

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (the "Agreement") made and entered into by and between:

The **DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**, a National Government Agency duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at Visayas Avenue, Diliman, Quezon City, represented herein by its Secretary, **HON. RAMON J.P. PAJE**, hereafter referred to as the "**First Party**" or "**DENR**";

and

ABOITIZ EQUITY VENTURES, INC., a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at NAC Tower, 32nd Street, Bonifacio Global City, 1634 Taguig City, represented herein by its President and CEO, **MR. ERRAMON I. ABOITIZ**, hereafter referred to as the "**Second Party**" or "**AEV**";

Each of DENR and AEV is hereafter referred to as a "Party", and collectively as the "Parties".

WITNESSETH: THAT--

WHEREAS, on 24 February 2011, His Excellency President Benigno S. Aquino III issued Executive Order No. 26 ("E.O. No. 26"), ordering and declaring the implementation of the National Greening Program ("NGP") as a government priority for poverty reduction, food security, biodiversity conservation, and climate change mitigation and adaptation;

WHEREAS, E.O. No.26 prescribes the harmonization of all greening efforts and similar initiatives of the government, private sector, local government units ("LGUs") and the civil society and AEV has signified its interest to participate in the NGP;

WHEREAS, the NGP includes, among others, the development of forestlands (production and protection), mangrove areas and protected areas, ancestral domain, civil and military reservations, urban areas under the greening plan of the LGUs, inactive and abandoned mine sites, and riverbanks, stream banks, and other suitable public lands;

WHEREAS, AEV is the publicly listed holding and investment company of the Aboitiz Group, with major investments in power, banking, food, infrastructure and land development, that pursues its vision to be a truly sustainable enterprise that can be entrusted to future generations;

WHEREAS, AEV implemented the A-Park Project, which is the consolidated group-wide tree planting project of AEV and all its business units, consistent with its corporate sustainability focus on carbon emission reduction, environmental protection and conservation (the "Project");

WHEREAS, under the Project, which resulted in the planting of over three (3) million trees since it was started in 2010, AEV has launched a new target to plant six (6) million more trees by the year 2020, bringing the total to nine (9) million trees;

WHEREAS, both Parties recognize the importance of collaboration and partnership in order to achieve the objectives of the NGP, and have agreed to work together to implement this partnership agreement.

NOW THEREFORE, for and in consideration of the above premises, the Parties mutually agree on the following terms and conditions:

ARTICLE I ROLES AND RESPONSIBILITIES OF THE DENR

Section 1. The DENR shall:

- 1.1 Mobilize all its bureaus, attached agencies and regional offices to provide support to the Project;
- 1.2 Provide technical assistance and other available support to AEV in identifying possible sites for planting and species-site matching, taking into consideration AEV's internal policies on safety and security of employees;
- 1.3 Assist in the documentation of planted trees, which includes, but shall not be limited to, geo-tagging, plantation registry and mapping;
- 1.4 Make available to AEV all information that are pertinent to the implementation of the Project;
- 1.5 Jointly with AEV, conduct regular monitoring of the established planting sites;
- 1.6 Jointly with AEV, choose a people's organization within a planting site to plant and nurture the seedlings; and
- 1.7 Take over the maintenance and protection of established plantations which are not covered by Community-Based Forest Management Agreements ("CBFMA") and similar People's Organization ("PO")-managed areas.

ARTICLE II ROLES AND RESPONSIBILITIES OF AEV

Section 2. AEV shall:

- 2.1 Act as the overall project manager of the Project, which includes provision and mobilization of manpower;
- 2.2 Shoulder the funding for survey, mapping and planning; seedling production; planting site establishment and maintenance and protection in accordance with the NGP-standard cost; and other necessary logistical and management support consistent with the Project's targets, goals, and objectives;

- 2.3 Coordinate with the DENR for technical support in the documentation and geo-tagging and inventory of seedlings and the areas planted;
- 2.4 Coordinate with the DENR in the identification of planting sites and appropriate species to be planted, taking into consideration the DENR's recommendations and guidelines;
- 2.5 Coordinate with all its business units and other external partners that include community POs, partner non-governmental organizations ("NGO"), LGUs, among others, towards the fulfillment of the Project's goals and objectives;
- 2.6 Provide quarterly update to the DENR in the fulfillment of the Project's goals and objectives;
- 2.7 Jointly with DENR, conduct regular monitoring of the established planting sites; and
- 2.8 Jointly with DENR, choose a PO within a planting area to plant and nurture the seedlings.

ARTICLE III EFFECTIVITY

Section 3. Effectivity. This Agreement shall take effect upon the signing by both Parties and shall remain in force for a period of three (3) years, unless revoked, revised, or amended upon expressed mutual agreement by all Parties.

ARTICLE IV SETTLEMENT OF DISPUTES

Section 4. Dispute Settlement. The Parties agree that any conflict, controversy, issue or dispute, which may arise within or during the effectivity of this Agreement shall, in their best efforts, try to be settled by the Parties amicably. In case of failure to come to an amicable settlement, all disputes between the Parties arising from the interpretation or application of this Agreement shall be settled or adjudicated in the manner provided under Republic Act No. 9285 dated April 2, 2004.

ARTICLE V AMENDMENT

Section 5. Amendment. This Agreement shall not be revoked, revised, amended or modified in any respect except by the mutual consent in writing of the Parties.

ARTICLE VI TERMINATION

Section 6. Termination. Any Party may terminate this Agreement for any reason whatsoever upon thirty (30) days prior written notice to the other Party.

A Party may likewise terminate this MOA upon prior written notice in the event that the other Party fails to remedy any breach or default of any of its obligations under this Agreement within ten (10) days from receipt of written notice.

As a consequence of termination, the non-defaulting Party shall not be liable for the remaining obligations in this Agreement as of the date of termination. Any such termination is without prejudice or limitation to any other right or remedy of the Party not in default.

The termination of this MOA shall be in addition to, and not in lieu of, other rights and remedies of the Parties under this Agreement and existing provisions of law.

**ARTICLE VII
FORCE MAJEURE**

Section 7. Should a *force majeure* event occur and preclude a Party's performance of its obligations under this Agreement, said Party shall notify the other Party of the details of such event within thirty (30) days from the occurrence thereof.

"*Force majeure*" shall mean any circumstance beyond the reasonable control of a Party which effectively prevents it from performing its obligations hereunder; provided, that, such circumstance, despite the exercise of reasonable diligence, cannot be or could not be prevented, avoided or removed by the Party and is not attributable to its negligence or misconduct.

Within ten (10) days after the notice, the Parties shall meet and discuss the remedial actions to be taken in accordance with existing laws, rules and regulations.

**ARTICLE VIII
NOTICES**

Section 8. Wherever this Agreement provides for the giving or issuing of approvals, certificates, consents, determinations, notices and requests, these communications shall be in writing and delivered, sent or transmitted to the address for the recipient's communications as follows:

If to the DENR:	If to AEV:
Address:	Address:
Telephone:	Telephone:
Fax No.:	Fax No.:
Email:	Email:
Attention:	Attention:

A notice purported to be served under this Agreement shall be deemed to have been properly served if the same is in writing and is sent by certified mail, personal delivery for which a receipt is obtained, or facsimile.

**ARTICLE IX
MISCELLANEOUS PROVISIONS**

Section 9.1. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Republic of the Philippines.

Section 9.2. Capacity and Authorization. The Parties herein warrant that they have the capacity, power, and requisite authorization to enter into this Agreement.

Section 9.3. Assignment. No Party may assign its interest under this Agreement to any other person or entity without the written consent of the other Party.

24

All terms of this Agreement shall be binding upon, and inure to the benefit of, the Parties and their successors-in-interest.

Section 9.4. Confidentiality of Data. Intellectual property ("IP") generated (such as data, photographs and other similar recordings, and other publications) through this Agreement shall be co-owned by the Parties. Permission to use the said IP is hereby granted to each Party for teaching, use for scientific meetings and purposes and other similar purposes only.

Except for disclosures required under the laws, rules and regulations of the Philippines or pursuant to valid and enforceable orders of courts or other government agencies with jurisdiction over the subject matter of this Agreement, any of the terms contained herein, or any information obtained and reports of filings required under the terms of this Agreement, shall not be disclosed to any third party. This provision shall survive the termination of this Agreement.

Section 9.5. Separability. If any provision contained herein is invalid, illegal or unenforceable in any respect under any applicable law or decisions, the validity, legality and enforceability of the remaining provisions shall not be effected or impaired in any way.


Section 9.6. Litigation. The Parties agree that all litigation arising out of or in connection with this Agreement shall be exclusively vested in the proper courts of Taguig City, to the exclusion of all other courts elsewhere situated.

IN WITNESS WHEREOF, the Parties hereto have set their hands this 22 day July 2015 of 2015 at TAGUIG CITY.


Signed for and on behalf of:
**Department of Environment and
Natural Resources**

Signed for and on behalf of:
Aboitiz Equity Ventures, Inc.


By:

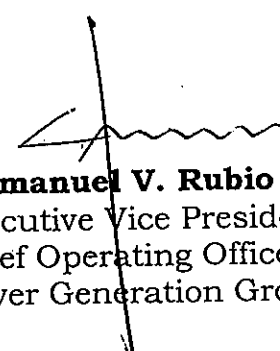

Ramon J. Paje
Secretary

By:


Erramon I. Aboitiz
President and CEO

WITNESSED BY:


Ricardo L. Calderon
Director
Forest Management Bureau
National Coordinator, NGP


Emmanuel V. Rubio
Executive Vice President
Chief Operating Officer
Power Generation Group

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF TAGUIG CITY) S.S.

BEFORE ME, this _____ day of 22 JUL 2015, _____ personally appeared the following:

NAME	Community Tax Certificate/ Issuance Details	Government-Issued ID/ Issuance Details
RAMON J.P. PAJE		Passport # DP-000837-95 issued Feb. 16, 2012 at DFA, Manila
ERRAMON I. ABOITIZ	#19659114 issued Jan. 26, 2015 at <u>Cebu City</u>	
RICARDO L. CALDERON	#18412316 issued Jan. 12, 2015 at <u>Buting, Cabambas, Laguna</u>	
EMMANUEL V. RUBIO	#04924872 issued on Feb. 08, 2015 at <u>Marikina City</u>	Passport # EB-5074158 issued Apr. 03, 2012 at DFA, Manila

known to me and to me known to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary act and deed as well as that the entities herein represented.

This instrument refers to a Memorandum of Agreement which consists of 6 pages, including this acknowledgment page, and which is signed by the Parties hereof and their instrumental witnesses on each and every page thereof.

WITNESS MY HAND AND SEAL on the date and at the place first written above.

NOTARY PUBLIC

Doc. No. 434 ;
Page No. 87 ;
Book No. XII ;
Series of 2015.

ATTY. BASILIO B. POOTEN
Notary Public
Pasig, Taguig, San Juan & Pateros
Comm. Apt. no. 107, Expiry: 12-31-16
MCLE IV-0015983; Roll No. 4238
IBP Lifetime Member No. 07806
PTR A-2286869/01-05-15/Taguig City
G/F FTI Admin Bldg, FTI Complex, T.C.

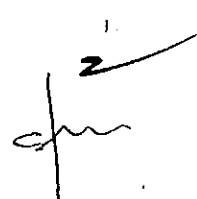



FIGURE 3

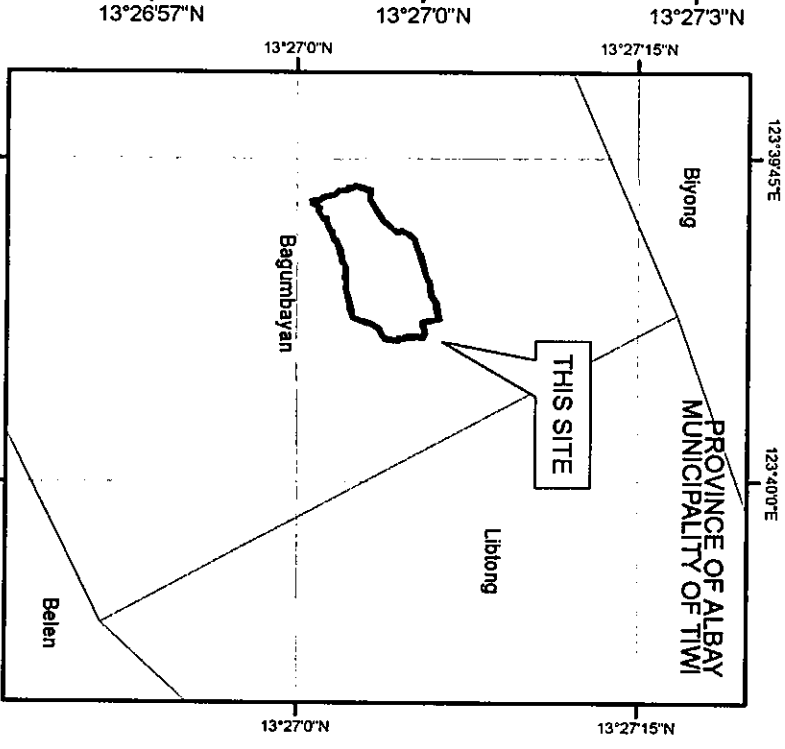
MAP SHOWING THE ESTABLISHED PLANTATION OF ABOUTIZ POWER Located at Tiwi Agroindustrial School Extension

Year established: 2015

Area of plantation: 0.34 hectare

Legend

 Plantation

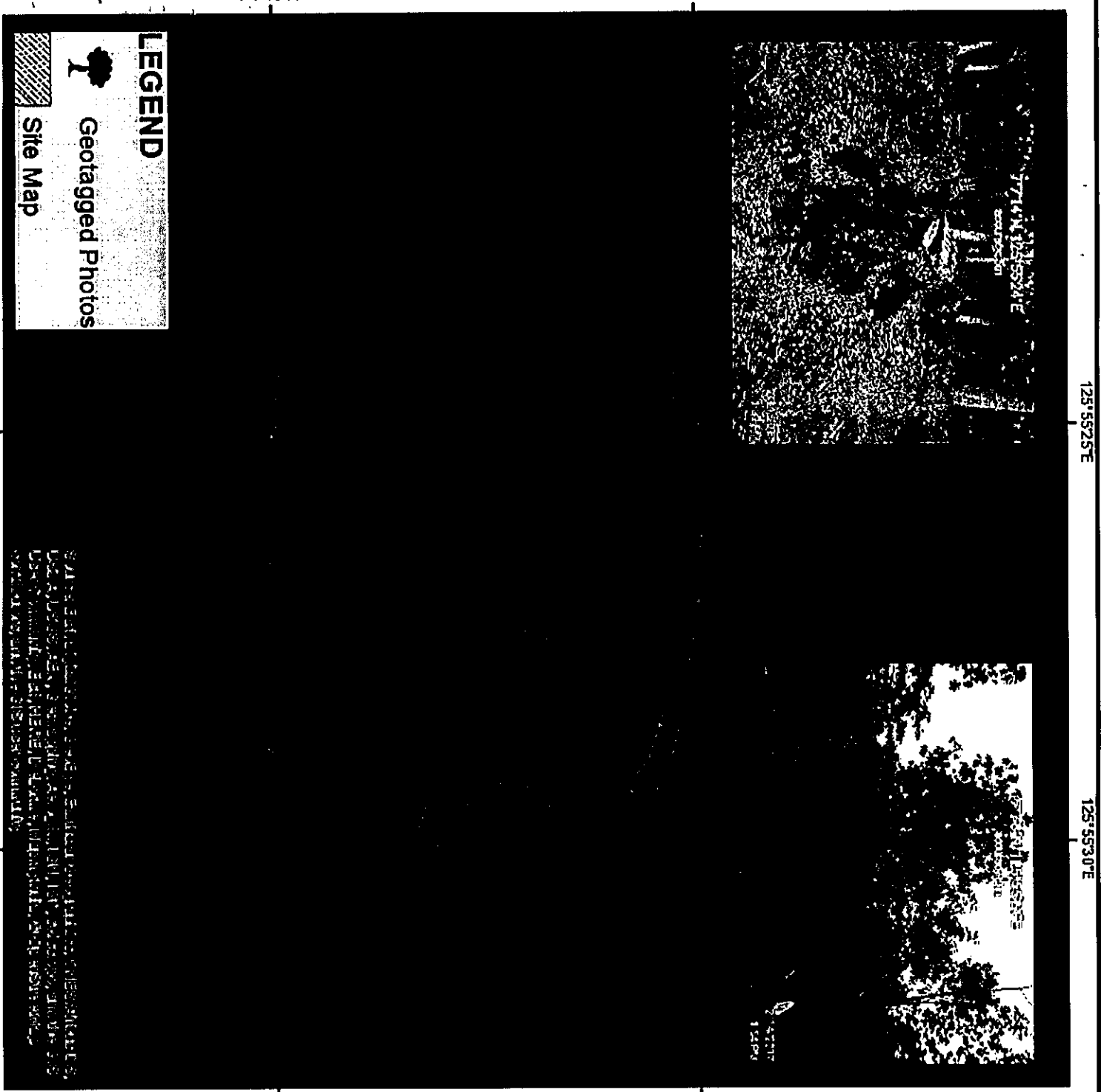


13°26'57"N 13°27'0"N 13°27'3"N 13°27'6"N 13°27'9"N

123°39'45"E 123°39'48"E 123°39'51"E 123°39'54"E 123°39'57"E

123°39'45"E 123°39'48"E 123°39'51"E 123°39'54"E 123°39'57"E

FIGURE 4



125°55'25\"/>

125°55'30\"/>

7°7'10\"/>

7°7'15\"/>

7°7'10\"/>

7°7'15\"/>

MAP SHOWING THE VALIDATED CY 2015
 TREE PLANTING SITE OF THERMA
 MARINE, INC FOR THE "A-PARK"
 PROJECT OF AEV



Scale: 1:2,000



LOCATION:

Barangay: Kingking
 Municipality: Pantukan
 Province: Compostella Valley
 Region: Davao Region

Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

SPECIES	NUMBER OF SEEDLINGS	AREA (h-a)
Cacao	877	1.6
Gyalano	12	
Mahogany	381	0.3

Reported No of Seedlings: 1,280
 Validated Total No of Seedlings: 1,270
 Survival Rate: 99%

LEGEND



Geotagged Photos



Site Map

STATEMENT OF WORK FOR THE TREE PLANTING PROJECT OF THERMA MARINE, INC FOR THE "A-PARK" PROJECT OF AEV. THE PROJECT IS A TREE PLANTING PROJECT IN THE KINGKING BARANGAY, PANTUKAN MUNICIPALITY, COMPOSTELLA VALLEY, DAVAO REGION. THE PROJECT IS A TREE PLANTING PROJECT IN THE KINGKING BARANGAY, PANTUKAN MUNICIPALITY, COMPOSTELLA VALLEY, DAVAO REGION. THE PROJECT IS A TREE PLANTING PROJECT IN THE KINGKING BARANGAY, PANTUKAN MUNICIPALITY, COMPOSTELLA VALLEY, DAVAO REGION.

125°55'25\"/>

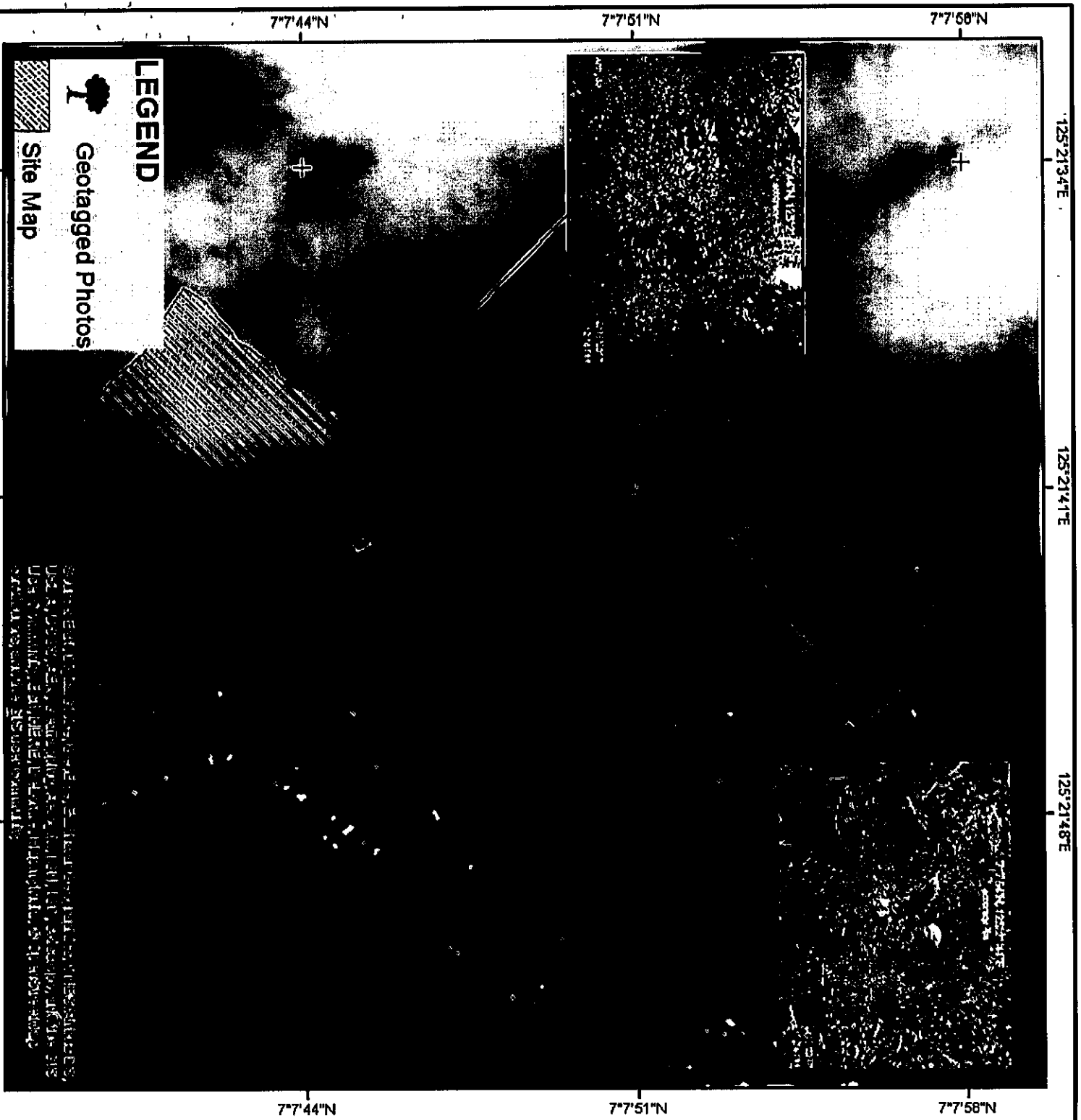
125°55'30\"/>



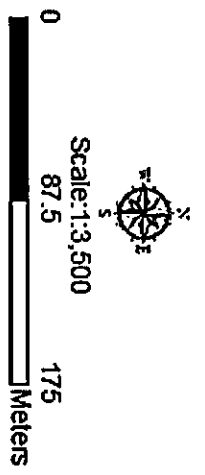
This Site

LOCATION MAP: DAVAO REGION

FIGURE 5



MAP SHOWING THE VALIDATED CY 2015 TREE PLANTING SITE OF HEDCOR, INC FOR THE "A-PARK" PROJECT OF AEV



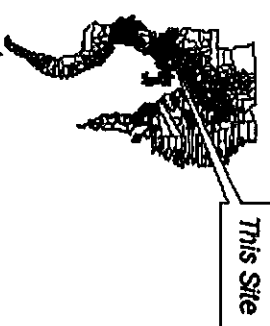
LOCATION:

Barangay: Cadalian
 Municipality: Baguio District
 Province: Davao City
 Region: Davao Region

Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

SPECIES	NUMBER OF SEEDLINGS	AREA (ha)
Cacao	2,671	3.52

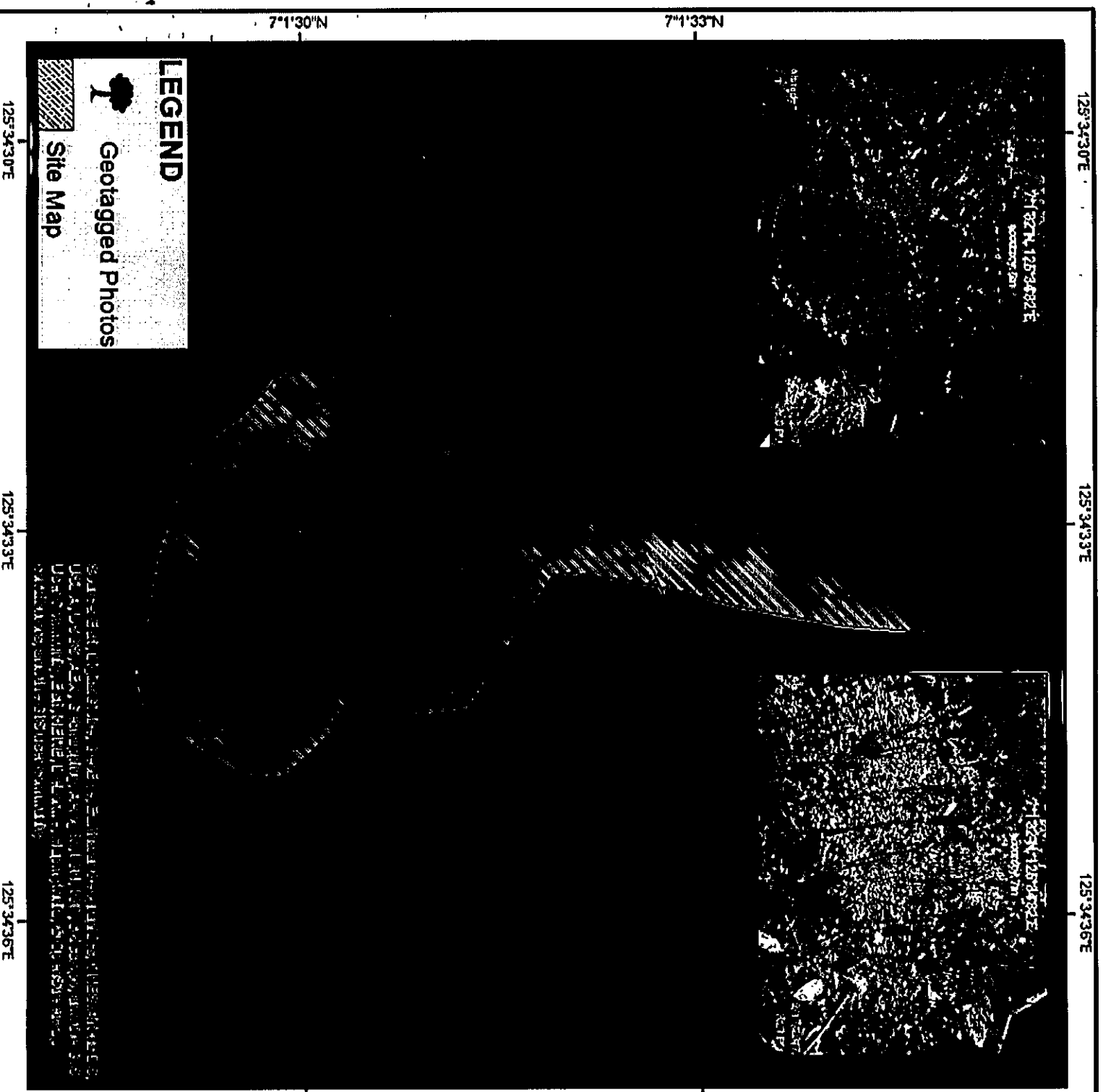
Reported No of Seedlings: 2,500
 Validated Total No of Seedlings: 2,671
 Survival Rate: 100%



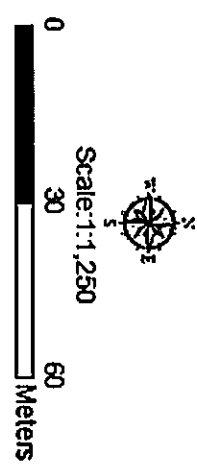
LOCATION MAP: DAVAO REGION

THIS FIGURE IS A PRELIMINARY PRODUCT OF THE HEDCOR PROJECT. IT IS NOT TO BE USED FOR ANY OTHER PURPOSES. THE HEDCOR PROJECT IS A JOINT VENTURE OF HEDCOR, INC. AND AEV. THE HEDCOR PROJECT IS A JOINT VENTURE OF HEDCOR, INC. AND AEV. THE HEDCOR PROJECT IS A JOINT VENTURE OF HEDCOR, INC. AND AEV.

FIGURE 6



MAP SHOWING THE VALIDATED CY 2015 TREE PLANTING SITE OF DAVAO LIGHT FOR THE "A-PARK" PROJECT OF AEV



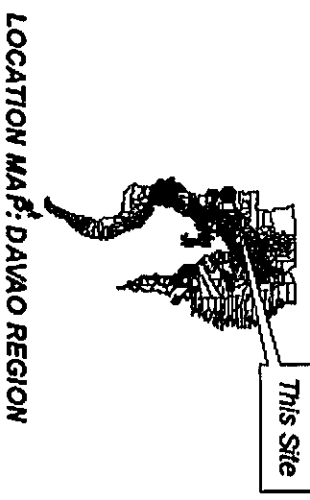
LOCATION:

Barangay: Punta Dumalag
 Municipality: Matina Aplaya
 Province: Davao City
 Region: Davao Region

Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

SPECIES	NUMBER OF SEEDLINGS	AREA (ha)
Bakawan	2,510	1.1
Molave	148	

Reported No of Seedlings: 2,000
 Validated Total No of Seedlings: 2,658
 Survival Rate: 100%



7°1'30"N 7°1'33"N 125°34'30"E 125°34'33"E 125°34'36"E

LEGEND

 Geotagged Photos

 Site Map

125°34'30"E 125°34'33"E 125°34'36"E

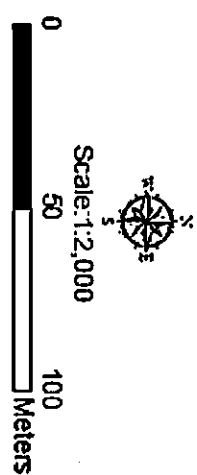
7°1'30"N 7°1'33"N

SALES AND DISTRIBUTION RIGHTS RESERVED. USE AND REPRODUCTION OF THIS DOCUMENT IS PROHIBITED WITHOUT THE WRITTEN PERMISSION OF THE AUTHOR. ALL RIGHTS RESERVED. © 2015

FIGURE 7



MAP SHOWING THE VALIDATED CY 2015 TREE PLANTING SITE OF DAVAO LIGHT FOR THE "A-PARK" PROJECT OF AEV



LOCATION:

Barangay: Upper Kibalang
 Municipality: Marilog
 Province: Davao City
 Region: Davao Region

Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

SPECIES	NUMBER OF SEEDLINGS	AREA (ha)
Narra	228	0.93
Cacao	1,837	0.9

Reported No of Seedlings:

Narra: 5,000
 Cacao: 2,000

Survival Rate:

Narra: 5%
 Cacao: 92%

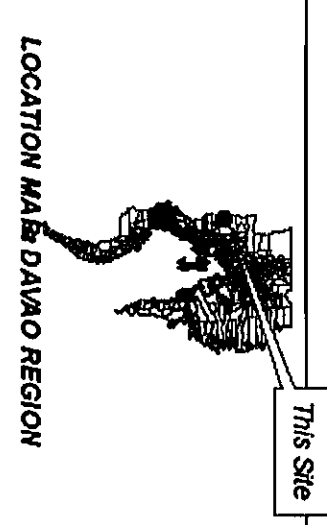
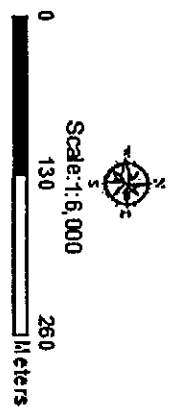


FIGURE 8



MAP SHOWING THE VALIDATED CY 2015
 TREE PLANTING SITE OF THERMA
 SOUTH, INC FOR THE "A-PARK"
 PROJECT OF AEV



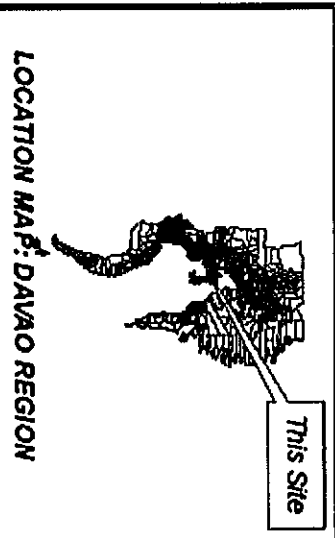
LOCATION:

Barangay: Binugao
 Municipality: Toril
 Province: Davao City
 Region: Davao Region

Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

SPECIES	NUMBER OF SEEDLINGS	AREA (ha)
Bitao	211	1.91
Mahogany	46	
Talisai	146	
Bani	14	

Reported No of Seedlings: 1,500
 Validated Total No of Seedlings: 417
 Survival Rate: 28%



LEGEND

- Geotagged Photos
- Site Map

GEOTAGGED PHOTOS TAKEN IN PARCEL 1



Fig. 1. Established Firebreak at the plantation site



Fig. 2. Planted Bamboo along the firebreaks

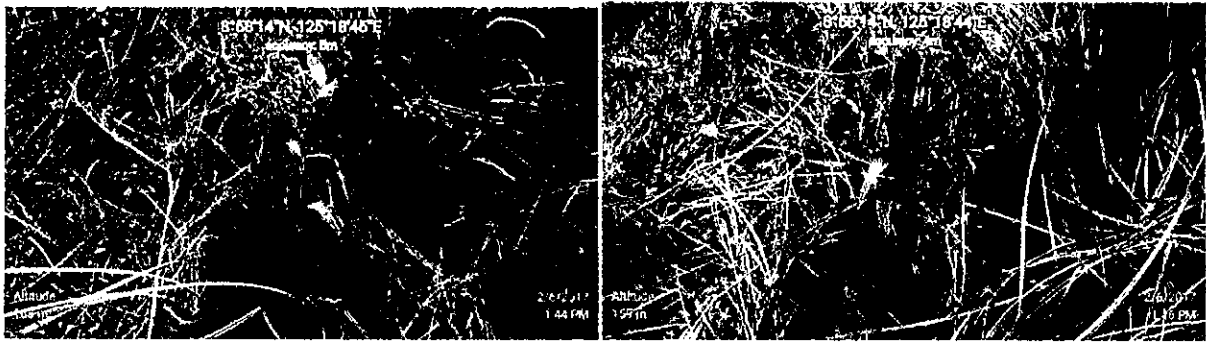
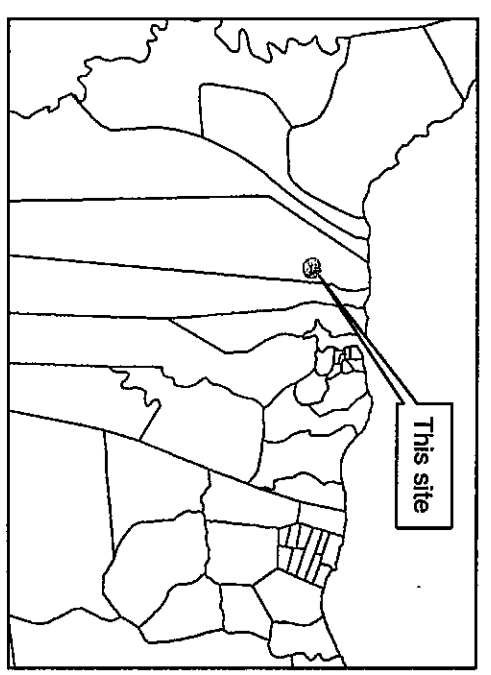
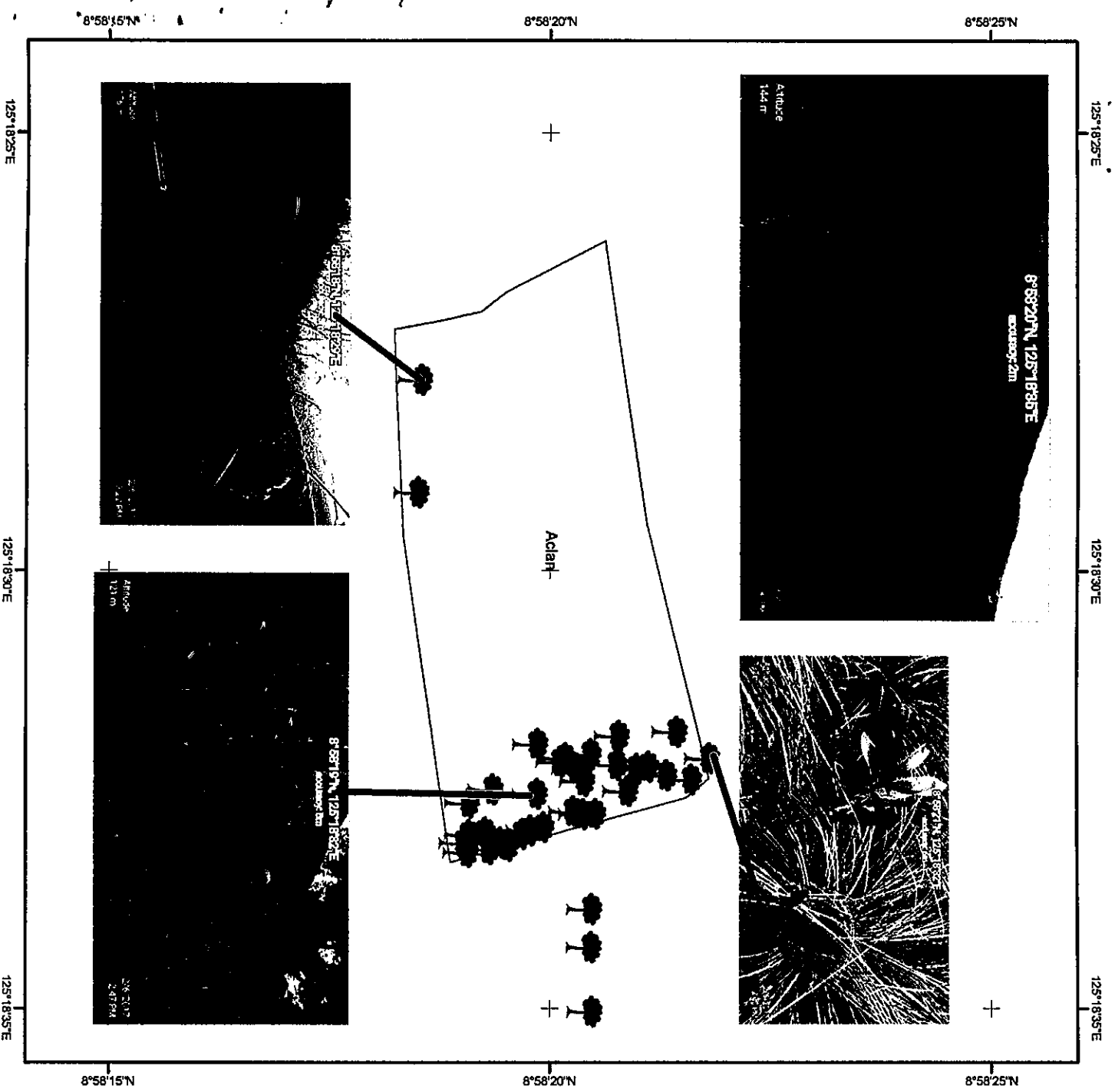


Fig. 3. Planted *Acacia auri*





Figure 10



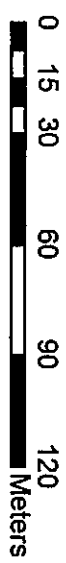
Map Showing the Plantation Site of Aboitiz Equity Ventures, Inc. Established in CY 2015

Location: Brgy. Amontay, Nasipit, ADN
 Area: 1.6 ha
 Seedlings Planted: Mangium, Malatambis

Legend

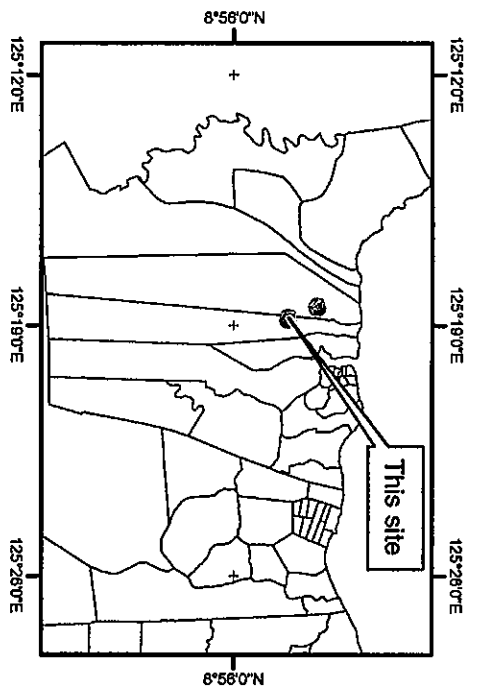
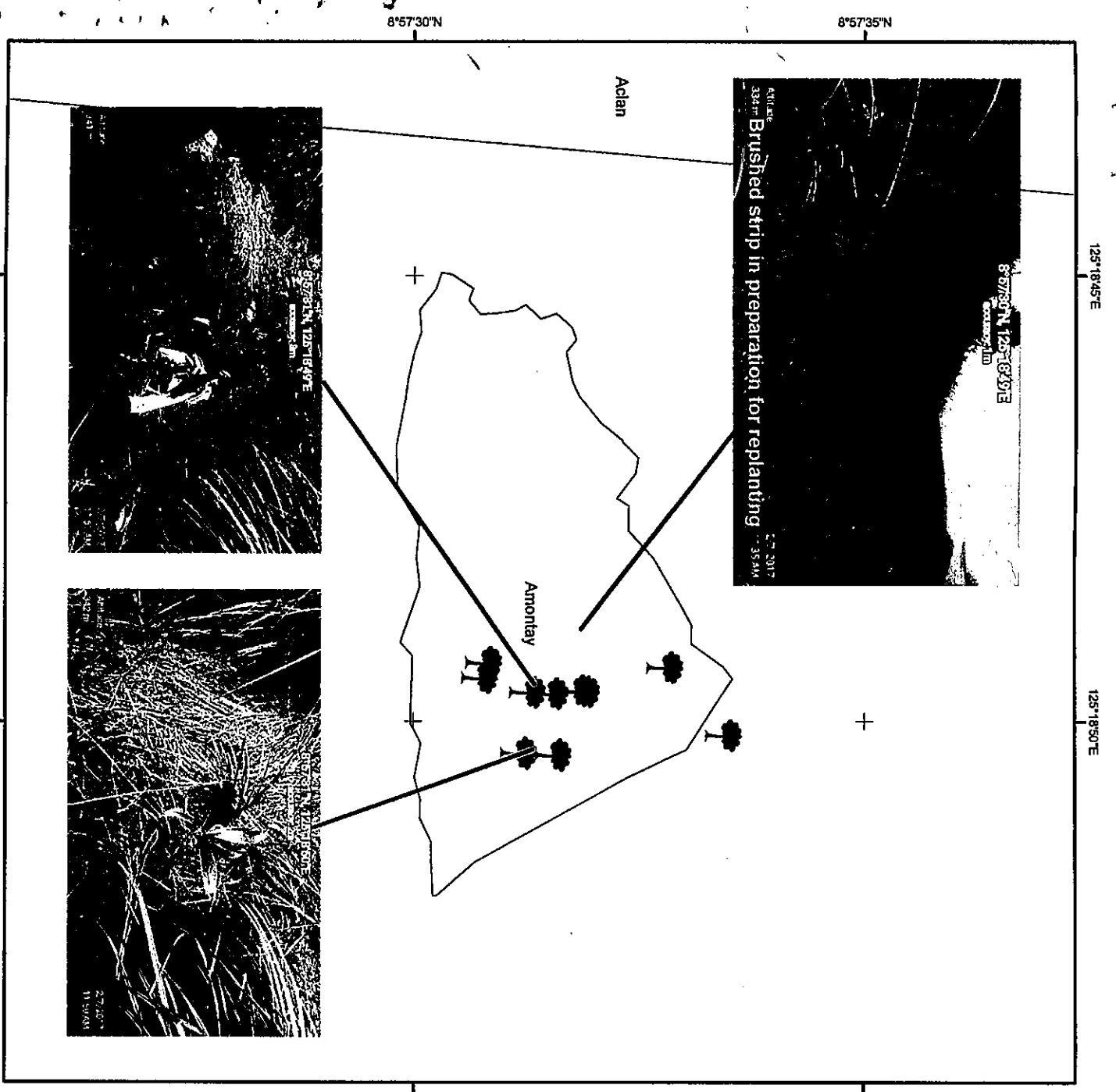
-  Geotagged Pictures
-  Parcel 2 (APark 2015)
-  Nasipit
-  Agusan del Norte

Scale: 1:2,000



Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

Figure 11







Map Showing the Plantation Site of Aboitiz Equity Ventures, Inc. Established in CY 2015

Location: Brgy. Amontlay, Nasipit, ADN
 Area: 1.4 ha

Seedlings Planted:

Mangium, Mahogany, Tugas, Malatambis

Legend

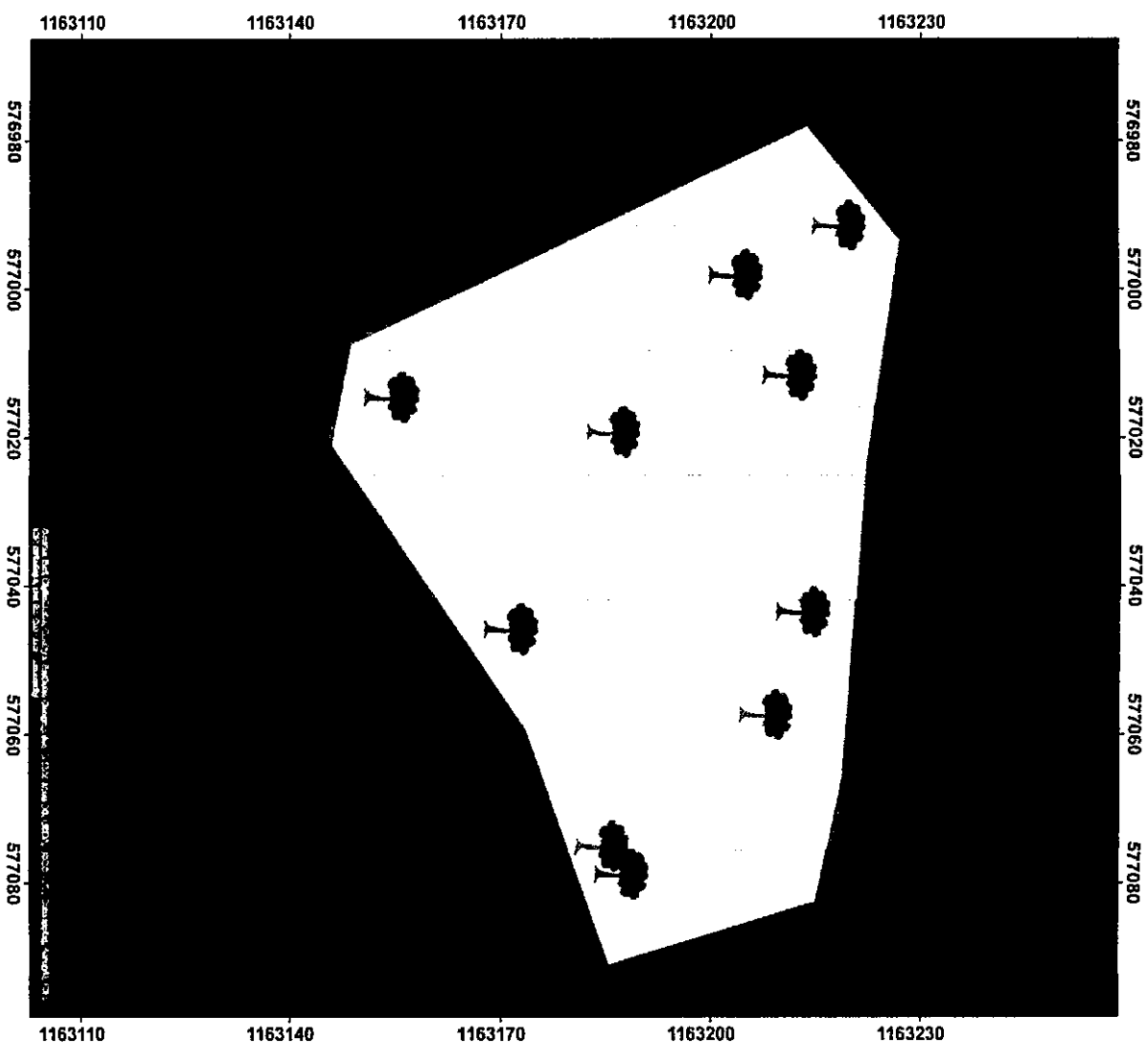
-  Geotagged Pictures
-  Parcel 3 (APark 2015)
-  Nasipit
-  Agusan del Norte

Scale: 1:2,000





Coordinate System: GCS WGS 1984
 Datum: WGS 1984
 Units: Degree

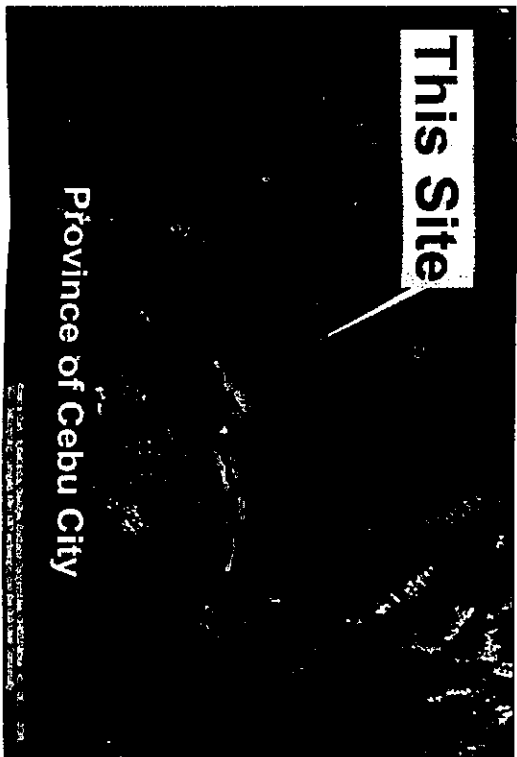
Maps and Photos



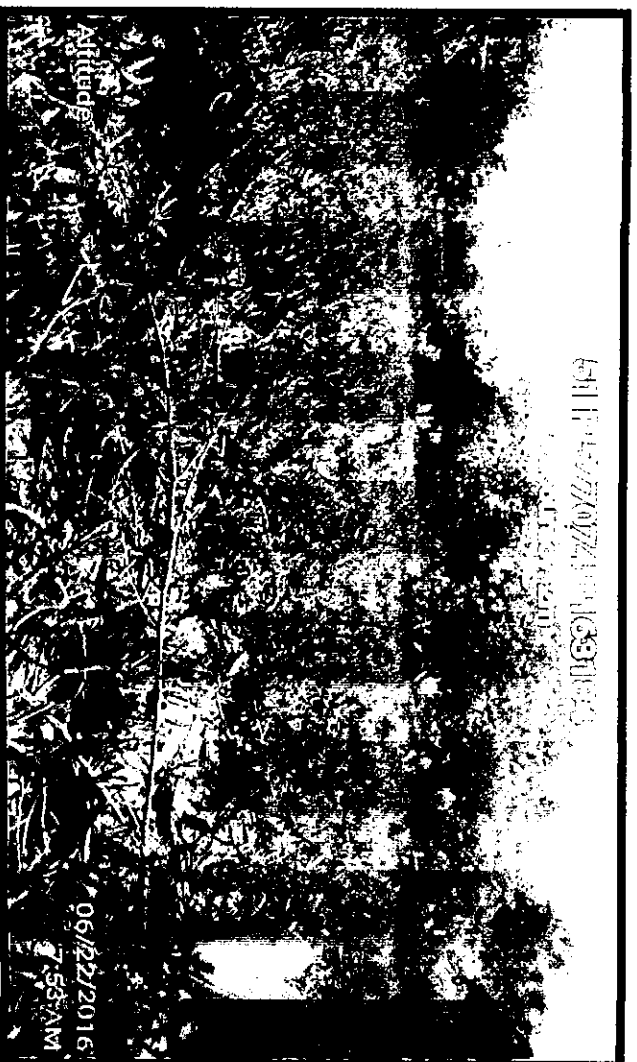
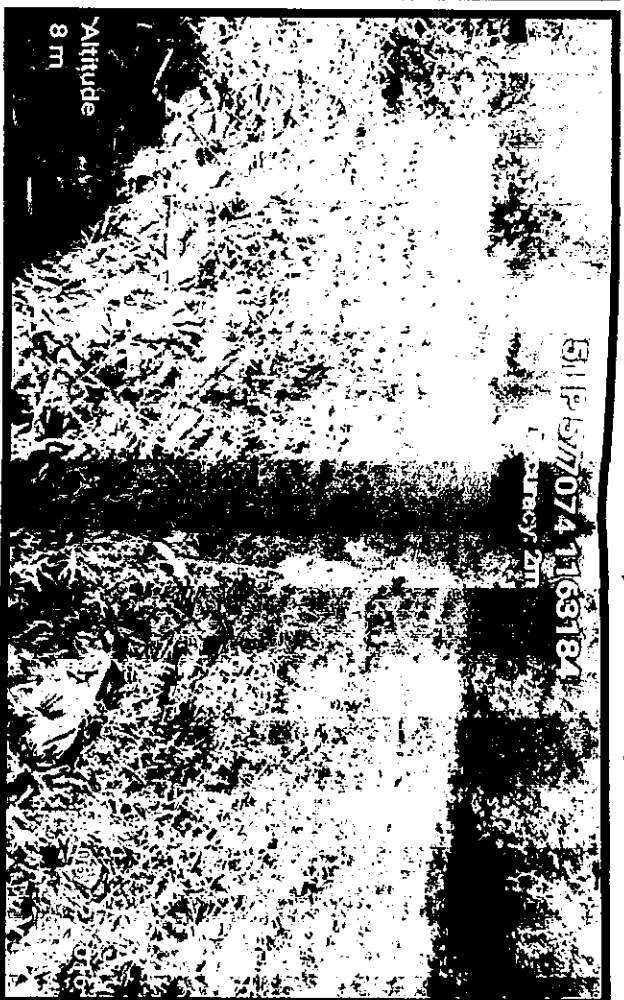
Map Showing the CY 2015 Developed Area by Aboitiz Equity Ventures, Inc.

PO : Busuan Island Fishermen Association
 Nos. of Seedlings Planted: 10,000
 Delineated Area: 0.574 ha.
 Location: Cantuod, Balamban, Cebu

- Legend**
-  Geotagged Photo
 -  Delineated Area



Geotagged pictures in 10,000 planted seedlings/propagules of mangroves in Barangay Cantuod, Balamban, Cebu



Geotagged pictures in 11,000 planted seedlings of fruit bearing trees, indigenous and dipterocarp ssp. in municipality of Samboan and Balamban, Cebu

Geotagged Photos located in Barangay Cansumoroy, Balamban, Cebu





4 Geotagged Photos located in Barangay Bonbon, Samboan, Cebu





† Geotagged Photos located in Barangay Tangbo, Samboan, Cebu





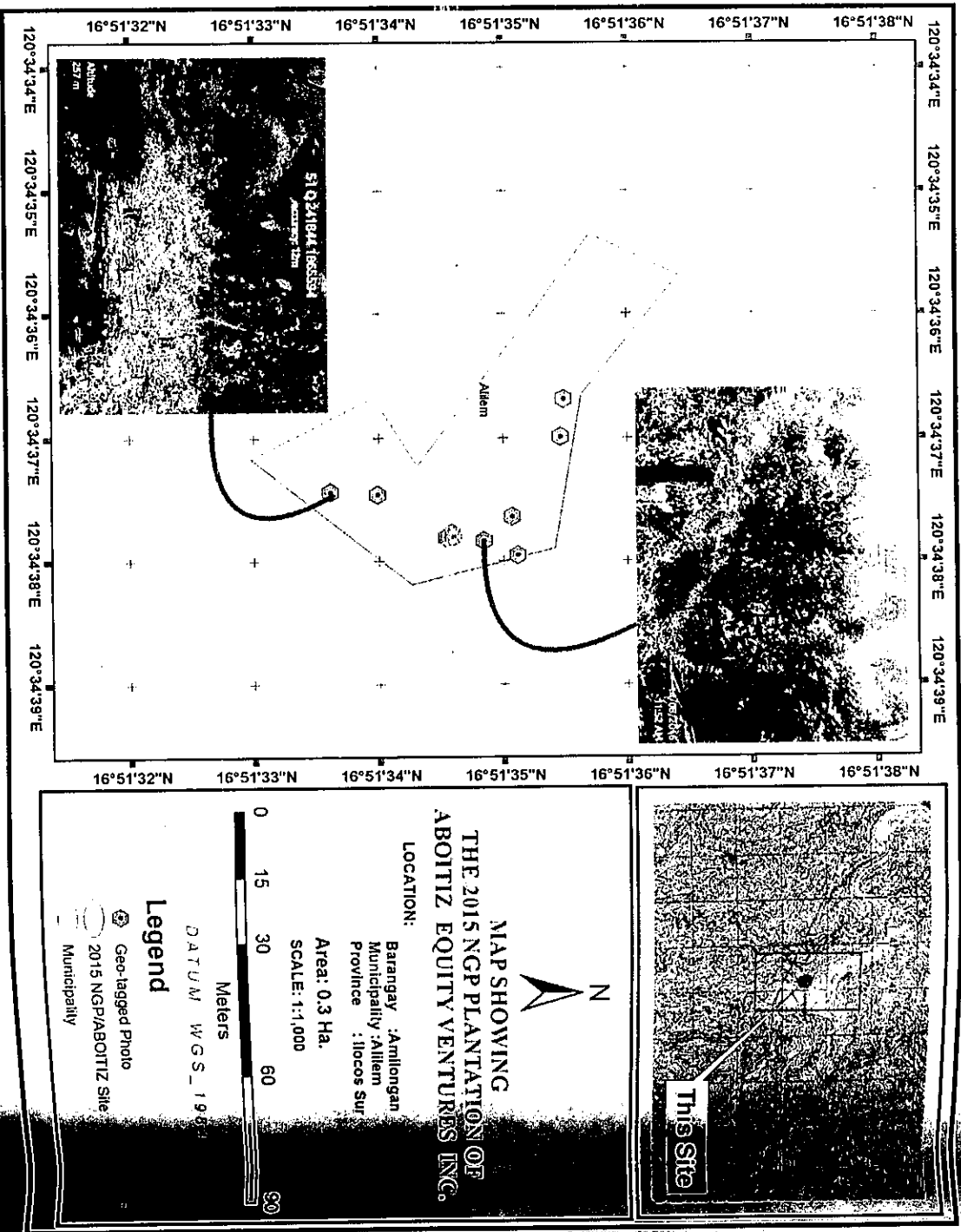


Figure 7. Map showing the 2015 Aboittiz site planted with Mahogany and Almáciga in Amillongan, Ailem, Ilocos Sur.

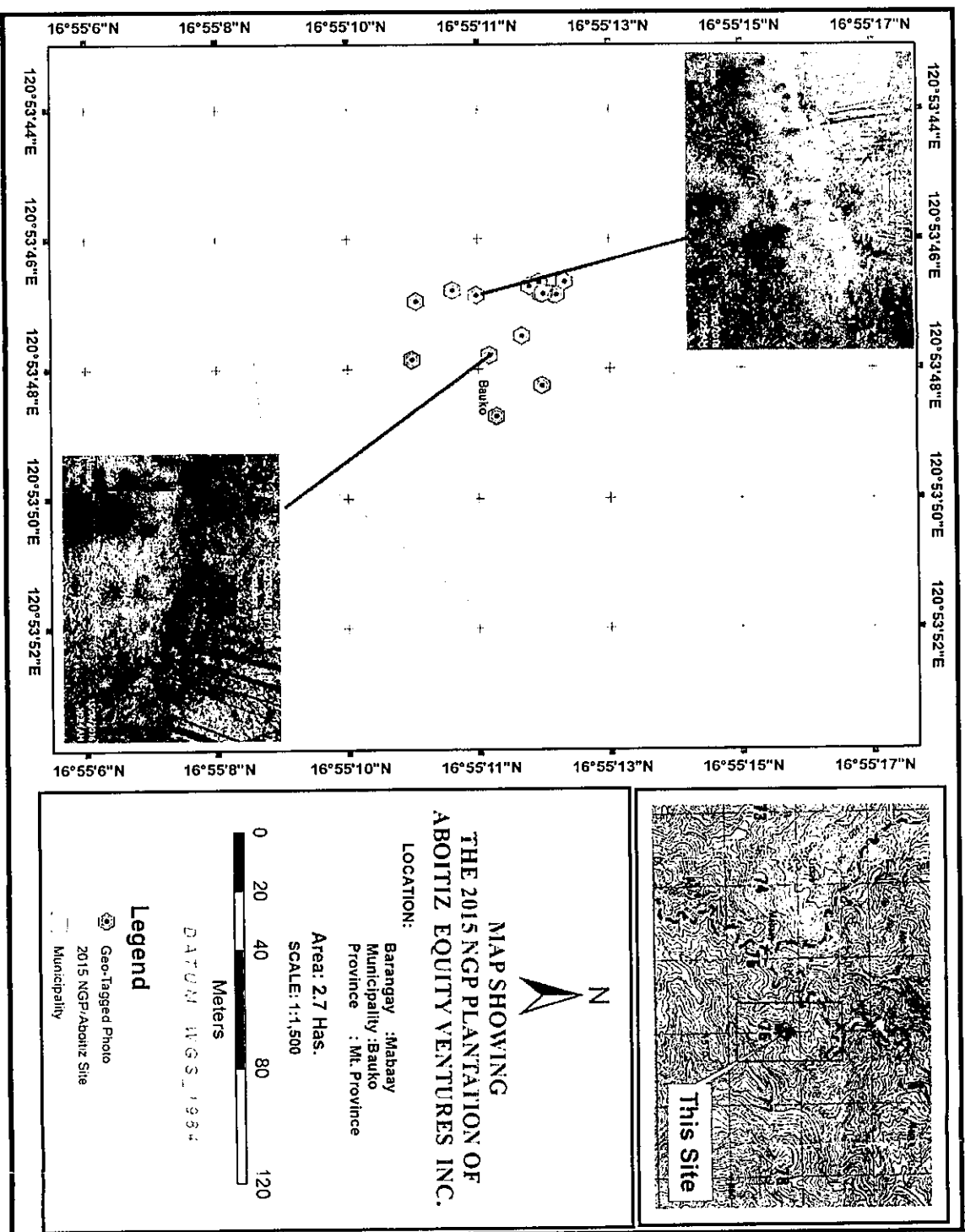


Figure 8. Map showing the 2015 Aboitiz site planted with Benguet pine in Mabaay, Bauko, Mt. Province.

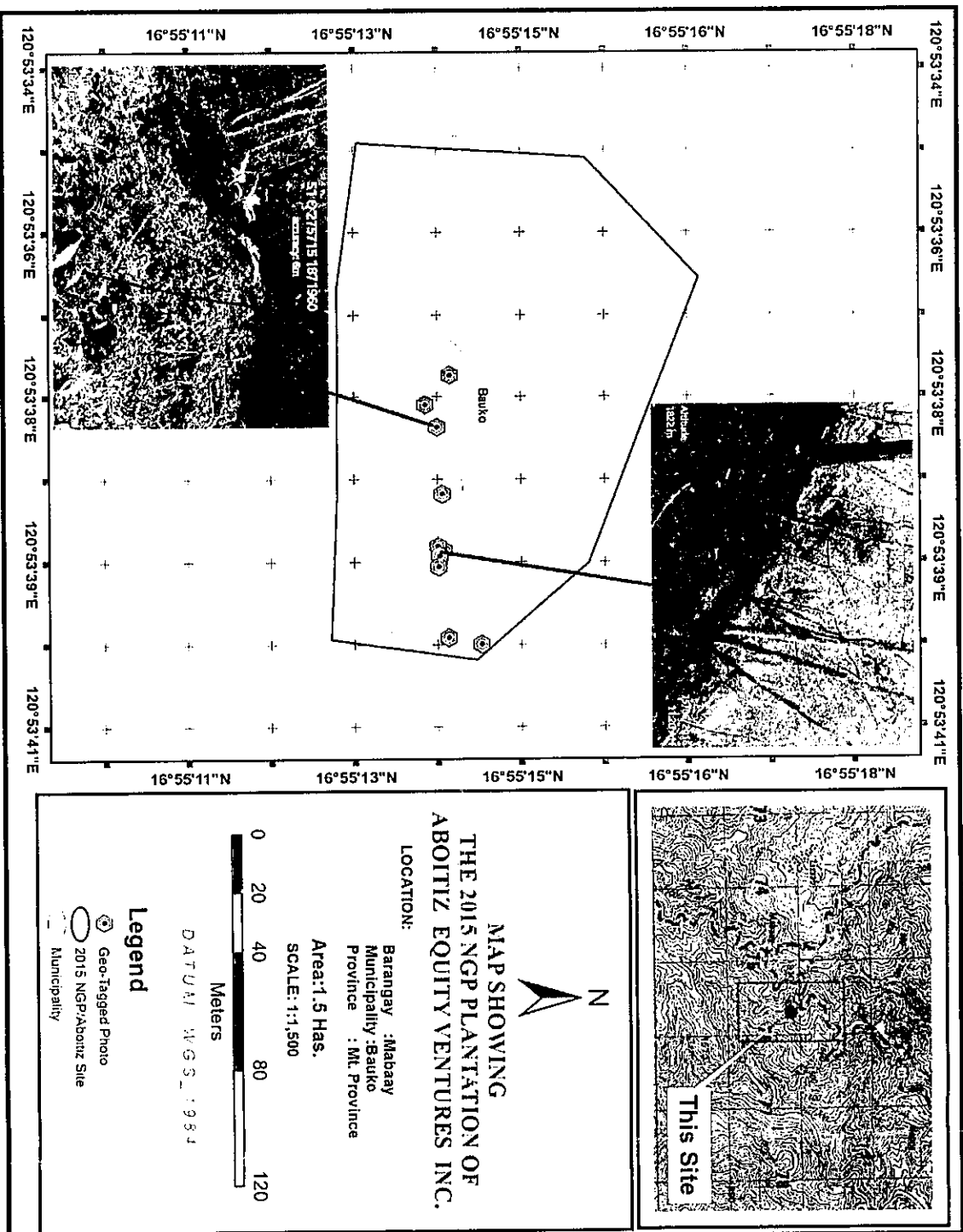


Figure 9. Map showing the 2015 Aboitiz site planted with Arabica coffee in Mabaay, Bauko, Mt. Province.

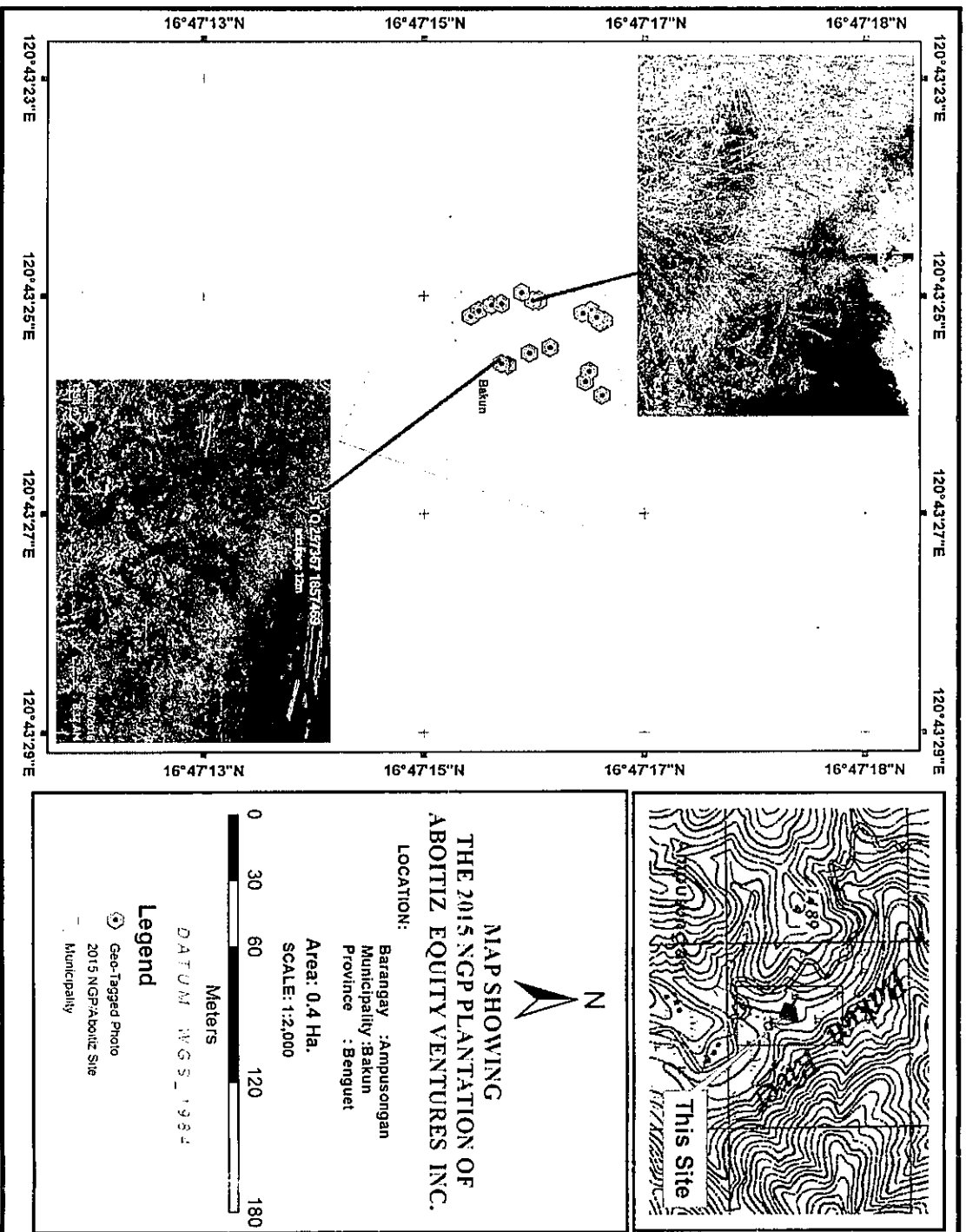


Figure 10. Map showing the 2015 Aboitiz site planted with Benguet pine in Ampusongan, Bakun, Benguet.

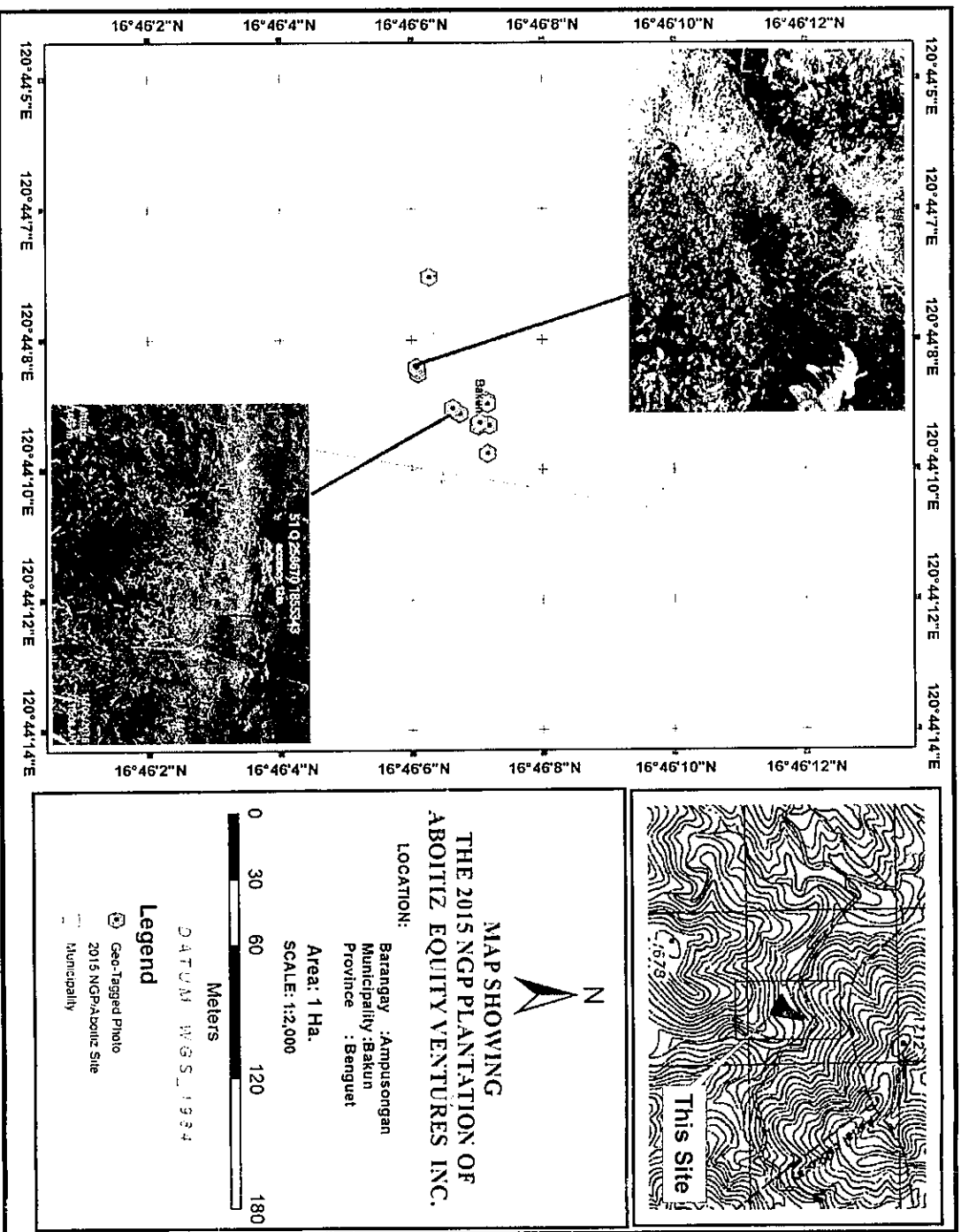


Figure 11. Map showing the 2015 Aboitiz site planted with Arabica coffee and Alnus in Ampusongan, Bakun, Benguet.

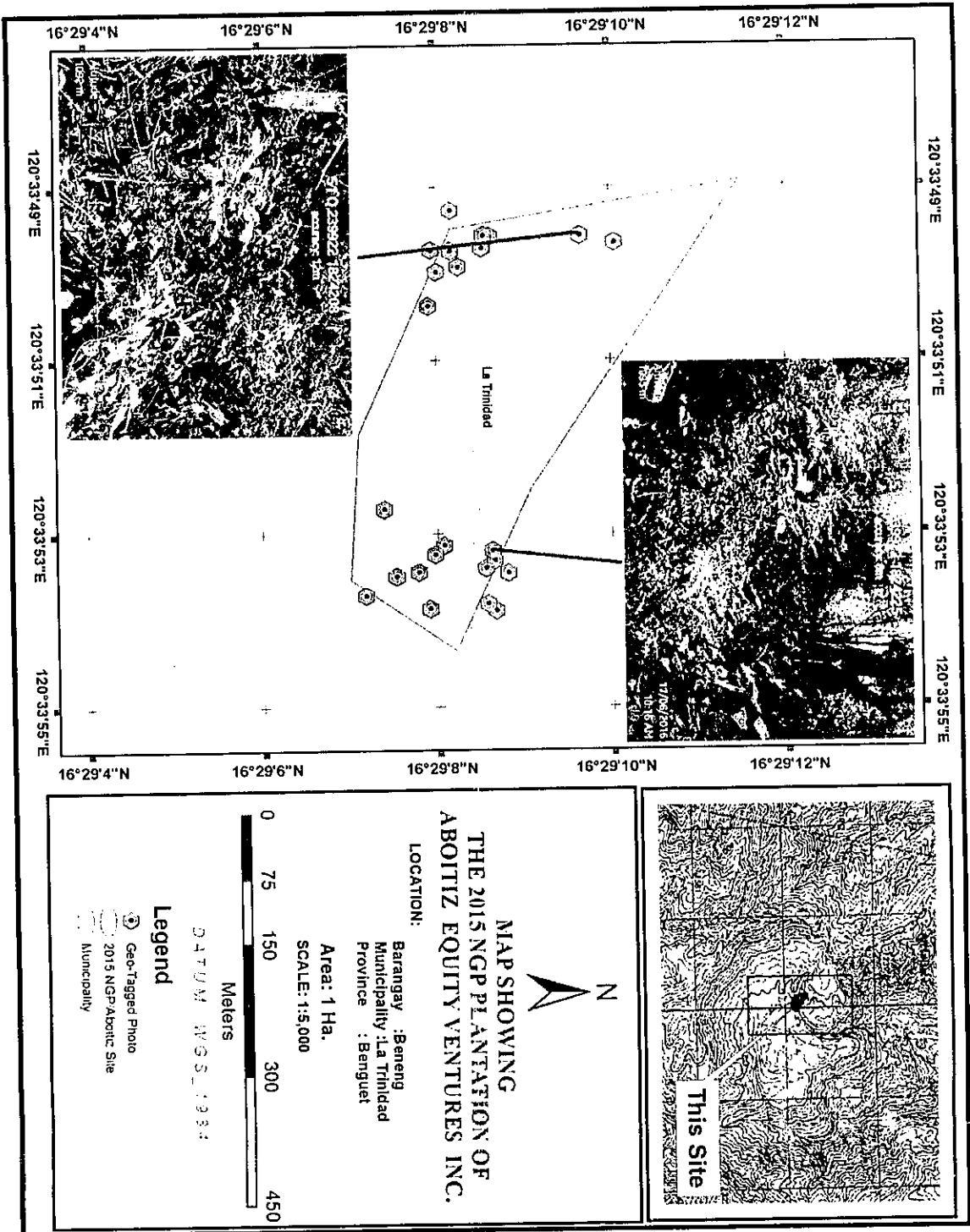


Figure 12. Map showing the 2015 Aboitiz site planted with Arabica coffee in Bineng, La Trinidad, Benguet.