



30 July 2015



HON. MA. REGINA B. MARTIN
Chairperson
HON. RENATO B. SALVATIERRA
President
PHILIPPINE SUGAR CORPORATION (PHILSUCOR)
 Rm. 1405-A, Security Bank Center
 6776 Ayala Avenue, Makati City

RE : PHILSUCOR MANUAL OF CORPORATE GOVERNANCE

Dear Chairperson Martin and President Salvatierra,

Formally contained in this letter is the Governance Commission's evaluation of the **MANUAL OF CORPORATE GOVERNANCE OF THE PHILIPPINE SUGAR CORPORATION (PHILSUCOR)**, submitted to the Governance Commission in the letter dated 25 March 2015.¹ It was indicated in the Manual that the same was approved by the PHILSUCOR Board of Directors during its Regular Meeting on 14 March 2015.

We note that in the Manual of Corporate Governance, PHILSUCOR adopted the following directives from the Governance Commission as contained in our letter dated 15 October 2014 to:

1. Revise the definition of "Supervising Agency;"
2. Label Part VI of the Manual as "Duties and Obligations of Directors and Officers;"
3. Delete subsection (c) of Section 6:7 of the Manual pertaining to GOCCs organized solely for the promotion of common good; and
4. Revise Part VII, CSR and Relations with Stakeholders by providing for more precise elaborations of the obligations mandated under Section 35 of GCG Memorandum Circular (M.C.) No. 2012-07.

The Governance Commission hereby accepts the submitted revised Manual of Corporate Governance as full compliance with the Good Governance Conditions under GCG Memorandum Circular No. 2013-05 (Re-Issued) (2013 Interim Performance-Based Bonus [PBB]) and GCG Memorandum Circular No. 2013-06 (Re-Issued) (Interim Performance-Based Incentives [PBI]).

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,

BY AUTHORITY OF THE COMMISSION

CESAR L. VILLANUEVA
Chairman

MA. ANGELA E. IGNACIO
Commissioner

RAINIER B. BUTALID
Commissioner

¹Officially received by the Commission on 25 March 2015.