



SEC FORM – I-ACGR
INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 31 December 2022
2. SEC Registration Number AS092-000798
3. BIR Tax Identification Number 002-829-253-000
4. Exact Name of the Issuer as specified in its charter The Orchard Golf and Country Club, Inc.
5. Province, Country or other jurisdiction of incorporation or organization Philippines
6. Address of Principal Office Km. 27 Aguinaldo Highway, Salawag, Dasmariñas City, Cavite
7. Postal Code 4114
8. Issuer's telephone number, including area code (632) 8982-2000
9. Former name, former address, and former fiscal year, if changed since last report Not Applicable
10. Industry Classification Code (For SEC's use only)

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	Principle 1 and Recommendation 1.1 are embodied in the Manual on Corporate Governance of The Orchard Gold and Country Club Inc. (the “Club”) as of 20 January 2022 (the “Manual”), specifically Section 3 thereof. The academic qualifications, industry, knowledge, professional experience and expertise of directors are set forth in the Definitive Information Statement of the Club filed on 3 August 2022, specifically Item 5 on pages 7 to 10 thereof and Item 9 on pages 25 to 28 of the Club’s SEC Form 17-A or the Annual Report for the fiscal year 31 December 2022 filed with the Commission on 13 April 2023. The qualification standards for directors to facilitate the selection and potential nominees and to serve as benchmark for the evaluation of their performance are specified in Section 3.5, 3.6 and 3.8 of the Manual and Section 2, Article VIII of	
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		

		the Club’s Amended By-laws as approved by the Commission on 29 March 2021.	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	COMPLIANT	<p>Recommendation 1.2 is embodied in Section 3.2(b) of the Manual.</p> <p>The Asst. Compliance Officer attests that:</p> <p>(a) Mr. Vicente Santos (Chairman) and Mr. Tomas Julio Benitez are executive directors; and</p> <p>(b) Two (2) out of the seven (7) members of the Board of Directors of the Club are non-executive directors.</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	COMPLIANT	In Section 3.2 (d) of the Manual, the Board is given the power to adopt policies relating to the training of directors, including an orientation program for first-time directors.	
2. Company has an orientation program for first time directors.	COMPLIANT	Section 3.2 (d) of the Manual authorizes the Board to provide an orientation program for first-time directors. The Chairman is likewise responsible for the continuing training opportunity for all directors, pursuant to Section 3.3 (c)(vi) of the Manual.	
3. Company has relevant annual continuing training for all directors.	COMPLIANT	The Board attended the Public Corporate Governance Seminar hosted by SGV &	

		<p>Co. on 15 December 2022 from 1:30 PM to 5:30 PM through Microsoft Teams, which covered the following agenda:</p> <ul style="list-style-type: none"> (a) Overview of Corporate Governance; (b) Fraud; (c) Cybersecurity and Business Continuity Management; (d) Sustainability; and (e) Summary and Closing. 	
Recommendation 1.4			
<p>1. Board has a policy on board diversity.</p>	<p>COMPLIANT</p>	<p>In Section 3.5 of the Manual, the qualifications of directors are as follows:</p> <ul style="list-style-type: none"> (a) He or she must be a holder of at least one (1) share of stock of the Club; (b) He or she shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education; (c) He or she shall be at least twenty-one (21) years old; (d) He or she shall have proven to possess integrity and probity; and (e) He or she shall be assiduous. <p>The members of the Board come from diverse backgrounds, including law, the finance and business industries, and policy advocacy.</p>	

		The Board has one (1) female director, Ms. Mariza S. Tan. The gender composition of the Board is set out on Page 4 of the General Information Sheet (the "GIS") of the Club as of 8 November 2022.	
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.			
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	COMPLIANT	The qualifications, duties and functions of the Corporate Secretary are set out in Article IX, Section 6 of the Club's By-laws and Item 5 of the Manual.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT		
3. Corporate Secretary is not a member of the Board of Directors.	NON-COMPLIANT		Mr. Exequiel D. Robles is the Corporate Secretary of the Club. On the other hand, Ms. Mariza S. Tan is the Club's First Assistant Corporate Secretary and Compliance Officer, while Atty. Jon Michael P. Alamis is the Club's Second Assistant Corporate Secretary and Assistant Compliance Officer. Atty. Alamis is also the retained counsel of the Club. Their academic qualifications and professions experience are set out on pages 8 to 11 of the Definitive

		<p>Information Statement and page 26 to 28 of the SEC Form 17-A.</p> <p>Mr. Robles and Ms. Tan are directors and members of the Board while Atty. Alamis is not.</p>	<p>The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.</p>
<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p>COMPLIANT</p>	<p>The Corporate Secretary, Mr. Exequiel D. Robles, as a member of the Board, also attended the Public Corporate Governance Seminar hosted by SGV & Co. on 15 December 2022 from 1:30 PM to 5:30 PM through Microsoft Teams and which covered the following agenda:</p> <ul style="list-style-type: none"> (a) Overview of Corporate Governance; (b) Fraud; (c) Cybersecurity and Business Continuity Management; (d) Sustainability; and (e) Summary and Closing. 	
<p>Optional: Recommendation 1.5</p>			
<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p>	<p>COMPLIANT</p>	<p>Article VI, Section 3 of the Club’s By-laws states “Notice of the time and place of all annual and special meetings of members shall be given by posting the same enclosed in a postage prepared envelope, addressed to each member at the address left by such member with the Secretary of the Club or at his last known post office address, or by delivering the same to him in person or by telegram, at</p>	

		least thirty(30) days before the annual meeting and at least five (5) days before the special meeting.	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	COMPLIANT	The qualifications, duties and functions of the Compliance Officer are set out in Section 5.2 of the Manual.	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	The Compliance Officer of the Club is Ms. Mariza S. Tan and the Assistant Compliance Office is Atty. Jon Michael P. Alamis.	
3. Compliance Officer is not a member of the board.	NON-COMPLIANT	<p>Their academic qualifications and professional experience are set out on pages 8 to 11 of the Definitive Information Statement and page 26 to 28 of the SEC Form 17-A.</p> <p>Ms. Tan is a member of the Board of Directors while Atty. Alamis is not.</p>	<p>Customarily, the Board appoints the General Counsel of a company as the Compliance Officer, as they deem it fit that these positions be held by a person with legal knowledge, considering the nature of these functions. However, given Ms. Tan’s active involvement in the affairs of the Club, the Board deems her fit for the said position.</p> <p>In any case, Atty. Alamis assists Ms. Tan in the compliance of all reportorial requirements of the Commission and other government agencies.</p> <p>The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.</p>
4. Compliance Officer attends training/s on corporate governance.	COMPLIANT	The Compliance Officer, Ms. Mariza S. Tan, as a member of the Board, also attended the Public Corporate Governance Seminar hosted by SGV on 15 December 2022 from 1:30PM to	

		<p>5:30PM through Microsoft Teams and which covered the following agenda:</p> <ul style="list-style-type: none"> (a) Overview of Corporate Governance; (b) Fraud; (c) Cybersecurity and Business Continuity Management; (d) Sustainability; and (e) Summary and Closing. 	
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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

<p>1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.</p>	<p>COMPLIANT</p>	<p>Principle 2 and Recommendation 2.1 are embodied in Section 1.2 and 2.2 of the Manual.</p> <p>The undersigned Chairman and the Corporate Secretary attest that the Board, during its meetings, acts on a fully informed bases, in good faith, with due diligence and care, and always in the best interest of the Club through active deliberations during said Board meetings when the topics and matters for approval so warrant.</p>	
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Recommendation 2.2

<p>1. Board oversees the development, review and approval of the company’s business objectives and strategy.</p>	<p>COMPLIANT</p>	<p>The undersigned Chairman and Corporate Secretary attest that:</p>	
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<p>2. Board oversees and monitors the implementation of the company’s business objectives and strategy.</p>	<p>COMPLIANT</p>	<p>(a) The Board of Directors approves the annual budget of the Club which included the approval of the Club’s objectives and strategy for the upcoming year, which approval is made on an annual basis;</p> <p>(b) The Finance Manager, upon the direction of the Chief Operating Officer, reports to the Board of Directors on a quarterly basis the implementation of the Club’s business objectives and strategy; and</p> <p>(c) The Board of Directors approves the financial report and financial position of the Club on a quarterly basis as embodied in the Club’s SEC Form 17-Q which is filed with the Commission.</p> <p>Recommendation 2.2 is embodied in Section 2.2 and 7.1 (c) of the Manual.</p> <p>The Club has filed its SEC Form 17-Q for the first quarter of 2023 on 12 May 2023.</p>	
<p>Supplement to Recommendation 2.2</p>			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>COMPLIANT</p>	<p>The vision, mission and core values of the Club is published on its website at: https://www.theorchardgolf.com/vision-mission-core-values/</p> <p>The undersigned Compliance Officer hereby attests that in accordance with Section 3.7 (b) (xvi) of the Manual, the</p>	

		Board of Directors determines and establishes the Club’s vision and mission, its strategic objectives, and the policies and procedures that may guide and direct the activities of the Club, including without limitation, such measures as will reasonably ensure the continued growth of the Club at times of crises.	
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 Club’s corporate objectives and strategy execution process are contained in Part I of its SEC Form 17-A, which contains the “Business and General Information” from pages 3 to 12.	
Recommendation 2.3			
1. Board is headed by a competent and qualified Chairperson.	COMPLIANT	<p>The duties and functions of the Chairman of the Board are set out in Article IX, Section 2 of the Club’s By-laws and Section 3.3 of the Manual.</p> <p>The Chairman, Mr. Vicente R. Santos performs all the duties of the Chairman of the Board. Ms. Vicente’s academic qualifications and professional experience are set out on page 8 of the Definitive Information Statement and page 25 of the SEC Form 17-A.</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	Under Section 3.7 (b) (i) of the Manual, the Board shall “implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound	

<p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p>COMPLIANT</p>	<p>corporate strategies and policies, appoint competent, professional, honest and highly motivated management officers, and adopt an effective succession planning program for Management.</p> <p>Sections 3.9 (b) (v), 4.2 (c) (iv) of the Manual likewise provides for such.</p>	
<p>Recommendation 2.5</p>			
<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p>COMPLIANT</p>	<p>Under Section 3.9 (b) (ix), the Board shall “provide a clear disclosure of its policies and procedure for setting Board and executive remuneration, as well as the level and mix of the same in the Annual Corporate Governance Report.” Thus, the Manual provides for a specific section for the remuneration of officers, specifically, Section 3.11.</p>	
<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p>COMPLIANT</p>	<p>Under Section 4.2 of the Manual, the Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to the Compensation or Remuneration Committee.</p> <p>Under Article VII, Section 1 of the Club’s By-laws, “Directors shall receive no salaries from the Club as such, but shall be entitled to reasonable per diems for meeting(s) actually attended in an</p>	
<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p>COMPLIANT</p>	<p>Under Article VII, Section 1 of the Club’s By-laws, “Directors shall receive no salaries from the Club as such, but shall be entitled to reasonable per diems for meeting(s) actually attended in an</p>	

		amount to be determined by the Board of Directors.	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	COMPLIANT	<p>Under Section 4.2 (c), the Corporate Governance Committee shall:</p> <p>(vii) Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing remuneration packages of corporate officers, and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Club’s culture, strategy and control environment;</p> <p>(viii) Designate the amount of remuneration, which shall be in a sufficient level to attract and retain officers who are needed to run the Club successfully;</p> <p>(ix) Establish a formal and transparent procedure for developing a policy on executive remuneration, and for fixing the remuneration packages of individual officers.”</p>	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	COMPLIANT	Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interests of the Club.	

Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	<p>The nomination and election process of the Club is set out in Article VIII of the Club’s By-laws and pages 10 to 12 of the Definitive Information Statement. The respective duties of the Nomination Committee and the Election Committee are set out in Sections 4.3 and 4.4, respectively, of the Manual.</p> <p>Under Article VIII, Section 3 of the Club’s By-laws and Section 4.3 (b) of the Manual, the Nomination Committee shall call for and accept nominations in writing from Regular Members of the Club and prescreen the qualifications of all nominated candidates.</p> <p>Pursuant to Article VIII, Section 1 of the Club’s By-laws and Section 4.4 (b) of the Manual, the Election Committee shall oversee the conduct of the election of directors rule on the validity and appreciation of proxies; and act on all matters that will ensure the orderly conduct of the election except those functions pertaining to the Nomination Committee.</p>	
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.	COMPLIANT		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board’s processes in the nomination, election or replacement of a director.	COMPLIANT		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT		
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or			

<p>shareholder bodies) when searching for candidates to the board of directors.</p>			
<p>Recommendation 2.7</p>			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<p>COMPLIANT</p>	<p>Under Section 3.7 (b)(vii), the Board shall “adopt a system of check and balance within the Board, conduct a regular review of the effectiveness of such system to ensure the integrity of the decision-making and reporting processes at all times, and a continuing review of the Club’s internal control system in order to maintain its adequacy and effectiveness. Under Section 3.7 (b)(x), the Board shall likewise “formulate and implement policies and procedures that will ensure the integrity and transparency of related party transactions between and among the Club and its parent company, joint ventures, 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.</p>	
<p>2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p>	<p>COMPLIANT</p>		
<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<p>COMPLIANT</p>	<p>Pursuant to Section 4.1 (b) (xviii), the Audit Committee shall, in the absence of a Related Party Transaction Committee, evaluate all RPTS to ensure that these are not undertaken on more favorable economic terms to such related parties than similar transactions with non-related</p>	

		<p>parties under similar circumstances and that no corporate or business resources of the Club are misappropriated or misapplied. The Audit Committee shall likewise perform the functions of a Board Risk Oversight Committee, in the absence thereof.</p> <p>The list of related transactions is contained in the Club’s SEC Form 17-A, Item 12 on pages 32 to 33.</p>	
Supplement to Recommendations 2.7			
<p>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.</p>	<p>COMPLIANT</p>	<p>Item 12, page 32 of the Club’s SEC Form 17-A discusses that “parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Club; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Club that gives them significant influence over the Club and close members of the family of any such individual. In considering each possible related entity relationship, attention is directed to the substance of the relationship, and not merely the legal form.”</p>	

<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders’ meetings.</p>	<p>COMPLIANT</p>	<p>The Club adheres to the standard voting system as provided and required by the Revised Corporation Code.</p>	
<p>Recommendation 2.8</p>			
<p>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).</p>	<p>COMPLIANT</p>	<p>According to page 5 of the Club’s SEC Form 17-A, “The Club has a well-informed Board of Directors that ensures the Club fulfills its corporate objectives, while seeking to protect the Club’s general interests and create value for the benefit of all shareholders, through the formulation of significant policies for governance, risk management and control processes. The General Manager and Chief Operating Officer, on the other hand, oversees day-to-day operations, creates operational strategies, communicates the same to all employees, and ensures that everyone in the organization supports the corporate goals. As one, the Club’s Management also ascertains that all programs are carefully managed and measured. To mitigate the risks, the Club’s Management relies on budgets and financial forecasts.”</p> <p>The Club’s Management is composed of the following:</p> <p>(a) Mr. Vicente R. Santos as Chairman;</p>	

		<p>(b) Mr. Tomas Julio A. Benitez as President & Chief Executive Officer;</p> <p>(c) Mr. Henry Cua Loping as Treasurer;</p> <p>(d) Mr. Exequiel D. Robles as Corporate Secretary;</p> <p>(e) Ms. Mariza S. Tan as Compliance Officer and First Assistant Corporate Secretary; and</p> <p>(f) Mr. Jose Ernilo P. Famy as General Manager and Chief Operations Officer.</p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	COMPLIANT	<p>Under Section 9 of the Manual, the Board may create an internal self-rating system that can measure the performance of the Board and of Management in accordance with the criteria provided for in this Manual.</p>	
Recommendation 2.9			
<p>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.</p>	COMPLIANT	<p>According to Section 11 of the Manual, the establishment of such evaluation system, including the features thereof, shall be disclosed in the annual report of the Club or in such form of report applicable to the Club. The adoption of such performance evaluation system shall be covered by Board approval.</p>	
<p>2. Board establishes an effective performance management framework that ensures that personnel’s performance is at par with the standards set by the Board and Senior Management.</p>	COMPLIANT	<p>The Manual shall refer to the framework of rules, systems and processes in the Club that governs the performance by the Board and Management of their</p>	

		respective duties and responsibilities to stockholders and other stakeholders, which include, among others, customers, employees, suppliers, financiers, government, and the community in which the Club operates.	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	Under Section 3.7 (b) (vii) the Board shall adopt a system of check and balance within the Board, conduct a regular review of the effectiveness of such system to ensure the integrity of the decision-making and reporting processes at all times, and a continuing review of the Club’s internal control system in order to maintain its adequacy and effectiveness.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	COMPLIANT		
3. Board approves the Internal Audit Charter.	COMPLIANT		The Board approved the latest version of the Internal Audit Charter during the board meeting held on 20 June 2023. A copy of the Charter may be viewed at https://www.theorchardgolf.com/internal-audit-revised-charter/
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	Under Section 3.9 of the Manual, the Board is responsible for the internal control of the Club’s control environment which consists of the organizational and procedural controls supported by effective management	
2. The risk management framework guides the board in identifying units/business lines and	COMPLIANT		

<p>enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>		<p>information and risk management reporting systems.</p> <p>In this connection, pursuant to Section 4.1 (b) (ii) of the Manual, the Audit Committee shall provide oversight over Management’s activities in managing credit, market, liquidity, operational, legal and other risks of the Club. This function shall include regular receipt from the Management of information on risk exposure and risk management activities.</p>	
<p>Recommendation 2.12</p>			
<p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.</p>	<p>COMPLIANT</p>	<p>https://www.theorchardgolf.com/charter-of-the-board-of-directors/</p>	
<p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p>	<p>COMPLIANT</p>		
<p>3. Board Charter is publicly available and posted on the company’s website.</p>	<p>COMPLIANT</p>		
<p>Additional Recommendation to Principle 2</p>			
<p>1. Board has a clear insider trading policy.</p>	<p>NON-COMPLIANT</p>		<p>The Club is a public company but is not listed in any stock exchange. Thus, this recommendation does not apply.</p>
<p>Optional: Principle 2</p>			
<p>1. Company has a policy on granting loans to directors, either forbidding the practice or</p>			

ensuring that the transaction is conducted at arm’s length basis and at market rates.			
2. Company discloses the types of decision requiring board of directors’ approval.			

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.

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	<p>Principle 3 and Recommendation 3.1 are embodied in Section 4 of the Manual, which specifies the Committees established by the Board and the composition and duties and responsibilities of each of the Committees.</p> <p>The Club established the following Board Committees:</p> <ul style="list-style-type: none"> (a) Audit Committee; (b) Corporate Governance Committee; (c) Board Risk Committee; (d) House Committee; and (e) Election Committee. <p>The Committees and their respective members are disclosed in the Club’s Definitive Information Statement.</p>	
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Recommendation 3.2			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>COMPLIANT</p>	<p>Section 4.1 of the Manual sets out the composition and duties and responsibilities of the Audit Committee.</p> <p>Pursuant to Section 4.1(b)(i), the Audit Committee shall assess the integrity and independence of external auditors, to exercise effective oversight in reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements, and to review and monitor the external auditor's suitability and effectiveness on an annual basis. The appointment, re-appointment and removal of the external auditor shall be recommended by the Audit Committee and approved by the Board and ratified by the shareholders.</p> <p>The Audit Committee Charter may be viewed at https://www.theorchardgolf.com/audit-committee-revised-charter/</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>NON-COMPLIANT</p>		<p>The Chairman of the Audit Committee is Atty. Jose P. Crisostomo, Jr., who is an independent director. Out of the three (3) members of the Audit Committee, one (1) member is an independent director.</p>

			<p>The members of the Audit Committee, including their position and type of directorship, are set out in page 14 of the Definitive Information Statement.</p> <p>The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.</p>
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>COMPLIANT</p>	<p>Under Section 4.1 (a) of the Manual, the Audit Committee shall consist of at least three (3) directors, who shall preferably have accounting and finance backgrounds, one of whom shall be an independent director and another with audit experience. The chairman of the Audit Committee shall be an independent director.</p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>The Chairman of the Audit Committee is Atty. Jose P. Crisostomo, Jr. Atty. Crisostomo is not the Chairman of the Board.</p>	<p>However, Atty. Crisostomo is also the chairman of the Nomination Committee of the Club. His qualifications are set out in page 9 of the Definitive Information Statement and page 27 of the SEC Form 17-A.</p> <p>His educational background, experience and long-time involvement in the Club’s affairs renders him the best director to chair both the Nomination and Audit Committees.</p> <p>The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.</p>

Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	COMPLIANT	Pursuant to Section 4.1 (b)(xiii) of the Manual, the Audit Committee shall 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 Club’s overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with the duties of the external auditor as such, or may pose a threat to the external auditor’s independence. The non-audit work, if allowed, shall be disclosed in the Club’s annual report.	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	COMPLIANT	According to Section 1 of the Audit Committee Charter, the Audit Committee meets with the external audit team without the presence of the Chief Executive Officer or other Management team member and periodically meet with the Internal Audit Group Head.	The Audit Committee meets at least once every two months or more frequently as the Committee deems necessary.
Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	NON-COMPLIANT		In accordance with the Audit Committee Charter, the Audit Committee meets at least once every two months or more frequently as the Committee deems necessary. In 2022, the Audit Committee met twice – on 15 March 2022 for the presentation of the

			audited financial statements and on 24 October 2022 for the operating budget and business plan presentation.
2. Audit Committee approves the appointment and removal of the internal auditor.	COMPLIANT	Under Section 7.2 of the Manual, the Board shall, after consultations with the Audit Committee, recommend to the stockholders an external auditor duly accredited by the SEC, who shall undertake an independent audit of the Club, and provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders.	
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	Under Section 4.2 (b) of the Manual, the Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to the Compensation or Remuneration Committee. It is tasked with ensuring compliance with and proper observance of corporate governance principles and practices. The functions of the Corporate Governance Committee are set out in Section 4.2(c) of the Manual and the Corporate Governance Committee Charter which can be viewed at https://www.theorchardgolf.com/corporate-governance-committee-charter/	

<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p>COMPLIANT</p>	<p>Section 1, Article II of the Corporate Governance Committee Charter states that “The Committee shall be composed of three (3) directors, majority of whom shall be independent directors of the Club, including the Chairman.</p>	<p>Given that the law requires the Club to only have two (2) independent directors, it is not possible for the Corporate Governance Committee of the Club to have three (3) independent directors as members. In any case, the Board deems it sufficient that majority of the membership is composed of independent directors.</p>
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>COMPLIANT</p>	<p>The Chairman of the Corporate Governance Committee is Atty. Jose P. Crisostomo, Jr.</p>	
<p>Optional: Recommendation 3.3.</p>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>			
<p>Recommendation 3.4</p>			
<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p>COMPLIANT</p>	<p>The Charter of the Board Risk Oversight Committee may be found at https://www.theorchardgolf.com/board-risk-committee-charter/</p> <p>Section 1, Article 1 of its Charter states that “The purpose of the Club’s Board Risk Oversight Committee is to oversee the establishment of Enterprise Risk Management (ERM) framework that will effectively identify, assess, monitor, and manage key business risks.</p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>COMPLIANT</p>	<p>Section 1, Article II of the Committee’s Charter states that “The Committee shall be composed of at least three (3) members, the majority of whom should be independent directors, including the</p>	

		<p>Chairman and who should not be the Chairman of the Board or of any other committee.”</p> <p>The three (3) members of the Committee are as follows:</p> <p>(a) Mr. Jose S. Gonzales (Independent Director);</p> <p>(b) Atty. Jose P. Crisostomo, Jr. (Independent Director); and</p> <p>(c) Ms. Mariza S. Tan</p>	
<p>3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.</p>	<p>COMPLIANT</p>	<p>Section 1, Article II of the Committee’s Charter states that “The Committee shall be composed of at least three (3) members, the majority of whom should be independent directors, including the Chairman and who should not be the Chairman of the Board or of any other committee.”</p> <p>The Chairman of the Committee is Mr. Jose S. Gonzales who is not the primary chairman of any other committee of the Club.</p>	
<p>4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.</p>	<p>COMPLIANT</p>	<p>Atty. Crisostomo, as an independent director and lawyer by profession, has relevant knowledge and experience in risk management.</p>	
Recommendation 3.5			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with</p>	<p>NON-COMPLIANT</p>		<p>Under Section 4.1(b)(xviii) and (xix) of the Manual, the Audit Committee shall perform</p>

reviewing all material related party transactions of the company.			<p>the functions of a Related Party Transactions Committee in the absence thereof.</p> <p>Due to the comprehensive functions of the Audit Committee, the same committee can perform the functions of a Related Party Transactions Committee should the need arise.</p> <p>The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.</p>
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	NON-COMPLIANT		Same as above.

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	Under Section 4.5 (b) of the Manual, unless already prescribed in the By-Laws, each standing committee shall have a Committee Charter stating in plain terms its purposes, memberships, structures, operations, reporting processes, resources and other relevant information.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	COMPLIANT	The Charters shall provide the standards for evaluating the performance of the committees and its members.	
3. Committee Charters were fully disclosed on the company's website.	COMPLIANT	https://www.theorchardgolf.com/category/committee-charters/	

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	Pursuant to Section 3.10(a) of the Manual, the members of the Board shall attend its regular and special meetings in person or through teleconferencing or videoconferencing conducted in accordance with the rules and regulations of the SEC.	
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	The undersigned Corporate Secretary hereby attests that the directors review the relevant materials for all Board and Committee meetings.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	The undersigned Corporate Secretary hereby attests that the directors of the Club asked questions and sought clarifications and explanations in the course of the discussions during the Board and Committee meetings held in 2022.	
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	At present, all non-executive directors concurrently serve in no more than five (5) publicly listed companies. The directorships held by all directors of the Club are disclosed in page 8 to 10 of the Definitive Information Statement.	Under Section 3.2(a) of the Manual, the Board may consider the adoption of guidelines on the number of directorships that its members can hold in stock and non-stock corporations. The optimum number shall take into consideration the capacity of a director to diligently and efficiently perform his duties and responsibilities.

Recommendation 4.3			
1. The directors notify the company’s board before accepting a directorship in another company.	COMPLIANT	Section 3.2(d) of the Manual states that a director shall notify the Board before accepting a directorship in another company.	
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. Board of directors meet at least six times during the year.	COMPLIANT	<p>The undersigned Corporate Secretary hereby attests that the Board conducted its regular meetings for the year 2022 on the following dates:</p> <ul style="list-style-type: none"> (a) January 18, 2022; (b) February 23, 2022; (c) March 29, 2022; (d) April 26, 2022; (e) May 31, 2022; (f) June 21, 2022; (g) July 26, 2022; (h) August 30, 2022; (i) September 27, 2022; (j) October 25, 2022; (k) November 16, 2022; and (l) December 6, 2022. 	

<p>4. Company requires as minimum quorum of at least 2/3 for board decisions.</p>	<p>NON-COMPLIANT</p>		<p>The Club complies with the provisions of the Revised Corporate Code in determining the quorum for the Board of Directors. There is no basis for the Board to adopt a different quorum as the current practice which is in accordance with law and is effective for the purpose of approving corporate actions.</p> <p>Pursuant to Article VII, Section 4 of the Club’s By-laws, “a majority of the Board shall constitute a quorum for the transaction of business.”</p>
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Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p>COMPLIANT</p>	<p>Principle 5 and Recommendation 5.1 are embodied in Section 3.7 of the Manual.</p> <p>The Club has two (2) independent directors out of the seven (7) seats in the Board, which constitutes one-third of the Board.</p> <p>The current composition of the Board allows for the exercise of an objective and independent judgment on all corporate affairs, considering that the members of the Board represent diverse backgrounds. Moreover, the extent of the relationship of the non-executive directors to the Club is limited to their respective qualifying shares in the Club.</p>	
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Recommendation 5.2			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p>COMPLIANT</p>	<p>The qualifications of an independent director are set out in Section 3.7 of the Manual.</p> <p>The academic qualifications and professional experience of the independent directors of the Club are set forth on page 9 of the Definitive Information Statement and page 27 of SEC Form 17-A.</p>	
Supplement to Recommendation 5.2			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.</p>	<p>COMPLIANT</p>	<p>Under Section 3.8(b)(i) of the Manual, directors shall “conduct fair business transactions with the Club and ensure that his personal interest does not conflict with the interests of the Club.”</p> <p>The undersigned Compliance Officer hereby attests that there are no shareholder agreements, voting trust agreements or other agreements that constrain the directors’ ability to vote independently.</p>	
Recommendation 5.3			
<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).</p>	<p>NON-COMPLIANT</p>	<p>In accordance with SEC Memorandum Circular No. 4, series of 2017, a company’s independent director shall serve as such for a maximum period of nine (9) years.</p>	<p>The extension of Atty. Crisostomo’s term for another year was declared by the Club to the SEC on pages 12 to 13 of its Definitive Information Statement.</p> <p>During the Annual Shareholders’ Meeting held on 8 October 2022, the Club’s shareholders approved and ratified the extension of Atty.</p>

		<p>As of the year 2022, the Club’s independent directors serve as such for such number of years as follows:</p> <p>(a) Atty. Jose P. Crisostomo, Jr. – ten (10) years; and</p> <p>(b) Mr. Jose S. Gonzales – six (6) years.</p>	<p>Crisostomo’s term for another year as provided on page 33 of the Club’s SEC Form 17-A and SEC Form 17-C dated 11 October 2022.</p>
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>COMPLIANT</p>	<p>SEC Memorandum Circular No. 4, series of 2017 states that a company’s independent director shall serve as such for a maximum period of nine (9) years.</p>	<p>The extension of Atty. Crisostomo’s term for another year was declared by the Club to the SEC on pages 12 to 13 of its Definitive Information Statement citing therein meritorious justifications for the extension.</p> <p>During the Annual Shareholders’ Meeting held on 8 October 2022, the Club’s shareholders approved and ratified the extension of Atty. Crisostomo’s term for another year as provided on page 33 of the Club’s SEC Form 17-A and SEC Form 17-C dated 11 October 2022.</p> <p>Atty. Crisostomo is no longer a candidate for independent director in the upcoming Annual Shareholders; Meeting of the Club.</p>
<p>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.</p>	<p>COMPLIANT</p>	<p>The extension of Atty. Crisostomo’s term for another year was declared by the Club to the SEC on pages 12 to 13 of its Definitive Information Statement citing therein meritorious justifications for the extension.</p> <p>During the Annual Shareholders’ Meeting held on 8 October 2022, the Club’s shareholders approved and</p>	

		ratified the extension of Atty. Crisostomo’s term for another year as provided on page 33 of the Club’s SEC Form 17-A and SEC Form 17-C dated 11 October 2022.	
Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	COMPLIANT	According to Article IX Section 2 and 3 of the Club’s By-laws, the Chairman of the Board is different from the President and Chief Executive Officer of the Club. The incumbent Chairman of the Club is Mr. Vicente R. Santos and the President and Chief Executive Officer of the Club is Mr. Tomas Julio A. Benitez.	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	COMPLIANT	In addition to Article IX Section 2 and 3 of the Club’s By-laws, Section 3.3 of the Manual clearly and distinctly defines the functions and responsibilities of the two roles. Specifically, Section 3.3 (a) of the Manual states that the roles of Chairman and CEO shall, as much as practicable, be separate to foster an appropriate balance of power, increased accountability and better capacity for independent decision-making by the Board. A clear delineation of functions shall be made between the Chairman and CEO upon their election.	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a	COMPLIANT	The Chairman of the Board of the Club is not an independent director.	Considering that there are only two (2) independent directors, the Board does not

<p>lead director among the independent directors.</p>			<p>see the necessity of appointing a lead independent director. The Board equally values the contribution of both independent directors.</p>
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	<p>COMPLIANT</p>	<p>The Corporate Secretary hereby attests that there are no directors with a material interest in transactions affecting the Club and should there have been, the Club’s policies require them to abstain from taking part in the deliberations for the same during the board meetings.</p>	
Recommendation 5.7			
<p>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.</p>	<p>COMPLIANT</p>	<p>Meetings with the external auditor were held on 15 March 2022 for the presentation of the audited financial statements for the year 2021 and on 24 October 2022 to discuss the 2023 operating budget and business plan presentation.</p>	
<p>2. The meetings are chaired by the lead independent director.</p>	<p>NON-COMPLIANT</p>		<p>Considering that there are only two (2) independent directors, the Board does not see the necessity of appointing a lead independent director. The Board equally values the contribution of both independent directors.</p>
Optional: Principle 5			
<p>1. None of the directors is a former CEO of the company in the past 2 years.</p>	<p>NON-COMPLIANT</p>		<p>One of the directors of the Club, Mr. Tomas Julio A. Benitez, has been the President and Chief Executive Officer of the Club since 2020.</p>

			Historically, since its incorporation, the President and CEO has always been a director.
Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	COMPLIANT	According to Section 8.4 of the Board Charter, the Board, in conducting the annual self-assessment, considers the following criteria: (a) Fulfillment of key duties and responsibilities; (b) Quality of relationship with Management; (c) Effectiveness of processes and meetings of the Board and the Committees; and (d) Performance of individual members of the Board and the Committees.	
2. The Chairman conducts a self-assessment of his performance.	COMPLIANT		
3. The individual members conduct a self-assessment of their performance.	COMPLIANT		
4. Each committee conducts a self-assessment of its performance.	COMPLIANT		
5. Every three years, the assessments are supported by an external facilitator.	NON-COMPLIANT		The Board does not see the necessity to engage the services of an external facilitator for its self-assessment.
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.	COMPLIANT	Shareholders may send their feedback to the Club through the Customer Service Department and the Membership Department.	

2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT		
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	<p>The Board’s Code of Conduct are laid out on Section 3.8 (b) of the Manual. The Club’s Members Handbook is likewise uploaded in the Club’s website at https://www.theorchardgolf.com/handbook/mobile/index.html</p> <p>The norms of conduct sets out the Club’s policies with respect to conduct of business and fair dealings, prohibition against granting of undue personal favors, respect for trade secrets and confidential information, use of Club’s funds and assets, among others.</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	<p>The undersigned Compliance Officer hereby attests that the Code of Ethics was properly disseminated to all directors, senior management and employees. All employees of the Club are provided a copy of the Employee Handbook and all shareholders and members may access the Members Handbook on the Club’s website at https://www.theorchardgolf.com/handbook/mobile/index.html</p> <p>The acknowledgment states that the employees and members understood its</p>	

		contents and commits themselves to comply with the items contained therein, the core purpose and values sought to be achieved and the policies governing the Club’s activities.	
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	All shareholders and members may access the Members Handbook on the Club’s website at https://www.theorchardgolf.com/handbook/mobile/index.html	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	COMPLIANT	The Manual provides for the disqualification of a member of the Board when such person is convicted by final judgment or order by a court of competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury and other fraudulent acts.	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	COMPLIANT	Pursuant to the Manual, the members of the Board are duty-bound to ensure a high standard of best practices for the Club, its stockholders and other stakeholders, the Board shall conduct itself with honesty and integrity in the performance of its duties and functions.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	COMPLIANT		

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

<p>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.</p>	<p>COMPLIANT</p>	<p>Under Section 3.7(b)(vi) of the Manual, the Board shall provide full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly, on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of shareholders and other stakeholders.</p>	
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Supplement to Recommendations 8.1

<p>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.</p>	<p>COMPLIANT</p>	<p>For the year 2022, the Club filed the following reports on dates provided below:</p> <p>The quarterly unaudited consolidated financial statements of the Club (SEC Form 17-Q) were filed and disclosed on the following dates:</p> <ul style="list-style-type: none"> (a) 1st Quarter - May 11, 2022 (41 days from 31 March 2022); (b) 2nd Quarter – August 1, 2022 (32 days from 30 June 2022); and (c) 3rd Quarter – November 11, 2022 (41 days from 30 September 2022). 	
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		<p>The Club’s Annual Report (SEC Form 17-A) for the period ended 31 December 2021 was filed on 13 May 2022.</p> <p>For the year 2023, the Club filed its Annual Report (SEC Form 17-A) on 13 April 2023 or 88 days from 31 December 2022). For the first quarter of the year, the Club filed its SEC Form 17-Q on 12 May 2023 (42 days from 31 March 2023).</p> <p>The Club also filed its Audited Financial Statement for the period ended 31 December 2022 on 24 April 2023.</p>	
2. Company discloses in its annual report the principal risks associated with the identity of the company’s controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders’ voting power and overall equity position in the company.	COMPLIANT	https://www.theorchardgolf.com/2022-sec-form17-a/	
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three business days.	NON-COMPLIANT		Under Section 10 of the Manual, the directors are obliged to report or disclose any dealings in the Club’s shares by the said directors and officers within five (5) business days. The Board deems that the foregoing arrangement is effective, efficient and maximizes the resources of the Club.
2. Company has a policy requiring all officers to disclose/report to the company any dealings	NON-COMPLIANT		Same as above.

<p>in the company’s shares within three business days.</p>			
Supplement to Recommendation 8.2			
<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>The number of shares comprising the Company’s capital stock (all of which are voting shares) owned of record by the Chairman, the President and Chief Executive Officer, the directors, key officers of the Club, and nominees for election as director as of 31 December 2022 are set out on page 31 of the SEC Form 17-A.</p>	
Recommendation 8.3			
<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>The profiles of directors and executive officers are disclosed in pages 25 to 28 of SEC Form 17-A and pages 8 to 10 of the Definitive Information Statement.</p>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>COMPLIANT</p>	<p>The directors’ academic qualifications, share ownership in the Club, membership in other boards, other executive positions, professional experiences and expertise are set out on pages 25 to 28 of SEC Form 17-A and pages 8 to 10 of the Definitive Information Statement.</p>	
Recommendation 8.4			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board</p>	<p>COMPLIANT</p>	<p>Article VII, Section 1 of the Club’s By-laws states that “Directors shall receive no salaries from the Club as such, but shall</p>	

<p>remuneration, including the level and mix of the same.</p>		<p>be entitled to reasonable per diems for meeting(s) actually attended in an amount to be determined by the Board of Directors.”</p> <p>Section 3.11 of the Manual likewise provides for the Club’s policies on the remuneration of officers.</p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>COMPLIANT</p>	<p>Article VII, Section 1 of the Club’s By-laws states that “Directors shall receive no salaries from the Club as such, but shall be entitled to reasonable per diems for meeting(s) actually attended in an amount to be determined by the Board of Directors.”</p> <p>Section 3.11 of the Manual likewise provides for the Club’s policies on the remuneration of officers.</p>	
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>COMPLIANT</p>	<p>The breakdown of director remuneration and executive compensation is discussed in Item 6, page 17 of the Definitive Information Statement and Item 10, page 29 to 30 of SEC Form 17-A.</p>	
<p>Recommendation 8.5</p>			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p>COMPLIANT</p>	<p>Item 12, page 32 of SEC Form 17-A which may be accessed at https://www.theorchardgolf.com/2022-sec-form17-a/</p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>COMPLIANT</p>	<p>Item 12, page 32 of SEC Form 17-A which may be accessed at https://www.theorchardgolf.com/2022-sec-form17-a/</p>	

Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	COMPLIANT	Under Section 3.8(b)(i) of the Manual, “if an actual or potential conflict of interest may arise on the part of a director, he shall fully and immediately disclose it and shall not participate in the decision-making process. A director who has a continuing material conflict of interest shall seriously consider resigning from his position.”	
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.			
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	The undersigned Compliance Officer hereby attests that all material information about the Club which could adversely affect its viability or the interest of its stockholders and other stakeholders, are fully, fairly, accurately and timely disclosed to the public.	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	COMPLIANT	The Club engages the services of an external auditor, which is approved by the shareholders.	
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	COMPLIANT	The undersigned Compliance Officer hereby attests that there are no shareholder agreements, voting trust agreements or other agreements that	

may impact on the control, ownership, and strategic direction of the company.		may impact the control, ownership, and strategic direction of the Club.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	COMPLIANT	https://www.theorchardgolf.com/revised-manual-on-corporate-governance/	
2. Company's MCG is submitted to the SEC and PSE.	COMPLIANT		The Club's MCG is only submitted to the SEC.
3. Company's MCG is posted on its company website.	COMPLIANT		
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 Club's Manual, as amended on 20 January 2022 was filed with the Commission on 28 January 2022 via email at ictdsubmission@sec.gov.ph and cgfd@sec.gov.ph which were both acknowledged as received.	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		The Annual Report (SEC Form 17-A) contains the following information: (a) Corporate Objectives Part I, Item I of SEC Form 17-A on pages 1 to 5. (b) Financial Performance Indicators and Non-financial Performance Indicators Item 6, Pages 15 to 22 of SEC Form 17-A.	
a. Corporate Objective	COMPLIANT		
b. Financial performance indicators	COMPLIANT		
c. Non-financial performance indicator	COMPLIANT		
d. Dividend Polic	NON-COMPLIANT		The Club is a non-profit corporation. Thus, all classes of shares are not entitled to receive dividends.
e. Biographical details (at least age, academic qualifications, date of first	COMPLIANT		

<p>appointment, relevant experience, and other directorships in listed companies) of all directors</p>		<p>(c) Biographical Details Part III, Item 9 on pages 25 to 29 of SEC Form 17-A.</p>	
<p>f. Attendance details of each director in all directors meetings held during the year</p>	<p>NON-COMPLIANT</p>	<p>(d) Remuneration of each member of the Board of Directors Part III, Item 10 on page 29 to 30 of SEC Form 17-A.</p>	<p>The SEC Form 17-A submitted by the Club conforms to the information required to be contained therein or required by the Commission on the foregoing information which does not include the attendance details of each director.</p>
<p>g. Total remuneration of each member of the board of director</p>	<p>COMPLIANT</p>		
<p>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.</p>	<p>COMPLIANT</p>	<p>Part IV, Item 13 of SEC Form 17-A states that “Management has already taken steps to ensure that the major requirements of the Manual are met, such as the creation of an Audit Committee and Nomination Committee, the passage of the Code of Ethics and Business Conduct, and certain enhancements in the functions and roles of the existing Election Committee and Finance Committee.</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>https://www.theorchardgolf.com/2022-sec-form17-a/</p>	
<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on</p>	<p>COMPLIANT</p>	<p>https://www.theorchardgolf.com/2022-sec-form17-a/</p>	

<p>the adequacy of the company's internal controls/risk management systems.</p>		<p>Reviewed by the Board of Directors on a regular basis.</p>	
<p>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).</p>	<p>COMPLIANT</p>	<p>Major Risks are contained in Part I, Item 1, page 5 of the Annual Report.</p>	
<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor’s independence and enhance audit quality.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>COMPLIANT</p>	<p>Under Section 4.1(b)(iii) of the Manual, the Audit Committee shall perform oversight functions over the Club’s internal and external auditors. It shall ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>COMPLIANT</p>	<p>During the Annual Shareholders’ Meeting for the year 2022, the following candidates for external auditor garnered the following votes:</p> <p>(a) Isla Lipana & Co. (PWC) – 1,595 votes (71.23%);</p> <p>(b) Punongbayan & Araullo – 5 votes (0.22%); and</p>	

		(c) Sycip Gorres Velayo & Co. – 30 votes (1.34%).	
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	This is not applicable because the Club did not remove or change its external auditor in the preceding year.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	COMPLIANT	Section 7.1 (b)(v) of the Manual provides that the external auditor shall be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the Club shall be changed with the same frequency.	
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	Section 4.1 (b)(i) to (v) of the Manual provides the Audit Committee’s duties in connection with the external auditor: <ul style="list-style-type: none"> (i) Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations, provided that, the Audit Committee Charter shall include the responsibility of the Audit Committee to assess the integrity and independence of external auditors, to exercise effective oversight in reviewing and monitoring the 	

		<p>external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements, and to review and monitor the external auditor's suitability and effectiveness on an annual basis;</p> <p>(ii) Provide oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the Club. This function shall include regular receipt from Management of information on risk exposures and risk management activities;</p> <p>(iii) Perform oversight functions over the Club's internal and external auditors. It shall ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;</p> <p>(iv) Review the annual internal audit plan to ensure its conformity with the objectives of the Club. The plan shall include the audit scope, resources and budget necessary to implement it;</p>	
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		(v) 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;	
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	Same as above.	
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	Same as above.	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	COMPLIANT	Same as above.	
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 Audit Committee is also tasked to 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 Club’s overall consultancy expenses. The Audit Committee shall disallow any non-	

		audit work that will conflict with the duties of the external auditor as such, or may pose a threat to the external auditor’s independence. The non-audit work, if allowed, shall be disclosed in the Club’s annual report.	
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	Same as above.	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	COMPLIANT	On pages 17 to 18 of the Definitive Information Statement, “no fees were billed during the last two fiscal years for products and services of the external auditor, other than the services reported under items “Audit and Audit-Related Fees” and “Tax Fees.”	
Additional Recommendation to Principle 9			
1. Company’s external auditor is duly accredited by the SEC under Group A category.	COMPLIANT	The Club’s external auditor is Isla Lipana & Co. (PWC) with Mr. Dennis M. Malco as the engagement partner and SEC Accreditation No. 1378-A.	
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	As a Group A audit firm accredited by the Commission, Isla Lipana & Co. (PWC) is required to and shall comply with the requirements of the Commission in relation to the SOAR inspection program.	

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

Recommendation 10.1

<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>NON-COMPLIANT</p>		<p>Given the comments hereto, the Club shall undertake to disclose non-financial information in this Recommendation shall be made in the Annual Report.</p>
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>NON-COMPLIANT</p>		<p>Given the comments hereto, the Club shall undertake to disclose non-financial information in this Recommendation shall be made in the Annual Report.</p>

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

Recommendation 11.1

<p>1. Company has media and analysts’ briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p>COMPLIANT</p>	<p>Website, Quarterly Report, Annual Report</p>	
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Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	COMPLIANT		
a. Financial statements/reports (latest quarterly)	COMPLIANT	https://www.theorchardgolf.com/2022-audited-financial-statement/ https://www.theorchardgolf.com/q1-2023-interim-financial-statement/ https://www.theorchardgolf.com/2022-sec-form17-a/ https://www.theorchardgolf.com/amended-articles-of-incorporation/ https://www.theorchardgolf.com/amended-by-laws/	
b. Materials provided in briefings to analysts and media	COMPLIANT		
c. Downloadable annual report	COMPLIANT		
d. Notice of ASM and/or SSM	COMPLIANT		Notice of 2023 ASM to be uploaded in July.
e. Minutes of ASM and/or SSM	COMPLIANT		Draft of minutes of 2022 ASM to be uploaded in July.
f. Company's Articles of Incorporation and By-Laws	COMPLIANT		
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	COMPLIANT	https://www.theorchardgolf.com	
Internal Control System and Risk Management Framework			
<p>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.</p>			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	Section, 1 Article VII of the Internal Audit Charter states that "The Internal Audit Department will maintain a quality	

		<p>assurance and improvement program that covers all aspects of the Internal Audit Department. The program will include an evaluation of the Internal Audit Department's conformance with the Standards and an evaluation of whether the Internal Auditor applies The IIA's Code of Ethics. The program will also assess the efficiency and effectiveness of the Internal Audit Department and identify opportunities for improvement."</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>COMPLIANT</p>	<p>Section, Article V of the Internal Audit Charter states, Internal audit assessments include evaluating whether:</p> <ul style="list-style-type: none"> (a) Risks relating to the achievement of the Club's strategic objectives are appropriately identified and managed. (b) The actions of the Club's officers, directors, employees, and contractors are in compliance with the Club's policies, procedures, and applicable laws, regulations, and governance standards. (c) The results of operations or programs are consistent with established goals and objectives. 	

		<p>(d) Operations or programs are being carried out effectively and efficiently.</p> <p>(e) Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the Club.</p> <p>(f) Information and the means used to identify, measure, analyze, classify, and report such</p> <p>(g) information are reliable and have integrity.</p> <p>(h) Resources and assets are acquired economically, used efficiently, and protected adequately.</p>	
Supplement to Recommendations 12.1			
<p>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.</p>	<p>COMPLIANT</p>	<p>The legal issues pertaining to all corporate acts are reviewed by the independent director and the Club’s legal counsel.</p>	
Optional: Recommendation 12.1			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks</p>			

<p>are identified, managed and reported to the board.</p>			
<p>Recommendation 12.2</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>Internal Audit is in house.</p>	
<p>Recommendation 12.3</p>			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	<p>COMPLIANT</p>	<p>The Club’s Chief Audit Executive is Ms. Irene G. Patricio. She assumed the position of Financial Analyst in July 2013, Internal Audit Supervisor in June 2017 and Finance Manger in December 2021. She is a Certified Public Accountant and a members of the Philippine Institute of Certified Public Accountants (PICPA) and Institute of Internal Auditors – Philippines (IIA-P).</p>	
<p>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.</p>	<p>COMPLIANT</p>	<p>Section 2, Article III of the Committee Charter states The Internal Auditor will have unrestricted access to, and communicate and interact directly with, the Audit Committee, including in private meetings without the General Manager & COO present. The Audit Committee authorizes the Internal Audit Department to:</p> <p>(a) Have full, free, and unrestricted access to all functions, records,</p>	

		<p>property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.</p> <p>(b) Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.</p> <p>(c) Obtain assistance from the necessary personnel of the Club, as well as other specialized services from within or outside the Club, in order to complete the engagement.</p>	
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 of the Club is in house.
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	The function is performed by the Internal Audit together with the Audit Committee.	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	COMPLIANT	The Club's external auditors aid support in the risk management of the Club.	

Recommendation 12.5			
1. In managing the company’s Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	The Chief Risk Officer is the head of the Internal Audit of the Club.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	Yes	
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.	COMPLIANT	Yes	
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	Section 8 of the Manual provides for stockholders’ rights and protection of minority stockholders’ interests.	
2. Board ensures that basic shareholder rights are disclosed on the company’s website.	COMPLIANT	https://www.theorchardgolf.com/updated-manual-on-corporate-governance/ https://www.theorchardgolf.com/amended-by-laws/	
Supplement to Recommendation 13.1			
1. Company’s common share has one vote for one share.	COMPLIANT	Article VI of the Club’s Articles of Incorporation states that, “Class “A” Common Shares, inclusive of Founders’	

		<p>Shares, may be sold to citizens of the Philippines or to partnerships, corporations or associations, of which at least 60% of the outstanding capital stock and entitled to vote is owned or controlled by citizens of the Philippines. Every holder of a Class "A" Common Share shall be entitled to one (1) membership in the Club.</p>	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>COMPLIANT</p>	<p>In the Club’s Definitive Information Statement, Part I, B, Item 4(b), pages 4 to 5, discusses the voting securities and principal holders thereof.</p> <p>(b) Any member may vote in the election of directors provided that such member possess all the following qualifications:</p> <ol style="list-style-type: none"> 1. must be a registered owner of at least one (1) share of stock. 2. (2) In case of a juridical entity, a board resolution appointing the nominee of such juridical entity must be submitted to the Corporate Secretary on or before 5 p.m. of 26 September 2022. 3. (3) The member must be in good standing, <i>i.e.</i>, the member must be updated in the payment of his monthly dues and other accountabilities to the Club as of 5 p.m. of 26 September 2022, and has 	

		<p>not been declared delinquent by the Board of Directors with the effect of suspending the member’s exercise of his/her/its right to vote.</p> <p>4. (4) In the case of proxies, a duly accomplished proxy instrument with supporting documents must be submitted to the Corporate Secretary, through the Secretariat not later than 5 p.m. of 26 September 2022.</p>	
<p>3. Board has an effective, secure, and efficient voting system.</p>	<p>COMPLIANT</p>	<p>The Club’s Voting Procedure is discussed in its Definitive Information Statement, specifically, Item 19 on pages 20 to 21.</p> <p>The undersigned Corporate Secretary hereby attests that the voting procedure is by poll.</p>	
<p>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.</p>	<p>NON-COMPLIANT</p>		<p>In Section 8.1(a)(iii) of the Manual, the Club preserves the rights or interests of the minority shareholders by stating that a director shall not be removed without cause if it will deny minority shareholders of their representation in the Board.</p>
<p>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.</p>	<p>COMPLIANT</p>	<p>Article VI, Section 2 of the Club’s By-laws states that “Special. Meetings of shareholders shall be. Held at the principal office of the Club when called by the President or by the Board of Directors upon written request of</p>	

		<p>shareholders representing not less than 300 shares of stock.</p> <p>Section 8.1(d)(ii) of the Manual likewise provides that minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the same are for legitimate business purposes.</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	COMPLIANT	<p>https://www.theorchardgolf.com/revised-manual-on-corporate-governance/</p> <p>Section 8 of the Revised Manual on Corporate Governance</p>	
7. Company has a transparent and specific dividend policy.	NON-COMPLIANT		The Club is a non-profit corporation. Thus, all classes of share are not entitled to receive dividends. This section does not apply.
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	COMPLIANT	The votes are tabulated by the Club's external auditor.	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	COMPLIANT	<p>The Definitive information Statement and Proxy Forms were sent out to the Club's security holders on 10 August 2022 or 58 days before the Annual Shareholders Meeting of 2022.</p> <p>The notice and agenda of the Annual Shareholders Meeting of 2022 is contained in pages 21 to 22 of the Club's Definitive Information Statement.</p>	

Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	COMPLIANT	The notice and agenda of the Annual Shareholders Meeting of 2022 is contained in pages 21 to 22 of the Club's Definitive Information Statement.	
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 directors are laid out in Part I, Item 5, pages 8 to 9 of the Club's Definitive Information Statement. It can also be found in Part III, Item 9, pages 24 to 27 of SEC Form 17-A.	
b. Auditors seeking appointment/re-appointment	COMPLIANT	In Part II, Item 1, page 23 of the Club's Definitive Information Statement, the auditors who sought appointment during the 2022 ASM are Isla Lipana & Co and R.G. Manabat & Co.	
c. Proxy documents	COMPLIANT	The proxy form is found in Part II, Item 1, page 23 to 24 of the Club's Definitive Information Statement.	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting			
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT	The results of the vote taken during the 2022 Annual Shareholders' Meeting of the Club was disclosed on the same day of the meeting or on 8 October 2022.	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the	NON-COMPLIANT	Of the 3,000 shares issued and outstanding, 2,239 shares were present	Although already prepared, the draft Minutes of the 2022 Annual Shareholders' Meeting of

<p>company website within five business days from the end of the meeting.</p>	<p>or represented and the voting results for the 2022 Annual Shareholders’ Meeting are as follows:</p> <ul style="list-style-type: none"> (a) Approval of the minutes of the 2021 Annual Shareholders’ Meeting In favor: 2,239 (b) Appointment of External Auditor Isla Lipana & Co (PWC) – 1,595 votes Punongbayan & Araullo – 5 votes SGV & Co. – 30 votes (c) Ratification of Acts of Management and Resolutions of the Board of Directors In favor: 1,637 (d) Extension of Term of Mr. Jose P. Crisostomo, Jr. as Independent Director In favor: 1,634 <p>The undersigned Corporate Secretary hereby attests that voting on the resolutions was done by poll.</p> <p>As stated in the draft Minutes of the 2022 Annual Shareholders’ Meeting of the Club, there was an opportunity for shareholders to ask questions to the Board of Directors. Some questions were answered by the General Manager, and some were answered by the Club’s legal counsel.</p>	<p>the Club is usually disclosed to the shareholders prior to the next ASM to refresh their memory of what had transpired before voting on its approval.</p>
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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	The undersigned Corporate Secretary hereby attests that the external auditor, Isla Lipana & Co. (PWC) and other relevant individuals were present during the 2022 Annual Shareholders' Meeting of the Club.	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	Section 3.7 (b)(xii) of the Manual states that the Board shall "establish and maintain an alternative dispute resolution system in the Club that can amicably settle conflicts or differences between the Club and its stockholders, and the Club and third parties, including the regulatory authorities.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	COMPLIANT	https://www.theorchardgolf.com/revise-manual-on-corporate-governance/ https://www.theorchardgolf.com/amended-by-laws/	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	COMPLIANT	The applicable department in the Club is the Membership Department as it involves dealing with the Club's shareholders and members. The membership department of the Club is headed by Ms. Chiqui Bulaong.	
2. IRO is present at every shareholder's meeting.	COMPLIANT	The undersigned Corporate Secretary hereby attests that the Membership Department was present during the 2022	

		Annual Shareholders' Meeting of the Club.	
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	<p>The undersigned Corporate Secretary hereby attests that there are no anti-takeover measures employed by the Club and no shareholder agreements, voting trust agreements or other agreements that may impact the control, ownership, and strategic direction of the Company are in place.</p> <p>Moreover, the existing shareholder voting mechanism of the Club respects the rights of shareholders and minority interests. Section 8.1(a)(iii) of the Manual sets out the right of shareholders to nominate, elect, remove and replace directors and states that a director shall not be removed without cause if it will deny minority shareholders representation in the Board.</p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	NON-COMPLIANT		The said recommendation is not applicable considering that the Club is not a listed company.
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting			

<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders’ Meeting.</p>	<p>COMPLIANT</p>	<p>The Club’s voting method and internal procedures as provided in pages 20 to 21 of the Definitive Information Statement allows shareholders to vote in absentia.</p> <p>Shareholders may vote through remote communication or in absentia as soon as they have successfully registered and have received the official ballot, and until 10:30 A.M. on 8 October 2022, the day of the meeting.</p> <p>Voting may be done through email at orchardasme2022@gmail.com:</p> <p>(a) Upon receipt of the ballot form via email, the shareholder may vote on each item on the agenda by printing out a copy of the ballot form and manually checking and answering the same.</p> <p>(b) The shareholder has the option to vote “Approved”, “Disapproved”, or “Abstain” on each agenda item for approval.</p> <p>(c) There shall be seven (7) seats on the Board of Directors, and each ballot form shall be entitled to seven (7) votes. The shareholder shall have the option of cumulating his votes in favor of the candidate or candidates he has chosen.</p> <p>(d) Once the shareholder has finalized his vote, he may submit the ballot form by</p>	
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		<p>sending the same in JPG or PDF format to orchardasme2022@gmail.com no later than 10:30 A.M. on 8 October 2022. Any votes sent and/or received thereafter shall not be counted.</p> <p>(e) Shareholders may only vote once.</p>	
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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

<p>1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>COMPLIANT</p>	<p>Section 2.1 of the Manual provides that, “for purposes of this Manual, “Corporate Governance” shall refer to the framework of rules, systems and processes in the Club that governs the performance by the Board and Management of their respective duties and responsibilities to stockholders and other stakeholders, which include, among others, customers, employees, suppliers, financiers, government, and the community in which the Club operates.</p>	
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Recommendation 14.2

<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>COMPLIANT</p>	<p>Section 3.7 (b) (v) of the Manual states that one of the duties and responsibilities of the Board is to “Identify the Club’s stakeholders in the community in which it operates, or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective</p>	
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		communication with them, establish clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders, and adopt a transparent framework and process that allow stakeholders to communicate with the Club and to obtain redress for violations of their rights”	
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	Same as above.	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	COMPLIANT	Section 3.7 (b)(xii) of the Manual states that the Board shall “establish and maintain an alternative dispute resolution system in the Club that can amicably settle conflicts or differences between the Club and its stockholders, and the Club and third parties, including the regulatory authorities.	
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	COMPLIANT	The undersigned Corporate Secretary hereby attests that the Club did not seek any exemption from the application of a law, rule or regulation relating to a corporate governance issue in the preceding year.	

<p>being taken to finally comply with the applicable law, rule or regulation.</p>			
<p>2. Company respects intellectual property rights.</p>	<p>COMPLIANT</p>	<p>The undersigned Corporate Secretary hereby attests that the Club complies with the provisions of applicable laws, rules and regulations on intellectual property rights. The Club has not been the subject of suit or controversy where it has been alleged to infringe on the intellectual property rights of third parties.</p>	
<p>Optional: Principle 14</p>			
<p>1. Company discloses its policies and practices that address customers' welfare</p>			
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>			
<p>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.</p>			
<p>Recommendation 15.1</p>			
<p>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.</p>	<p>COMPLIANT</p>	<p>The Club's Employee Handbook - https://www.theorchardgolf.com/employee-handbook/</p>	

Supplement to Recommendation 15.1			
<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p>COMPLIANT</p>	<p>According to the Club’s Employee Handbook, it has a Performance Management System (PMS).</p> <p>The Performance Management System (PMS) of the Club is designed to align individual employee objectives and deliverables with overall corporate goals and to promote excellence and result-oriented performance culture that contributes to personal and departmental effectiveness. Key elements involve clarifying job objectives, targets, and programs (OTPs), defining performance standards, documenting, evaluating, and discussing performance with the staff. The PMS integrates performance, staff development and training, rewards and recognition, and links to other personnel-related decisions.</p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p>COMPLIANT</p>	<p>Part VII of the Employee Handbook provides: The safety of the members, guests, employees, and other visitors of the Club is a priority of the company. The Club has formed The Orchard Occupational Safety and Health Committee to remain faithful to this commitment. Their members consist of employees representing each department and agency providing support services to the company. Under the leadership of the Safety Officer, the said group ensures that the Club’s working environment is free of accident by periodical inspection and elimination of</p>	

		<p>potential hazards. As promoting the safety of the Club facilities requires the concerted effort of all the organization members, the related projects/initiatives of the Committee are supported by the department heads and section supervisors. The team members are equipped with the knowledge and skills necessary for this function by training them to respond to various types of emergencies and save lives.</p> <p>For proper handling of health concerns by members, guests, and employees, the Clinic applies first aid treatment and provides medicines to address minor health problems. In case of serious illnesses or injuries, patient(s) shall be endorsed to an accredited hospital of the Club for proper medical care.</p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p>COMPLIANT</p>	<p>One of the Club’s priorities is to develop each employee’s capability to perform. Thus, the Club uses an individual Development Plan, one of the pages to his or her Performance Scorecard Form wherein raters and ratees identify development needs and agree on how they can be addressed through training and coaching.</p> <p>While section/department heads or supervisors have a significant influence over formal training, they have an even more substantial impact on creating a climate for informal employee</p>	

		<p>development, which can take a wide variety of forms:</p> <ul style="list-style-type: none"> • Feedback is a natural part of the monitoring process of performance management. Still, specific and timely feedback to staff about their performance against established expectations also provides the foundation for discussing developmental needs. • Job rotation and special assignments can stretch and challenge staff and broaden their understanding of the organization. • Coaching and counseling provide individualized advice and instruction. • Mentoring helps employees clarify career goals, understand the organization, analyze strengths and developmental needs, build support networks and deal with roadblocks. • Learning teams can form to meet regularly to focus on improving performance. • Self-development includes various techniques, approaches, and demonstrations at other organizations. 	
Recommendation 15.2			
<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-</p>	<p>COMPLIANT</p>	<p>Part VIII of the Employee Handbook provides for the Club’s Code of Discipline and Ethics.</p>	

<p>corruption policy and program in its Code of Conduct.</p>		<p>The Club believes that discipline is essential to the attainment of its objectives. The aim of disciplinary action is not merely intended to punish wrongful acts or omissions but to rectify and rehabilitate misconduct/misbehavior to improve said employees' attitude and values, thus improving performance. In promulgating the Code of Discipline and Ethics (CODE), the Club has moderated the implementation of penalties with fairness and consideration for the employee. It has balanced these rules and their corresponding penalties to achieve continued quality service and fulfill each employee's responsibilities. The Club, therefore, expects all its employees to observe/maintain a high standard of discipline in their daily attendance to their jobs and dealings with other employees.</p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p>COMPLIANT</p>	<p>The Employee Handbook and Code of Conduct are disseminated to all employees and personnel of the Club upon commencement of employment.</p>	
<p>Supplement to Recommendation 15.2</p>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>COMPLIANT</p>	<p>Based on the Code of Conduct, this will be included in the offenses against honesty and integrity.</p>	


Recommendation 15.3			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>COMPLIANT</p>	<p>Part VII, Subsection E of the Club’s Employee Handbook discusses incident reporting and management, which states “The Club is committed to ensuring a safe and secure environment for its members, guests, clients, staff, and contractors (partners). It is the policy of the Club to record all incidents that have resulted in harm or loss or have the potential to happen. Staff is to report these incidents to the appropriate person promptly. This Policy and Procedure on Incident Reporting and Management describe the Club’s approach to recording, reporting, and managing incidents, clarifying the process for investigating incidents, complaints, and claims, and promoting best practices based on lessons learned from the incidents.”</p>	
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	<p>NON-COMPLIANT</p>		<p>The Club does not have a policy on whistleblowing inasmuch as it allows all employees to report incidents to the appropriate person promptly as provided in Part VII, Subsection E of the Club’s Employee Handbook.</p>
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	<p>NON-COMPLIANT</p>		<p>Same as above.</p>

<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			
<p>Recommendation 16.1</p>			
<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p>COMPLIANT</p>	<ul style="list-style-type: none"> ▪ Medical and Dental Mission in Barangay Salawag, Dasmariñas City, Cavite (at least once a year) ▪ Bloodletting Program for the Club’s employees and relatives (at least once a year) ▪ Trimming of Jose Abad Santos Center Island Philippine Violet (every 2 months) ▪ Ello agala River Clean up with Barangay Salitran Chairman and Kagawad (at least twice a year) ▪ National Greening Program, Tree Planting, Tree Care Program (at least once a year) 	
<p>Optional: Principle 16</p>			
<p>1. Company ensures 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>			

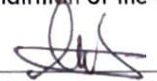
SIGNATURES

Pursuant to the requirements of the Securities and Exchange Commission Memorandum Circular No. 15, series of 2017, this Integrated Annual Corporate Governance Report (I-ACGR) for 2022 is signed on behalf of THE ORCHARD GOLF AND COUNTRY CLUB, INC., by the undersigned, thereunto duly authorized, this JUN 29 2023 day of June 2023 in the City of Pasig City.

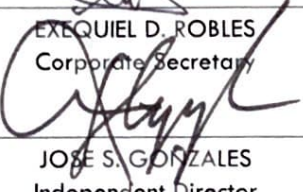
By:



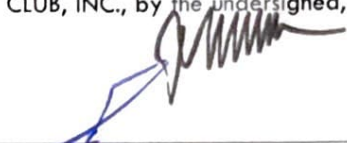
 VICENTE R. SANTOS
 Chairman of the Board




 EXEQUIEL D. ROBLES
 Corporate Secretary




 JOSE S. GONZALES
 Independent Director




 TOMAS JULIO A. BENITEZ
 President & Chief Executive Officer




 MARIZA S. TAN
 First Asst. Corporate Secretary / Compliance Officer



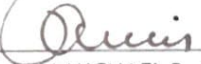
 JOSE ERNILO P. FAMY
 General Manager / Chief Operating Officer



 HENRY CUA LOPING
 Treasurer



 JOSE P. CRISOSTOMO, JR.
 Independent Director



 JON MICHAEL P. ALAMIS
 Second Asst. Corporate Secretary / Assistant Compliance Officer

SUBSCRIBED AND SWORN to before me on JUN 29 2023 day of _____ 20__ affiant(s) exhibiting to me their Tax Identification Number, as follows:

Vicente R. Santos	TIN No. 155-810-410-000
Tomas Julio A. Benitez	TIN No. 190-872-271-000
Henry Cua Loping	TIN No. 127-189-383-000
Exequiel D. Robles	TIN No. 139-154-445-000
Mariza S. Tan	TIN No. 139-154-574-000
Jose P. Crisostomo, Jr.	TIN No. 104-096-901-000
Jose S. Gonzales	TIN No. 140-478-864-000
Jose Ernilo P. Famy	TIN No. 107-081-014-000
Jon Michael P. Alamis	TIN No. 190-894-444-000

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 Book No. VI
 Series of 2023.




ATTY. CHILES MEGAN M. AREÑO
 Notary Public for Pasig City
 Appointment No. 151 (2023-2024)
 Roll of Attorneys No. 74058
 IBP O.R. No. 265051; 01.03.2023; RSM:
 PTR No. 8979047; 01.04.2023; Pasig City
 MCLE Compliance No. VII-0004079; 07.21.2021
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