

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

GENERAL INSTRUCTIONS

(A) Use of Form I-ACGR

This SEC Form shall be used as a tool to disclose Publicly-Listed Companies' compliance/non-compliance with the recommendations provided under the Code of Corporate Governance for Publicly-Listed Companies, which follows the "comply or explain" approach, and for harmonizing the corporate governance reportorial requirements of the SEC and the Philippine Stock Exchange (PSE).

(B) Preparation of Report

These general instructions are not to be filed with the report. The report shall contain the numbers and captions of all items.

The I-ACGR has four columns, arranged as follows:

RECOMMENDED CG PRACTICE/POLICY	COMPLIANT / NON COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<p>Contains CG Practices / Policies labeled as follows:</p> <p>(1) "Recommendations" – derived from the CG Code for PLCs;</p> <p>(2) Supplement to Recommendation" – derived from the PSE CG Guidelines for Listed Companies;</p> <p>(3) "Additional Recommendations" – CG Practices not found in the CG Code for PLCs and PSE CG Guidelines but are expected already of PLCs; and</p> <p>(4) "Optional Recommendation" – practices taken from the ASEAN Corporate Governance Scorecard</p> <p>*Items under (1) – (3) must be answered / disclosed by the PLC's following the "comply or explain" approach. Answering of items under (4) are left to the discretion of PLCs.</p>	<p>The Company shall indicate compliance or non-compliance with the recommended practice</p>	<p>The Company shall provide additional information to support their compliance with the recommended CG practice</p>	<p>The PLCs shall provide the explanations for any non-compliance, pursuant to the "comply or explain" approach.</p> <p>Please note that the explanation given should describe the non-compliance and include how the overall Principle being recommended is still being achieved by the company.</p> <p>**"Not applicable" or "None" shall not be considered as sufficient explanation</p>

(C) Signature and Filing of the Report

- a. Three (3) copies of a fully accomplished I-ACGR shall be filed with the Main Office of the Commission on or before May 30 of the following year for every year that the company remains listed in the PSE;
- b. At least one (1) complete copy of the I-ACGR shall be duly notarized and shall bear original and manual signatures
- c. The I-ACGR shall be signed under oath by (1) Chairman of the Board; (2) Chief Executive Officer or President; (3) All Independent Directors; (4) Compliance Officer; and Corporate Secretary.
- d. The I-ACGR shall cover all relevant information from January to December of the given year.
- e. All reports shall comply with the full disclosure requirements of the Securities Regulation Code.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – I – ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended 2018
2. SEC Identification Number 40938
3. BIR Tax Identification No. 000-169-117-000
4. Exact name of issuer as specified in its charter United Paragon Mining Corporation.
5. Philippines
Province, Country or other jurisdiction of
Incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City 1550
Address of principal office Postal Code
8. (632) 631-5139
Issuer's telephone number, including area code
9. N/A
Former name, former address, former fiscal year, if changed since last report

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT / NON - COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle: The company should be headed by a competent, working board to foster the long success of the corporation, and to sustain competitiveness and profitability in a manner consistent with its corporate objectives and the interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector	Compliant	Plasesetthe Corporation's Annual Report and Definitive Information Statement for theyear2018. http://unitedbaragn.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf http://unitedbaragn.com/wp-content/uploads/2018/11/UPMDefinitive20-IS-2018-withFS-3rdQuarter17-Q.pdf	
2. Board has an appropriate mix of competence and expertise	Compliant	TheBoard represents a diverse background of professionals equipped with the necessary competencies to properly discharge his/her duties judiciously and exercise independent judgment on various matters requiring Board ratification.	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to	Compliant	Plasesetthe Corporation's Annual Report and Definitive Information Statement for theyear2018. http://unitedbaragn.com/wp	

the needs of the organization.		content/ uploads/ 2019/ 05/SUPM7-A-withAAFS-2018. pdf http:// unitedparagon.com/ wp content/ uploads/ 2018/ 11/- UPM Definitive20-IS-2018-wit hFS-3r d Quar t e r17-Q. pdf	
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors	Compliant	<p>Pl ease see the Corporation's Annual Report and Definitive Information Statement for the year 2018.</p> <p>http:// unitedparagon.com/ wp content/ uploads/ 2019/ 05/SUPM7-A-wit hAAFS-2018. pdf</p> <p>http:// unitedparagon.com/ wp content/ uploads/ 2018/ 11/- UPM Definitive20-IS-2018-wit hFS-3r d Quar t e r17-Q. pdf</p>	
Recommendation 1.3			
1. Company provides its Board Charter and Manual on Corporate Governance policy on training of directors	Compliant	<p>Pl ease see the Corporation's website</p> <p>http:// unitedparagon.com</p>	
2. Company has an orientation program for first time directors	Compliant	<p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http:// unitedparagon.com/ wp content/ uploads/ 2017/ 06/- UPM Amended -Cor por ate Govern ance Manual -May312017. pdf</p>	

<p>3. Company has relevant annual continuing training for all directors</p>	<p>Compliant</p>	<p>All Officers and Directors of the company are required to attend the Annual Corporate Governance Seminar.</p> <p>The certificates of attendance and trainings are uploaded in the corporation's website</p> <p>http://unitedparagon.com/wp-content/uploads/2014/08/UPM7-C-CG-Seminar-Update-Aug2017.pdf</p>	
Recommendation 1.4			
<p>1. Board has a policy on board diversity</p>	<p>Compliant</p>	<p>The Board implements a process of selection to ensure a mix of competent Directors and Officers and adopt a policy on Board diversity, as to age, ethnicity, culture skills, competence and knowledge. Out of the nine (9) members of the Board of Directors, two (2) are female Directors, namely: Presentacion S. Ramos & Milaureen Alexandra S. Ramos Padilla.</p> <p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	

Optional: Recommendation 1.4			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>	<p>Compliant</p>	<p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	
Recommendation 1.5			
<p>1. Board assisted by a Corporate Secretary.</p>	<p>Compliant</p>	<p>The board has appointed and assisted by its Corporate Secretary, Atty. Iris Marie U. Carpiague</p> <p>Please see the Corporation's Annual Report and Definitive Information Statement for the year 2018 and General Information Sheet (GIS) 2018</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/UPM17-A-withAAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/UPM-2018.pdf</p>	

2. Corporate Secretary is a separate individual from the Compliance Officer.	Non-Compliant		The company has assigned an Assistant Corporate Secretary to assist the board and Corporate Secretary in his/her duties.
3. Corporate Secretary is not a member of the Board of Directors	Compliant	<p>Pl ease see the Corporation's Annual Report and Definitive Information Statement for theyear 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
4. Corporate Secretary attends training/s on corporate governance	Compliant	<p>The Corporate Secretary is required to attend the annual corporate governance seminar.</p> <p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 17, 2017, the Corporation's Annual Corporate Governance Report for 2016 and Corporation's Definitive Information Statement of 2018</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	

		http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf http://unitedparagon.com/company-disclosures/findings/	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five (5) business days before scheduled meeting	Compliant		
Recommendation 1.6			
1. Board assisted by a Compliance Officer.	Compliant	<p>The board has assigned Atty. Iris Marie Carpi-Queas the Compliance Officer.</p> <p>Please see the Corporation's Annual Report and Definitive Information Statement for the year 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM17-A-withAAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
2. Compliance Officer has rank of	Non-Compliant		The company is of the position

<p>Senior Vice President or an equivalent position with adequate stature and authority in the corporation</p>			<p>that its Compliance Officer does not have the rank of Senior Vice President or an equivalent position with adequate stature and authority in the company for as long as he/she is able to faithfully comply with his/her duties.</p> <p>Although the incumbent Compliance Officer does not have the rank of Senior Vice President, she nevertheless reports directly to the Chairman & President of the company and is able to discharge her duties.</p>
<p>3. Compliance Officer is not a member of the board</p>	<p>Compliant</p>	<p>Plaseset the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017, the Corporation's Annual Corporate Governance Report for 2016 and Corporation's Definitive Information Statement of 2018</p> <p>http://unitedbaragon.com/wp-content/uploads/2018/11/UPM-Definitive20-18-with-FS-3rd-Quarter17-Q.pdf</p> <p>http://unitedbaragon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance</p>	

		Manual -May312017. pdf	
		http://unitebaragn.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf	
4. Compliance officer attends training/s on corporate governance	Compliant	The Corporate Secretary is required to attend the annual corporate governance seminar. The certificates of attendance and trainings are uploaded in the corporation's website http://unitebaragn.com/company-disclosures/-findings/	www.unitebaragn.com
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under applicable laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as stockholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with diligence and care and in the best interest of the company.	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017. http://unitebaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Recommendation 2.2			
1. Board reviews the development, review and approval of the company's business objectives and strategy.	Compliant	The board reviews and approves company business objectives and strategies during board meetings and monitors their implementation in order to	

<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy</p>	<p>Compliant</p>	<p>sustain the company's viability and strengths.</p> <p>http://unitedbaragon.com/wp-content/uploads/2017/06/UPM-Arrival-Corporate-Governance-Manual-May312017.pdf</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>Vision: We envision our company as a leading publicly held firm with a balanced portfolio of investments in natural resources, infrastructure and property development. Through these investments, we aim to contribute to the task of building the Filipino future</p> <p>Mission: We enable our stakeholders to participate in the growth and profit potentials of our chosen investment sectors, conscious as we are of our obligation to create and enhance shareholder value</p> <p>We contribute to Philippine economic growth and development by providing seed funding to high-impact and capital-intensive projects, thereby creating employment and other business</p>	

		<p>opportunities and boosting the value potentials of the Philippine Government.</p> <p>We harness the wealth of the earth through responsible mining thus converting the country's underdeveloped natural resources into revenues that would fuel economic growth, always mindful of the concern for environmental protection and sustainable development.</p> <p>We support infrastructure and property development projects that would enhance the quality of life of the Filipino people especially the masses.</p> <p>As a key player in the Philippine natural resources, United Paragon Mining Corporation is committed to ... Helping Build the Filipino Future</p>	
<p>2. Bar has strategy execution process that facilitates management performance and is attuned to the company's business environment, and culture</p>	<p>Compliant</p>	<p>Plases ethe Corporations Amended Manual on Corporate Governance</p>	
<p>Recommendation 2.3</p>			

<p>1. Board is headed by a competent and qualified Chair person</p>	<p>Compliant</p>	<p>The board is headed by Mr. Alfréd C. Ramos Information on his qualification can be found in the Corporation's Annual Corporate Governance Report for 2016 and Corporation's Definitive Information Statement of 2018 and the Annual Report of 2018 (SEC 17-A).</p> <p>http://uniteparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://uniteparagon.com/wp-content/uploads/2019/05/SUPM7-A-with-AAFS-2018.pdf</p> <p>http://uniteparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-with-FS-3rd-Quarter17-Q.pdf</p>	<p>www.uniteparagon.com</p>
<p>Recommendation 2.4</p>			
<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management</p>	<p>Compliant</p>	<p>Plases ethe Amended Manual on Corporation Governance as adopted on May 2017.</p> <p>http://uniteparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	
<p>2. Board adopts a policy on the</p>	<p>Compliant</p>	<p>There is no retirement policy for</p>	

<p>remuneration for directors and officers.</p>		<p>directors and key officers for as long as the director is capable of performing his or her duties and is able to promote the interests of the company, he may be elected for another term</p> <p>This is also consistent with the policy of maintaining diversity in the board</p>	
<p>Recommendation 2.5</p>			
<p>1. Board aligns the remuneration of key officers and board members with longer term interests of the company</p>	<p>Compliant</p>	<p>Non-employee directors do not receive compensation for their services as such. Directors only receive reasonable per diem for any meeting they participate in. Directors who are employees of the Company or any of its subsidiaries shall receive no additional compensation for serving as directors other than the reasonable per diem</p>	
<p>2. Board adopts a policy specifying the relationship between remuneration and performance</p>	<p>Compliant</p>		
<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p>Compliant</p>	<p>Please see the Definitive Information Statement and the Annual Report (SEC 17-A) for 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/UPM17-A-withAAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
<p>Optional Recommendation 2.5</p>			

1. Board approves the remuneration of senior executives.			
2. Company has measurable standards to align the performance based remuneration of the executive director and senior executives with long term interest, such as clawback provision and deferred bonus.			
Recommendation 2.6			
1. Board has a formal and transparent nomination and election policy	Compliant	PlasesettheCorporationbylawsandtheAmendedManualonCorporateGovernance	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance	Compliant	http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-CorporateGovernance-Manual-May312017.pdf	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	http://unitedbaragn.com/wp-content/uploads/2014/10/UPM-Amended-Bylaws-04142014.pdf	
4. Board nomination and election policy includes how the board short lists 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	Compliant		

<p>identifying the quality of directors that is aligned with the strategic direction of the company.</p>			
Optional: Recommendation 2.6			
<p>1. Company uses professional search firms or other external sources of candidates (such as directors).</p>			
Recommendation 2.7			
<p>1. Board has overall responsibility ensuring that there is a group wide policy and system governing related party transactions (and other unusual or infrequently occurring transactions).</p>	Compliant	<p>Plases ethe Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>All related party transactions are based on prevailing market/ commercial rates at the time of the transaction.</p>	
<p>2. Policy includes appropriate review and approval of material RPTs, which and approval of material RPTs, with regard to fairness and transparency of the transaction.</p>	Compliant	<p>Where it is required under the Corporation Code to submit corporate matters to stockholders for approval and such matters are Related Party Transactions, the related parties involved should inhibit themselves from voting on the matter.</p>	
<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	Compliant	<p>All related party transactions are fully disclosed and subject to regular audit by the external and internal auditors.</p> <p>Directors and officers are required to fully disclose their interests and that of the other corporations they serve prior</p>	

		to determination of any matter under consideration. http://unitedparagon.com/corporate-governance/ http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered to be minor transactions that need not be reported or announced to those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	All Related Party Transactions are subject for approval of the board and the amount involved are fully disclosed in the Company's Financial Statements. Please see Amended Annual Corporate Governance-2017 and Financial Statement of 2018 http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf http://unitedparagon.com/wp-content/uploads/2017/06/UPMSEC-17-A-withAAFS-2018.pdf	
2. Board establishes a voting system whereby a majority of non-related party shareholders	Compliant	Please see the Annual Corporate Governance of 2016	

<p>approves specific types of related party transactions during shareholder s' meetings.</p>		<p>"Where it is required under the Corporation Code to submit corporate matters to stockholders for approval such matters are Related Party Transactions, the related parties involved should inhibit themselves from voting on the matter."</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p>	
Recommendations 2.8			
<p>1. Board is primarily responsible for 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>The Management team is composed of Chief Executive Officer, M. Gerard Anton S. Ramos, Chief Compliance Officer, Atty. Iris Marie U. Dupio, Vice President and Treasurer, M. Adrian Paulino S. Ramos, acts as the Chief Risk Officer and there is no Chief Audit Executive as the board does not necessarily consider the Corporation's current size, risk profile and non-operation.</p> <p>Please see the company's Amended Manual on Corporate Governance</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</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>	<p>Compliant</p>	<p>PlasesettheCorporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017, the Corporation's Annual Corporate Governance Report for 2016.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf</p>	
Recommendations 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>	<p>Compliant</p>	<p>PlasesettheCorporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</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>	<p>Compliant</p>		
Recommendations 2.10			
<p>1. Board does see that an appropriate internal control systems in place</p>	<p>Compliant</p>	<p>PlasesettheCorporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p>	
<p>2. The internal control system</p>	<p>Compliant</p>		

includes a mechanism for monitoring and managing potential conflict of interest between the Management members and shareholders.		http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
3. Board approves the internal Audit Charter	Compliant	The Internal Audit charter is subject to approval by the board	Currently there is no internal audit charter as the board deems it not necessary considering the Corporation's current size, risk profile and non-operation.
Recommendations 2.11			
1. Board sees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017, the Corporation's Annual Corporate Governance Report for 2016.	
2. The risk management framework guides the board in identifying units/ business lines and enterprise level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	http://unitedparagon.com/corporate-governance/ http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Recommendations 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role	Compliant	http://unitedparagon.com/	

2. Board Charter serves as a guide to the directors in the performance of their functions	Compliant		
3. Board Charter is publicly available and posted on the company's website	Compliant		
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy	Compliant	http://unitedbaragon.com/corporate-governance/	
Optional Principle 2			
1. Company has a policy granting loans to directors, either for bidding the practice or ensuring that their transaction conducted at arms length basis and at market rates.			
2. Company discloses the types of decision requiring board of director's 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, nomination and remuneration. The composition, functions and responsibilities of all committees established should be 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	PlasesettheCorporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and Annual Corporate Governance Report 2016. http://unitedbaragon.com/wp-content/uploads/2017/06/UPM	

		Amended -Corporate Governance Manual -May312017. pdf http://unitedparagon.com/corporategovernance/	
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>	Compliant	<p>Plases see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the SEC 17-C on the result of the ASM 2018 and ACGR 2016.</p> <p>The Audit Committee has the responsibility of recommending to the Board of Directors the appointment and/or removal of the Corporation's external auditor.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/Report-of-the-ASM-05-Meeting-052018.pdf</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>Compliant</p>	<p>M. Renato C. Valenciano is an Independent Director and the chair person of the Audit Committee</p> <p>Please see the Corporation's Definitive Information Statement, ACGR 2016 and the SEC 17-C on the result of the ASM 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/11/UPM-Definitive-20-IS-2017-w-FS.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-For-ACGR-2017-May302017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/Commit-of-the-ASM-09-Meeting-052018.pdf</p> <p>http://unitedparagon.com/any-disclosures-fidings/</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>Please see the Corporation's Definitive Information Statement -2018 and ACGR 2016</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive-20-IS-2018-with-FS-3rd-Quarter-17-Q.pdf</p>	

		http://unitedparagon.com/wp-content/uploads/2017/06/UPM-For-ACGR-2017-May302017.pdf	
4. The Chair man of the Audit Committee is not the Chair man of the Board or of any other committee	Compliant	<p>Mr. Renato C. Valencias an Independent Director and the chair person of the Audit Committee</p> <p>Plases see DefinitiveS 2018 and SEC 17 - C Result of the ASM 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-with-FS-3rd-Quarter-17-Q.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/UPM-Of-the-ASM-0g-Meeting-052018.pdf</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>Plases see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	
2. Audit Committee conducts regular meetings and dialogues with the external auditor without anyone from management present.	Compliant	<p>Due to non-operations the Audit Committee meets once a year with the External Auditor to discuss the audit of financial statements.</p>	

Optional: Recommendation 3.2			
1. Audit Committee meets at least four times during the year.			
2. Audit Committee approves the appointment and removal of the internal auditor.			
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nominations and Remuneration Committee	Compliant	<p>PlasesettheCorporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and SEC 17-Conf. Result of the ASM 2018.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbpm.com/wp-content/uploads/2019/05/UPM-Conf-of-the-ASM-05-Meeting-052018.pdf</p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-Compliant		The company has only two independent directors as provided in the bylaws and the board does not yet necessarily establish three independent directors.
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	M. John Peter Hagg is the Chair of the Committee PlasesetthePlasesetthe Corporation's Definitive Information Statement and ACGR 2016.	

		http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf	
Optional: Recommendation 3.3			
1. Corporate Governance Committee meets at least twice theyear .	Compliant	The Corporate Governance Committee meets at least twice a year to accept and screen nominations for election to the board	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	The Audit Committee discharges the functions of the BROC as part of the review of the company's financial statement. Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
2. BROC is composed of at least three members, the majority of whom should be independent	Non-compliant		The Audit Committee has five (5) members, two of whom are independent directors as

directors, including the Chair			provided in the bylaws and the board does not yet necessarily establish three independent directors.
3. The Chairman of the Board is not the Chairman of the Board or of any other committee	Compliant	Mr. Renato C. Valencia is the Chairman of the Audit Committee Please see the SEC 17-CR result of the ASM 2018 and Special Meeting of May 27, 2019. http://unitedparagon.com/company-disclosures/sec-filings/	
4. At least one member of the Board has relevant thorough knowledge and experience on risk and risk management.	Compliant	Please see the Definitive Information Statement 2018. http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive-20-18-IS-2018-with-FS-3rd-Quarter-17-Q.pdf	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all materials related to party transactions of the company.	Compliant	The Audit Committee discharges the functions of the RPT as part of the review of the company's financial statements. Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance	

		Manual -May312017. pdf	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	Audit Committee is composed of at two Independent Directors. Please see SEC 17 -C Result of ASM2018 http://unitedbaragn.com/wp-content/uploads/2019/05/Commit-of-the-ASM-0g-Meeting-052018.pdf	
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	http://unitedbaragn.com/corporate-governance/ The Audit Committee has an existing charter.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR2016. http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
3. Committee Charters were fully disclosed on the company's website	Compliant	http://unitedbaragn.com/corporate-governance/	

Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly discharge 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 shareholder in person or through tele/ video conferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>Please see the Corporation's website for the Minutes of the Stockholders Meeting and ACGR 2016.</p> <p>http://unitoparagon.com/minutes-general-special-stockholders-meetings/</p> <p>http://unitoparagon.com/wp-content/uploads/2017/06/SUBM-For-ACGR-2017-May302017.pdf</p>	
2. The directors review meeting materials for all Board Committee meetings.	Compliant	Board materials (including materials presentation and approval) are distributed to the Members of the Board days before the actual meeting. To give them ample time to review the matters for discussion in the meeting.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Board members actively participate during presentation of the management report and financial matters that may have a material impact on the Company's financial position.	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five public listed companies to ensure that they have sufficient time to fully prepare for minutes,	Compliant	Please see Amended Manual on Corporate Governance as adopted by the Board on May 2017 and Annual Report 2018 and Definitive IS 2018.	

<p>challenge Management's proposals/ views, and oversee the longer strategy of the company.</p>		<p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
Recommendation 4.3			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	Compliant	<p>As a matter of practice the directors notify the company's board before accepting a directorship in another company.</p>	
Optional: Principle 4			
<p>1. Company does not have any executive directors who serve in more than two board of listed companies outside of the group</p>	Compliant	<p>Please see Amended Manual on Corporate Governance as adopted by the Board on May 2017 and Annual Report 2018 and Definitive IS 2018.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf</p>	

		http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive-20-IS-2018-with-FS-3rd-Quarter-17-Q.pdf	
2. Company schedules board of directors' meetings before the start of the financial year.			
3.			
4. Board of directors meets at least six times during the year.			
5. Company requires as minimum quorum of at least 2/3 for board decisions.	Non-compliant		Under by-laws of the Corporation, unless the law provides for a higher number of votes, a majority of the directors shall constitute a quorum for the transaction of business at any meeting and the act of the majority of the directors present at any meeting at which a quorum is present shall be the Act of the Corporation's Directors.
Principle 5: The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute the majority of the board, whichever is higher.	Non-compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance	Although the Amended MCG provided at least three independent directors, the corporation currently has two independent directors.

		Manual -May312017. pdf	constitute 22. 22% of the Corporation's nine (9) directors. A majority of the directors are also non executive directors.
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p> Please see the Corporation's Annual Corporate Governance Report for the year 2016 and the Corporation's Definitive Information Statement for the year 2018, Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and By-Laws. </p> <p> http://unitedparagon.com/wp-content/uploads/2019/05/SUPM17-A-withAAFS-2018. pdf </p> <p> http://unitedparagon.com/wp-content/uploads/2018/UPMDefinitive20-IS-2018-withFS-3rdQuarter17-Q. pdf </p> <p> http://unitedparagon.com/wp-content/uploads/2017/06/UPMAmended-CorporateGovernanceManual-May312017. pdf </p> <p> http://unitedparagon.com/wp-content/uploads/2017/06/SUPMForACGR-2017-May302017. pdf </p>	

		http://unitparagn.com/wp-content/uploads/2014/10/UPM-Amended-Bylaws-01142014.pdf	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the director's ability to vote independently.	Compliant	<p>Plasesethe Corporation's laws, Annual Corporate Governance Report for theyear 2016 andtheAmendedAnnual of CorporateGovernanceadptedby theBar donMay 2017.</p> <p>http://unitparagn.com/wp-content/uploads/2017/06/UPM-Amended-CorporateGovernance-Manual-May312017.pdf</p> <p>http://unitparagn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://unitparagn.com/wp-content/uploads/2014/10/UPM-Amended-Bylaws-01142014.pdf</p>	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012)	Compliant	<p>Plasesethe Corporation's Amended Manual on Corporate Governanceas adptedby theBar donMay 2017.</p> <p>http://unitparagn.com/wp-content/uploads/2017/06/UPM-Amended-CorporateGovernance-Manual-May312017.pdf</p>	
2. The Company bars an	Compliant	Plasesethe Corporation's Amended	

<p>independent director from serving such capacity after the term limit of nine years.</p>		<p>Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	
<p>3. The instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholder's approval during the annual shareholder's meeting</p>	<p>Compliant</p>	<p>Plases ethe Corporation's Amended MCG 2017.</p>	
<p>Recommendation 5.4</p>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Compliant</p>	<p>Plases ethe Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR 2016.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p>	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Compliant</p>	<p>Plases ethe Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and</p>	

		<p>ACGR2016.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-For-ACGR-2017-May302017.pdf</p>	
Recommendation 5.5			
<p>1. If the Chairman of the Board is not an independent director, the board designates at least one director among the independent directors.</p>	Not-compliant		<p>The Corporation has 2 Independent Directors and both are of the same stature and competence. They exercise chairmanship over their respective committees.</p>
Recommendation 5.6			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from participating in the deliberations on the transaction.</p>	Compliant	<p>The voting results of over such transactions during board meetings are reflected in the minutes.</p> <p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR2016.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	

		http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-mACGR-2017-May302017.pdf	
Recommendation 5.7			
1. The non-executive directors (NE) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive presence.	Compliant	<p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR 2016.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-mACGR-2017-May302017.pdf</p>	
2. The meetings are chaired by the independent director.	Non-Compliant		Currently the company does not have an independent director.
Optional Principle 5			
1. None of the directors is a former CEO of the company in the past 2 years.	Non-Compliant	M. Alfred C. Ramos was the CEO of the company for the past 5 years and was replaced by M. AR in the last years AS M. ACR still sits as Chair of the Board.	
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out a process to appraise performance as a body, assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self	Compliant	Please see the Corporation's Amended	

assessment of its performance as a whole		Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR 2016.	
2. The Chair conducts a self-assessment of his performance	Compliant		
3. The individual members conduct a self-assessment of their performance	Compliant	http://unitabagn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
4. Each committee conducts a self-assessment of its performance	Compliant	http://unitabagn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf	
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant		This is only the second year of implementation, the board will consider engaging an external facilitator should the need arise
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	The corporation's website provides contact of the company's investor relations officer who may be contacted for any concern. Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR 2016.	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	http://unitabagn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	

		http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf	
Principle 7: Members of the Bar are duty-bound to apply high ethical standards, taking into account the interest of all stakeholders.			
Recommendation 7.1			
1. Bar adopts a Code of 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	Plases e the Corporation's Amended Manual on Corporate Governance as adopted by the Bar on May 2017 and ACGR 2016. http://unitedbaragn.com/corporate-governance/	
2. The Code is properly disseminated to the Bar and senior management and employees.	Compliant	http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
3. The Code is disclosed and made available to the public through the company website	Compliant	http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf	
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	http://unitedbaragn.com/corporate-governance/ Plases e ACGR 2016. http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf	

		For nACGR -2017-May302017. pdf	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	http://unitedbaragn.com/corporate-governance/ Please see ACGR 2016.	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf	
Principle 8: The Company should establish corporate disclosure policies and procedures that are practical and in accordance with regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Please see various SEC disclosures in the company's website http://unitedbaragn.com/company-disclosures/findings/	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim	Compliant	The Corporation complies with the disclosure requirements of its annual quarterly consolidated reports. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within fifty	

reports are published within five (45) days from the end of the reporting period		(45) days from the end of the reporting period The reports are uploaded in the company's website http://unitedparagon.com/company-disclosures/findings/	
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	Please see the Corporation's Annual Report for the year 2018. http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf	
Recommendation 8.2			
1. Company has a policy requiring directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	The Corporation complies and adopts with the SEC's disclosure requirements on any dealings by any of its directors in the Corporation's shares.	
2. Company has a policy requiring officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	Please see SEC 23-B uploaded in the Corporation's website http://unitedparagon.com/company-disclosures/findings/	
Supplement to Recommendation 8.2			
1. Company discloses the trading	Compliant	Please see the Corporation's Definitive	

<p>the corporation's shares by director 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 buyback program)</p>		<p>Information Statement of 2018, the Corporation's Annual Report 2018 (SEC 17-A), ACGR 2016 and Public Ownership Report and Top 100 Stockholders uploaded in the Corporation's website</p> <p>http://unitedparagon.com/company-disclosures/findings/</p> <p>http://unitedparagon.com/company-disclosures/the-disclosures/</p> <p>http://unitedparagon.com/corporate-governance/</p>	
<p>Recommendation 8.3</p>			
<p>1. Carefully 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>Please refer to the Corporation's Definitive Information Statement of 2018, and the Corporation's Annual Corporate Governance Report 2017 uploaded in the company's website</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf</p>	
<p>2. Carefully 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>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM7-ForACGR-2017-May302017.pdf</p>	
<p>Recommendation 8.4</p>			
<p>1. Company provides a clear disclosure of its policies and</p>	<p>Compliant</p>	<p>Please refer to Additional Information Recommendation 2.5</p>	

<p>procedures regarding Board remuneration, including the structure and mix of these</p>		<p>Please see the Corporation's Definitive Information Statement 2018, the Corporation's Annual Corporate Governance Report 2016, SEC 17A 2018, Amended ICG and By-laws</p>	
<p>2. Company provides a clear disclosure of its policies and procedures regarding executive remuneration, including the structure and mix of these</p>	<p>Compliant</p>		
<p>3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.</p>	<p>Compliant</p>	<p>http://unitedparagon.com/wp-content/uploads/2018/11/UPM-Definitive-20-18-2018-with-FS-3rd-Quarter-17-Q.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2019/05/SUPM-17-A-with-AAFS-2018.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-rACGR-2017-May302017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2014/10/UPM-Amended-By-laws-01142014.pdf</p>	
<p>Recommendation 8.5</p>			
<p>1. Company discloses its policies governing Related Party</p>	<p>Compliant</p>	<p>Please see Additional Information on Recommendation 2.7</p>	

Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance		http://unitedparagon.com/corporate-governance/	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	Please refer to Annual Report 2018 http://unitedparagon.com/wp-content/uploads/2019/05/SUPM7-A-withAAFS-2018.pdf	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	Directors disclose their interests in transactions or any other conflicts of interest during the board meeting at which such transactions are discussed. Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017. http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Optional: Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are of fair and adequate length.	Compliant	Please refer to Additional Information under Recommendation 2.7	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact	Compliant	Please see the Current Reports under SEC Form 17-C uploaded in the Corporation's website	

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.		http://unitedbaragon.com/company-disclosures/findings/	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	There has been no need for the Corporation to appoint an independent party because there has been no acquisition or disposal of assets.	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	Compliant	It has been the practice of the company to disclose such agreements to the SEC & PSE however, there had been no such agreement in 2018.	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.	
2. Company's MCG is submitted to the SEC and PSE	Compliant	http://unitedbaragon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
3. Company's MCG is posted on its company website	Compliant	http://unitedbaragon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as	

any changes in its corporate governance practices.		adopted by the Board on May 2017. http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Plases et the Cor por atio Annual Report 2018.	
a. Corporate Objectives	Compliant	http://unitedbaragn.com/wp-content/uploads/2019/05/SUPM7-A-with-AAFS-2018.pdf	
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant		
e. Biographical details (at least academic qualifications, date of first appointment, relevant experience and other directorships in listed companies) of all directors	Compliant		
f. Attendance details of each director in all directors meetings held during the year	Compliant		
g. Total remuneration of each member of the board of directors	Compliant		
2. The Annual Report contains a statement confirming the	Compliant	http://unitedbaragn.com/wp	

<p>company's full compliance with the Code of Corporate Governance and whether it is non-compliance identifies and explains reason for each such issue</p>		<p>content/ uploads/ 2019/ 05/SUPM7-A-withAAFS-2018. pdf</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>http:// unitedparagon.com/ wp content/ uploads/ 2019/ 05/SUPM7-A-withAAFS-2018. pdf</p> <p>http:// unitedparagon.com/ wp content/ uploads/ 2017/ 06/SUPM For rACGR -2017-May302017. pdf</p>	
<p>4. The Annual Report/ Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal control/ risk management systems.</p>	<p>Compliant</p>	<p>http:// unitedparagon.com/ wp content/ uploads/ 2019/ 05/SUPM7-A-withAAFS-2018. pdf</p> <p>http:// unitedparagon.com/ wp content/ uploads/ 2017/ 06/SUPM For rACGR -2017-May302017. pdf</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>http:// unitedparagon.com/ wp content/ uploads/ 2019/ 05/SUPM7-A-withAAFS-2018. pdf</p>	

Principle 9: The company should establish standards for the appropriate selection of an external auditor, independent of the

s are to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, re-appointment, removal, and fees of the external auditors.	Compliant	<p>Pl ease see the ACGR 2016 and the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitedparagon.com/content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p>	
2. The appointment, re-appointment, removal, and fees of the external auditor is recommended by the Audit Committee approved by the Board and ratified by the shareholders.	Compliant	87.5908% of shareholders that ratified the appointment and fees of the external auditor.	
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	The Company retained the services of the external auditor.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the audit partner every five years.	Compliant	Pl ease see the Definitive Information Statement of 2018, the Corporation's Annual Corporate Governance Report 2016.	

		http://unitoparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf http://unitoparagon.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-with-FS-3rd-Quarter17-Q.pdf	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <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	<p>Plases ethe Corporation's ACGR2016</p> <p>http://unitoparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://unitoparagon.com/corporate-governance/</p>	
<p>2. Audit Committee Charter contains the Committee's responsibility on</p>	Compliant		

<p>reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>			
<p>Supplement to Recommendation 9.2</p>			
<p>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.</p>	<p>Compliant</p>	<p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR 2016.</p> <p>http://unitedparagon.com/wp-content/uploads/2016/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf</p>	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	<p>Compliant</p>	<p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR 2016.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-nACGR-2017-May302017.pdf</p>	
<p>Recommendation 9.3</p>			
<p>1. Company discloses the nature of</p>	<p>Compliant</p>	<p>The External Auditor of the Corporation</p>	

<p>non-audit services performed by its external auditor in Annual Report to deal with the potential conflict of interest.</p>		<p>currently does not perform non-audit services.</p>	
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.</p>	<p>Compliant</p>	<p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR 2016.</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p>	
<p>Supplement to Recommendation 9.3</p>			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	<p>Compliant</p>	<p>The External Auditor of the Corporation currently does not perform non-audit services. Thus there are no non-audit fees paid by the Corporation.</p>	
<p>Additional Recommendation to Principle 9</p>			
<p>1. Company's external auditor is duly accredited by the SEC under Group category</p>	<p>Compliant</p>	<p>The Corporation's current external auditor is Sycip Gorres Velayo & Co.,</p> <ol style="list-style-type: none"> 1. Manila, Quezon City 2. SEC Accreditation Number 1613-A (Group A) 3. March 02, 2017 4. valid until March 01, 2020 5. Sycip Gorres Velayo & Co., 6760 Ayala Avenue, Makati City; Telephone Number : 891 -0307 	

<p>2. Company's external auditor agreed to be subject to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA)</p>	<p>Non-compliant</p>		<p>To the best of its knowledge, the Corporation is not aware whether or not its external auditor agreed to be subject to the SOAR inspection program conducted by the SEC.</p>
<p>Principle 10: The company should ensure that the material and reportable financial and sustainability issues are disclosed</p>			
<p>Recommendation 10.1</p>			
<p>1. Bar has a clear and focused policy on the disclosure of non-financial information with emphasis on the management of economic, environment, social and governance (ESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p>Please see the Corporate Social Responsibility that is uploaded in the company's website</p> <p>http://unitedbaragn.com/2017/community-project/</p> <p>Please see the Annual Corporate Governance Report 2016</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p>	
<p>2. Company adopts a globally recognized standard framework in reporting sustainability and non-financial issues.</p>	<p>Non-Compliant</p>		<p>The Corporation does not have a sustainability reporting yet.</p>
<p>Principle 11: The company should maintain comprehensive and cost-efficient communication channels for disseminating relevant information. This channel is crucial for informing and engaging investors, stakeholders and other interested users.</p>			

Recommendation 11.1			
1. Company has not a andanal ysts' br i ef i ngs	Non-compliant		TheCompany does not conduct not a andanal yst br i ef i ngs. How ever dur i ngt heAnnual M et i ngs, not a r ep r esentatives ar efr ee to i nter vi ewt heCor por ation's appoint ed s pok es p er son.
Supplemented to Principle 11			
1. Company has a websited scl os i n up-t o-d ate i nfor mat i ononthe fol low i ng			
a. Financial stat em ents/ r epo (l at est qu ar t er l y)	Compliant	Pl ea s e et heCor por ation's websit e www.unitedparagon.com	
b. M at er i als pr ovi d ed i n br i ef i ngs to analysts and not a			
c. D ow n l oad abl eannual r epo r t			
d. N ot i ceof ASM and / or SSM			
e. M in ut es of ASM and / or SSM			
f. Company's Ar t i cl es of I ncor por ation			
Additional Recommendation to Principle 11			
1. Company compl i es w i t hSEC pr es cr i b ed websit e tem pl at e	Compliant	Pl ea s e et heCor por ation's websit e www.unitedparagon.com	
Internal Control System and Risk Management Framework			
Pr i nci pl e12: To en sur et he i nt er t r an sp ar ency andpr ope r go ve r nancei ntheconduct of i t s aff ai r s, thecompany shoul dhavea s ef f ec t i ve i nt er nal contr ol syst em and en t er pr i ser i sk manag em ent fr am an or k.			
Recommendation 12.1			
1. Company has an adequat eand	Compliant	Pl ea s e et heCor por ation's Am en d ed	

<p>effective internal control system in the conduct of its business.</p>		<p>Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR 2016.</p> <p>http://uniteparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://uniteparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>Plases additional information under Recommendation 2.10</p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p>http://uniteparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://uniteparagon.com/corporate-governance/</p> <p>Plases additional information under Recommendation 2.11</p>	
<p>Supplement to Recommendation 12.1</p>			
<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</p>	<p>Non-compliant</p>		<p>The Company has no formal comprehensive enterprise wide compliance program. However, Personnel are encouraged to attend trainings and information campaign seminars on new laws/ regulations being</p>

understandng acceptance and compliance with the said issuances.			implemented that impacts on the Company's business and operations
Optional: Recommendation 12.1			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board			
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance and consulting services designed to add value and improve the company's operations.	Non-compliant		The company has no internal audit.
Recommendation to 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board	Non-compliant		Due to no operation, the board does not deem it necessary to appoint a Chief Audit Executive
2. CAE oversees and is responsible for the 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		
3. In case of a fully outsourced internal audit activity, qualified	Non-compliant		

independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.			
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk, exposures.	Compliant	Please refer to the Additional Information on Recommendation 3.4	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Please refer to the Additional Information on Recommendation 3.4	
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 Treasurer, M. Adrian Paulino S Ramos, acts as the Chief Risk Officer Identify the company's Chief Risk Officer (CRO) Please refer to the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 containing his responsibilities. http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		

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 systems in place and working effectively.	Compliant	Since the company does not have a CAE, it is the Chair man of the Board CEO & Treasurer signs the Statement of Management Responsibility for the Financial Statement yearly and the company submits the Annual Special Form for Investment for Publicly Held Companies PHS.	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and defend their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Annual on Corporate Governance	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017. http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
2. Board ensures that basic shareholder rights are disclosed on the company's website	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017. http://unitedparagon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Supplement to Recommendation 13.1			
1. Company's common shares have one vote for one share	Compliant	Please see the Corporation's Amended Manual on Corporate Governance as	

2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	adoption by the Board on May 2017, Definitive IS 2018, ACGR 2016 and By-laws http://unitopbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
3. Board has an effective secure and efficient voting system	Compliant		
4. Board has an effective shareholder voting mechanisms such as super majority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	http://unitopbaragn.com/wp-content/uploads/2018/11/UPM-Definitive-20-IS-2018-with-FS-3rd-Quarter-17-Q.pdf	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting	Compliant	http://unitopbaragn.com/wp-content/uploads/2017/06/UPM-For-nACGR-2017-May302017.pdf	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	http://unitopbaragn.com/wp-content/uploads/2014/10/UPM-Amended-Bylaws-01142014.pdf	
7. Company has a transparent and specific dividend policy.	Compliant	The company has not declared dividends in 2018.	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting	Compliant	The Corporation has appointed its stand-alone transfer agent to count the votes at the Annual Shareholders' Meeting	
Recommendation 13.2			
1. Board discourages active shareholder participation by	Compliant	Please see the Corporation's Definitive Information Statement for the year 2018	The Corporation's laws requires notices to be sent to

<p>send ngtheNoticeof Annual and Special Stockholders' Meeting with sufficient and relevant information at least 28 days before the meeting</p>		<p>upload in the Corporation's website http://unitbaragn.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	<p>stockholders at least 10 days before the date of annual meetings, however for the past years, the Company has been doing its best to follow the Asian Corporate Governance Scorecard to send notice at least 28 days before the meeting</p>
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>			
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience and directorships in other listed companies)</p>	Compliant	<p>Pl ease see the Corporation's Definitive Information Statement for they ear 2018 upload in the Corporation's website http://unitbaragn.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
<p>b. Auditors seeking appointment/re appointment</p>	Compliant		
<p>c. Proxy documents</p>	Compliant		
Optional: Recommendation 13.2			
<p>1. Company provides rational effect the agenda items for the annual stockholders meeting</p>	Compliant	<p>Pl ease see the Corporation's Definitive Information Statement for they ear 2018 upload in the Corporation's website http://unitbaragn.com/wp-content/uploads/2018/11/UPM-Definitive20-IS-2018-withFS-3rd-Quarter17-Q.pdf</p>	
Recommendation 13.3			

<p>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.</p>	<p>Compliant</p>	<p>The minutes of the stockholders meeting as approved by the stockholders are uploaded in the company's website</p> <p>http://unitedparagon.com/minutes-general-special-stockholders-meetings/</p>	
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting</p>	<p>Compliant</p>		
<p>Supplemental to Recommendation 13.3</p>			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM</p>	<p>Compliant</p>	<p>The Corporation's external auditor & Co. is always present for the conduct of its annual stockholders' meeting</p>	
<p>Recommendation 13.4</p>			
<p>1. Board makes available at the option of a shareholder, an alternative dispute mechanism to resolve intercorporate disputes in an amicable and effective manner.</p>	<p>Compliant</p>	<p>Under the Corporation's Amended Manual on Corporate Governance the Board of Directors shall establish an alternative dispute resolution system that can amicably settle conflicts or differences between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities.</p>	
<p>2. The alternative dispute mechanisms included in the company's Manual on Corporate Governance</p>	<p>Compliant</p>	<p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p>	

		http://unitoparagn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf	
Recommendation 13.5			
1. Board establishes an Investor Relations Officer (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>IRO Officer: Atty. Adrian S. Arias Telephone No. 631 5139 Fax No. 631 3113 Email address: info@unitoparagn.com</p> <p>http://unitoparagn.com/investor-relations/</p>	
2. IRO is present at every shareholder's meeting	Non-compliant		Based on the assessment of the Board of Directors, full compliance with this recommendation is not necessarily taking into account the size, structure, risk profile and complexity of operations of the Corporation.
Supplemental Recommendations to Principle 13			
1. Board avoids antitakeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Non-compliant		There are no such instances.
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Non-compliant		The proportion of the Corporation's outstanding shares that are considered public float is less than 30% (i.e. 21.16%).

Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Shareholders' Meeting			
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting			
3.			
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 or provide a remedy in the event of a violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Plases eACGR2016 and company's corporate social responsibility http://unitedparagon.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf http://unitedparagon.com/2017-community-project/	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism for the fair treatment and protection of stakeholders	Compliant	Plaser fer to the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and the ACGR 2016 uploaded	

		<p>in the Corporation's website</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-For-ACGR-2017-May302017.pdf</p> <p>The stakeholders may contact the Company's Investor Relations Officer</p>	
Recommendation 14.3			
<p>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.</p>	Compliant	<p>Please refer to the Corporation's Amended Manual on Corporate Governance and ACGR 2016 the Corporation's website www.unitedbaragn.com</p> <p>The stakeholders may contact the Company's Investor Relations Officer</p> <p>http://unitedbaragn.com/investorrelations/</p>	
Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders</p>	Compliant	<p>The Corporation, through its Board of Directors, shall establish an alternative dispute resolution system that can amicably settle conflicts or differences</p>	

<p>is settled in a fair and expedient manner.</p>		<p>between the Corporation and its stockholders, and the Corporation and third parties, including regulatory authorities.</p> <p>Please see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017.</p> <p>http://unitbaragon.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p>	
<p>Additional Recommendations to Principle 14</p>			
<p>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 specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p>Compliant</p>	<p>The Company has not sought any exemptions at this point</p>	
<p>2. Company respects intellectual property rights.</p>	<p>Compliant</p>	<p>It has been the practice of the Corporation to keep proprietary information confidential and are not disclosed to third parties without their written consent/ approval of the</p>	

		potential Joint Venture Partners or investors and all ways covered by Non-Disclosure Agreements.	
Optional: Principle 14			
1. Company discloses its policies practices that address customers' welfare			
2. Company discloses its policies practices that address supplier / contractor selection procedures.			
Principle 15: A mechanism for employee participation should be created to a symbolic environment, realize the company's goals participate in its corporate governance processes.			
Recommendation 15.1			
1. Bar establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and its governance.	Non-compliant		Due to non-operations, the company is under care and maintenance and has maintain a skeletal workforce at the moment.
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Non-compliant		Due to non-operations, the company is under care and maintenance and has maintain a skeletal workforce at the moment.
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf http://unitedbaragn.com/corporate-governance/	

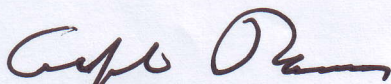
3. Company has policies and practices on training and development of its employees.	Compliant	http://unitedbaragn.com/corporate-governance/	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and programs its Code of Conduct.	Compliant	<p>Pl ease see the Corporation's Amended Manual on Corporate Governance as adopted by the Board on May 2017 and ACGR 2016.</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/UPM-Amended-Corporate-Governance-Manual-May312017.pdf</p> <p>http://unitedbaragn.com/wp-content/uploads/2017/06/SUPM-For-ACGR-2017-May302017.pdf</p> <p>http://unitedbaragn.com/corporate-governance/</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture	Non-compliant		Due to non-operations, the company is under care and maintenance and has maintain a skeletal workforce at the mine site
Supplement to Recommendation 15.2			
1. Company has clear and policies and procedures on curbing and penalizing employee involvement in offering paying and receiving bribes.	Compliant	<p>Pl ease refer to Supplement to Recommendation 7.1</p> <p>There has been no finding of violation of this policy.</p>	

Recommendation 15.3			
1. Bar establishes a suitable framework, for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	http://unitedbaragn.com/corporate-governance/	
2. Bar establishes a suitable framework for whistleblowing that allows employees have direct access to an independent member of the Bar or a unit created to handle whistleblowing concerns.	Compliant		
3. Bar supervises and ensures the enforcement of the whistleblowing framework.	Non-compliant		
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates, it should ensure interactions serve environment and stakeholders in a positive and progressive manner that is fully supportive of its business and development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependencies 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.	Compliant	Places the Corporate Social Responsibility uploaded in the company's website	

Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	Please see the Company's Corporate Social Responsibility available at the website	
2. Company exerts effort to interact positively with the communities in which it operates.	Compliant	http://unitedparagon.com/2017/community-project/	

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of MANDALUYONG CITY on MAY 29 2019, 2019.

SIGNATURES



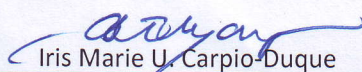
Alfredo C. Ramos

Chairman of the Board



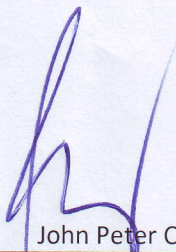
Gerard Anton S. Ramos

President & Chief Executive Officer



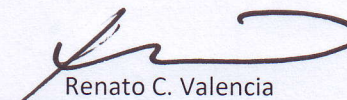
Iris Marie U. Carpio-Duque

Compliance Officer/Corporate Secretary



John Peter C. Hager

Independent Director



Renato C. Valencia

Independent Director

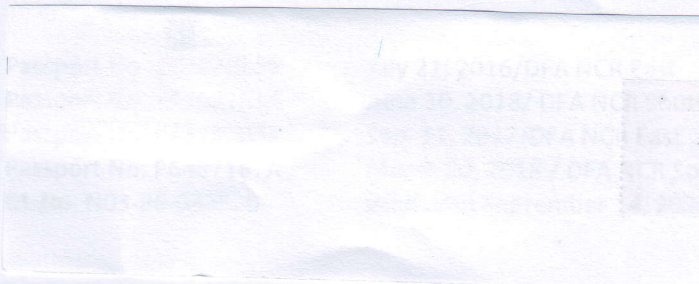
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TIN No. 116-239-956
PTR No. 3811514/1-3-2019
Tel No. 631-40-90

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