/ .	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	The Corporation did not engage the independent public accountants for any services other than the regular conduct of independent audit of the year-end financial statements. Please refer to item 8 of the Annual Report stating that no other professional fees were billed by the external auditor, accessible at the PSE EDGE website at https://edge.pse.com.ph/openDiscViewer.do?edge_no=56028f54aa25a40e0de8473cebbd6407	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	The Corporation did not engage the independent public accountants for any services other than the regular conduct of independent audit of the year-end financial statements. Please refer to item 8 of the Annual Report stating that no other professional fees were billed by the external auditor, accessible at the PSE EDGE website at https://edge.pse.com.ph/openDiscViewer.do?edge_no=56028f54aa25a40e0de8473cebbd6407	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	Please refer to Item 7 of the Company's latest Definitive Information Statement, wherein it was disclosed that the Corporation did not engage the independent public accountants for any services other than the regular conduct of	

		independent audit of the year-end financial statements.	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	Wilson P. Teo SEC Accreditation No. 92765, Group A, valid until January 1, 2023 Reyes Tacandong & Co. SEC Accreditation No. 0207-FR-3 (Group A) valid until August 28, 2022, Citibank Tower, 8741 Paseo de Roxas, Makati City 1226, +63(2) 8 982-9100	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	The external auditor has been subjected to SOAR inspection program in November 2020.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	Please refer to the Company's Sustainability Report annexed to the Annual Report accessible at https://edge.pse.com.ph/openDiscViewer.do?edge_no=56028f54aa25a40e0de8473ceb6407	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	Please refer to the Company's Sustainability Report annexed to the Annual Report accessible at https://edge.pse.com.ph/openDiscViewer.do?edge_no=56028f54aa25a40e0de8473ceb6407	

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

Recommendation 11.1

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	The Company utilizes the PSE EDGE Website as well as its company website in disseminating its current, quarterly, and annual reports to its shareholders and the public	
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Supplemental to Principle 11

1. Company has a website disclosing up-to-date information on the following:		Financial statements, annual and quarterly reports, Notice of ASM as contained in the DIS, Minutes of ASM and Articles of Incorporation and By-Laws are accessible at the CEI website. The Company did not conduct any media or analyst meetings for the year. Please refer to the Company Website, which is accessible at http://www.crownequitiesinc.com/ .	
a. Financial statements/reports (latest quarterly)	Compliant		
b. Materials provided in briefings to analysts and media	Compliant		
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant		

Additional Recommendation to Principle 11

1. Company complies with SEC-prescribed website template.	Compliant	The Company Website is accessible at http://www.crownequitiesinc.com/ .	
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

1. Company has an adequate and effective internal control system in the conduct of its business.	Non-Compliant	List quality service programs for the internal audit functions. Indicate frequency of review of the internal control system	The Company is in the process of adopting a formal internal control system but internal control is handled by management from the President to the Vice President to the managers.
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Please refer to the Company's Enterprise Risk Management Framework in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/enterprise-risk-management .	

Supplement to Recommendations 12.1

1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Non-Compliant	Provide information on or link/ reference to a document containing the company's compliance program covering compliance with laws and relevant regulations. Indicate frequency of review.	The Company is in the process of formulating a formal comprehensive enterprise-wide compliance program.
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Optional: Recommendation 12.1

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

1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Non-Compliant	Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.	The Company is considering adopting an independent internal audit function.
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	The Chief Audit Executive is Mr. George L. Go.	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant		
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Non-Compliant	Internal audit function is not outsourced.	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Non-Compliant	Provide information on company's risk management function.	The Company is in the process of formulating a separate risk management function.
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Non-Compliant	Identify source of external technical support, if any.	The Company is in the process of formulating a separate risk management function.
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a	Compliant	The Chief Risk Officer (CRO) is Mr. Christopher Brian C. Dy.	

Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).			
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Non-Compliant	Identify CRO's authority	The Company is the process of identifying the CRO's authority.
Additional Recommendation to Principle 12			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Non-Compliant	Provide link to CEO and CAE's attestation	The Company is the process of formulating an internal audit and compliance system.
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Please refer Page 33 of the Company's Corporate Governance Manual, wherein it was discussed how the Company promotes the basic shareholder rights.	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Please refer to the Company's Corporate Governance Manual as uploaded in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	As provided in the Company's Definitive Information Statement, stockholders of record are entitled to one (1) vote per share.	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	CEI only has one class of shares: common shares. One common share is equal to one vote.	

3. Board has an effective, secure, and efficient voting system.	Compliant	Please refer to Item 19 of the Company's Definitive Information Statement), wherein the Voting Procedures, Requirements, and Method of Counting are discussed.	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Non-Compliant	Provide information on shareholder voting mechanisms such as supermajority or "majority of minority", if any.	There is no existing mechanisms but the Company complies with the Corporation Code and SRC /PSE requirements on shareholder votes required for certain corporate acts.
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	Please refer to Section 6, Article 8 of the company By-Laws, wherein the process for calling a special meeting is discussed.	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Non-Compliant	Provide information or link/reference to the policies on treatment of minority shareholders	There is no express policy on treatment of minority shareholders but the Definitive Information Statement states that each share has 1 vote.
7. Company has a transparent and specific dividend policy.	Compliant	<p>Please refer to Section 2, Article 7 of the company By-Laws, wherein the Company's dividend policy is discussed.</p> <p>For 2019, the Company declared a ten percent (10%) stock dividends amounting to one billion, three hundred fifty nine million, nine hundred ninety nine thousand, nine hundred ninety (1,359,999,990) shares which were issued and distributed to the shareholders on September 30, 2019.</p>	

Optional: Recommendation 13.1

1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.		Identify the independent party that counted/validated the votes at the ASM, if any.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Non-Compliant	The notice and agenda were sent out 21 days prior to the date of the Annual Shareholder's Meeting. The Agenda of the Meeting is included in the Company's Information Statement, accessible at https://edge.pse.com.ph/openDiscViewer.do?e_dge_no=530dc92824b736460de8473cebbd6407	However, CEI is compliant with the 15 business days notice as provided in the Securities and Regulation Code.
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:		The Notice of the Annual Stockholder's Meeting has been uploaded in the PSE EDGE Website, which is accessible at https://edge.pse.com.ph/openDiscViewer.do?e_dge_no=6ce1dcf00f80cff60de8473cebbd6407	
a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	The profiles of the directors can be found in the Definitive Information Statement where the Notice and Agenda can also be found and distributed to the shareholders' at least 15 business days prior the ASM.	
b. Auditors seeking appointment/re-appointment	Compliant	The Notice and Agenda contains the appointment of external auditor as one of the agenda items for shareholder approval.	
c. Proxy documents	Non-Compliant		The Company Information Statement (20-IS) does not seek nor require a proxy to be submitted by the shareholders.
Optional: Recommendation 13.2			

1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	Please refer to page 5 of the Company's Definitive Information Statement, where the rationale for the agenda items for the Annual Stockholder's Meeting are indicated.	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Non-Compliant	Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.	The Company will adhere to make the results of the votes taken during the ASM available publicly as soon as possible.
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Non-Compliant	Provide link to minutes of meeting in the company website. Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes. Indicate also if the voting on resolutions was by poll. Include whether there was opportunity to ask question and the answers given, if any	The Company will adhere to make the minutes of the ASM available publicly as soon as possible.
Supplement to Recommendation 13.3			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	Representatives from Reyes Tacandong & Co. were present during the Annual Stockholder's Meeting held on 23 July 2020.	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate	Non-Compliant	Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes	The Company is in the process of formulating alternative dispute

disputes in an amicable and effective manner.			system to settle intra-corporate disputes.
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Non-Compliant	Provide link/reference to where it is found in the Manual on Corporate Governance	The Company is in the process of formulating alternative dispute system to settle intra-corporate disputes.
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	The Investors Relations Officer is Mr. Eugene B. Macalalag with contact details as follows: Tel No. (632) 8899-0081; (632) 8899-0455; Fax No. (632) 8556-2402 Email: ebm@crownequitiesinc.com	.
2. IRO is present at every shareholder's meeting.	Compliant	The IRO was present during the ASM.	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	There are no anti-takeover measures or similar devices. Considering the 56.71% public float, the Board cannot prevent takeover measures by third parties.	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	The Company's public float as of December 31, 2020 is at 38%.	
3. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	The Company's public float as of December 31, 2020 is at 38%.	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting		Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM	

2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.		Disclose the process and procedure for secure electronic voting in absentia, if any.	
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Non-Compliant	Identify the company's shareholder and provide information or reference to a document containing information on the company's policies and programs for its stakeholders.	The Company is in the process of formulating policies and programs for its various stakeholders.
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Non-Compliant	Identify policies and programs for the protection and fair treatment of company's stakeholders	The Company is in the process of formulating policies and programs for its various stakeholders.
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>Please refer to the CEI's Whistleblowing Policy on Accountability, Integrity, and Vigilance in the Company Website which is accessible at http://www.crownequitiesinc.com/company-policies/.</p> <p>Stakeholders can report any violation of their rights through the following channels:</p> <p>Company Tel. No. 8818.7783 Company Email: cei@crownequitiesinc.com</p>	
Supplement to Recommendation 14.3			

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Non-Compliant	Provide information on the alternative dispute resolution system established by the company.	The Company is in the process of formulating alternative dispute system to settle conflicts between key stakeholders.
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	The Company did not seek any exemption from the application of a law, rule or regulation.	
2. Company respects intellectual property rights.	Compliant	The Company respects intellectual property rights and seeks license or permit to use intellectual property of third parties prior to use but there is no specific instance in 2019.	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare		Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.	
2. Company discloses its policies and practices that address supplier/contractor selection procedures		Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			

Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	CEI has a whistleblowing policy, health policy, and training and development opportunities. Please refer to the CEI website at http://crownequitiesinc.com/company-policies/ for the policies.	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	Please refer to Item 8 of the Company's Definitive Information Statement, where the Company's Compensation Plans are discussed.	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	Please refer to the Company's employee health, safety, and welfare policy in the Company Website, which is accessible at http://www.crownequitiesinc.com/ company-policies.	
3. Company has policies and practices on training and development of its employees.	Compliant	Please refer to the Company's employee training and development policy in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/company-policies.	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	Please refer to the Company's policy on the acceptance of gifts in the Company Website, which is accessible at http://www.crownequitiesin.com/ conduct-and-ethics	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Non-Compliant	Identify how the board disseminated the policy and program to employees across the organization	The policies are uploaded and accessible in the website only.
Supplement to Recommendation 15.2			

1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	Please refer to the Company's policy on the acceptance of gifts in the Company Website, which is accessible at http://www.crownequitiesin.com/conduct-and-ethics	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	Please refer to the CEI's Whistleblowing Policy on Accountability, Integrity, and Vigilance in the Company Website, which is accessible at http://www.crownequitiesinc.com/corporate-governance/code-of-business-conduct-and-ethics . Employees may report any illegal and unethical practice in any of the following channels: Company Tel. No. 8818.7783 Company Email: cei@crownequitiesinc.com	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	Employees may however report any illegal and unethical practice to the Board in any of the following channels: Company Tel. No. 8818.7783 Company Email: cei@crownequitiesinc.com	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	To date, the Company has yet to encounter a whistleblowing incident.	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence	Compliant	Please refer to CEI's policy on Corporate Social Responsibility in the Company Website, which is	

<p>between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>		<p>accessible at http://www.crownequitiesinc.com/corporate-governance/corporate-social-responsibility.</p>	
Optional: Principle 16			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>		<p>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>		<p>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</p>	

Pursuant to the requirement of the Securities and Exchange Commission and The Philippine Stock Exchange, Inc. this Integrated-Annual Corporate Governance Report is signed on behalf of Crown Equities, Inc., thereunto duly authorized, in the City of Pasig on JUN 24 2021.


GEORGE L. GO
CHAIRMAN OF THE BOARD

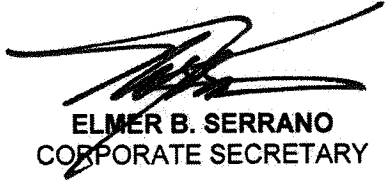

ROMUALD U. DY TANG
PRESIDENT


PATRICK D. GO
COMPLIANCE OFFICER


RODOLFO B. FERNANDEZ
INDEPENDENT DIRECTOR


EMILIO S. DE QUIROS, JR.
INDEPENDENT DIRECTOR

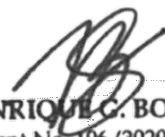

REYNALDO V. REYES
INDEPENDENT DIRECTOR


ELMER B. SERRANO
CORPORATE SECRETARY

SUBSCRIBED AND SWORN TO before me this JUN 24 2021, affiants exhibited to me their competent evidence of identity as follows:

NAME	TAX IDENTIFICATION NO.
1. George L. Go	TIN - 100-929-738
2. Romuald U. Dy Tang	TIN - 115-321-304
3. Patrick D. Go	TIN - 149-511-050
4. Rodolfo B. Fernandez	TIN - 117-703-377
5. Emilio S. De Quiros, Jr.	TIN - 115-321-434
6. Reynaldo V. Reyes	TIN - 115-320-993
7. Elmer B. Serrano	TIN - 153-406-995

Doc No. 334;
Page No. 68;
Book No. II;
Series of 2021.


VICTOR ENRIQUE C. BOLINAO
Appointment No. 196 (2020-2021)
Notary Public
Until December 31, 2021
Attorney's Roll No. 74263
33rd Floor, The Orient Square
F. Ortigas, Jr. Road, Ortigas Center, Pasig City
PTR Receipt No. 7233542; 01.05.21; Pasig City
IBP Receipt No. 137825; 01.05.21; RSM
Admitted to the Bar July 8, 2020



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

ANNEX 1

awards this

CERTIFICATE OF COMPLETION

to

George L. Go

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Wilfrido V. Vergara

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



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Management (ROAM), Inc.

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to

Romuald U. Dy Tang

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



**Risks, Opportunities, Assessment and
Management (ROAM), Inc.**

awards this

CERTIFICATE OF COMPLETION

to

Antonio B. Alvarez

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

A handwritten signature in blue ink, appearing to read "Benjamin I. Espiritu".

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Eugene B. Macalalag

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Patrick Warren D. Go

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Christopher Brian C. Dy

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Melvin Andrew O. Vergara

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



**Risks, Opportunities, Assessment and
Management (ROAM), Inc.**

awards this

CERTIFICATE OF COMPLETION

to

Emilio S. De Quiros, Jr.

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Rodolfo B. Fernandez

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Conrado G. Marty

for having completed the webinar on

CORPORATE GOVERNANCE

held on 16 December 2020

Benjamin I. Espiritu, Ph.D.
President



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

awards this

CERTIFICATE OF COMPLETION

to

Reynaldo V. Reyes

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



**Risks, Opportunities, Assessment and
Management (ROAM), Inc.**

awards this

CERTIFICATE OF COMPLETION

to

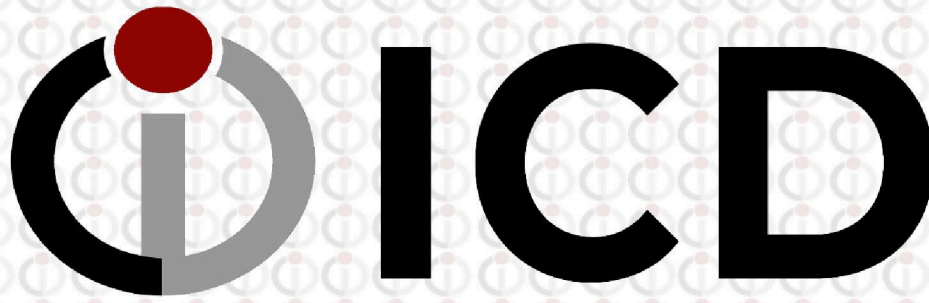
Ramon A. Recto

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President



ANNEX 2

Institute of Corporate Directors

presents this

Certificate of Participation

to

Elmer B. Serrano

SM Investments Corporation

for having completed the online course

Advanced Corporate Governance Training

held on

23 October 2020

1:00 pm - 5:00 pm

through ZOOM Meetings

Leonardo M. Berba

Chief Executive Officer



Risks, Opportunities, Assessment and
Management (ROAM), Inc.

ANNEX 3

awards this

CERTIFICATE OF COMPLETION

to

Patrick Warren D. Go

for having completed the webinar on

CORPORATE GOVERNANCE

held on 19 November 2020

Benjamin I. Espiritu, Ph.D.
President